



**City Council and Successor Agency
to the Brea Redevelopment
Agency Agenda**

Study Session - 6:45 p.m.

General Session - 7:00 p.m.

Tuesday, March 18, 2025, 7:00 PM

COUNCIL CHAMBERS

1 Civic Center Circle

Brea, California 92821

Blair Stewart, Mayor

Cecilia Hupp, Mayor Pro Tem

Christine Marick, Council Member

Marty Simonoff, Council Member

Steven Vargas, Council Member

This agenda contains a brief general description of each item Council will consider. The City Clerk has on file copies of written documentation relating to each item of business on this Agenda available for public inspection. Contact the City Clerk's Office at (714) 990-7756 or view the Agenda and related materials on the City's website at www.cityofbrea.gov. Materials related to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 1 Civic Center Circle, Brea, CA during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

Procedures for Addressing the Council

The Council encourages interested people to address this legislative body by making a brief presentation on a public hearing item when the Mayor calls the item or address other items under Matters from the Audience. State law generally prohibits the City Council from responding to or acting upon matters not listed on this agenda.

The Council encourages free expression of all points of view. To allow all persons the opportunity to speak, please keep your remarks brief. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of your entire group. Council rules prohibit clapping, booing or shouts of approval or disagreement from the audience. Please silence all cell phones and other electronic equipment while the Council is in session. Thank you.

Written comments may be submitted in advance of the meeting by emailing cityclerksgroup@cityofbrea.gov. Written comments received by 3 p.m. on the day of the meeting will be provided to the Council, will be made available to the public at the meeting, and will be included in the official record of the meeting.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 990-7757. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

Important Notice

The City of Brea shows both live broadcasts and replays of City Council Meetings on Brea Cable Channel 3 and over the Internet at www.cityofbrea.gov. Your attendance at this public meeting may result in the recording and broadcast of your image and/or voice as previously described.

1. STUDY SESSION - EXECUTIVE CONFERENCE ROOM 3RD FLOOR - 6:45 P.M.

1A. Call to Order/Roll Call

1B. Public Comment

1C. Clarify Regular Meeting Topics

1D. City Manager Employment Agreement

1E. Council Member Reports/Requests

1F. Study Session Adjournment

2. GENERAL SESSION - COUNCIL CHAMBERS PLAZA LEVEL - 7:00 P.M.

2A. Call to Order/Roll Call

2B. Pledge of Allegiance: Brea Girl Scouts

2C. Invocation: Pastor Darcy Webster, Birch Street Friends Church

2D. Proclamation: National Girl Scout Week

2E. Report - Prior Study Session

2F. Community Announcements

2G. Matters from the Audience

2H. Response to Public Inquiries

3. ADMINISTRATIVE ITEM

This agenda category is for City Council consideration of a wide variety of topics related to the City's operations. Public comments regarding items in this section should be presented during "Matters from the Audience."

3A. City Manager Review Period Ordinance Update

- 1. Waive full reading of and introduce Ordinance No. 1255, "An Ordinance of the City Council of the City of Brea amending the Brea City Code to increase the City Manager review period and approving a CEQA exemption determination."

4. CONSENT CALENDAR

The City Council/Successor Agency approves all Consent Calendar matters with one motion unless Council/Agency or Staff requests further discussion of a particular item. Items of concern regarding Consent Calendar matters should be presented during "Matters from the Audience."

4A. March 4, 2025 Regular City Council Meeting Minutes

- 1. Approve

4B. Zoning Ordinance Text Amendment (ZOTA) No. 2024-01

- 1. Waive full reading and adopt Ordinance No. 1254 titled "An Ordinance of the City Council of the City of Brea Amending the Brea City Code by Adopting Zoning Ordinance Text Amendment No. ZOTA 2024-01 (Omnibus Zoning Code Update) and Approving a CEQA Exemption Determination." There is no fiscal impact to the General Fund.

4C. Approve Agreements with HOPE Center of Orange County and Project Youth OC and Approve the Appropriation of National Opioid Settlement Funds for FY 2024–25 and FY 2025–27

- 1. Authorize the City Manager to execute an Agreement between the HOPE Center and the Cities of Brea, Buena Park, Fullerton, and Placentia for the hiring of a Street Outreach Case Manager specializing in Medication-Assisted Treatment for a three-year term using the respective cities' National Opioid Settlement (NOS) Funds;
- 2. Authorize the City Manager to execute an Agreement with Project Youth OC for the expansion of their ShortStop and Stop Short of Addiction Program in the City of Brea for a three-year term using the NOS Funds;
- 3. Approve the appropriation of NOS Funds for the current Fiscal Year 2024-25 budget to begin purchasing supplies for opioid use prevention efforts; and
- 4. Approve the appropriation of NOS Funds for Fiscal Year 2025-27 budget. There is no fiscal impact to the General Fund.

4D. Adopt a Resolution Authorizing Persons Holding Certain Designated Positions to Execute the Urban Area Security Initiative Grant Documents for and on behalf of the City of Brea

- 1. Adopt Resolution No. 2025-013 authorizing the Police Chief or his designee to execute Urban Area Security Initiative (UASI) grant documents for and on behalf of the City of Brea;
- 2. Authorize the City Manager, Police Chief or designated persons within the Brea Police Department to oversee and administer the projects associated with the Anaheim/Santa Ana UASI training and funding on behalf of the City;
- 3. Approve an agreement with the City of Santa Ana for transfer or purchase of equipment/services or reimbursement of training costs;
- 4. Authorize the City Manager and City Attorney to make any necessary, non-monetary changes to the agreement; and
- 5. Authorize the Police Chief to execute the agreement. There is no fiscal impact to the General Fund.

4E. Approval of City Manager Employment Agreement

- 1. Adopt Resolution No. 2025-014 of the City Council of the City of Brea approving employment agreement between the City of Brea and Kristin Griffith for employment as City Manager; and
- 2. Authorizing the Mayor to execute the Employment Agreement. There is no fiscal impact to the adopted budget for FY 2024-25 due to current budget allocation and department salary savings.

4F. Consideration of Solid Waste and Recycling Service Rate Adjustments in Conformance with Senate Bill 1383, and Consideration a Second Amended and Restated Franchise Agreement with Republic Waste Services of Southern California, LLC (d.b.a. Brea Disposal) in Conformance with Senate Bill 1383, and Approve a CEQA Exemption.

- 1. Adopt a Resolution approving City staff’s recommendation for the proposed solid waste rates for residential, commercial and multi-family customers and Adopt a Resolution approving the Second Amended and Restated Franchise Agreement with Republic Waste Services of Southern California, LLC (d.b.a. Brea Disposal) and corresponding Exhibits
- 2. Find the Second Amended and Restated Franchise Agreement is exempt from the provisions of the California Environmental Quality Act (CEQA). The subsequent franchise fees will depend upon the respective rate indexes and number of active solid waste accounts. Fees received will be deposited into the City's General Fund account (Fund 110). After the conclusion of FY 2024-2025, additional rate adjustments may be needed to achieve full cost recovery, as identified in the Cost-of-Service Study for Fund 440, which can be further analyzed as part of future budgeting processes.

4G. Monthly Report of Investments for the City of Brea for Period Ended February 28, 2025

- 1. Receive and file.

4H. February Outgoing Payment Log and City Disbursement Registers for February 28, 2025 and March 7, 2025

- 1. Receive and file.

5. CITY/SUCCESSOR AGENCY - CONSENT

5A. Monthly Report of Investments for the Successor Agency to the Brea Redevelopment Agency for Period Ended February 28, 2025

- 1. Receive and file.

6. ADMINISTRATIVE ANNOUNCEMENTS

6A. City Manager

6B. City Attorney

6C. Council Requests

7. COUNCIL ANNOUNCEMENTS

7A. Council Announcements

8. ADJOURNMENT

8A. Meeting Adjournment



City Council Regular Meeting Communication

A. City Manager Review Period Ordinance Update

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	ADMINISTRATIVE ITEM Item: 3A.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

Waive full reading and introduce Ordinance No. 1255, "An Ordinance of the City Council of the City of Brea amending the Brea City Code to increase the City Manager review period and approving a CEQA exemption determination," by title only

BACKGROUND/DISCUSSION

Brea City Code Section 2.04.080(C) establishes a 90-day review period for newly elected City Council Members, or a reorganized City Council, to review the City Manager's performance prior to the initiation of a removal without cause. The proposed Ordinance No. 1255 will increase the review period to six (6) months to provide additional time for newly elected City Council Members, or a reorganized City Council, to make an assessment.

FISCAL IMPACT/SUMMARY

Adoption of the ordinance will not have a budget impact

RESPECTFULLY SUBMITTED:

Kristin Griffith, City Manager

Prepared by: Terence Boga, City Attorney

Attachments

[Exhibit A Ordinance City Manager review period.pdf](#)

[Exhibit B excerpt.pdf](#)

[Exhibit C Redline.pdf](#)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING THE BREA CITY CODE TO INCREASE THE CITY MANAGER REVIEW PERIOD AND APPROVING A CEQA EXEMPTION DETERMINATION

THE CITY COUNCIL OF THE CITY OF BREA DOES ORDAIN AS FOLLOWS:

A. RECITALS:

(i) Brea City Code Section 2.040.080(C) establishes a 90-day period for newly elected City Council Members, or a reorganized City Council, to observe the actions and ability of the City Manager prior to the initiation of a removal without cause.

(ii) The interests of the City of Brea will be served by increasing the City Manager review period to provide additional time for newly elected City Council Members, or a reorganized City Council, to perform an assessment.

(iii) All legal prerequisites to the adoption of this Ordinance have occurred.

B. ORDINANCE:

SECTION 1. Declaration. The facts set forth in the Recitals, Part A of this Ordinance, are true and correct.

SECTION 2. Code Amendment. Subsection C of Section 2.04.080 (Removal Procedure) of Chapter 2.04 (City Manager) of Title 2 (Administration and Personnel) of Part I (Municipal Code) of the Brea City Code is amended to read as follows:

“C. Limitation on removal. Notwithstanding the provisions of this section, proceedings for removal of the City Manager shall not be instituted other than for cause, during the period of six (6) months next succeeding the certification of results of a municipal election at which a member of the City Council is elected. The purpose of this provision is to allow

_____, 2025
ORD. _____

newly elected members of the City Council or a reorganized City Council to observe the actions and ability of the City Manager in the performance of the powers and duties of the office. After the expiration of such six (6) month period, the provisions of this section as to the removal of the City Manager shall apply and be effective.”

SECTION 3. CEQA. The City Council finds and determines that adoption of this Ordinance is exempt from California Environmental Quality Act (“CEQA”) review pursuant to statutory and categorical exemptions including California Code of Regulations Title 14, Section 15061(b)(3).

SECTION 4. Severability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify to the adoption of this Ordinance.

APPROVED AND ADOPTED this ___ day of _____, 2025.

Blair Stewart, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

_____, 2025
ORD. _____

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Brea held on the ____ day of _____, 2025, and was finally passed at a regular meeting of the City Council of the City of Brea held on the ____ day of _____, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:

DATED: _____, 2025

Lillian Harris-Neal, City Clerk

_____, 2025
ORD. _____

§ 2.04.080 REMOVAL PROCEDURE.

A. *Removal of Manager.* The removal of the City Manager shall be effected only by a majority vote of the whole Council as then constituted, convened in a regular Council meeting, subject, however, to the provisions of the next succeeding subsections. In case of intended removal by the City Council, the City Manager shall be furnished with a written notice stating the Council's intention to remove him or her and the reason therefor.

B. *Discretion of Council.* In removing the City Manager, the City Council shall use its uncontrolled discretion and its action shall be final and shall not depend upon any particular showing or degree of proof nor does any stated reason of the City Council for the intended removal or removal need to be one which constitutes cause.

C. *Limitation on removal.* Notwithstanding the provisions of this section, proceedings for removal of the City Manager shall not be instituted other than for cause, during or within a period of ninety (90) days next succeeding any municipal election held in the city at which election a member of the City Council is elected. The purpose of this provision is to allow any newly elected member of the City Council or a reorganized City Council to observe the actions and ability of the City Manager in the performance of the powers and duties of the office. After the expiration of such ninety (90) day period aforementioned, the provisions of this section as to the removal of such City Manager shall apply and be effective.

('61 Code, § 2.48) (Ord. 427, passed - -)

BREA CITY CODE CHAPTER 2.04 UPDATE

Text to be added shown in *italics*

Text to be deleted shown in ~~strike-through~~

CHAPTER 2.04: CITY MANAGER

§ 2.04.080 REMOVAL PROCEDURE.

A. Removal of Manager. The removal of the City Manager shall be effected only by a majority vote of the whole Council as then constituted, convened in a regular Council meeting, subject, however, to the provisions of the next succeeding subsections. In case of intended removal by the City Council, the City Manager shall be furnished with a written notice stating the Council's intention to remove him or her and the reason therefor.

B. Discretion of Council. In removing the City Manager, the City Council shall use its uncontrolled discretion and its action shall be final and shall not depend upon any particular showing or degree of proof nor does any stated reason of the City Council for the intended removal or removal need to be one which constitutes cause.

C. Limitation on removal. Notwithstanding the provisions of this section, proceedings for removal of the City Manager shall not be instituted other than for cause, during ~~or within a~~ *the* period of ~~ninety (90) days~~ *six (6) months* next succeeding ~~any the certification of results of a municipal election held in the city at which election a member of the City Council is elected. The purpose of this provision is to allow any newly elected member members of the City Council or a reorganized City Council to observe the actions and ability of the City Manager in the performance of the powers and duties of the office. After the expiration of such ninety (90) day six (6) month period~~ *the City Manager shall apply and be effective.*



City Council Regular Meeting Communication

A. March 4, 2025 Regular City Council Meeting Minutes

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4A.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

Approve.

RESPECTFULLY SUBMITTED:

Kristin Griffith, City Manager

Prepared by: Victoria Popescu, Deputy City Clerk

Concurrence: Lillian Harris-Neal, City Clerk

Attachments

[03-04-2025 - Draft Minutes.pdf](#)

**** The following document is a draft of the minutes and the not the official approved minutes ****

Minutes for the City Council Regular Meeting

1 Civic Center Circle, Brea, California 92821

March 4, 2025

Roll Call: *(The following members were in attendance)*

- **Blair Stewart**, Mayor
- **Cecilia Hupp**, Mayor Pro Tem
- **Christine Marick**, Council Member
- **Marty Simonoff**, Council Member
- **Steve Vargas**, Council Member

1. CLOSED SESSION - EXECUTIVE CONFERENCE ROOM 3RD FLOOR - 6:00 P.M.

1A. Call to Order/Roll Call-

Mayor Stewart called the Closed Session to order at 6:00 p.m. All members were present.

1B. Public Comment-

None.

1C. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8. Property: Railroad Corridor Between Palm Street and Berry Channel. City of Brea Negotiators: Public Works Director Michael Ho and Deputy Director of Community Services Sean L. Matlock. Negotiating Party: Union Pacific Railroad Company. Under Negotiation: Price and Terms of Payment.-

1D. Conference with Labor Negotiators Pursuant to Government Code Section 54957.6. City Representatives: Council Member Marick, Council Member Vargas and Mario Maldonado, Human Resources Manager. Unrepresented Employee: City Manager-

Mayor Stewart adjourned the Closed Session at 6:58 p.m.

2. GENERAL SESSION - COUNCIL CHAMBERS PLAZA LEVEL - 7:00 P.M.

2A. Call to Order/Roll Call

Mayor Stewart called the General Session to order at 7:01 p.m. All members were present.

2B. Pledge of Allegiance: Boy Scout Troop 707

Boy Scout Troop 707 led the Pledge of Allegiance.

2C. Invocation: Pastor Darcy Webster, Birch Street Friends Church

Pastor Darcy Webster, Birch Street Friends Church, led the Invocation.

2D. Community Announcements

Council Member Vargas announced that the City of Brea and the HOPE Center have partnered to focus on street homeless outreach. He explained that the HOPE Center is designed as a centralized home for street homeless outreach workers and their specialized resources to deploy in real time when needed and the community can contact The HOPE Center's live dispatch by calling, 657-243-1884, Monday through Friday 7:15 a.m. to 5:15 p.m. He noted that if calls are made after hours, a voice message can be left and one of the HOPE Center dispatchers will return calls the next business day. To speak to a live person, the community can contact OC Links at, 855-625-4657 and indicated that the number is answered 24 hours a day, 7 days a week. He also reminded the community that for life-threatening emergencies, please call 9-1-1.

Council Member Marick announced that following the success of the Small Business Clinic hosted in late 2024, the Community Development Department will host a second workshop on March 19 from 5:00 to 8:30 p.m. She stated that entrepreneurs seeking personalized guidance on their marketing, operations, or financial needs are encouraged to schedule an appointment to meet with a one-on-one industry expert and indicated that the Small Business Clinic is available by appointment only, and interested business owners can secure a meeting by sending an email to the Economic Development team at business@cityofbrea.gov.

Mayor Pro Tem Hupp announced, Go. Serve. Brea., a community-wide day of service that will take place on Saturday, April 26. She stated that this event will be modeled after, and will replace, Love Brea, and added that currently, Go. Serve. Brea. is accepting projects that range from helping organize a food pantry to landscaping. She stated that projects must be completed within a 2 to 3-hour window and encouraged the community to submit their ideas. For more information, visit the City's website.

2E. Matters from the Audience

Sean Thomas expressed concern regarding Item 4A, Consideration of Solid Waste and Recycling Service Rate Adjustments, noting issues with Republic Services trash pick-up in his community.

Keith Fullington expressed concerns with his water bills; the condition of Birch Street; inquired about the steel posts in the Downtown; and requested more musical events in the Downtown area.

Scott Hupp commended the Parks, Recreation, and Human Services Commission and City staff for their participation in the Brea Little League Opening Day ceremonies.

2F. Response to Public Inquiries

City Manager Griffith responded to public inquiries.

3. PUBLIC HEARING

3A. Zoning Ordinance Text Amendment (ZOTA) No. 2024-01

Assistant Planner Rubiano provided a presentation on the item and spoke about the executive summary, general topics of proposed ZOTA update, Mills Act Contract codification amendment, Accessory Dwelling Units (ADU), SB9 updates, on-site parking standards, fence and wall heights, planning entitlement types and processes, temporary use permits, other updates, noticing CEQA, and Planning Commission and recommendations.

Council discussed ADU regulations with regards to the placement of units and total number of units allowable.

City Planner Hwang explained the City's current standards and State regulations as they relate to the ability to regulate detached structures in the City.

Motion was made by Council Member Vargas and seconded by Mayor Pro Tem Hupp to introduce Ordinance No. 1254 titled "An Ordinance of the City Council of the City of Brea Amending the Brea City Code by Adopting Zoning Ordinance Text Amendment No. ZOTA 2024-01 (Omnibus Zoning Code Update) and approving a CEQA Exemption Determination"; and schedule adoption of aforementioned Ordinance at the next regular City Council meeting. Motion passed 5-0-0-0.

Mayor Stewart announced that the Consent Calendar items will be voted on prior to the Administrative Item, to allow Council Member Simonoff to recuse himself from item 3A.

4. ADMINISTRATIVE ITEMS

4A. Consideration of Solid Waste and Recycling Service Rate Adjustments in Conformance with Senate Bill 1383, and Consideration a Second Amended and Restated Franchise Agreement with

Republic Waste Services of Southern California, LLC (d.b.a. Brea Disposal) in Conformance with Senate Bill 1383, and Approve a CEQA Exemption.

Council Member Simonoff recused himself from the discussion and left the dias at 7:38 p.m.

Senior Management Analyst Cuevas provided a presentation and spoke about the item's background, revised commercial container overages, initial negotiated rates, and the proposed residential solid waste rates.

Public Works Director Ho spoke about the proposed overage fees and indicated the City has identified top offenders. He noted staff will be working directly with these individuals and businesses to strategize and assist in reducing the overages.

Council Member Marick spoke about illegal dumping and potential for inherent unfairness in overages to businesses as a result. She also inquired if the increased tipping fees will be apart of the index shift.

Mayor Stewart inquired if there was an appeal process for overage charges.

Mayor Pro Tem Hupp inquired as to the removal of the terms in the draft agreement related to retaining total flow control and indicated that at the previous meeting, the Council indicated that they wanted the .75% increase removed.

Council Member Vargas inquired about pick-up procedures and bin availability in mobile home parks.

Council inquired as to the total estimated value of the .75% increase as compared to the new Increased rates presented.

Council Member Marick also requested the rationale or methodology in coming up with the new increased rates.

Steven Herring, Area Municipal Manager, Republic Services, indicated Republic representatives do not have the estimated total value of the .75% increase and indicated the intent of the charges isn't to generate revenue and will credit overage charges for the customer to right-size bins.

Mitch Kopczyk, General Manager, Republic Services, indicated that there are health and safety issues that come as a result to overages in bins and the new rates are intended to be punitive in nature, to change customer behavior.

Council discussed possible options to notify customers that they have the ability to call and discuss overage charges to potentially have the charges credited back.

Public Works Director Ho indicated staff will follow-up with Republic to receive monthly reports of customers with the top overages, which will give city staff the opportunity to personally reach out and notify customers of their options.

Motion was made by Council Member Marick and seconded by Mayor Stewart to approve the City staff recommended rate increase. Motion failed 2-2-1-0 (Ayes: Stewart, Marick, Noes: Hupp, Vargas, Recused: Simonoff).

5. CONSENT CALENDAR

Motion was made by Council Member Simonoff and seconded by Council Member Marick to approve the City Council Consent items 5A - 5C. Motion passed 5-0-0-0

5A. February 18, 2025 Regular Meeting Minutes

The City Council approved the February 18, 2025 Regular Meeting Minutes as written.

5B. General Plan Annual Progress Report 2024

The City Council received and filed the 2024 General Plan and Housing Element Annual Report; and directed staff to submit the Housing Element Annual Report to the California Department of Housing and Community Development (HCD) and the Governor's Office of Land Use and Climate Innovation (LCI).

5C. City Disbursement Registers for February 14 and 21, 2025

The City Council received and filed the City Disbursement Registers for February 14 and 21, 2025.

6. ADMINISTRATIVE ANNOUNCEMENTS

6A. City Manager

None.

6B. City Attorney

None.

6C. Council Requests

None.

7. COUNCIL ANNOUNCEMENTS

7A. Council Announcements

None.

8. ADJOURNMENT

8A. Meeting Adjournment

Mayor Stewart adjourned the General Session at 8:24 p.m.



City Council Regular Meeting Communication

B. Zoning Ordinance Text Amendment (ZOTA) No. 2024-01

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4B.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

Staff recommends that the City Council take the following action:

1. Waive full reading and Ordinance No. 1254 titled "An Ordinance of the City Council of the City of Brea Amending the Brea City Code by Adopting Zoning Ordinance Text Amendment No. ZOTA 2024-01 (Omnibus Zoning Code Update) and Approving a CEQA Determination" (Attachment A); and
2. Approve a California Environmental Quality Act (CEQA) Exemption Determination (Attachment A).

BACKGROUND/DISCUSSION

The City's Municipal Code requires periodic updates to ensure consistency between City policies and State law, to improve clarity, and to better serve the public. As an effort to improve the readability and relevancy of the Brea City Code ("Code"), the City has implemented an on-going work program in 2023 to continually update the Code on a regular basis. Since the last omnibus update in March 2024, the City continued with the work program and identified several provisions of the Code that require revisions due to recent shifts in policy trends, new State laws, and new regulations. The main goals for this omnibus amendment are to ensure consistency with recent state law, and modernization of the Code to align with best planning practices. If approved, the proposed amendments will be adopted as part of an "omnibus" ordinance, which includes updates to 30 chapters of Title 18 and 20 of the Code.

On March 4, 2025, the City Council, on a 5-0 vote, introduced Ordinance No. 1254 for the proposed ZOTA. The comprehensive staff report package from the March 4, 2025 City Council meeting can be accessed from the following link: <https://weblink.cityofbrea.net/WebLink/DocView.aspx?id=189129&dbid=0&repo=BREA-DOCS>

COMMISSION/COMMITTEE RECOMMENDATION

On January 28, 2025, the Planning Commission, on 5-0 vote, approved a resolution recommending approval of the Project with a direction for staff to add clarification on what constitutes as landscaping.

FISCAL IMPACT/SUMMARY

The Project is limited to adoption of an ordinance to amend the BCC; as such, there is no impact to the General Fund.

RESPECTFULLY SUBMITTED:

Prepared by: Esteban Rubiano, Assistant Planner

Concurrence: Jason Killebrew, Assistant City Manager/Community Development Director
Joanne Hwang, AICP, City Planner

Attachments

[Attachment A - Ordinance No. 1254.pdf](#)

ORDINANCE NO. 1254

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BREA
AMENDING THE BREA CITY CODE BY ADOPTING ZONING
ORDINANCE TEXT AMENDMENT NO. ZOTA 2024-01 (OMNIBUS
ZONING CODE UPDATE) AND APPROVING A CEQA EXEMPTION
DETERMINATION**

THE CITY COUNCIL OF THE CITY OF BREA DOES ORDAIN AS FOLLOWS:

A. RECITALS:

(i) Pursuant to the City's police power, as granted broadly under Article XI, Section 7 of the California Constitution, the City Council has the authority to enact and enforce ordinances and regulations for the public peace, health, safety, and welfare of the City and its residents.

(ii) Pursuant to the California Environmental Quality Act ("CEQA") (Public Resources Code § 21000 et seq.) and the State of California Guidelines for Implementation of the California Environmental Quality Act ("CEQA Guidelines") (14 C.C.R. § 15000 et seq.), the City is the "lead agency" for the preparation and consideration of environmental documents for this Ordinance.

(iii) On January 28, 2025, the Planning Commission conducted a duly noticed public hearing concerning Zoning Ordinance Text Amendment ("ZOTA") No. 2024-01 and adopted its Resolution No. 2024-02 recommending approval by the City Council.

(iv) On March 4, 2025, the City Council conducted a duly noticed public hearing concerning ZOTA No. 2024-01, as set forth in this Ordinance. It is the intent of the City Council in adopting this Ordinance to update various Zoning Code provisions, and ancillary Development Code provisions, to: codify Mills Act (Government Code § 50280 et seq.) terms and guidelines; provide consistency with recently enacted State housing laws; update and clarify parking standards and requirements; update fence and wall

standards; update and clarify applicability and process associated with certain planning entitlement applications; update process, time limits, and applicability of Temporary Use Permits; and provide additional clarity, address existing grammatical errors, incorrect references, incorrect process times, and internal inconsistency.

(v) Adoption of this Ordinance is consistent with and implements the General Plan.

(vi) This Ordinance is a matter of citywide importance and necessary for the preservation and protection of the public peace, health, safety and welfare of the community and is a valid exercise of the local police power and in accord with State law.

(vii) All legal prerequisites to the adoption of this Ordinance have occurred.

B. ORDINANCE:

SECTION 1. The City Council finds that the facts set forth in the Recitals, Part A, of this Ordinance are true and correct.

SECTION 2. Section 18.32.040 (Public Hearing Requirements) of Chapter 18.32 (Tentative Parcel and Tentative Tract Maps) of Division I (Subdivisions) of Title 18 (Subdivisions and Floodplain Management) of Part II (Development Code) of the Brea City Code is amended to read as follows:

18.32.040 PUBLIC HEARING REQUIREMENTS.

A. All tentative maps shall be considered at a noticed public hearing before the Planning Commission, as provided in § 18.28.040, except as follows:

1. Tentative parcel map proposed as an urban lot split, as specified in § 20.56.050 and California Government Code § 66411.7, shall be processed ministerially, without a public hearing.

2. Any other tentative parcel or tract maps that are required by an applicable State law to be processed ministerially, shall be processed ministerially without a public hearing.

SECTION 3. Section 18.32.050 (Action to be Taken within Time Required by Law) of Chapter 18.32 (Tentative Parcel and Tentative Tract Maps) of Division I (Subdivisions) of Title 18 (Subdivisions and Floodplain Management) of Part II (Development Code) of the Brea City Code is amended to read as follows:

18.32.050 ACTION TO BE TAKEN WITHIN TIME REQUIRED BY LAW.

A. The Planning Commission shall take action on tentative parcel or tentative tract maps within the time required by law after filing of a complete application with the Community Development Department. However, if an EIR is prepared, the Planning Commission shall take action on such project within the time required by law concurrently or after certification of the EIR. Action by the Planning Commission shall be final unless appealed:

B. The City Engineer shall approve a tentative parcel or tract map specified in § 18.32.040.A.1 and 2, within the time required by law.

SECTION 4. Section 18.32.060 (Appeals Procedures) of Chapter 18.32 (Tentative Parcel and Tentative Tract Maps) of Division I (Subdivisions) of Title 18 (Subdivisions and Floodplain Management) of Part II (Development Code) of the Brea City Code is amended to read as follows:

18.32.060 APPEALS PROCEDURES.

A. The subdivider, or any person adversely affected by the decision of the Planning Commission may appeal the Commission's decision within ten (10) days after such decision. Upon filing such appeal, the City Council shall hold a public hearing within thirty (30) days after the filing of such appeal. The City Council shall render its decision on the project within ten (10) days following the hearing.

B. The subdivider, or any person adversely affected by the decision of the City Engineer may appeal the City Engineer's decision within ten (10) days after such decision. Upon filing such appeal, the Community Development Director shall render a decision on the project within thirty (30) days following the submittal of the appeal application.

SECTION 5. Section 18.40.020 (Review of Tentative Tract Maps by School Districts) of Chapter 18.40 (Review of Maps by Other Agencies) of Division I (Subdivisions) of Title 18 (Subdivisions and Floodplain Management) of Part II (Development Code) of the Brea City Code is repealed.

SECTION 6. Section 18.44.030 (Filing Time) of Chapter 18.44 (Final Maps) of Division I (Subdivisions) of Title 18 (Subdivisions and Floodplain Management) of Part II (Development Code) of the Brea City Code is amended to read as follows:

18.44.030 FILING TIME.

A. A final map shall be filed with the City Council. The date of filing shall be the day the City Clerk receives the map.

B. A final map as a result of an urban lot split shall be filed with the City Engineer. The date of filing shall be the day the City Engineer receives the map.

SECTION 7. “Landscape Area” of Subdivision (12) (“L” words, terms and land uses) of Subsection B (Specific definitions) of Section 20.00.070 (Definitions) of Chapter 20.00 (General Provisions) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

LANDSCAPE AREA. Part of the property exclusively set aside for, devoted to, or developed and maintained predominantly with living plant materials as defined under the term Landscaping. Landscape area may also include associated non-living ornamental materials including, but not limited to, mulch, fencing, walls or decorative rock, and paved or decorated surfaces, which are suitably designed, selected, installed and maintained as part of the overall landscape design. Landscape Area does not include elements such as driveways, walkways and hardscape area that is not part of the overall landscape design.

SECTION 8. “Landscaping” of Subdivision (12) (“L” words, terms and land uses) of Subsection B (Specific definitions) of Section 20.00.070 (Definitions) of Chapter 20.00

(General Provisions) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

LANDSCAPING. Living plant materials including native or exotic plant materials including lawn, ground cover, trees, shrubs, and other plant materials. Landscaping may also include synthetic turf and small amounts of accessory decorative outdoor landscape elements (e.g., fountains, decorative rock), all of which are suitably designed, selected, installed, and maintained as part of the overall landscape design to enhance a site.

SECTION 9. Subsection A of Section 20.08.030 (Outdoor Living Space) of Chapter 20.08 (Development Standards) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows.

A. Required outdoor living space may include those portions of the side and rear yards which are contiguous with and designed as an integral part of the common area and are usable. The front yard shall not, however, be considered in calculating required outdoor living space.

1. Single family, detached. The required outdoor living space provided for a detached single family dwelling shall be a single common area with a minimum dimension of fifteen (15) feet at any point.

2. Single family, attached and Multiple family. Not more than fifty percent (50%) of the total required outdoor living space serving a single family, detached or multiple family development shall be provided in a common area with a minimum dimension of twenty-five (25) feet at any point. The remaining outdoor living space requirement may be provided in private spaces on or above ground level (balconies, roof tops). Individual areas shall not be less than one hundred (100) feet in area and the minimum dimension shall not be less than five (5) feet at any point.

SECTION 10. Subsection A of Section 20.08.035 (Small Lot Development Standards) of Chapter 20.08 (Development Standards) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows.

A. Uses expressly prohibited. All uses R-1 (5,000) zone, as set forth in § 20.11 of this title.

SECTION 11. Subsection C.2.b of Section 20.08.040 (Off-Street Parking and Loading) of Chapter 20.08 (Development Standards) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

b. *Sizes.*

(1) Perpendicular or angular stalls.

(a) *Residential.*

(i) Covered - ten (10) feet wide by twenty (20) feet long (interior clear dimension to be nine (9) feet wide by nineteen (19) feet long), minimum seven (7) feet height clearance.

(ii) Uncovered - nine (9) feet wide by nineteen (19) feet long.

(b) *Nonresidential.* Nine (9) feet wide by nineteen (19) feet long, minimum eight (8) feet height clearance.

(2) *Parallel stalls.* Eight (8) feet wide by twenty-three (23) feet long.

(3) *Handicapped stalls.* All accessible parking spaces requirements to be governed by the California Building Code standards.

(4) Compact stalls shall be a minimum of eight (8) feet wide by sixteen (16) feet long.

(a) Compact stalls may be permitted in multiple family residential projects of five (5) or more units in accordance with the provisions of this paragraph C.

(b) Compact stalls may be permitted in commercial and industrial projects requiring a minimum of forty (40) parking spaces in accordance with the following conditions:

(i) A maximum of fifteen percent (15%) of the required number of parking spaces may be compact stalls.

(ii) The maximum number of compact parking stalls may be increased upon approval of a conditional use permit, but in no event shall the number of compact stalls exceed thirty percent (30%).

(iii) Each compact stall approved hereunder shall be individually designated as a compact stall per the City of Brea Public Works Standards.

(c) All parking areas containing compact stalls shall be approved by the Development Services Director and the City Traffic Engineer.

(5) *Overhang*. Parking stall lengths, except parallel spaces, may be reduced by two (2) feet [seventeen (17) feet for standard size stalls; fourteen (14) feet for compact stalls] where the front of the parking stall abuts a landscaped area or sidewalk which is a minimum of four (4) feet clear. Such landscape area shall be enclosed with a minimum of six (6) inch high curb and no trees or shrubs shall be planted in the two (2) foot reduced area.

(6) *Parking for Electric Vehicle Charging*. Parking stalls for Electric Vehicle charging shall comply with the residential, commercial, industrial, handicapped, and/or compact stall minimum dimensions identified in this chapter and consistent with Chapter 14.08 of this Code.

SECTION 12. Subsection C.5 of Section 20.08.040 (Off-Street Parking and Loading) of Chapter 20.08 (Development Standards) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

5. *Lighting*.

a. All off-street parking areas within commercially zoned projects shall be provided with exterior lighting meeting the following minimums:

(1) The equivalent of one (1) foot candle of illumination shall be maintained on the average throughout the parking area.

(2) All lighting shall be on a time-clock or photo-sensor system.

(3) All lighting shall be designed to confine direct rays to the premises.

b. All off-street parking areas within industrially zoned areas shall meet all standards in paragraph C.5.a. of this section, except that the equivalent of three fourths (0.75) foot candle of illumination shall be maintained on the average throughout the parking area

SECTION 13. Subsection D of Section 20.08.040 (Off-Street Parking and Loading) of Chapter 20.08 (Development Standards) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows (terms currently listed in the Table under this subsection but not listed below will remain as is):

D. Parking space requirements. All land uses shall provide off-street parking in conformity with the requirements listed in the Table 20.08.040.D under this subsection, unless otherwise modified by the provisions contained herein. The term floor area used in the Table 20.08.040.D under this subsection shall mean gross floor area.

SECTION 14. The Residential category of Table 20.08.040.D of Section 20.08.040 (Off-Street Parking and Loading) of Chapter 20.08 (Development Standards) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to revise the “Accessory dwelling unit” entry to read as follows:

Table 20.08.040.D	
Residential	
Accessory dwelling unit	<p>1 space required, which may be provided as tandem parking, including on a paved driveway; however, no parking shall be required if the accessory dwelling unit meets any of the following criteria:</p> <ul style="list-style-type: none"> - The accessory dwelling unit is located within mile walking distance of, and has a path of travel that is always publicly accessible to, Public Transit. The mile distance shall be measured on actual walking routes between the Accessory Dwelling Unit and the public transit, rather than a straight line between points; - The accessory dwelling is located within an architecturally and historically significant district; - The accessory dwelling is part of the proposed or existing primary residence, or within, or part of, an existing accessory building; - When on-street parking permits are required but not offered to the occupant of the accessory dwelling; or - When there is a car-share vehicle located within one (1) block of the accessory dwelling unit. <p>Note: (1) When a garage, carport, uncovered parking space, or covered parking structure is demolished or converted in conjunction with the construction of an accessory dwelling unit, any off-street parking spaces that were provided by such garage, carport, uncovered parking space, or covered parking structure are not required to be replaced.</p>

SECTION 15. The Non-Residential category of Table 20.08.040.D of Section 20.08.040 (Off-Street Parking and Loading) of Chapter 20.08 (Development Standards)

of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to revise the “Restaurants, drive-in”, “Restaurants, quick service”, “Restaurants, sit down”, and “Restaurants, specialty” entries to read as follows:

Table 20.08.040.D	
Non-Residential	
Restaurants, drive-in	Minimum of 10 spaces; or 1 space per 150 square feet of floor area. Also subject to the minimum stacking requirements as specified under Drive-Through Facilities requirements.
Restaurants, quick service	<p>- Indoor: Minimum of 5 spaces; or 1 space per 150 square feet of floor area up to 6,000 square feet, plus 1 space per 125 square feet over 6,000 square feet.</p> <p>- Accessory outdoor dining/seating areas: No additional parking spaces required for if the outdoor dining/seating area is smaller than 300 square feet or has less than 20 seats. For outdoor dining/seating areas that is not exempt from additional parking requirements, 1 space per 150 square feet of area over 300 square feet or 1 space per 3 seats over 20 seats, whichever is greater.</p> <p>Note: (1) If a restaurant only consists of an outdoor dining/seating area, parking requirements applicable to indoor space shall apply to such outdoor dining/seating area.</p>
Restaurants, sit down	<p>- Indoor: Minimum of 10 spaces; or 1 space per 100 square feet of floor area up to 6,000 square feet, plus 1 space per 75 square feet over 6,000 square feet, or 1 space per 3 seats, whichever is greater.</p> <p>- Accessory outdoor dining/seating areas: No additional parking spaces required for if the outdoor dining/seating area is smaller than 300 square feet or has less than 20 seats. For outdoor dining/seating areas that is not exempt from additional parking, 1 space per 100 square feet of area over 300 square feet or 1 space per 3 seats over 20 seats, whichever is greater.</p> <p>Note: (1) If a restaurant only consists of an outdoor dining/seating area, parking requirements applicable to indoor space shall apply to such outdoor dining/seating area.</p>
Restaurants, specialty	Same requirements as Restaurants, Quick Service

SECTION 16. The Non-Residential Uses category of Table 20.11.020.A (Permitted Land Uses Table) of Section 20.11.020 (Land Uses) of Chapter 20.11 (Permitted Land Uses) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to revise the “Catering Services” and “Retail Sales, Warehouse Stores” entries to read as follows:

TABLE 20.11.020.A. PERMITTED LAND USES TABLE

<i>P: Permitted</i> <i>C: Permitted with Conditional Use Permit</i> <i>--: Prohibited</i>				NOTES: <i>¹ In HR Zoning district, either an Administrative Hillside Development Permit or a Hillside Development Permit is required, unless specifically exempted. Refer to Section 20.206.040.</i> <i>² In MU-I, MU-2, and MU-3 Zoning districts, nonresidential developments (e.g. education, public assembly, and religious facilities, entertainment and recreational facilities, public/semi-public facilities, retail trade and service facilities) and access serving nonresidential developments (except for live/work facilities) shall not be allowed on Walnut Avenue. Also, refer to Section 20.258.030.A regarding integration of uses requirement.</i>																		
	R1-H	HR ¹	R-1	R-1 (5,000)	R-2	R-3	C-P	C-N	C-C	C-G	C-M	C-RC	M-P	M-1	M-2	MU-I ²	MU-II ²	MU-III ²	PRO- P/R	PRO- NOS	PF	Special Provisions
NON-RESIDENTIAL USES																						
Catering services	-	-	-	-	-	-	-	-	-	-	-	-	C	P	P	-	-	-	-	-	-	
Retail sales, warehouse stores	-	-	-	-	-	-	-	-	P	P	-	-	P	P	-	-	P	-	-	-	-	

SECTION 17. Section 20.24.130 (Termination of Nonconforming Use and Structures) of Chapter 20.24 (Nonconforming Structures and Uses) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.24.130 TERMINATION OF NONCONFORMING USE AND STRUCTURES.

Nonconforming uses and structures shall be subject to abatement and termination if any of the following occurs:

- A. The nonconforming uses and structures are found to be a public nuisance.
- B. The nonconforming uses and structures are in violation of any applicable law.
- C. The nonconforming uses and structures meet any of the conditions that triggers termination as specified in this chapter.

SECTION 18. Chapter 20.24 (Nonconforming Structures and Uses) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended by adding a new Section 20.24.135 as follows:

20.24.135 NONCONFORMING SIGNS.

A. Any nonconforming sign that do not conform to provisions of Chapter 20.28 of this title shall be permitted to continue, provided that any structural change or alteration that requires a building permit or other permit is not made to the sign.

1. If any structural change or alteration of any sign that requires a building or other permit is proposed, such request shall be subject to the approval of the Planning Commission, through a conditional use permit proceeding as prescribed in §20.408.030.

a. Findings. In lieu of other conditional use permit findings required by this zoning code, before the approval authority, or City Council on appeal, may approve a conditional use permit for a structural change or alteration of a nonconforming sign, it must make a finding of fact, by resolution, that the evidence presented shows that all of the following conditions exist:

- i. That the proposed modifications to the sign do not increase the height or area of sign copy and bring the sign closer to conformity with the code;
- ii. That the changes proposed improve the aesthetics of the sign; and
- iii. That the granting of the conditional use permit under the conditions imposed, if any, will not be detrimental to the health and safety of the public.

SECTION 19. Section 20.28.290 (Nonconformance) of Chapter 20.28 (Signs) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.28.290 NONCONFORMANCE.

Signs which do not conform to the provisions of this chapter shall be subject to § 20.24.135 of this zoning code.

SECTION 20. The title of Section 20.28.330 (Multiple Family Residential Zones) of Chapter 20.28 (Signs) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.28.330 R-2 AND R-3 MULTIPLE FAMILY RESIDENTIAL ZONES.

SECTION 21. Subsection C.1.a (Development Standards) of Section 20.28.340 (Non-Residential Zones) of Chapter 20.28 (Signs) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

a. Development standards.

(1) Maximum sign area. One (1) square foot of sign area per each lineal foot of building frontage or tenant space frontage.

(2) Maximum sign length. Seventy-five percent (75%) of building frontage or seventy-five percent (75%) of tenant space frontage.

(3) Maximum letter height. Twenty-four (24) inches, except for major tenants which letter height shall not exceed five (5) feet.

(4) Maximum number. One (1) sign per building face or tenant space, not to exceed three (3) signs per tenant.

SECTION 22. Section 20.40.010 (Purpose) of Chapter 20.40 (Affordable Housing) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.40.010 PURPOSE.

The purpose of this chapter is to expand the affordable housing stock in proportion with the overall increase in residential units by establishing standards and procedures that encourage the development of extremely low to moderate-income housing and to assist in meeting the city's regional share of housing needs and implementing the goals and objectives of the General Plan, including the Housing Element and any applicable specific plans. The goals of this chapter are as follows:

A. To assure that the city is meeting its affordable housing goals by facilitating the production of dwelling units affordable to households of extremely low, very low, low, moderate, and workforce-income, and by providing funds for the development of extremely low, very low, low, moderate, and workforce-income housing;

B. To establish a means by which developers of residential projects can assist in increasing the supply of affordable housing. The affordable housing requirements contained in this chapter consider the impact of such requirements on housing construction costs and economic feasibility; and

C. To meet the current and future housing needs of the city by supporting the Housing Element goals of providing a range of dwelling units by type of unit, price, and location in the city and promoting equal access and opportunity to fair housing.

SECTION 23. Table 20.40.040.A of Section 20.40.040 (Affordable Unit Requirements) of Chapter 20.40 (Affordable Housing) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

TABLE 20.40.040.A		
AFFORDABLE UNIT REQUIREMENTS FOR RESIDENTIAL PROJECTS		
Option	Total Percentage of Affordable Units Required (minimum)¹	Minimum Affordability Level of Required Units

1	5%	All required affordable units shall be sold or rented to extremely low-income households, at a cost affordable to such household.
2	10%	At least 7% of the total number of units in the residential project shall be sold or rented to very low-income households, at a cost affordable to such household. The affordability level of remaining 3% of the required affordable units are at the developer's discretion.
3	15%	At least 10% of the total number of units in the residential project shall be sold or rented to low-income households, at a cost affordable to such household. The affordability level of remaining 5% of the required affordable units are at the developer's discretion.
4	20%	At minimum, all required affordable units shall be sold or rented to moderate-income households, at a cost affordable to such household.
5	30%	At minimum, all the required affordable units shall be sold or rented to workforce-income households, at a cost affordable to such household.
¹ of the total number of units in the residential project.		

SECTION 24. Section 20.40.050 (Alternatives) of Chapter 20.40 (Affordable Housing) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.40.050 ALTERNATIVES.

As an alternative to developing affordable units pursuant to this chapter, an applicant may satisfy requirements of this chapter through one of the following alternatives:

A. In-lieu fees. Applicants may choose to comply with the requirements of this chapter through payment of a fee, in-lieu of providing the required affordable units on site.

1. The method for calculation of the in-lieu fee per unit shall be determined by the following formula:

The product of the square footage of the average size unit in the proposed development multiplied by the median price per square foot of a home in the City of Brea based on market rate home sales in the last quarter immediately prior to drafting of the affordable housing agreement,

Minus

The product of the square footage of the average size unit in the proposed development multiplied by the median cost per square foot to construct the respective type of unit as shown on the most recent edition of the Building Permit Valuation Table in use by the Building Department.

2. The number of required units applicable to the in-lieu fee calculation shall be 5% of the total number of units in the residential project.

3. One-half of the in-lieu fees shall be paid prior to the issuance of a building permit for the project, with the remaining fees due prior to the issuance of a certificate of occupancy.

4. Fees collected in-lieu of developing affordable units pursuant to this chapter shall be placed in the City's Affordable Housing Trust Fund."

B. Offsite construction. At the discretion of the city, an applicant may satisfy the requirements of this chapter by developing the required number of affordable units at a site different than the site of the residential project.

1. The applicant must demonstrate that development of affordable units offsite would better address the city's Housing Element goals and policies.

2. The number of units to be developed offsite shall be consistent with the number of units required for the residential project.

3. Offsite affordable units shall be reasonably comparable to the non-affordable units in the residential project with respect to number of bedrooms, square footage, overall unit mix, appearance, finished quality, materials, and distribution.

4. Offsite affordable units shall be developed concurrently with the main project and certificate of occupancy will be contingent on final approval and inspection of the affordable units, unless an alternative schedule is approved by the city as part of the residential project's entitlement.

5. Offsite affordable units shall be located within the City of Brea.

6. Offsite affordable units shall be subject to the same requirements, standards, and procedures as onsite affordable units, unless otherwise noted in this subsection.

7. A development agreement is required for all offsite affordable unit construction projects.

C. Land dedication. At the discretion of the city, an applicant may satisfy the requirements of this chapter by dedicating land to the city in-lieu of constructing affordable units within the residential project.

1. The land to be dedicated must be free of any liens, and such land shall be conveyed to the city at no cost.

2. The applicant must disclose any and all encumbrances or easements on the title of the land, and all encumbrances and easements must be factored into the estimated value of the land dedication.

3. The land to be dedicated must have improvements required to accommodate housing, such as infrastructure and services.

4. The land to be dedicated must be free of any hazardous materials. If there were any hazardous materials previously contained on the site, the developer must provide evidence that full remediation was performed in accordance with all applicable law.

5. The General Plan and Zoning designations of the land to be dedicated must allow for multi-family residential use prior to dedication.

6. The applicant must demonstrate that development of affordable units on the land to be dedicated would be consistent with the Housing Element goals and policies and this chapter, and not cause residential segregation.

D. Convert existing market rate to affordable housing. At the discretion of the city, an applicant may satisfy the requirements of this chapter through the acquisition and rehabilitation of existing market rate units in the City of Brea for conversion to affordable units.

1. Converted units shall be subject to the same requirements, standards, and procedures as onsite affordable units.

2. The rehabilitation of the existing market rate units to be converted to affordable units shall be completed prior to, or concurrently with the main housing project.

3. Converted units shall be retained as affordable units for 45 years or until sold or transferred with an equity share for owner-occupied units and 55 years as to rental units. The affordability period begins upon the initial sale or rental of the unit.

4. The existing market rate units shall be substantially rehabilitated, as determined by the city.

5. The Affordable Housing Plan and Agreement as described in § 20.40.090 shall provide a description of benefits to be offered to existing tenants, which for conversion of market rate housing units would include, but not be limited to, right of first refusal to remain in the unit, and any expected need for relocation of existing tenants. The applicant is responsible for providing relocation assistance.

E. Development Agreement. At the city's discretion, the applicant may enter into a Development Agreement with the city to comply with the intent of this Chapter.

SECTION 25. Section 20.40.060 (Incentives) of Chapter 20.40 (Affordable Housing) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.40.060 INCENTIVES.

A. The applicant may request and the city shall grant the number of incentives identified in Table 20.40.060.A below if a residential project meets the requirements of this chapter by providing on-site affordable units pursuant to

Section 20.40.040.A or by providing off-site affordable units pursuant to Section 20.40.050.B

TABLE 20.40.060.A NUMBER OF INCENTIVES BY LEVEL OF AFFORDABILITY		
Level of Affordability	Number of Affordable Units¹	Number of Incentives
Extremely low-income	5% or more	4
Very low- income	At least 7%	2
	At least 10%	3
Low-income	At least 10%	2
	At least 15%	3
Moderate-income	At least 20%	2
Workforce-income	At least 30%	2
Moderate-income or lower	100% (Exclusive of a manager's unit)	5
¹ of the total number of units in the residential project		

1. The city may grant additional incentives at the city's discretion, if the applicant demonstrates that such additional incentive will result in identifiable and actual cost reductions or avoidance. Such request shall be considered by the Director.

2. If a Residential Project is granted incentives by providing off-site affordable units pursuant to Section 20.40.050.B, the applicant is permitted to utilize the incentives for either the residential project or the offsite construction project, but not both.

SECTION 26. Section 20.40.070 (Exemptions) of Chapter 20.40 (Affordable Housing) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.40.070 EXEMPTIONS.

The provisions of this chapter shall not apply to the following:

A. Residential projects that obtain all required administrative, legislative, and/or quasi-judicial approvals (as specified in this Title) prior to the original adoption date of this chapter (August 15, 2023).

B. Reconstruction of structures which have been damaged by fire, flood, wind, earthquake, or other unforeseen force, as determined by the Director, if the reconstruction cost is less than 50% of the assessed value.

C. Residential projects that are exempt from this chapter by state or federal law.

D. Units approved as accessory dwelling units or junior accessory dwelling units.

SECTION 27. Subsection A.3 of Section 20.40.090 (Affordable Housing Plan and Agreements) of Chapter 20.40 (Affordable Housing) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

3. An affordable housing plan shall include, but not be limited to, the following:
 - a. The number of affordable units proposed, with calculations;
 - b. The proposed location of the affordable units;
 - c. Level of affordability for the affordable units;
 - d. The unit square footage, and number of bedrooms for market rate and affordable units and tenure (ownership or rental);
 - e. Amenities and services provided, such as common spaces, parking, laundry rooms, fitness centers, and other facilities in the residential development;
 - f. Construction schedule for all units;
 - g. Alternatives requested, if applicable;
 - h. Incentives requested, if applicable; and
 - i. Evidence to justify any requested alternative or incentive, if applicable.

SECTION 28. Subsection B.4 of Section 20.40.090 (Affordable Housing Plan and Agreements) of Chapter 20.40 (Affordable Housing) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

4. An affordable housing agreement is not required for a residential development which will comply with the requirements of this chapter through payment of an in-lieu fee.

SECTION 29. Section 20.52.020 (Definitions) of Chapter 20.52 (Accessory Dwelling Units) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.52.020 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply.

ACCESSORY DWELLING UNIT. Same definitions as specified in § 20.00.070.B. of this title.

ACCESSORY DWELLING UNIT, JUNIOR. Also referred to as "Junior Accessory Dwelling Unit" in this chapter. Same definitions as specified in § 20.00.070.B. of this title.

EFFICIENCY KITCHEN. A room or an area within a room used, or intended or designed to be used, for cooking or the preparation of food that includes at minimum a sink, a cooking facility, a food preparation counter, and storage cabinets.

MAJOR TRANSIT STOP OR A HIGH-QUALITY TRANSIT CORRIDOR. A location defined in § 21064.3 of the Cal. Public Resources Code.

SANITATION FACILITY. A room that includes a toilet compartment, sink with hot and cold-water taps, and shower or bathtub."

SECTION 30. Subsection B of Section 20.52.040 (Development Standards) of Chapter 20.52 (Accessory Dwelling Units) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

B. Number of units per lot.

1. Properties with a proposed or existing single-family dwelling.
 - a. One accessory dwelling unit that is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure;
 - b. One detached, or attached newly constructed accessory dwelling unit; and
 - c. One junior accessory dwelling unit.
2. Properties with a proposed or existing multi-family dwelling.
 - a. One interior accessory dwelling unit or up to 25% of the existing units, whichever is higher; and
 - b. Up to two detached accessory dwelling units on a lot with a proposed multi-family dwelling; or

c. Up to eight detached accessory dwelling units on a lot with an existing multi-family dwelling, provided that the number of accessory dwellings does not exceed the number of existing units on the lots.

SECTION 31. Subsection E of Section 20.52.040 (Development Standards) of Chapter 20.52 (Accessory Dwelling Units) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

E. Addressing. Address numbers of all dwelling units on the lot shall be displayed clearly visible from the street or displayed in a building directory.

SECTION 32. Subsection K of Section 20.52.040 (Development Standards) of Chapter 20.52 (Accessory Dwelling Units) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

K. Any proposed accessory dwelling unit or junior accessory dwelling unit that does not conform to requirements specified in Table 20.52.040.A may be considered by the city through a Certificate of Compatibility process pursuant to § 20.408.050 of this Title.

SECTION 33. Subsection A of Section 20.52.050 (Owner Occupancy Requirements) of Chapter 20.52 (Accessory Dwelling Units) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

A. Accessory dwelling units and junior accessory dwelling units shall not be sold or owned separately from the primary dwelling unit, except as otherwise provided in Cal. Gov't Code § 66341. If an accessory dwelling unit is sold or conveyed separately from the primary residence pursuant to Cal. Gov't Code § 66341, it shall comply with the following:

1. Meet all requirements of Cal. Gov't Code § 66341.
2. Comply with all requirements of Subdivision Map Act, if applicable.

3. Provide separate utility connections and separate utility meters.

SECTION 34. Subsections C through H of Section 20.56.040 (Two-Unit Developments) of Chapter 20.56 (Two-Unit Developments and Urban Lot Splits) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

C. Addressing. Address number of all dwelling units on the lot shall be displayed clearly visible from the street.

D. Foundation. New dwellings for the purposes of this Section shall be constructed upon a permanent foundation.

E. Code compliance. Two-unit developments shall comply with all applicable Fire and Building Codes.

F. Utilities. Two-unit developments shall have separate utility connections and separate utility meters.

G. Short-term rentals prohibited. Dwelling units shall not be rented for less than 30 consecutive days at a time.

H. Deed restriction. The legal owner of a property improved with a two-unit development shall record a covenant in a form satisfactory to the City Attorney within thirty (30) days following the issuance of a building permit, that does each of the following:

1. Expressly prohibits any rental of a dwelling on the property for a period less than thirty (30) consecutive days.

2. Expressly prohibits any non-residential use of the lot.

3. Expressly prohibits any separate conveyance of a primary dwelling on the property, any separate fee interest, and any other common interest development within the lot.

4. If the lot does not undergo an urban lot split, expressly requires the individual property owners to live in one (1) of the dwelling units on the lot as the owners' primary residence and legal domicile.

5. Limits development of the lot to dwelling units that comply with the requirements of this Section, except as required by state law.

SECTION 35. Section 20.56.040 (Two-Unit Developments) of Chapter 20.56 (Two-Unit Developments and Urban Lot Splits) of Division I (General Regulations) of Title

20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended by adding a new Subsection I to read as follows:

I. Associated permits. If an application for a two-unit development triggers the requirement for a discretionary or ministerial permit other than an urban lot split and/or a building permit, those associated permits must be applied for and obtained prior to application for an urban lot split permit.

SECTION 36. Subsection J of Section 20.56.050 (Urban Lot Split) of Chapter 20.56 (Two-Unit Developments and Urban Lot Splits) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

J. Occupancy. The legal owner of an urban lot split property shall sign an affidavit stating that the owner intends to occupy one of the housing units as their principal residence for a minimum of three years from the date of approval of the urban lot split.

SECTION 37. Section 20.56.050 (Urban Lot Split) of Chapter 20.56 (Two-Unit Developments and Urban Lot Splits) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended by adding a new Subsection K to read as follows:

K. Associated permits. If an application for an urban lot split triggers the requirement for a discretionary or ministerial permit other than an urban lot split and/or a building permit, those associated permits must be applied for and obtained prior to application for an urban lot split permit.

SECTION 38. Subsection H of Section 20.60.070 (Preservation Incentives) of Chapter 20.60 (Historic Preservation) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

H. Eligibility to apply for Mills Act contracts which can lower property taxes of designated historic resources in accordance with Section 20.60.120 of this Chapter.

SECTION 39. Chapter 20.60 (Historic Preservation) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended by adding a new Section 20.20.60.120 (Mills Act Contract) to read as follows:

20.60.120 MILLS ACT CONTRACT.

A. Mills Act Contract is a voluntary program and only applicable to properties that are officially listed on the Federal, State and/or the City's historic register. Both owner-occupied and income-producing properties qualify.

B. The Mills Act Contract application requires a recommendation of the Finance Committee and an approval of the City Council at a public hearing. Appropriate fees shall be paid as determined by City Council resolution.

C. General Contract Terms. The general terms of a Mills Act Contract shall include, but not limited to, the following:

1. The Mills Act Contract shall be between the legal property owner(s) and the city.

2. The initial contract term shall be ten (10) years, with automatic annual renewal resulting in a revolving ten (10) year contract.

3. The property owner must annually provide a report to the city that demonstrates compliance with the Mills Act Contract.

4. Either party may file a Notice of Non-Renewal, which allows the Mills Act Contract to become null and void upon expiration of the ten (10) year term in effect at the time the notice is filed.

5. The city shall reserve the right to conduct periodic inspections of the subject property.

6. The Mills Act Contract shall include a ten (10) year preservation and rehabilitation plan, in which each year's improvement(s) must be equal or greater than the estimated property tax savings. All improvements listed in the ten (10) year preservation and rehabilitation plan must be completed according to the schedule unless otherwise permitted by the city, and such improvements must conform with the Secretary of the Interior's Standards for Historic Rehabilitation and California Historical Building Code.

7. The city may cancel the Mills Act Contract if the owner is in non-compliance with the terms of the contract pursuant to the established procedure.

8. If the contract is cancelled for non-compliance, the property owner must pay a cancellation penalty that is equivalent to twelve and one-half (12 ½) percent of the full market value of the property at the time of cancellation.

SECTION 40. Section 20.72.020 (Definitions) of Chapter 20.72 (Temporary Use Permits) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.72.020 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

CITY. The City of Brea.

CITY CLERK. The City Clerk of the city.

CITY MANAGER. The City Manager of the city or his or her designee.

DIRECTOR. The Director of the Community Development Department or his or her designee.

PERSON. Individuals, partnerships, joint ventures, societies, associations, trustees, trusts, or any corporations, their officers, agents or employees, and any representative thereof.

SECTION 41. Section 20.72.040 (Uses Permitted; Time Limits) of Chapter 20.72 (Temporary Use Permits) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.72.040 USES PERMITTED; TIME LIMITS.

A. The following uses and activities, subject to the time limits referenced herein, shall obtain a temporary use permit prior to conducting the use or activity. The determination as to whether a specific use or activity is included within the classifications of uses and activities listed in this section shall be an administrative function of the Director.

1. Any event open to the public, located within a commercial, industrial, and mixed-use zones and non-residential districts within specific plan areas, involving promotion or sale sponsored by a business, shopping center or organization, or as a fundraiser for a private school or other charitable non-profit organization, which is held outside the confines of a building but on the same property, and which may include, but is not limited to, the outdoor display of merchandise, rides, games, booths or similar amusement devices, whether or not a fee or admission is charged for such event.

B. Time Limits.

1. The following uses and activities shall not exceed four (4) calendar days with no less than thirty 30 calendar days between events at any one (1) location for a given applicant, except a maximum of two additional days may be permitted

for set-up and clean-up. In addition, no business or organization shall be issued more than four (4) temporary use permit in a given calendar year:

- a. Exhibits, demonstrations or sales of goods, equipment, merchandise or services;
- b. Aircraft, helicopter, and aerial hot air balloon and parachutist demonstrations and landings;
- c. Entertainment, dances, musical events, and promotional events;
- d. Halloween haunted houses;
- e. Art and craft shows and exhibits; and
- f. Health and safety services, testing, demonstration or training, unless such events are in response to a public health emergency as declared by a government agency.

2. Patriotic, historic or similar displays or exhibits adjacent to commercial buildings, parking areas, or sidewalks may be approved for a period of time not to exceed fifteen (15) days within any given ninety (90) day period at any one (1) location for a given applicant.

3. Carnivals, circuses, fairs, rodeos, pony riding or similar traveling amusement enterprises may be permitted for not more than seven (7) days, or three (3) weekends of operation, in any one hundred eighty (180) day period at any one (1) location for a given applicant.

4. Christmas tree sales and displays (other than by established retail businesses within the existing building) may be approved during the period commencing November 15 and terminating on December 31 of a given calendar year (these provisions shall be in addition to those requirements for Christmas tree lots as provided in Title 16 of the Municipal Code).

5. Pumpkin sales and displays (other than by established retail businesses within the existing building) may be approved for the period commencing October 1 and terminating November 1 of a given calendar year.

6. Other seasonal sales and displays of seasonal items (other than by established retail businesses within the existing building) may be approved for the period of 45 days of a given calendar year.

7. Other events, as determined appropriate by the Director, may be approved for not more than two (2) days of a given month.

C. Requests for outdoor display of limited merchandise in excess of the time limitations of § 20.72.040.B may be considered by the Planning Commission subject to approval of a Conditional Use Permit, consistent with the processing requirements of § 20.408.030. The intent of this section is to provide for the outdoor display of merchandise, which shall be typically limited to one product type (i.e. plants or books or etc.), where it can be demonstrated that such display can be reasonably integrated into the site and architectural designs at the location, and maintain the city's goals to provide for quality, attractive, commercial development. The following standards shall apply to any such proposed outdoor display:

1. Use of display area. The Planning Commission and/or City Council shall retain the ability to condition the types of merchandise or products on display. Display merchandise and products shall be limited to those normally associated with the primary retail user making application, shall typically be limited to one product type (i.e. plants or books, or etc.), and no outdoor display area shall be subleased or otherwise afforded use by other persons.
2. Location of display area. To be limited to those areas generally adjacent to the front building elevation of the tenant space, which will in no way interfere with automobile circulation and applicable standards. Display areas shall be designed to primarily be viewed from on-site rather than from the public right-of-way.
3. Delineation of display area. The design of the outdoor display area and its physical delineation shall place an emphasis on aesthetic and functional integration into the site and building design. The physical limits of display areas shall be clearly delineated through treatments such as decorative pavement, decorative bollards, landscaped planters, or similar features.
4. Limitation of display fixtures. Any display fixtures (i.e. display racks, tables, etc.) shall be temporary in nature and shall be removed from outdoor display areas when not in use.
5. Maximum length of display area. Not to exceed 50% of building/tenant space width (whichever is less) directly adjacent to the display area. The Planning Commission and/or City Council shall retain the ability to further limit display length on a case by case basis as deemed appropriate.
6. Maximum depth of display area. Not to exceed 15'. The Planning Commission and/or City Council shall retain the ability to further limit display depth on a case by case basis as deemed appropriate.
7. Maximum height of merchandise. Not to exceed 6' from adjacent finished grade. The Planning Commission and/or City Council shall retain the ability to further limit display height on a case by case basis as deemed appropriate.
8. Pedestrian accessibility. All outdoor display areas shall be designed in a manner to allow free pedestrian movement within and around their vicinity. All rules and regulations of the Americans with Disabilities Act and any other applicable regulations shall be observed.
9. Permit revocation for non-compliance. Compliance with all conditions of approval imposed by the Planning Commission and/or City Council shall be observed. Any observed violation of conditions of approval shall constitute grounds to initiate permit revocation proceedings as provided for within § 20.412.020 of this Zoning Code.
10. Plan submittal. Detailed site, building elevation, floor, display fixtures (i.e. display racks, tables, etc.) and any other plans and materials as deemed necessary by the City Planner, to illustrate compliance with the outdoor display standards shall be provided at the time of Temporary Use Permit application.

SECTION 42. Section 20.72.050 (Application; Contents; Fees) of Chapter 20.72 (Temporary Use Permits) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.72.050 APPLICATION; CONTENTS; FEES.

A. An application for a temporary use permit, on forms available from the Director, shall be submitted to the Director a minimum of forty-five (45) days prior to the proposed date of the temporary use or activity. The application shall be signed and verified by the applicant and shall contain, at minimum, the information as set forth in this section.

B. Each application for a temporary use permit shall contain, at minimum, the following information:

1. The name, permanent street address and signature of the applicant;
2. If the applicant is a corporation, the name and principal address of the applicant shall be as shown in the most recent statement of investment group and shall be signed by a duly authorized representative of the corporation;
3. The full name and address of the property owner where the temporary use or activity is to take place and a signed affidavit from the property owner granting permission for the proposed use on the property in question and for the dates requested;
4. The name, address and twenty-four (24) hour phone number of at least two (2) persons to be contacted in the event of emergency conditions at the temporary use or activity;
5. The exact location, including street name, of the property proposed to be used for the temporary use or activity;
6. A detailed description of the proposed temporary use or activity;
7. The proposed dates and hours of operation; and
8. A site plan or drawing depicting the use or activity, including the placement of all signs and banners, the location of all temporary materials, tents, generators, temporary sanitary facilities, lighting, etc.

C. The application shall be submitted together with the appropriate fee, as set forth by resolution of the City Council, to cover the administrative costs of processing the application.

SECTION 43. Section 20.72.080 (Action by Development Services Director) of Chapter 20.72 (Temporary Use Permits) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.72.080 ACTION BY COMMUNITY DEVELOPMENT DIRECTOR; FINDINGS.

A. The Director, within ten (10) business days of determining the application complete, shall approve, conditionally approve, or deny the temporary use application.

B. No temporary permit shall be approved unless the Director finds that the use or activity, together with any and all conditions imposed thereon, meets all of the following criteria:

1. The temporary use or activity is in harmony with the various elements and objectives of the general plan of the city;

2. The temporary use or activity complies with all applicable standards of this Zoning Code with respect to the location of the proposed activity; and

3. The temporary use or activity will not be injurious or detrimental to persons or properties adjacent to or in vicinity of the proposed location of the activity.

4. Provisions for adequate traffic circulation, off-street parking and pedestrian safety have been provided and will be maintained during the operation of the use or activity.

C. The Director may impose such terms, conditions and restrictions upon the operation or conduct of the use or activity as may be deemed necessary or expedient to protect the public peace, health, safety, morals or welfare of the citizens of the city.

D. Upon the decision with respect to the application, the Director shall notify the applicant as to whether the permit has been granted or denied. The notice shall inform the applicant of the right to appeal the decision of the Director to the Planning Commission as provided in this chapter. Additionally, if the Director should deny the application, the notice shall specify those reasons why the permit has been denied.

E. The Director may, in those cases where it is deemed that the public interest will be best served, refer the approval of the temporary use permit directly to the Planning Commission for hearing thereon without taking further action.

F. All decisions of the Director with respect to the temporary use permit application shall be final unless appealed to the Planning Commission as provided in this chapter.

SECTION 44. Subsection C of Section 20.72.090 (Appeal to the Planning Commission) of Chapter 20.72 (Temporary Use Permits) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

C. The appeal request shall be accompanied by a non-refundable appeal fee in an amount to be set by resolution by the City Council. Upon receipt of the

appeals request, the Director shall set the matter for hearing at a regular meeting of the Planning Commission no later than thirty (30) days following the date the appeal request was filed. Notice of the time and place of the hearing shall be mailed to the applicant, no later than ten (10) days prior to the date set for hearing. Such notice may also designate certain records that the applicant is required to produce at the time of the hearing.

SECTION 45. Subsection B of Section 20.72.110 (Revocation) of Chapter 20.72 (Temporary Use Permits) of Division I (General Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

B. A notice of revocation shall be mailed to the permittee stating the grounds for the revocation and providing a date within thirty (30) days of the mailing of such notice for a public hearing before the Planning Commission. Upon the conclusion of the public hearing the Planning Commission may, by resolution with findings, revoke or modify the permit and the decision of the Planning Commission shall be final unless appealed to the City Council.

SECTION 46. The title of Chapter 20.200 (Single Family Residential – Hillside Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

CHAPTER 20.200: R1-H SINGLE FAMILY RESIDENTIAL - HILLSIDE ZONE.

SECTION 47. Subsection K of Section 20.200.040 (Property Development Standards) of Chapter 20.200 (R1-H Single Family Residential – Hillside Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

K. Exemption from property development standards. If a dwelling unit, or appurtenant structure, in existence at the time of the effective date of this chapter, is partially or totally damaged or destroyed by wind, fire, flood, explosion, act of God or any other occurrence, then, in that event, such dwelling unit or appurtenant structure may be reconstructed without compliance with the property development standards set forth in § 20.200.040 of this title; provided, however, that any such reconstruction of an existing dwelling unit or appurtenant structure shall be in substantial conformity with the original dwelling unit or appurtenant structure including, but not limited to, such matters as type of structure, square footage,

number of stories and elevations. Any such reconstruction shall commence only subsequent to the approval of a plan review as required under § 20.408.040 of this title and, any such reconstruction shall comply with all Building, Electrical, Fire, Mechanical and/or Plumbing Codes in effect at the time of the filing of the application for such application. No plan review application fee shall be required for construction under this paragraph. Then applicable building permit fees shall be paid.

SECTION 48. Section 20.200.050 (Plan Review) of Chapter 20.200 (R1-H Single Family Residential – Hillside Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.200.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the R1-H Zone that are listed in § 20.208.040.B.

SECTION 49. Subsection E.1 of Section 20.208.040 (Property Development Standards) of Chapter 20.208 (R-1 Single Family Residential) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

1. Front yard.

a. A minimum twenty-five (25) foot front yard shall be required.

b. Notwithstanding other provisions contained herein, the entire front yard area, including the minimum required front yard, shall be kept and maintained free and clear of all attached or detached accessory structures, building and automotive materials, trash, debris, trash storage receptacles, inoperable motor vehicles, camper shells not mounted on motor vehicles, boats, or boats and trailers, including utility trailers. Parking and driveway areas within the entire front yard area shall not exceed fifty-five percent (55%) of such yard area; for lots at the end of cul-de-sac with a lot frontage of less than forty (40) feet, the parking and driveway areas within the entire front yard may be paved up to a maximum of eighty percent (80%), all subject to the Director's review and approval. The parking of operable motor vehicles shall be permitted only on an all weather surface, subject to the review and approval of the Director.

c. Recreational vehicle parking may occur as follows:

(1) Parking within a garage or three (3) sided carport.

(2) Outdoor parking in the side or rear yards beyond the required twenty-five (25) foot front setback, except in a street side yard of a corner lot or reverse corner lot.

(3) Outdoor parking in a driveway or improved pad, provided that:

(a) Parking of such vehicle within a garage or three (3) sided carport is not possible.

(b) Space is not available in the side or rear yards or no access exists to such yards.

(c) No part of such unit extends over public sidewalks or rights-of-way.

(d) The vehicle or unit at no time creates a sight obstruction that poses a safety hazard.

(e) Such vehicles shall be determined to be in an operable condition.

(f) The vehicle is not used for dwelling purposes; cooking is not permitted in the recreational vehicle at any time and accordingly, butane and propane shall not be used.

(g) The vehicle is not permanently connected to electricity, sewer lines or water lines. The recreational vehicle may be connected to electricity temporarily for charging batteries and cleaning purposes only.

(h) The vehicle shall not be used for storage of goods, materials, or equipment other than those items considered to be part of the unit or essential for its immediate use.

(i) The vehicle shall not block required emergency access to the rear yard area. A five (5) foot clear area shall be maintained to provide such access.

d. Where the entire block frontage is designed and developed as a neighborhood unit, the front yard setback may vary, provided that an average building setback of not less than twenty-five (25) feet is maintained. The minimum front yard shall not be less than twenty (20) feet.

e. Notwithstanding other requirements herein, all garages with vehicle entrances facing a street shall set back not less than twenty-five (25) feet from the property line. A carport with a vehicle entrance facing a street and not screened from public view from any point on the public right-of-way line which abuts the property upon which such carport is located shall be prohibited.

f. Front yards on the turn-around end of cul-de-sac street may be reduced to not less than twenty (20) feet.

g. All unimproved and/or unpaved portions of the entire front yard shall be improved and maintained with appropriate landscaping in a healthy and vigorous condition and/or synthetic turf.

SECTION 50. Subsection F.1 of Section 20.208.040 (Property Development Standards) of Chapter 20.208 (R-1 Single Family Residential) of Division II (Specific Zone

Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

1. Each lot shall contain a usable area of not less than one thousand (1,000) square feet for outdoor living. The minimum dimension shall be not less than fifteen (15) feet. Where contiguous to a side or rear yard, such yards may be included as part of the minimum. Slopes with a grade in excess of ten percent (10%) may not be included as satisfying this requirement.

SECTION 51. Subsection G of Section 20.208.040 (Property Development Standards) of Chapter 20.208 (R-1 Single Family Residential) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

G. Walls, fences, and landscaping.

1. Fences and walls and hedges shall not exceed seven (7) feet above the finished grade immediately adjacent to the base of the fence with the following exceptions:

- a. Solid fences, walls and hedges in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of thirty-six (36) inches.

- b. Open work fences (not less than ninety percent (90%) open) in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of four and one-half (4½) feet.

- c. Property owners are responsible for the continual maintenance of all landscaped areas on-site, as well as contiguous planted areas within the public right-of-way. All landscaped areas shall be kept free from weeds and debris, and maintained.

- d. The provisions of § 20.08.060 of this title pertaining to corner cut-off areas shall apply.

- e. Fences and walls shall be located a minimum of six (6) inches from any property line which is adjacent to a public right-of-way.

2. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

SECTION 52. Section 20.208.050 (Plan Review) of Chapter 20.208 (R-1 Single Family Residential) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.208.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the R-1 Zone that are listed in § 20.408.040.B.

SECTION 53. Subsection E.1 of Section 20.212.040 (Property Development Standards) of Chapter 20.212 (R-1 5000 Single Family Residential) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

1. Front yard.
 - a. A minimum fifteen (15) foot front yard shall be required.
 - b. The entire front yard shall be maintained as required in § 20.208.040.E.1.b. and c. of this title.
 - c. Where the entire block frontage is designed and developed as a neighborhood unit, the front yard setback may vary, provided, however, the average minimum front yard shall be not less than fifteen (15) feet and no front yard shall be reduced to less than ten (10) feet.
 - d. Notwithstanding other requirements herein, all garages with vehicle entrances facing a street shall set back not less than twenty-three (23) feet from the front property line. A carport with a vehicle entrance facing a street and not screened from any point on the public right-of-way line which abuts the property upon which such carport is located shall be prohibited.
 - e. Front yards on the turn-around end of a cul-de-sac street may be reduced to not less than ten (10) feet.
 - f. All unimproved and/or unpaved portions of the entire front yard shall be improved and maintained with appropriate landscaping in a healthy and vigorous condition and/or synthetic turf.

SECTION 54. Subsection G of Section 20.212.040 (Property Development Standards) of Chapter 20.212 (R-1 5000 Single Family Residential) of Division II (Specific

Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

G. Walls, fences and landscaping.

1. Fences and walls and hedges shall not exceed seven (7) feet above the finished grade immediately adjacent to the base of the fence with the following exceptions:

a. Solid fences, walls and hedges in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of thirty-six (36) inches.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of four and one-half (4½) feet.

c. Property owners are responsible for the continual maintenance of all landscaped areas on-site, as well as contiguous planted areas within the public right-of-way. All landscaped areas shall be kept free from weeds and debris, and maintained.

d. The provisions of § 20.08.060 of this title pertaining to corner cut-off areas shall apply.

e. Fences and walls shall be located a minimum of six (6) inches from any property line which is adjacent to a public right-of-way.

f. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

SECTION 55. Section 20.212.050 (Plan Review) of Chapter 20.212 (R-1 5000 Single Family Residential) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.212.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the R-1 (5,000) Zone that are listed in § 20.408.040.B.

SECTION 56. Subsection E.1 of Section 20.216.040 (Property Development Standards) of Chapter 20.216 (R-2 Multiple Family Residential) of Division II (Specific

Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

1. Front yard.

a. A minimum twenty-three (23) foot front yard shall be required; except that a lot approved for single family residential use, only, either by subdivision or lot split, with a minimum area of less than nine thousand (9,000) square feet, may have a minimum front yard of fifteen (15) feet.

b. The entire front yard area shall be maintained as required in § 20.208.040.E.1.b. of this title.

c. Recreational vehicles, as defined in § 20.00.070.B. of this title, may be located within front yard setback areas twice per calendar month for a continuous period of time not to exceed forty-eight (48) hours for housekeeping and loading purposes only.

d. All unimproved and/or unpaved portions of the entire front yard shall be improved and maintained with appropriate landscaping in a healthy and vigorous condition and/or synthetic turf.

SECTION 57. Subsection G of Section 20.216.040 (Property Development Standards) of Chapter 20.216 (R-2 Multiple Family Residential) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

G. Walls, fences, and landscaping. Fences and walls and solid hedges shall not exceed seven (7) feet above the finished grade immediately adjacent to the base of the fence with the following exceptions:

1. Solid fences, walls, and hedges in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of thirty-six (36) inches.

2. Open work fences (not less than ninety percent (90%) open) in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of four and one-half (4½) feet.

3. Fences and walls shall be located a minimum of six (6) inches from any property line which is adjacent to a public right-of-way.

4. The provisions of § 20.08.060 of this title pertaining to corner cut-off areas shall apply.

5. Property owners are responsible for the continual maintenance of all landscaped areas on-site, as well as contiguous planted areas within the public

right-of-way. All landscaped areas shall be kept free from weeds and debris, and maintained.

6. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

SECTION 58. Section 20.216.050 (Plan Review) of Chapter 20.216 (R-2 Multiple Family Residential) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.216.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the R-2 Zone that are listed in § 20.408.040.B.

SECTION 59. Section 20.220.010 (Intent and Purpose) of Chapter 20.220 (R-3 Multiple Family Residential Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.220.010 INTENT AND PURPOSE.

The R-3, Multiple Family Residential Zone is established to provide for the development of high density, multiple family housing, such as condominiums and apartments.”

SECTION 60. Section 20.220.050 (Plan Review) of Chapter 20.220 (R-3 Multiple Family Residential Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.220.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the R-3 Zone that are listed in § 20.408.040.B.

SECTION 61. Section 20.220.040 (Property Development Standards) of Chapter 20.220 (R-3 Multiple Family Residential Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.220.040 PROPERTY DEVELOPMENT STANDARDS.

The following property development standards shall apply to all land and buildings in the R-3 Zones:

A. Lot area, width and depth.

1. Area. The minimum lot area shall be ten thousand (10,000) square feet in an R-3 Zone.

2. Width. The minimum average lot width shall be seventy-five (75) feet on an interior lot and eighty-five (85) feet on a corner lot in an R-3 Zone.

3. Depth. The minimum average lot depth shall be one hundred twenty (120) feet in an R-3 Zone.

B. Dwelling unit density. The minimum land area for each dwelling unit on a lot in the R-3 Zone shall be one thousand seven hundred fifty (1,750) square feet.

C. Building height.

1. Except as provided herein, buildings and structures in the R-3 Zone shall have maximum heights as follows:

a. Thirty-five (35) feet when located on a lot that is within one hundred (100) feet from any land zoned R-1, R1-H, R-1 (5,000), R-2 or HR.

b. Fifty (50) feet when located on a lot that is more than one hundred (100) feet but less than two hundred (200) feet, from any land zoned R-1, R1-H, R-1 (5,000), R-2, or HR.

c. Seventy-five (75) feet when located on a lot that is more than two hundred (200) feet from any land zoned R-1, R1-H, R-1 (5,000), R-2 or HR.

2. The following structures may be permitted above the maximum height limits required herein:

a. Chimneys.

b. Domestic radio and television masts.

c. Fire and parapet walls.

d. Roof structures for the housing of air conditioners, elevators, stairways, tanks, ventilating fans, and similar equipment.

e. Skylights.

3. No structure shall be permitted above the height limits for the purpose of providing additional living area or floor space

D. Yards.

1. Front yard.

a. Except as provided herein, there shall be a minimum front yard of not less than fifteen (15) feet on lots in the R-3 Zone.

b. The entire front yard shall be maintained as required in § 20.208.040.E.1.b. of this title.

c. Recreational vehicles, as defined in § 20.00.070.B. of this title, may be located within front yard setback areas twice per calendar month for a continuous period of time not to exceed forty-eight (48) hours for housekeeping and loading purposes only.

d. Where an entire block frontage is designed and developed as a neighborhood unit, the front yards may vary, provided that an average of not less than fifteen (15) feet is maintained. However, no front yard shall be less than ten (10) feet.

e. Front yards on the turn around end of a cul-de-sac street may be reduced to not less than ten (10) feet.

f. Notwithstanding other requirements herein, all garages with vehicle entrances facing a street shall set back not less than twenty-three (23) feet from the front property line. A carport with a vehicle entrance facing a street and not screened from public view from any point on the public right-of-way line which abuts the property upon which such carport is located shall be prohibited.

g. All unimproved and/or unpaved portions of the entire front yard shall be improved and maintained with appropriate landscaping in a healthy and vigorous condition and/or synthetic turf.

2. Side yards.

a. Except as provided herein, there shall be minimum side yard of not less than five (5) feet from the side property line on interior lots and from the interior side lot lines on corner lots in the R-3 Zone.

b. The minimum side yard from the street side property line shall be not less than ten (10) feet on a corner lot.

c. Except as provided herein, side yards adjacent to buildings or structures more than twenty (20) feet in height shall be increased two and one-half (2½) feet for each additional fifteen (15) feet in height; provided however, the total side yard need not be more than ten (10) feet in width.

d. Where any dwelling or group of dwellings face a common property line, the side yard shall be not less than ten (10) feet plus a distance of one-half (½) the height of the dwelling or fifteen (15) feet, whichever is greater.

e. All side yard widths shall be measured from the eave line.

f. Notwithstanding other requirements herein, a garage with a vehicle entrance facing a side street shall set back not less than twenty-three (23) feet from the street side property line. A carport with a vehicle entrance facing a side street and not screened from public view from any point on the public right-of-way

line which abuts the property upon which such carport is located shall be prohibited.

g. Any storage of materials including but not limited to, trash and trash receptacles, newspapers, building and automotive materials, landscape maintenance tools, and debris, within side yards, shall be substantially screened with a combination of open or solid fencing, and landscaping, or enclosed within an openwork structure such as wood or metal lattice, so as to substantially minimize views as seen from adjacent private and public streets, and public right-of-way (excluding alleys).

3. Rear yard.

a. Except as provided herein, there shall be a minimum rear yard for main building of not less than fifteen (15) feet on lots in the R-3 Zone.

b. Except as provided herein, a rear yard adjacent to a building more than thirty-five (35) feet in height shall be increased five (5) feet in width for each additional fifteen (15) feet in height.

c. Detached accessory buildings not more than fifteen (15) feet in height may be permitted in the required rear yard, provided they are located not less than five (5) feet from the eave line to a property line.

d. Where access to a garage or carport is provided from an alley, the garage or carport shall be located not less than twenty-five (25) feet from the opposite property line or five (5) feet from the alley right-of-way line, whichever is more restrictive. If the vehicle entrance faces the alley, a garage only shall be permitted and the vehicle entrance door shall not project beyond the property line when open or being opened. A carport with a vehicle entrance facing an alley and not screened from public view from any point on the public right-of-way line which abuts the property upon which such carport is located shall be prohibited.

e. Any storage of materials including but not limited to, trash and trash receptacles, newspapers, building and automotive materials, landscape maintenance tools, debris, inoperable motor vehicles, camper shells not mounted on motor vehicles, or boats and trailers, within rear yards, shall be substantially screened with a combination of open or solid fencing, and landscaping, or enclosed within an openwork structure such as wood or metal lattice, so as to substantially minimize views as seen from adjacent private and public streets, and public right-of-way (excluding alleys). Stored materials shall not cover an area greater than fifty percent (50%) of the total square footage of the rear yard.

4. Projections into required yards. Except as provided herein, the provisions of § 20.08.020 of this title shall apply to projections into the required front, side, and rear yards

E. Outdoor living space.

1. Each in the R-3 Zone shall contain not less than two hundred (200) square feet of outdoor living area for each dwelling unit located thereon.

2. Outdoor living area shall be subject to the provisions of § 20.08.030 of this title.

F. Fences, walls, and landscaping. Fences and walls and solid hedges shall not exceed seven (7) feet above the finished grade immediately adjacent to the base of the fence with the following exceptions:

1. Solid fences, walls, and hedges in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of thirty-six (36) inches.

2. Open work fences (not less than ninety percent (90%) open) in a required front yard or within 10 feet of the property line along the street side of a reversed corner lot shall not exceed a height of four and one-half (4½) feet.

3. Fences and walls shall be located a minimum of six (6) inches from any property line which is adjacent to a public right-of-way.

4. The provisions of § 20.08.060 of this title pertaining to corner cut-off areas shall apply.

5. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

G. Distance between buildings. The following minimum distances between exterior walls of buildings and structures on a lot in the R-3 Zone shall apply:

1. One-half (½) the combined height of the walls of buildings or structures which do not form a court, or fifteen (15) feet, whichever is greater.

2. One-half (½) the combined height of the walls of buildings or structures which form a court plus fifteen (15) feet.

3. In no instance shall the eaves between buildings be closer than ten (10) feet.

H. Building area. The minimum living area for a dwelling unit on a lot in the R-3 Zone, which shall not include garage area, shall have a gross floor area of not less than the following:

1. Studio Unit: Four hundred fifty (450) square feet.

2. One (1) Bedroom Unit: Six hundred fifty (650) square feet.

3. Two (2) or more - Bedroom Unit: Eight hundred (800) square feet.

I. Lot coverage. Not more than sixty percent (60%) of a lot in the R-3 Zone shall be covered by buildings and structures. A minimum of twenty-five percent (25%) of the required uncovered lot area shall be provided in one (1) contiguous location and shall be kept free and clear of any building and structural intrusions or any other intrusions that would inhibit the development of such area of uninterrupted usable, open green space.

J. Off-street parking. The provisions of § 20.08.040 of this title shall apply.

K. Signs. Signs permitted in the R-3 Zone shall be subject to the provisions of Chapter 20.28 of this title.

L. Lighting. All lighting, interior and exterior, shall be designed and located so as to confine all direct rays to the premises.

SECTION 62. Section 20.224.040 (Property Development Standards) of Chapter 20.224 (C-P Commercial, Administrative, and Professional Office Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.224.040 PROPERTY DEVELOPMENT STANDARDS.

The following property development standards shall apply to all land and buildings in the C-P Zone:

- A. Lot area. No requirements.
- B. Lot dimensions. No requirements.
- C. Building height.

1. Buildings and structures erected in the C-P Zone shall have a height no greater than thirty (30) feet.

2. Structures permitted above height limit. Roof structures for the housing of elevators, stairways, tanks, ventilating fans or similar equipment required to operate and maintain the buildings and fire or parapet walls, skylights, towers, steeples, flagpoles, chimneys, wireless and television masts, water tanks, or similar structures may be erected above the maximum height permitted in each zone. No structure shall be allowed for purposes of providing additional floor space.

- D. Yards.

1. Front yards and side yards on the street side of a corner or reversed corner lot shall not be less than fifteen (15) feet and shall not be used for off-street parking. If the required yard is across a local street from any residential zone, a wall not less than thirty (30) inches nor more than six (6) feet in height shall be erected on the building (setback) line where there is no building on such line and where parking is provided to the rear of such line.

2. Where the C-P Zone abuts any residential zone, there shall be a yard abutting the zone boundary of not less than ten (10) feet plus an additional one (1) foot of setback shall be required for each additional one (1) foot of building height in excess of ten (10) feet. Such required yard may be used for parking, loading and access. A solid wall not less than six (6) feet nor more than seven (7) feet in height shall be erected on the zone boundary line, to within fifteen (15) feet of any street property line.

- E. Fences, walls and landscaping and property maintenance.

1. Required walls.

a. Walls along common property lines shall be erected as required in paragraph D. above.

b. Required walls six (6) feet or more in height shall be constructed of masonry material.

c. Required walls less than six (6) feet in height may be constructed of other permanent material not including wood or corrugated sheet material.

2. Permitted fences and walls. Fences and walls not to exceed seven (7) feet in height shall be permitted within any required side or rear yard area or along any common property line with the following exceptions:

a. Solid wall or fence shall not exceed a height of thirty-six (36) inches within the front yard or side yard on the street side of a corner lot.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or side yard on the street side of a corner lot shall not exceed a height of four and one-half (4½) feet.

3. Height of walls and fences. The height of walls and fences shall be measured from finished grade immediately adjacent to the base of the wall.

a. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

4. Landscaping. The provisions of § 20.236.040.M. of C-G Zone shall apply.

5. Property maintenance. The provisions of § 20.236.040.M. of C-G Zone shall apply.

F. Distance between buildings. No requirements.

G. Site Coverage. The site coverage of main building(s) shall not exceed fifty percent (50%) of the total lot area.

1. All loading spaces shall be located behind either masonry walls not less than six (6) feet in height, or buildings so that they will not be visible from any abutting street.

2. The provisions of § 20.08.040 of this title shall apply.

H. Floor Area Ratio. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site.

I. Off-street parking and loading.

J. Access. Access to all off-street parking and loading areas shall conform with requirements of the City Engineer, and shall be subject to modification by the Planning Commission upon review of the site plans.

K. Signs. The provisions of Chapter 20.28 of this title shall apply.

SECTION 63. Section 20.224.060 (Plan Review) of Chapter 20.224 (C-P Commercial, Administrative, and Professional Office Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.224.060 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the C-P Zone that are listed in § 20.408.040.B.

SECTION 64. Section 20.228.040 (Property Development Standards) of Chapter 20.228 (C-N Neighborhood Commercial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.228.040 PROPERTY DEVELOPMENT STANDARDS.

The following property development standards shall apply to all land and buildings in the C-N Zone:

A. Lot area.

1. Minimum area. The site shall not be less than three (3) acres.
2. Maximum area. The site for any shopping center shall not exceed eight (8) acres.

B. Lot dimensions. The width of the site shall not exceed a ratio of two (2) feet for each foot of depth.

C. Building height.

1. Buildings and structures erected in the C-N Zone shall have a height no greater than thirty (30) feet.
2. Structures permitted above height limit. Roof structures for the housing of elevators, stairways, tanks, ventilating fans or similar equipment required to operate and maintain the buildings and fire or parapet walls, skylights, towers, steeples, flagpoles, chimneys, wireless and television masts, water tanks, or similar structures may be erected above the maximum height permitted in each zone. No structure shall be allowed for purposes of providing additional floor space.

D. Yards and setbacks.

1. Front yards and side yards on the street side of a corner and reversed corner lot shall not be less than fifteen (15) feet and shall not be used for off-street parking. A wall not less than thirty (30) inches nor more than six (6) feet in height shall be erected on the building (setback) line, where there is no building on such line and where parking and loading is provided to the rear of such line.

2. Buildings and structures shall be located not less than forty (40) feet from any property line adjacent to any residential zone. The intervening space may be used for parking, loading and access. A solid wall not less than six (6) feet nor more than seven (7) feet in height shall be erected on the zone boundary line to within fifteen (15) feet of any street lot line.

E. Walls, fences, landscaping and property maintenance.

1. Required walls.

a. Walls along common property lines shall be erected as required in paragraph D. above.

b. Required walls six (6) feet or more in height shall be constructed of masonry material.

c. Required walls less than six (6) feet in height may be constructed of other permanent material not including wood or corrugated sheet material.

2. Permitted fences and walls. Fences and walls not to exceed seven (7) feet in height shall be permitted within any required side or rear yard area or along any common property line with the following exceptions:

a. Solid wall or fence shall not exceed a height of thirty-six (36) inches within the front yard or side yard on the street side of a corner lot.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or side yard on the street side of a corner lot shall not exceed a height of four and one-half (4½) feet.

3. Height of walls and fences. The height of walls and fences shall be measured from finished grade immediately adjacent to the base of the wall.

a. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

4. Landscaping. The provisions of § 20.236.040.M. of C-G Zone shall apply.

5. Property maintenance. The provisions of § 20.236.040.M. of C-G Zone shall apply.

F. Distance between buildings. No requirements.

G. Site Coverage. The site coverage of main building(s) shall not exceed thirty percent (30%) of the total lot area.

H. Floor Area Ratio. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site.

I. Off-street parking and loading. The provisions of § 20.08.040 of this title shall apply.

J. Access. Access to all off-street parking and loading area shall conform with requirements of the City Engineer, and shall be subject to modification by the Planning Commission upon review of the site plans.

K. Signs. The provisions of Chapter 20.28 of this title shall apply.

SECTION 65. Section 20.228.060 (Plan Review) of Chapter 20.228 (C-N Neighborhood Commercial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.228.060 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the C-N Zone that are listed in § 20.408.040.B.

SECTION 66. Section 20.232.030 (Property Development Standards) of Chapter 20.232 (C-C Major Shopping Center Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.232.030 PROPERTY DEVELOPMENT STANDARDS.

The following property development standards shall apply to all land and buildings in the C-C Zone:

A. Zone area.

1. Minimum area. Any area to which this zoning is applied shall not be less than ten (10) acres.

B. Lot dimensions. The width of the site shall not exceed a ratio of two (2) feet for each foot of depth.

C. Building height.

1. Buildings and structures erected in the C-C Zone shall have a height no greater than seventy-five (75) feet.

2. Structures permitted above height limit. Roof structures for the housing of elevators, stairways, tanks, ventilating fans or similar equipment required to operate and maintain the buildings and fire or parapet walls, skylights, towers, steeples, flagpoles, chimneys, wireless and television masts, water tanks, or similar structures may be erected above the maximum height permitted in each zone. No structure shall be allowed for purposes of providing additional floor space.

D. Yards and setbacks.

1. All yards and setbacks shall be subject to review and approval by the Planning Commission at the time of site plan review pursuant to § 20.408.040 of this title. In no instance, however, shall any building, main or accessory, be located within one hundred (100) feet of any property line which abuts any residential zone.

2. The Planning Commission may require, through the site plan review procedure, permanent masonry walls and landscaping which is deemed necessary to protect adjacent residential zones and/or to improve the visual quality of the commercial complex as viewed from any abutting street.

E. Walls, fences, landscaping and property maintenance.

1. Required walls.

a. Walls along common property lines shall be erected as required in paragraph D. above.

b. Required walls six (6) feet or more in height shall be constructed of masonry material.

c. Required walls less than six (6) feet in height may be constructed of other permanent material not including wood or corrugated sheet material.

2. Permitted fences and walls. Fences and walls not to exceed seven (7) feet in height shall be permitted within any required side or rear yard area or along any common property line with the following exceptions:

a. Solid wall or fence shall not exceed a height of thirty-six (36) inches within any required street setback yard area.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or side yard on the street side of a corner lot shall not exceed a height of four and one-half (4½) feet.

3. Height of walls and fences. The height of walls and fences shall be measured from finished grade immediately adjacent to the base of the wall.

a. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

4. Landscaping. The provisions of § 20.236.040.M. of C-G Zone shall apply.

5. Property maintenance. The provisions of § 20.236.040.M. of C-G Zone shall apply.

F. Distance between buildings. No requirements.

G. Off-street parking and loading. The provisions of § 20.08.040 of this title shall apply.

H. Access. Access to all off-street parking and loading areas shall conform with requirements of the City Engineer, and shall be subject to modifications by the Planning Commission upon review of the site plans.

I. Signs. The provisions of Chapter 20.28 of this title shall apply.

J. Floor Area Ratio. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site.

SECTION 67. Section 20.232.050 (Plan Review) of Chapter 20.232 (C-C Major Shopping Center Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.232.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the C-C Zone that are listed in § 20.408.040.B.

SECTION 68. Subsection E of Section 20.236.040 (Property Development Standards) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

E. Walls and fences.

1. Required walls.

a. Walls along common property lines shall be erected as required in paragraph D. above.

b. Walls or fences of sheet or corrugated iron, steel, aluminum, asbestos, or security chain-link fencing are specifically prohibited, except that security chain-link fencing may be permitted when combined with redwood battens or a similar aesthetic treatment.

2. Permitted fences and walls. Fences and walls not to exceed seven (7) feet in height shall be permitted within any side or rear yard area or along any common property line with the following exceptions:

a. Solid wall or fence shall not exceed a height of thirty-six (36) inches within the front yard or side yard on the street side of a corner lot.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or side yard on the street side of a corner lot shall not exceed a height of four and one-half (4½) feet.

3. Height of walls and fences. The height of walls and fences shall be measured from finished grade immediately adjacent to the base of the wall.

a. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

4. The provisions of this section shall not apply to a fence or wall height as required by any law or regulation of the state or agency thereof.

SECTION 69. Subsection G of Section 20.236.040 (Property Development Standards.) of Chapter 20.232 (C-C Major Shopping Center Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

G. Building site coverage and floor area ratio.

1. The maximum building site coverage shall be fifty percent (50%) of the net area of the site.

2. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site.

SECTION 70. Section 20.236.050 (Plan Review.) of Chapter 20.232 (C-C Major Shopping Center Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.232.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the C-G Zone that are listed in § 20.408.040.B.

SECTION 71. Subsection D of Section 20.240.060 (Property Development Standards) of Chapter 20.240 (C-M Commercial Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

D. Walls, fences, landscaping and property maintenance.

1. Required walls.

a. Walls along setback lines and along the common property lines shall be erected as required in § 20.248.040.D. and E. of this title.

b. Required walls six (6) feet or more in height shall be constructed of masonry material.

c. Required walls less than six (6) feet in height may be constructed of other permanent material not including wood or corrugated sheet metal.

2. Permitted fences and walls. Fences and walls not to exceed seven (7) feet in height shall be permitted within any side or rear yard area along any common property line with the following exceptions:

a. Solid wall or fence shall not exceed a height of thirty (36) inches within the front yard or side yard on the street side of a corner or reverse corner lot.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or side yard on the street side of a corner lot shall not exceed a height of four and one-half (4½) feet.

3. Height of walls and fences. The height of walls and fences shall be measured from finished grade immediately adjacent to the base of the wall.

a. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall

be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

SECTION 72. Subsection F of Section 20.240.060 (Property Development Standards) of Chapter 20.240 (C-M Commercial Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

F. Building site coverage and floor area ratio.

1. Lot area coverage by buildings or structures shall not exceed fifty percent (50%) of the total lot area.

2. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site.

SECTION 73. Section 20.240.080 (Plan Review) of Chapter 20.240 (C-M Commercial Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.240.080 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the C-M (Commercial/Industrial) Zone that are listed in § 20.408.040.B. Additionally, all property zoned C-M and located within three hundred (300) feet of any "R" (residentially) zoned property and/or any residential neighborhood with more than 20 parcels shall not be developed except upon the previous approval of a conditional use permit pursuant to § 20.408.030 of this title.

SECTION 74. Subsection E of Section 20.244.040 (Property Development Standards) of Chapter 20.244 (C-RC Commercial Recreation Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

E. Walls, fences, landscaping and property maintenance.

1. Required walls. The Commission may require a six (6) foot masonry wall along any property line which abuts any residential zone as a condition of the plan

review where such wall is deemed necessary and practical to protect these abutting areas.

2. Permitted fences and walls. Fences and walls not to exceed seven (7) feet in height shall be permitted within any side or rear yard area or along any common property line with the following exceptions:

a. Solid wall or fence shall not exceed a height of thirty (36) inches within the front yard or side yard on the street side of a corner or reversed corner lot.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or side yard on the street side of a corner lot shall not exceed a height of four and one-half (4½) feet.

3. Height of walls and fences. The height of walls and fences shall be measured from finished grade immediately adjacent to the base of the wall.

a. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

SECTION 75. Subsection G of Section 20.244.040 (Property Development Standards) of Chapter 20.244 (C-RC Commercial Recreation Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.244.040 PROPERTY DEVELOPMENT STANDARDS.

G. Floor area ratio. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site.

SECTION 76. Section 20.244.050 (Plan Review) of Chapter 20.244 (C-RC Commercial Recreation Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.244.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the C-RC Zone that are listed in § 20.408.040.B.

SECTION 77. Subsection E of Section 20.248.040 (Property Development Standards) of Chapter 20.248 (M-P Planned Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.248.040 PROPERTY DEVELOPMENT STANDARDS.

E. Walls, fences, landscaping and property maintenance. The provisions of § 20.252.040.E of the M-1 Zone shall apply.

SECTION 78. Subsection G of Section 20.248.040 (Property Development Standards) of Chapter 20.248 (M-P Planned Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

G. Building site coverage and floor area ratio.

1. Lot area coverage by buildings or structures shall not exceed fifty percent (50%) of the total lot area.

2. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site.

SECTION 79. Section 20.248.050 (Plan Review) of Chapter 20.248 (M-P Planned Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.248.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the M-P Zone that are listed in § 20.408.040.B. Additionally, all property zoned M-P and located within three hundred (300) feet of any "R" (Residentially) zoned

property and/or any residential neighborhood with more than 20 parcels shall not be developed except upon the previous approval of a conditional use permit pursuant to § 20.408.030 of this title.

SECTION 80. Section 20.252.040 (Property Development Standards) of Chapter 20.252 (M-1 Light Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.252.040 PROPERTY DEVELOPMENT STANDARDS.

The property development standards shall apply to all land and buildings in the M-1 Zone.

A. Lot area. Each lot shall have a minimum area of six thousand (6,000) square feet.

B. Lot dimensions.

1. Width. Each lot shall have a minimum width of sixty (60) feet, except that were adjacent to a residential zone, school or park, the width shall be not less than one hundred sixty (160) feet.

2. Depth. Each lot shall have a minimum depth of one hundred (100) feet, except where adjacent to a residential zone, school or park, in which case the minimum depth shall be two hundred (200) feet.

C. Building height.

1. Buildings and structures erected in the M-1 Zone shall have a height no greater than sixty (60) feet.

2. Structures permitted above height limit. Roof structures for the housing of elevators, stairways, tanks, ventilating fans or similar equipment required to operate and maintain the buildings and fire or parapet walls, skylights, towers, steeples, smoke stacks, flagpoles, chimneys, wireless and television masts, water tanks, or similar structures may be erected above the maximum height permitted in each zone. No structure shall be allowed for purposes of providing additional floor space.

D. Yards.

1. Where the M-1 Zone fronts, sides, or rears on any arterial street, or a local street which is a boundary with a residential zone, there shall be a yard abutting such arterial street or local street of not less than fifty (50) feet. The twenty (20) feet nearest the street shall be landscaped and maintained. The remainder may be used for parking.

2. Where the M-1 Zone fronts, sides or rears on a local street which is not a boundary with a residential zone, there shall be a yard of not less than ten (10) feet abutting such street.

3. No side or rear yards required except where adjoining a residential zone, the side and rear yard(s) shall be a minimum of one hundred (100) feet. Such yards may be used for parking, loading, and accessways. A solid masonry wall not less than seven (7) feet in height shall be installed along the property line abutting the residential zone.

4. In all front yards, the equivalent of one (1) tree per thirty (30) lineal feet of front property line shall be provided; in all rear and side yards, visible from adjacent streets or residential neighborhoods, one (1) tree for each thirty (30) lineal feet of combined rear and side interior property lines shall be planted in either a lineal or grouped manner. In addition, a five (5) foot, net (clear of curb), interior property line landscaped strip shall be provided. This landscaping shall be continuous along all interior property lines. Landscaping shall be held back from the property line or intersection with driveways or streets so as not to hinder traffic visibility.

5. All yards between the public street curbing and the property line are to be landscaped and maintained with active ground cover, such as green grass, dichondra, ivy, shrubs and/or trees.

6. All unpaved or undeveloped areas of a site for which a development application has not been submitted, shall be planted with a ground cover and/or shrub material as a condition of project approval. Undeveloped areas which are proposed for future expansion shall be kept in a weed free condition.

E. Walls, fences, landscaping, and property maintenance.

1. Required walls.

a. Walls along common property lines shall be erected as required in paragraph D. above, however, such walls shall be reduced to a height of thirty-six (36) inches in the area defined as the front yard in the abutting residential zone.

b. Required walls shall be constructed of masonry material not less than six (6) inches in thickness.

2. Permitted fences and walls. Fences and walls not to exceed seven (7) feet in height shall be permitted within any side or rear yard area or along any common property line with the following exceptions:

a. Solid wall or fence shall not exceed a height of thirty-six (36) inches within the front yard or side yard on the street side of a corner lot.

b. Open work fences (not less than ninety percent (90%) open) in a required front yard or side yard on the street side of a corner lot shall not exceed a height of four and one-half (4½) feet.

3. Height of walls and fences. The height of walls and fences shall be measured from finished grade immediately adjacent to the base of the wall.

a. For the purposes of this subsection, finished grade is defined as the elevation of the ground that would exist at the time of wall/fence construction. If the existing grade is modified to create a new finished grade, the finished grade shall be determined by calculating the midpoint of the highest existing grade and the highest finished grade.

4. The provisions of this section shall not apply to a fence or wall height as required by any law or regulation of the state or agency thereof.

5. Landscaping required.

a. Areas utilized for parking or loading, will be screened, modulated, or interrupted from view of access on adjacent streets, freeways, and adjacent residential property. This can be accomplished by one of three (3) techniques:

- (1) Lineal masses of shrubs;
- (2) Lineal or group masses of major scale trees; or
- (3) Lineal or grouped masses of smaller scale trees.

b. Dual texturing of building facades or a five (5) foot strip of building parameter landscaping shall be required, with the exception of rear or side walls abutting other existing buildings.

c. Parking lot trees. Trees equal in number to one (1) per each five (5) parking stalls either grouped or clustered shall be installed in all parking areas. Such trees shall be placed on the lot so as not to interfere with interior industrial parking lot circulation. Trees shall be placed so as to give relief to the monotony of rows of parked vehicles.

d. A detailed landscaped plan (including irrigation, plant and material specifications) shall be submitted to the Community Development Department for its approval prior to the issuance of building permits.

6. Landscaping maintenance.

a. Prior to the installation of the landscaping in public right-of-way, the developer shall provide for continued maintenance by an agreement with the city.

b. Property owners are responsible for the continual maintenance of all landscape areas on-site, as well as contiguous planted areas within the public right-of-way. All landscaped areas shall be kept free from weeds and debris, maintained in a healthy, growing condition and shall receive regular pruning, fertilizing, mowing and trimming. Any diseased, dead, damaged or decaying plant materials shall be removed and replaced within thirty (30) days following written notice from the Director.

c. Irrigation systems shall be kept in working condition. Adjustments, replacements, repairs, and cleaning shall be a part of regular maintenance.

d. Trees shall be staked and tied with lodge poles. Stakes and ties on trees shall be checked regularly for correct functions. Ties shall be adjusted to avoid creating abrasions or girdling on trunks or branches.

e. Street trees planted within public right-of-way and/or trees planted adjacent to public sidewalk shall be provided with root barriers subject to Director review and approval.

7. Property maintenance. Property owners shall maintain all structures, including buildings, paved areas, accessory buildings and signs in the manner required to protect the health and safety of users, occupants, and the general public. The property shall be deemed substandard when it displays evidences of

a substantial number of dilapidated conditions including, but not limited to the following:

- a. Faulty, sagging or leaking roof;
- b. Improper weatherization of building siding materials such as chipped or worn paint, wood siding showing signs of dry rot, cracked or chipped stucco and dented or rusted metal siding;
- c. Broken or missing windows and sign panels;
- d. Inadequate site drainage or standing water adjacent to building foundations;
- e. Broken or inoperable sanitary and plumbing facilities;
- f. Broken or missing foundation and attic vent screens and window screens; and
- g. Structural deficiencies.

F. Distance between buildings. No requirements.

G. Building site coverage and floor area ratio.

1. Lot area coverage by buildings or structures shall not exceed fifty percent (50%) of the total lot area.

2. Floor Area Ratio. All developments shall be subject to the floor area ratio established under the city's General Plan for the General Plan land use designation applicable for the site."

H. Off-street parking and loading. The provisions of § 20.08.040 of this title shall apply.

I. Access. All lots shall have a minimum of fifty (50) feet of access on a dedicated and improved street.

J. Signs.

1. Permitted signs.

- a. Temporary signage per city standards.
- b. Tenant signs must be approved prior to installation.
- c. Except as provided herein, the provisions of Chapter 20.28 of this title shall apply.

K. Colors. Colors, materials, and finishes are to be coordinated on all exterior elevations of the buildings and walls to achieve total continuity of design. Samples of exterior elevations (colors and textures) shall be submitted for review prior to permit issuance.

L. Lighting.

1. Parking lot lighting fixtures are to have an overall maximum height that is consistent with the height of the buildings themselves. Walkway lighting fixtures are to have an overall maximum height of fourteen (14) feet.

2. Cut-off exterior light fixtures and their location shall be submitted on a plan for review.

3. Security lighting fixtures are not to project above the fascia or parapet of the building and are to be shielded or recessed in the building walls to provide cut-off at the property line.

M. Outdoor storage, uses, and waste disposal.

1. Outdoor storage and activities associated with permitted uses shall be entirely enclosed by building walls or by a solid masonry wall not less than seven (7) feet in height located at the front setback line. On all other property lines such uses shall be enclosed by buildings, solid masonry walls, vine covered chain-link fences, or uniformly compact evergreen hedges, continuously maintained and not less than seven (7) feet in height. Items stored within one hundred (100) feet of a dedicated street or residential zone shall not be stacked higher than six (6) feet. Screen landscaping, fences and walls to enclose storage areas between adjoining industrial side and/or rear property lines may be deleted by mutual agreement of the property owners involved.

2. The storage of combustible materials shall be not less than twenty (20) feet from any interior lot line, and a roadway shall be provided, graded, surfaced, and maintained from the street to the rear of the property to permit free access of fire trucks at any time.

3. a. No materials or wastes shall be deposited upon a subject lot in such form or manner that they may be transferred off the lot by natural causes or forces. All waste materials shall be stored in an enclosed area and shall be accessible to service vehicles.

b. Wastes which might cause fumes or dust or which constitute a fire hazard or which may be edible by or otherwise be attractive to rodents or insects shall be stored only in closed containers in required enclosures.

4. All exterior electrical cage enclosures and storage tanks are to be screened from view from access or adjacent streets and residential neighborhoods, by a fence, wall, or mature landscape materials.

5. Trash storage method and location.

a. Trash enclosure location shall be subject to the approval of the Community Development and Public Works Departments.

b. Trash enclosure shall be of masonry construction or approved alternate material. Structural design and gates shall be in accordance with city standards.

N. Metal buildings. Buildings or structures having exterior walls of sheet metal shall not be located closer than one hundred fifty (150) feet from the property line along any freeway, major or secondary highway, or closer than one hundred (100) feet from the property line along any other dedicated street, except that such buildings or structures may be located closer to the street if any of the following conditions prevail:

1. The sheet metal comprises twenty-five percent (25%) or less of the exterior wall area of such building or structures; or

2. The sheet metal consists of panels with baked enamel or similar finish; or
3. Such building or structure is concealed from view from the public street by walls, fences, landscaping, or other buildings or structures.

O. Mechanical equipment and duct work.

1. All roof mounted mechanical equipment and/or duct work, which projects vertically more than one and one-half (1½) feet above the roof or roof parapet and is visible from an adjoining street is to be screened by an enclosure which is detailed consistently with the building.

2. All roof mounted mechanical equipment and/or ductwork, which projects one and one-half (1½) feet or more above the roof or roof parapet is to be painted in its entirety consistent with the color scheme of the building in all cases.

3. No mechanical equipment except for emergency equipment is to be exposed on the wall surface of a building.

4. Plans for cyclone blowers, bag houses, tanks, etc., shall be reviewed at the time of preliminary plan check to determine design integration with buildings and adjacent area. Furthermore, they shall be painted to match the surface to which attached.

5. Incinerator vents are to be located on the rear or “hidden” side of the building whenever possible.

P. The provisions of this section shall apply to all proposed development within the M-1 (Light Industrial) Zone except: Where a parcel or lot in the M-1 (Light Industrial) Zone is proposed for the development of off-site hazardous waste facilities, a distance of one thousand (1,000) feet from any sensitive population property lines is required, in addition to the required development standards in the M-1 (Light Industrial) Zone.

SECTION 81. Section 20.252.050 (Plan Review) of Chapter 20.252 (M-1 Light Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.252.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the M-1 (Light Industrial) Zone that are listed in § 20.408.040.B. Additionally, all properties zoned M-1 and located within three hundred (300) feet of an “R” (Residentially) zoned property and/or any residential neighborhood with more than 20 parcels shall not be developed except upon the previous approval of a conditional use permit pursuant to § 20.408.030 of this title.

SECTION 82. Section 20.256.050 (Plan Review) of Chapter 20.256 (M-2 General Industrial Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.256.050 PLAN REVIEW.

The provisions of § 20.408.040 of this title shall apply to all developments in the M-2 (General Industrial) Zone that are listed in § 20.408.040.B. Additionally, all properties zoned M-2 and located within three hundred (300) feet of any “R” (Residentially) zoned property and/or any residential neighborhood with more than 20 parcels shall not be developed except upon the previous approval of a conditional use permit pursuant to § 20.408.030 of this title.

SECTION 83. Tables 2-3 (Development Standards for Mixed-Use and Nonresidential Projects in Mixed-Use I Zoning District), 2-4 (Development Standards for Mixed-Use and Nonresidential Projects in Mixed-Use II Zoning District), 2-5 (Development Standards for Mixed-Use and Nonresidential Projects in Mixed-Use III Zoning District), 2-6 (Development Standards for “Stand Alone” Residential Projects in Mixed-Use I Zoning District), 2-7 (Development Standards for “Stand Alone” Residential Projects in Mixed-Use II Zoning District), and 2-8 (Development Standards for “Stand Alone” Residential Projects in Mixed-Use III Zoning District) of Section 20.258.020 (General Development Standards for the Mixed Use Zoning Districts) of Chapter 20.258 (Mixed-Use Zoning Districts) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code are amended to read as follows:

TABLE 2-3		
<i>DEVELOPMENT STANDARDS FOR MIXED-USE AND NONRESIDENTIAL PROJECTS IN MIXED-USE I ZONING DISTRICT</i>		
<i>DEVELOPMENT STANDARDS</i>	<i>MU-I</i>	<i>NOTES</i>
Minimum project size (1)	7,000 square feet	
Minimum parcel width (1)	50 feet	
Minimum parcel depth (1)	120 feet	

Minimum/maximum allowable density range for residential uses	12.1 to 50 du/acre	<p>(1) The standards for minimum project size, parcel width and parcel depth are intended to regulate sites for development purposes only and are not intended to establish minimum dimensions for ownership or leasehold (e.g. condominium) purposes.</p> <p>(2) The standards for accessory structures are intended to regulate development for residential components of a Mixed-Use Development.</p>
Maximum floor area ratio (FAR) for nonresidential uses	3.00	
Minimum setbacks		
Front and street side along Ash Street, Birch Street, Brea Boulevard and Imperial Highway	None permitted (A), except for allowable plazas and outdoor dining areas/uses	
Front	None	
Side, interior, Single-story	None (B)	
Side, interior, Second-story and above, if residential use adjoining residential or nonresidential uses	10 feet (B)	
Side, street	None	
Side, interior or street, adjoining residential uses	10 feet (C)	
Rear, if nonresidential use adjoining nonresidential use	None (D)	
Rear, if residential use or nonresidential use adjoining residential uses	10 feet (D)	
Parking area setbacks (front and street side). (No parking adjacent to Brea Boulevard or Imperial Highway allowed, except in the upper floors of a parking structure.)	5 feet	
Minimum distance between structures located on the same parcel	None	
Maximum structure height	100 feet	
Minimum common residential open space for each residential unit. (The minimum dimension shall be 15 feet at any point.)	75 square feet/ dwelling unit	
Minimum private residential open space for each residential unit.(The minimum dimension shall be 5 feet at any point.)	50 square feet/ dwelling unit	
NOTE: The letters (A), (B), (C) and (D) refer to the graphics following this Table.		
Accessory structures (2)	Section 20.08.035.F	
Landscaping	Section 20.236.040.M	
Lighting	Section 20.08.040.C.5 and Section 20.220.040.L	
Parking and loading	Section 20.08.040	
Signs	Section 20.28	
Walls and fences	Section 20.236.040.E and Section 20.220.040.F	

<p align="center">TABLE 2-4</p> <p align="center">DEVELOPMENT STANDARDS FOR MIXED-USE AND NONRESIDENTIAL PROJECTS IN MIXED-USE II ZONING DISTRICT</p>		
DEVELOPMENT STANDARDS	MU-II	NOTES

Minimum project size (1)	10,000 square feet	<p>(1) The standards for minimum project size, parcel width and parcel depth are intended to regulate sites for development purposes only and are not intended to establish minimum dimensions for ownership or leasehold (e.g. condominium) purposes.</p> <p>(2) The standards for accessory structures are intended to regulate development for residential components of a Mixed-Use Development.</p>
Minimum parcel width (1)	100 feet	
Minimum parcel depth (1)	200 feet	
Minimum/maximum allowable density range for residential uses	6.1 to 40 du/acre	
Maximum floor area ratio (FAR) for nonresidential uses	2.00	
Minimum setbacks		
Front	None	
Side, interior, Single-story	None (E)	
Side, interior, Second-story and above, if residential use adjoining residential or nonresidential uses	10 feet (E)	
Side, street	None	
Side, interior or street, adjoining, residential uses	10 feet (F)	
Rear, if nonresidential use adjoining nonresidential use	None (G)	
Rear, if residential use or nonresidential use adjoining residential uses	10 feet (G)	
Parking area setbacks (front and street side)	15 feet	
Minimum distance between structures located on the same parcel	None	
Maximum structure height	60 feet	
Minimum common residential open space for each residential unit. (The minimum dimension shall be 15 feet at any point.)	75 square feet/ dwelling unit	
Minimum private residential open space for residential unit.(The minimum dimension shall be 5 feet at any point.)	50 square feet/ dwelling unit	
NOTE: The letters (E), (F), and (G) refer to the graphics following this Table.		
Accessory structures (2)	Section 20.08.035.F	
Landscaping	Section 20.236.040.M	
Lighting	Section 20.08.040.C.5 and Section 20.220.040.L	
Parking and loading	Section 20.08.040	
Signs	Section 20.28	
Walls and fences	Section 20.236.040.E and Section 20.220.040.F	

<p align="center">TABLE 2-5</p> <p align="center">DEVELOPMENT STANDARDS FOR MIXED-USE AND NONRESIDENTIAL PROJECTS IN MIXED-USE III ZONING DISTRICT</p>		
DEVELOPMENT STANDARDS	MU-III	NOTES
Minimum project size (1)	7,000 square feet	(1) The standards for minimum project size,
Minimum parcel width (1)	50 feet	

Minimum parcel depth (1)	120 feet	parcel width and parcel depth are intended to regulate sites for development purposes only and are not intended to establish minimum dimensions for ownership or leasehold (e.g. condominium) purposes. (2) The standards for accessory structures are intended to regulate development for residential components of a Mixed-Use Development.
Minimum/maximum allowable density range for residential uses	6.1 to 18 du/acre	
Maximum floor area ratio (FAR) for uses	1.00	
Minimum setbacks		
Front and street side along Brea Boulevard and Imperial Highway - Parcels of less than one acre	None permitted (H), except for allowable plazas and outdoor dining areas/uses	
Front and street side along Brea Boulevard and Imperial Highway - Parcels of one acre or greater	At least 50% of the parcel frontage: None permitted (I) Up to 50% of the parcel frontage. (No parking within setback allowed.): May maintain an average setback of 10 feet (I)	
Front, other than Brea Boulevard or Imperial Highway	None	
Side, interior, Single-story	None (J)	
Side, interior, Second-story and above, if residential use adjoining residential or nonresidential uses	10 feet (J)	
Side, street, other than Brea Boulevard or Imperial Highway	None	
Side, interior or street, adjoining, residential uses	5 feet, average (K)	
Rear, if nonresidential use adjoining nonresidential use	None (L)	
Rear, if residential use or nonresidential use adjoining residential uses	10 feet (L)	
Parking area setbacks (front and street side). (No parking adjacent to Brea Boulevard or Imperial Highway allowed, except in the upper floors of a parking structure.)	5 feet	
NOTE: The letters (H), (I), (J), (K) and (L) refer to the graphics following this Table.		
Minimum distance between structures located on the same parcel	None	
Maximum structure height	35 feet	
Minimum common residential open space for each residential unit.(The minimum dimension shall be 15 feet at any point.)	75 square feet/ dwelling unit	
Minimum private residential open space for each residential unit. (The minimum dimension shall be 5 feet at any point.)	50 square feet/ dwelling unit	
Maximum parcel coverage	65%	
Accessory structures (2)	Section 20.08.035.F	
Landscaping	Section 20.236.040.M	
Lighting	Section 20.08.040.C.5 and Section 20.220.040.L	
Parking and Loading	Section 20.08.040	

Signs	Section 20.28	
Walls and fences	Section 20.236.040.E and Section 20.220.040.F	

TABLE 2-6		
DEVELOPMENT STANDARDS FOR "STAND ALONE" RESIDENTIAL PROJECTS IN MIXED- USE I ZONING DISTRICT		
DEVELOPMENT STANDARDS	MU-I	NOTES
Minimum project size (1)	2,500 square feet	(1) The standards for minimum project size, parcel width and parcel depth are intended to regulate sites for development purposes only and are not intended to establish minimum dimensions for ownership or leasehold (e.g. condominium) purposes.
Minimum parcel width (1)	None	
Minimum parcel depth (1)	None	
Minimum/maximum allowable density range for residential uses	12.1 to 50 du/acre	
Maximum floor area ratio (FAR) for nonresidential uses	3.00	(2) For structures located on Ash Street, Birch Street, or Brea Boulevard, north of Imperial Highway, there is no minimum setback requirement. All other setbacks shall be measured from the structure face to the nearest property line.
Front and Side, Street along Ash Street, Birch Street, Brea Boulevard and Imperial Highway, Single-story (2)	5 feet (M)	
Front and Side, Street along Ash Street, Birch Street, Brea Boulevard and Imperial Highway, Second-story and above (2)	10 feet (M)	
Front, other than Ash Street, Birch Street, Brea Boulevard and Imperial highway (3)	15 feet (N)	
Side, interior	5 feet (O)	(3) Low level patio walls may encroach into the required front or street side setback up to a maximum of 5 feet.
Side, street, other than Ash Street, Birch Street, Brea Boulevard and Imperial highway (3)	15 feet (O)	
Side, interior or street (other than Ash Street, Birch Street, Brea Boulevard and Imperial highway), adjoining, residential uses	10 feet (O)	
Rear	5 feet (P)	
Rear, adjoining nonresidential uses	10 feet (P)	(4) In projects with subterranean parking, structure heights shall be measured from the top of the parking deck. For structures located on Ash Street, Birch Street, or Brea Boulevard, the maximum structure height shall be 55 feet.
Parking area setbacks (front and street side). (No parking adjacent to Brea Boulevard or Imperial Highway allowed, except in the upper floors of a parking structure.)	5 feet	
Minimum distance between structures located on the same parcel	None	
Maximum structure height (4)	100 feet	
Minimum common open space for each residential unit.(The minimum dimension shall be 15 feet at any point.)	100 square feet/ dwelling unit	
Minimum private open space for	75 square feet/ dwelling unit	

each residential unit. (The minimum dimension shall be 5 feet at any point.)		
NOTE: The letters (M), (N), (O), and (P) refer to the graphics following this Table.		
Accessory structures	Section 20.08.035.F	
Landscaping	Section 20.236.040.M	
Lighting	Section 20.08.040.C.5 and Section 20.220.040.L	
Parking and loading	Section 20.08.040	
Signs	Section 20.28	
Walls and fences	Section 20.236.040.E and Section 20.220.040.F	

TABLE 2-7		
DEVELOPMENT STANDARDS FOR "STAND ALONE" RESIDENTIAL PROJECTS IN MIXED- USE II ZONING DISTRICT		
DEVELOPMENT STANDARDS	MU-II	NOTES
Minimum project size (1)	2,500 square feet	(1) The standards for minimum project size, parcel width and parcel depth are intended to regulate sites for development purposes only and are not intended to establish minimum dimensions for ownership or leasehold (e.g. condominium) purposes. (2) Low level patio walls may encroach into the required front or street side setback up to a maximum of 5 feet. In projects with subterranean parking, structure heights shall be measured from the top of the parking deck.
Minimum parcel width (1)	None	
Minimum parcel depth (1)	None	
Minimum/maximum allowable density range for residential uses	6.1 to 40 du/acre	
Maximum floor area ratio (FAR) for nonresidential uses	2.00	
Minimum setbacks		
Front (2)	15 feet (Q)	
Side, interior	5 feet (R)	
Side, street (2)	15 feet (R)	
Side, interior or street, adjoining, nonresidential uses	10 feet (R)	
Rear	15 feet (S)	
Rear, adjoining nonresidential uses	20 feet (S)	
Parking area setbacks (front and street side)	15 feet	
Minimum distance between structures located on the same parcel	None	
Maximum structure height (3)	60 feet	
Minimum common open space for each residential unit.(The minimum dimension shall be 15 feet at any point.)	100 square feet/ dwelling unit	
Minimum private open space for each residential unit. (The minimum dimension shall be 5 feet at any point.)	75 square feet/ dwelling unit	
Accessory structures	Section 20.08.035.F	
Landscaping	Section 20.236.040.M	
Lighting	Section 20.08.040.C.5 and Section	

	20.220.040.L	
Parking and loading	Section 20.08.040	
Signs	Section 20.28	
Walls and fences	Section 20.236.040.E and Section 20.220.040.F	
NOTE: The letters (Q), (R), and (S) refer to the graphics following this Table.		

<p align="center">TABLE 2-8 DEVELOPMENT STANDARDS FOR "STAND ALONE" RESIDENTIAL PROJECTS IN MIXED-USE III ZONING DISTRICT</p>		
DEVELOPMENT STANDARDS	MU-III	NOTES
Minimum project size (1)	7,000 square feet	<p>(1) The standards for minimum project size, parcel width and parcel depth are intended to regulate sites for development purposes only and are not intended to establish minimum dimensions for ownership or leasehold (e.g. condominium) purposes.</p> <p>(2) Low level patio walls may encroach into the required front or street side setback up to a maximum of 5 feet.</p> <p>(3) In projects with subterranean parking, structure heights shall be measured from the top of the parking deck.</p>
Minimum parcel width (1)	50 feet	
Minimum parcel depth (1)	120 feet	
Minimum/maximum allowable density range for residential uses	6.1 to 14 du/acre (See Section 20.258.030.A.4)	
Maximum floor area ratio (FAR) for nonresidential uses	1.00	
Front and Side, street, along Brea Boulevard and Imperial Highway	Stand alone residential not allowed on Brea Boulevard or Imperial Highway	
Front, other than Brea Boulevard or Imperial Highway (2)	15 feet (T)	
Side, interior	5 feet (U)	
Side, street other than Brea Boulevard or Imperial Highway (2)	15 feet (U)	
Side, interior or street, adjoining, nonresidential uses	10 feet (U)	
Rear	15 feet (V)	
Rear, adjoining nonresidential uses	20 feet (V)	
Parking area setbacks (front and street side). No parking adjacent to Brea Boulevard or Imperial Highway allowed, except in the upper floors of a parking structure.)	5 feet	
Minimum distance between structures located on the same parcel	None	
Maximum structure height (3)	35 feet	
Minimum common open space for each residential unit. (The minimum dimension shall be 15 feet at any point.)	100 square feet/ dwelling unit	
Minimum private open space for each residential unit. (The minimum dimension shall be 5 feet at any point.)	75 square feet/ dwelling unit	

Maximum parcel coverage (not including parking decks)	65%
NOTE: The letters (T), (U), and (V) refer to the graphics following this Table.	
Accessory structures	Section 20.08.035.F
Landscaping	Section 20.236.040.M
Lighting	Section 20.08.040.C.5 and Section 20.220.040.L
Parking and loading	Section 20.08.040
Signs	Section 20.28
Walls and fences	Section 20.236.040.E and Section 20.220.040.F

SECTION 84. Section 20.260.050 (Special Provisions) of Chapter 20.260 (PD Precise Development Zone) of Division II (Specific Zone Regulations) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

“20.260.050 SPECIAL PROVISIONS.

A. Procedure. Development of land in a precise development zone for any specific use shall be subject to a precise development review, pursuant to § 20.408.070. All procedures regarding a Precise Development review of land in a precise development zone, or the revocation or modification thereof, shall be governed by provisions establishing procedures related to conditional use permits as amended from time to time.

SECTION 85. Subsection B of Section 20.400.030 (Types of Procedures) of Chapter 20.400 (Administration and Procedures - General) of Division III (Administration and Procedures) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

B. *Administrative procedures.*

1. *Administrative interpretation.* A means of resolving uncertainties or ambiguities in the meaning of any provision of this title. An interpretation is uniformly applicable to all subsequent situations in which the same set of circumstances is present. In addition, the interpretation procedure may be used to make minor adjustments of zone boundaries to conform to lot lines or to resolve uncertainty as to the precise location of a zone boundary.

2. *Administrative remedy.* A simplified procedure for considering minor deviations from zoning regulations, within established parameters, designed to expedite requests therefor without requiring Planning Commission review.

3. *Conditional use permit.* A discretionary action concerning a specified land use and, pursuant to criteria set forth in this title, to determine whether such use may be permitted at a given location and to determine the conditions or limitations on development in each case.

4. *Plan review.* The review and conditional approval of development plans for specified categories of development or when required as a condition of approval under some other procedure, in order to ensure the intent of this title is met with regard to site arrangement, functional effectiveness, landscape design, architectural quality, and other pertinent attributes.

5. *Precise Development.* The review and conditional approval of development plans for specified categories of development in Mixed-Use zones and all developments in Precise Development zone, in order to ensure the intent of this title is met with regard to site arrangement, functional effectiveness, landscape design, architectural quality, and other pertinent attributes.

6. *Certificate of compatibility.* A procedure to consider the compatibility of accessory dwelling units that do not conform to the established standards and mobile and/or manufactured housing to coordinate planning, architecture, aesthetics, and economic cohesiveness within residentially zoned areas of the city.

SECTION 86. Subsection C of Section 20.408.020 (Administrative Remedy) of Chapter 20.408 (Administrative Procedures) of Division III (Administration and Procedures) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

C. Procedure. The following procedure shall apply to administrative remedy applications:

1. Application for administrative remedy shall be made pursuant to § 20.400.040.

2. The Director may refer any administrative remedy application to the Planning Commission for review at his/her discretion.

3. The Director, if the application was not referred to the Planning Commission, within thirty (30) days after filing of the complete application, shall either:

- a. Approve the application;
- b. Approve the application with conditions; or
- c. Disapprove the application.

The Director shall set forth the findings upon which the decision is based.

4. A copy of the proceedings and findings of the Director shall be submitted, in writing, to the Commission as a matter of record.

5. The decision of the Director shall be final and shall become effective ten (10) days after issuance of the decision by the Director, subject to appeal pursuant to Chapter 20.424.

SECTION 87. Subsection B of Section 20.408.030 (Conditional Use Permit) of Chapter 20.408 (Administrative Procedures) of Division III (Administration and Procedures) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

B. Uses permitted subject to conditional use permit.

1. Uses listed in each zone requiring a minor conditional use permit or conditional use permit may be permitted in such zone subject to the provisions of this section.

2. Modification of standards.

a. The following circumstances may be permitted with an approval of a minor conditional use permit.

(1) Where dimensional problems of an existing parcel require a reduction of lot area or dimensions by more than five percent (5%) but not more than ten percent (10%) of that required by the zone provided that such reduction is requested on not more than one (1) lot within any one (1) subdivision or tract.

(2) Where dimensional problems of an existing parcel require a reduction of yards and/or distance between buildings by more than ten percent (10%) but not more than twenty percent (20%) of the requirements of the zone provided that such reductions are not requested for more than one (1) lot within any one (1) subdivision or tract.

(3) Reduction of number of required parking spaces by more than ten percent (10%) but not more than twenty percent (20%).

(4) Modification of wall and fence heights to increase more than twelve (12) inches but not to exceed twenty-four (24) inches.

(5) Modification of projections/encroachment into required yard areas by more than five percent (5%) but not to exceed ten percent (10%) of the required yard areas in the zone, provided that such does not violate fire, housing or building codes.

(6) Modification of maximum permitted lot coverage to increase by ten percent (10%) but not to exceed twenty percent (20%) of the maximum lot area coverage permitted in the zone.

(7) Modification of maximum height regulation by more than ten percent (10%) but not to exceed twenty percent (20%).

b. The following circumstance may be permitted with an approval of a conditional use permit.

(1) Increase in building heights above twenty percent (20%) of the maximum permitted building height in C-P, C-C, C-G, C-M, C-RC, M-P, M-1 and M-2 zones.

3. Other special or unusual uses for which no provision is made in this title or which provide for an unusual combination of uses not otherwise provided for nor otherwise prohibited in this title may be permitted with an approval of a conditional use permit.

SECTION 88. Title of Section 20.408.040 (Plan Review Procedure) of Chapter 20.408 (Administrative Procedures) of Division III (Administration and Procedures) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.408.040 PLAN REVIEW.

SECTION 89. Subsection A of Section 20.408.040 (Plan Review) of Chapter 20.408 (Administrative Procedures) of Division III (Administration and Procedures) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

A. Purpose. The purpose of the plan review procedure is to enable responsible city departments to review development proposals for conformity with applicable provisions of this code and all requirements of law.

1. Applicability. This chapter shall apply to the following types of developments:

a. New single-family dwellings part of a larger development that includes two or more lots, not exempt from local, state, or federal law, in the R-1 (Single-Family Residential), R-1 5,000 (Single-Family Residential 5,000), and R1-H (Single-Family Residential - Hillside) Zones.

b. All developments in the R-2 (Multiple-Family Residential) and R-3 (Multiple-Family Residential Zones), not exempt from local, state, or federal law, except for modification to the existing single-family dwellings.

c. All developments in commercially zoned properties.

d. All developments in industrially zoned properties.

e. Exceptions. This section does not apply to developments that only involve interior modifications.

SECTION 90. Section 20.408.050 (Certificate of Compatibility) of Chapter 20.408 (Administrative Procedures) of Division III (Administration and Procedures) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended to read as follows:

20.408.050 CERTIFICATE OF COMPATIBILITY.

A. Intent and purpose. The certificate of compatibility considers the compatibility of accessory dwelling units that do not conform to the established standards, and mobile or manufactured homes to coordinate land planning, architecture, aesthetics, and economic cohesiveness within the surrounding neighborhood. The issuance of a certificate of compatibility shall be obtained prior to submittal of an application for a building permit.

SECTION 91. Chapter 20.408 (Administrative Procedures) of Division III (Administration and Procedures) of Title 20 (Zoning Code) of Part II (Development Code) of the Brea City Code is amended by adding a new Section 20.408.070 (Precise Development) to read as follows:

20.408.070 PRECISE DEVELOPMENT.

A. Purpose. The purpose of the precise development procedure is to enable responsible city departments to review development proposals for conformity with applicable provisions of this code and all requirements of law for specified categories of development in Mixed-Use zones and all developments in Precise Development zone.

B. Procedure.

1. Application for plan review shall be submitted in accordance with § 20.400.040, together with the requisite fee therefor.

2. Application for precise development shall include submission of the following, where appropriate:

a. A boundary survey map of the property. (A tentative subdivision map may be substituted for this requirement if the applicant proposes to subdivide the property.)

b. Existing topography of the development area shall be shown with contours at not more than two (2) foot intervals.

c. The gross land area of the development, the present zoning classification thereof, and the zoning classification and existing land use on all adjacent properties, including the location of structures and other improvements thereon.

d. A general development plan with at least the following details shown to scale and dimensioned:

i. Location and use or uses proposed for each existing and each proposed structure in the development area, the number of stories, gross building area, and approximate location of entrances.

ii. All existing and proposed storage, curb cuts, driving lanes, parking areas and loading areas.

iii. All pedestrian walks and open areas for the use of occupants of the proposed development and the public.

iv. Types of surfacing proposed for all walks and driveways.

v. A detailed plan for the landscaping of the development, including the location and heights of all proposed walls, fences and screen plating, and a statement setting forth the method by which such landscaping and fencing shall be preserved and maintained.

vi. A grading plan for the entire development.

vii. All existing or proposed physical features such as hydrants, utility facilities, flood lights, drainage facilities and recreation facilities, and a statement setting forth the method by which these features shall be preserved and maintained.

viii. Any additional drawings or information as may be required by the City.

e. Plans and elevations of one (1) or more structures to indicate architectural type and materials of construction.

C. Review Authority.

1. The Planning Commission shall be the review authority for the Precise Development review, except as specified in § 20.260.010 of this Chapter.

2. Planning Commission authority.

a. The Planning Commission shall have the authority, as an administrative act, subject to the provisions of this section, to require conditions of development in addition to those required by the zone where, it is determined that such conditions are necessary to further the objectives of the General Plan and are in harmony with the intent, purpose and spirit of this ordinance and/or where such additional requirements are deemed essential to protect the public safety and general welfare of the community.

b. All special conditions established by the Planning Commission in accordance with this section may be appealed to City Council.

3. Community Development Director authority.

a. The Director shall have the authority, as an administrative act, subject to the provisions of this section, to require conditions of development in addition to those required by the zone where it is determined that such conditions are necessary to further the objectives of the General Plan and are in harmony with the intent, purpose and spirit of this chapter and/or where such additional requirements are deemed essential to protect the public safety and general welfare of the community.

SECTION 92. CEQA. The City Council finds that it can be seen with certainty that there is no possibility the adoption of this Ordinance may have a significant effect on the environment because it enacts omnibus zoning code amendments that will not have a significant effect on the environment. It is therefore exempt from California Environmental Quality Act review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations.

SECTION 93. SEVERABILITY.

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections,

subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 94. EFFECTIVE DATE.

This Ordinance shall become effective thirty (30) days after its adoption in accordance with the provisions of California law.

SECTION 95. CERTIFICATION.

The City Clerk shall certify to the passage of this Ordinance.

PASSED, APPROVED, AND ADOPTED, this 18th day of March, 2025.

Blair Stewart
Mayor

ATTEST:

Lillian Harris-Neal
City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Brea,

held on the 4th day of March, 2025, and was finally passed at a regular meeting of the City Council of the City of Brea on the 18th day of March, 2025, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

Dated: _____

City Clerk



City Council Regular Meeting Communication

C. Approve Agreements with HOPE Center of Orange County and Project Youth OC and Approve the Appropriation of National Opioid Settlement Funds for FY 2024–25 and FY 2025–27

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4C.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

It is recommended that the City Council:

1. Authorize the City Manager to execute an Agreement between the HOPE Center and the Cities of Brea, Buena Park, Fullerton, and Placentia for the hiring of a Street Outreach Case Manager specializing in Medication-Assisted Treatment for a three-year term using the respective cities' National Opioid Settlement (NOS) Funds; and
2. Authorize the City Manager to execute an Agreement with Project Youth OC for the expansion of their ShortStop and Stop Short of Addiction Program in the City of Brea for a three-year term using the NOS Funds; and
3. Approve the appropriation of NOS Funds for the current Fiscal Year 2024-25 budget to begin purchasing supplies for opioid use prevention efforts; and
4. Approve the appropriation of NOS Funds for Fiscal Year 2025-27 budget.

BACKGROUND/DISCUSSION

The National Opioid Settlement (NOS) Funds are allocated to states for opioid crisis prevention, treatment, and harm reduction. The State of California (CA) established the CA Subdivision Fund to provide funds to cities and counties (Participating Subdivisions) that elected to participate in these settlements. Shortly after, CA designated the CA Department of Health Care Services (DHCS) to oversee these funds by monitoring the Participating Subdivisions for spending compliance and ensuring proper annual reporting. To ensure compliance, Participating Subdivisions must adhere to specific spending guidelines outlined in Exhibit E of the National Settlement Agreements and/or the High Impact Abatement Activities (HIAA) defined by DHCS (Attachment A). Further, pursuant to California State Subdivision Agreements, no less than 50% of the funds received by a Participating Subdivision in each calendar year must be used for one or more of the High Impact Abatement Activities listed in Attachment A of this staff report.

In 2021, the City of Brea elected to participate in the National Opioid Settlements as a Participating Subdivision of the State of California, securing approximately \$660,000 in funds since 2022, with \$140,000 expended on eligible activities to-date. An additional three different settlements are expected from Kroger, the Sackler Family and Purdue Pharma. Future allocations will continue annually through 2038, with a deadline to expend funds by 2043.

Current Allocations for the City of Brea To-Date

Settlement	Amount Received
Mallinckrodt	\$7,771.61
Janssen	\$132,229.32
Distributors	\$215,799.32
Pharmacies	\$291,204.99
McKinsey	\$12,787.95
Total	\$659,793.19

The City has identified key areas for fund utilization, including the hiring of a full-time Community Services Specialist at the Brea Resource Center, approved by City Council in 2023. This position focuses on data collection, research, and executing efforts to educate and reduce opioid use among vulnerable populations (HIAA #3).

To strategically allocate remaining settlement funds, staff have identified and prioritized key initiatives for these data-driven efforts including, Naloxone training and distribution, an educational social media campaign, a subpage on our City website with resources, educational seminars and informational booths, as well partnerships with the HOPE Center of Orange County (HOPE Center) and Project Youth OC.

HOPE Center of OC

Based on a local Medication-Assisted Treatment (MAT) clinic data from KCS Clinic, Brea proposes entering into an agreement (Attachment B) with the HOPE Center of OC and the Cities of Buena Park, Fullerton, and Placentia to collectively fund a Street Outreach Case Manager. This specialist will focus on MAT services, Opioid Use Disorder (OUD), and Substance Use Disorder (SUD) services to better address the needs of vulnerable populations in Brea.

From February 2024 through August 2024, Brea recorded 9 unsheltered and 10 sheltered individuals receiving MAT services at KCS Clinic. This data serves as the basis for calculating Brea's contribution to the HOPE Center. Using this methodology, Brea's share will be approximately \$40,000 per fiscal year, while the total agreement will amount to approximately \$250,000 per fiscal year for three years. This partnership is a data-driven initiative aligned with the HIAA guidelines set by DHCS and the parameters set in the Settlement Agreements. The initiative specifically supports vulnerable populations, including sheltered and unsheltered individuals, by providing targeted interventions such as MAT and wraparound support services, as described under HIAA guidelines.

Additional cities may join the initiative through an amendment, subject to the consensus of all participating cities. If new cities opt in, the funding formula will be recalculated, potentially reducing Brea's financial contribution. The formula will be updated annually at the start of each fiscal year based on data collected and provided by the HOPE Center. Consequently, depending on future data, Brea's contribution may fluctuate between the current estimate and a maximum of approximately \$60,000.

To ensure adequate funding, staff recommends that the Council appropriate \$60,000 for the HOPE Center to the professional services account within the NOS funds budget unit for FY 25-26 and FY 26-27. The HOPE Center was selected as a funding recipient due to its existing homeless outreach efforts within the City of Brea, making it well-positioned to expand its services to address opioid-related challenges amongst the unsheltered population.

Project Youth OC

Staff is proposing the City of Brea enter into an agreement (Attachment C) with Project Youth OC (PYOC) to bring their proven diversion programs to Brea. PYOC is a nonprofit organization dedicated to empowering at-risk youth through intervention programs that prevent substance abuse and delinquency. Their services align with the HIAA (HIAA #5: Interventions to prevent drug addiction in vulnerable youth) guidelines established by DHCS and meet the criteria outlined in Exhibit E of the National Opioid Settlement Agreements. By expanding into Brea, PYOC will implement its evidence-based Shortstop and Stop Short of Addiction programs, which are designed to reduce youth involvement in substance abuse and entering the criminal justice system.

Through this expansion, Project Youth OC will work closely with the Community Services Specialist at the Brea Resource Center, collaborating with the School Resource Officer already embedded in the Brea Olinda Unified School District and other local organizations to identify at-risk youth and provide intervention and prevention services for them and their families. Over the three-year grant term, PYOC will serve 100 youth and 150 parents/caregivers annually, with a total of 750 unduplicated clients receiving services.

This initiative will cost approximately \$85,000 per year with a total cost of \$252,650 over the three-year agreement term. All funding will come from NOS funds, so there will be no impact on the General Fund. PYOC's proven programs have demonstrated success in reducing youth recidivism and substance abuse, making them a reliable partner for effectively addressing these issues in Brea. With expertise in working with vulnerable populations, PYOC brings a specialized skillset that aligns with Brea's goals for youth prevention and early intervention.

Appropriating Funds for Current Fiscal Year 2024-25 Budget

The City of Brea is already making strides in addressing the opioid crisis through education, harm reduction, and community outreach. As part of these efforts, staff is requesting the Council appropriate funds within the existing NOS funds budget (233), in specified accounts as outlined in the table below for the current Fiscal Year 2024-25.

Fiscal Year 2024-25 Proposed Budget

Account No.	Account Title	Amount	CA Opioid Settlement Fund Allowable Expense Category
4111	Salary and Wages	\$121,776.00	HIAA #5, Schedule A, and Schedule B
TOTAL SALARY AND WAGES:		\$121,776.00	
4231	Advertising	\$1,000.00	Schedule B
4271	Mileage Reimbursement	\$300.00	Schedule B
4311	Food & Clothing	\$1,000.00	Schedule B

4442	Special Program Supplies	\$6,500.00	Schedule B
TOTAL OPERATING COSTS:		\$8,800.00	

These funds will be used to purchase necessary supplies and support the launch of an educational campaign focused on opioid awareness and prevention. Additionally, this funding will enable the distribution of naloxone to community members, a critical tool in preventing opioid overdose deaths. According to data provided by the County of Orange, from the California Comprehensive Death File, the City of Brea had an opioid overdose mortality total rate of eighteen people between the years of 2021 and 2023. After looking at opioid overdose mortality trends across the country, it can be anticipated that these proactive measures will help lay the groundwork for a comprehensive response to the opioid crisis.

Fiscal Year 2025-27 Proposed Budget

City staff request that the NOS funds budget for Fiscal Year 2025-27 be appropriated as outlined in the table below to support the City's ongoing efforts to mitigate and address the opioid epidemic at the local level. The proposed budget includes funding for salaries and wages to offset costs associated with the planning, leadership, and coordination of NOS initiatives. Specifically, this covers the Community Services Specialist, Management Analyst – City Manager's Office, Community Services Supervisor and Manager, and the Senior Management Analyst from the Finance Department.

Additionally, the budget allocates a portion of salary funds for the School Resource Officer to provide information and assistance to PYOC. It also includes an operating budget for necessary supplies to sustain the City of Brea's opioid use prevention and intervention efforts. This includes funding for Professional Services Agreements with PYOC and the HOPE Center to enhance the City's outreach and support initiatives.

Fiscal Year 2025-27 Proposed Budget

Account No.	Account Title	FY 25-26 Amount	FY 26-27 Amount	CA Opioid Settlement Fund Allowable Expense Category
4111	Salary and Wages	\$145,500.00	\$151,000.00	HIAA #5, Schedule A, and Schedule B
TOTAL SALARY AND WAGES:		\$145,500.00	\$151,000.00	
4219	Communication Svc.	\$600.00	\$600.00	Schedule B
4231	Advertising	\$1,000.00	\$1,000.00	Schedule B
4249	Professional Svc.	\$147,000.00	\$147,000.00	HIAA #3, HIAA #5
4271	Mileage Reimbursement	\$300.00	\$300.00	Schedule B

4311	Food & Clothing	\$1,000.00	\$1,000.00	Schedule B
4322	Communications Equip.	\$1,150.00	0	Schedule B
4329	Office Supplies	\$1,000.00	\$500.00	Schedule B
4442	Special Program Supplies	\$7,000.00	\$3,500.00	Schedule B
TOTAL OPERATING COSTS:		\$159,050.00	\$153,900.00	

FISCAL IMPACT/SUMMARY

The NOS funds are designated for specific uses as outlined in the Settlement Agreement Exhibit E and the DHCS guidelines on HIAA. Funds will continue through the year 2038, with an additional five years after final allocation for staff to ensure full expenditure of remaining funds. Staff will maintain compliance with DHCS annual reporting requirements and oversee fund distribution to align with approved uses. Importantly, there is no fiscal impact to the General Fund, as all expenditures outlined in this staff report will be fully covered by the NOS Funds account (233). Below is a projection of the City's future allocations for the next five (5) years:

Future Allocations

Fiscal Year	Estimated Allocation
2025-2026	\$148,595.69
2026-2027	\$144,268.38
2027-2028	\$134,688.98
2028-2029	\$158,815.61
2029-2030	\$164,103.56
Total	\$750,472.22

RESPECTFULLY SUBMITTED:

Kristin Griffith, City Manager

Prepared By: Tiara Solorzano, Management Analyst

Concurrence: Soo Kang, NOCPSC Executive Director, Victoria Ugarte, Community Services Specialist, and Jennifer Colacion, Community Services Manager

Attachments

[Attachment A - CA-OSF-Allowable-Expenses.pdf](#)

[Attachment B - HOPE Center of OC MOA.pdf](#)

[Attachment C - Project Youth OC Agreement Final with Exhibit Executed.pdf](#)

On July 21, 2021, California Attorney General Rob Bonta announced the [final settlement agreements](#) with prescription opioid manufacturer Janssen Pharmaceuticals and pharmaceutical distributors McKesson, Cardinal Health, and AmerisourceBergen (the Distributors). These were the first of several opioid settlements that will provide substantial funds for the remediation of the opioid crisis in California.

This document is intended to provide guidance for California's cities and counties (otherwise known as Participating Subdivisions) that receive funds from the California Abatement Accounts Fund through current and future California Opioid Settlements.¹

This resource includes three sections:

- » Section 1: Use of California (CA) Abatement Accounts Fund
- » Section 2: High Impact Abatement Activities (HIAA)
- » Section 3: List of Opioid Remediation Uses (Exhibit E) – Core Strategies and Approved Uses

Questions about the applicability of strategies to expend funds received from the CA Abatement Accounts Fund can be directed to DHCS at OSF@dhcs.ca.gov.

¹ Opioid settlements in this instance refers to final and proposed agreements between the State of California and opioid distributors and manufacturers: Janssen Pharmaceuticals and Johnson & Johnson (collectively "Janssen"); McKesson, Cardinal Health, and AmerisourceBergen (collectively, Distributors); Teva; Allergan; and pharmacies Walgreens, Walmart, and CVS (collectively, The Pharmacies), as well as any future opioid settlement agreements which follow the structure of these agreements.

Section 1: Use of California (CA) Abatement Accounts Fund

Funds from the California Opioid Settlements are intended to support opioid remediation activities. As defined in the National Opioid Settlement Agreements, opioid remediation is the “care, treatment, and other programs and expenditures designed to (1) address the misuse and abuse of opioid products, (2) treat or mitigate opioid use or related disorders, or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid crisis.”

Pursuant to the California State-Subdivision Agreements, funds from the CA Abatement Accounts Fund must be used for opioid remediation activities in one or more of the areas described in [Exhibit E](#) of the National Opioid Settlement Agreements. Section 3 of this document provides a copy of Exhibit E, which is divided into Schedule A and Schedule B strategies. Schedule A provides a list of core opioid remediation strategies identified through the National Opioid Settlements, while Schedule B provides a list of additional opioid remediation strategies identified through the settlements.

Pursuant to the National Opioid Settlement Agreements, funds from the CA Abatement Accounts Fund may also be used to support reasonable related administrative expenses for opioid remediation activities.

Section 2: High Impact Abatement Activities (HIAA)

California state officials, in partnership with counsel representing cities and counties, have agreed on a list of opioid remediation activities to prioritize within the State of California. These priorities, referred to as High Impact Abatement Activities (HIAA), can be found in the respective California State-Subdivision Agreements. Many of the activities listed in Exhibit E of the National Opioid Settlement Agreements can qualify as HIAA, depending on their focus.

Pursuant to the California State-Subdivision Agreements, **no less than fifty percent (50%)** of the funds received by a Participating Subdivision in each calendar year from the CA Abatement Accounts Fund will be used for one or more of the HIAA listed below:

Table 1: High Impact Abatement Activities (HIAA)

No.	Activity
1	Provision of matching funds or operating costs for substance use disorder (SUD) facilities within the Behavioral Health Continuum Infrastructure Program (BHCIP)
2	Creating new or expanded SUD treatment infrastructure ²
3	Addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD
4	Diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction
5	Interventions to prevent drug addiction in vulnerable youth
6	The purchase of naloxone for local entities including for distribution and efforts to expand access to naloxone for opioid overdose reversals.

Section 3: List of Opioid Remediation Uses – Core Strategies and Approved Uses

Participating Subdivisions shall choose from among the opioid remediation strategies listed in “Approved Uses” (Schedule B) of [Exhibit E](#), which are listed below. However, priority should be given to the following core opioid remediation strategies (“Core Strategies” (Schedule A)).

Pursuant to the National Opioid Settlement Agreements, words like “expand,” “fund,” or “provide” shall not indicate a preference for new or existing programs.

² May include cost overrun for BHCIP programs as needed.

Core Strategies (Schedule A)

A. Naloxone or Other FDA-Approved Drug to Reverse Opioid Overdoses

1. Expand training for first responders, schools, community support groups and families; and
2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.

B. Medication-Assisted Treatment (MAT) Distribution and Other Opioid-Related Treatment

1. Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;
2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;
3. Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and
4. Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

C. Pregnant and Postpartum Women

1. Expand Screening, Brief Intervention, and Referral to Treatment (SBIRT) services to non-Medi-Cal eligible or uninsured pregnant women;
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for women with co-occurring Opioid Use Disorder (OUD) and other SUD/Mental Health disorders for uninsured individuals for up to 12 months postpartum; and
3. Provide comprehensive wrap-around services to individuals with OUD, including housing, transportation, job placement/training, and childcare.

D. Expanding Treatment for Neonatal Abstinence Syndrome (NAS)

1. Expand comprehensive evidence-based and recovery support for NAS babies;
2. Expand services for better continuum of care with infant-need dyad; and
3. Expand long-term treatment and services for medical monitoring of NAS babies and their families.

E. Expansion Of Warm Hand-Off Programs and Recovery Services

1. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments;
2. Expand warm hand-off services to transition to recovery services;
3. Broaden scope of recovery services to include co-occurring SUD or mental health conditions;
4. Provide comprehensive wrap-around services to individuals in recovery, including housing, transportation, job placement/training, and childcare; and
5. Hire additional social workers or other behavioral health workers to facilitate expansions above.

F. Treatment for Incarcerated Population

1. Provide evidence-based treatment and recovery support, including MAT for persons with OUD and co-occurring SUD/MH disorders within and transitioning out of the criminal justice system; and
2. Increase funding for jails to provide treatment to inmates with OUD.

G. Prevention Programs

1. Funding for media campaigns to prevent opioid use (similar to the FDA's "Real Cost" campaign to prevent youth from misusing tobacco);
2. Funding for evidence-based prevention programs in schools;
3. Funding for medical provider education and outreach regarding best prescribing practices for opioids consistent with the 2016 CDC guidelines, including providers at hospitals (academic detailing);
4. Funding for community drug disposal programs; and
5. Funding and training for first responders to participate in pre-arrest diversion programs, post-overdose response teams, or similar strategies that connect at-risk individuals to behavioral health services and supports.

H. Expanding Syringe Service Programs

1. Provide comprehensive syringe services programs with more wrap-around services, including linkage to OUD treatment, access to sterile syringes and linkage to care and treatment of infectious diseases.

I. Evidence-Based Data Collection and Research Analyzing the Effectiveness of the Abatement Strategies Within the State

Approved Uses (Schedule B)

Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder (SUD) or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

Part I: Treatment

A. TREAT OPIOID USE DISORDER (OUD)

Support treatment of OUD and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of MAT approved by the U.S. Food and Drug Administration.
2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine (ASAM) continuum of care for OUD and any co-occurring SUD/MH conditions.
3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including MAT, as well as counseling, psychiatric support, and other treatment and recovery support services.
4. Improve oversight of Opioid Treatment Programs (OTPs) to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.
5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.
6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.

7. Support evidence-based withdrawal management services for people with OUD and any co-occurring mental health conditions.
8. Provide training on MAT for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including tele-mentoring to assist community-based providers in rural or underserved areas.
9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH conditions.
10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.
11. Offer scholarships and supports for behavioral health practitioners or workers involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, or other incentives for providers to work in rural or underserved areas.
12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 (DATA 2000) to prescribe MAT for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.
13. Disseminate of web-based training curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service– Opioids web-based training curriculum and motivational interviewing.
14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication– Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.
2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.

3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.
4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.
5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.
6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.
7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.
8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.
9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.
10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.
11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.
12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.
13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including new Americans.
14. Create and/or support recovery high schools.
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED (CONNECTIONS TO CARE)

Provide connections to care for people who have — or are at risk of developing — OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.
2. Fund SBIRT programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.
3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.
4. Purchase automated versions of SBIRT and support ongoing costs of the technology.
5. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments.
6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MAT, recovery case management or support services.
7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.
8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co- occurring SUD/MH conditions or persons that have experienced an opioid overdose.
9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid- related adverse event.

10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.
11. Expand warm hand-off services to transition to recovery services.
12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.
13. Develop and support best practices on addressing OUD in the workplace
14. Support assistance programs for health care providers with OUD.
15. Engage non-profits and the faith community as a system to support outreach for treatment.
16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:
 1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative ("PAARI");
 2. Active outreach strategies such as the Drug Abuse Response Team ("DART") model;
 3. "Naloxone Plus" strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;
 4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion ("LEAD") model;

5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or
 6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.
2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MAT, and related services.
 3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.
 4. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co- occurring SUD/MH conditions who are incarcerated in jail or prison.
 5. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co- occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.
 6. Support critical time interventions (“CTI”), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.
 7. Provide training on best practices for addressing the needs of criminal justice- involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF PREGNANT OR PARENTING WOMEN AND THEIR FAMILIES, INCLUDING BABIES WITH NEONATAL ABSTINENCE SYNDROME

Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with NAS, through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MAT, recovery services and supports, and prevention services for pregnant women—or women who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to families affected by Neonatal Abstinence Syndrome.
2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for uninsured women with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.
3. Provide training for obstetricians or other healthcare personnel who work with pregnant women and their families regarding treatment of OUD and any co- occurring SUD/MH conditions.
4. Expand comprehensive evidence-based treatment and recovery support for NAS babies; expand services for better continuum of care with infant-need dyad; and expand long-term treatment and services for medical monitoring of NAS babies and their families.
5. Provide training to health care providers who work with pregnant or parenting women on best practices for compliance with federal requirements that children born with NAS get referred to appropriate services and receive a plan of safe care.
6. Provide child and family supports for parenting women with OUD and any co- occurring SUD/MH conditions.
7. Provide enhanced family support and child care services for parents with OUD and any co-occurring SUD/MH conditions.
8. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.
9. Offer home-based wrap-around services to persons with OUD and any co- occurring SUD/MH conditions, including, but not limited to, parent skills training.
10. Provide support for Children's Services — Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

Part II: Prevention

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).
2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.
3. Continuing Medical Education (CME) on appropriate prescribing of opioids.
4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.
5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs ("PDMPs"), including, but not limited to, improvements that:
 - i. Increase the number of prescribers using PDMPs;
 - ii. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or
 - iii. Enable states to use PDMP data in support of surveillance or intervention strategies, including MAT referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.
6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.
7. Increasing electronic prescribing to prevent diversion or forgery.
8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse.
2. Corrective advertising or affirmative public education campaigns based on evidence.
3. Public education relating to drug disposal.
4. Drug take-back disposal or destruction programs.
5. Funding community anti-drug coalitions that engage in drug prevention efforts.
6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration (“SAMHSA”).
7. Engaging non-profits and faith-based communities as systems to support prevention.
8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.
9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.
10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co- occurring SUD/MH conditions.
11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.
12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health workers or other school staff, to address mental health

needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.
2. Public health entities providing free naloxone to anyone in the community.
3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.
4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.
5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.
6. Public education relating to emergency responses to overdoses.
7. Public education relating to immunity and Good Samaritan laws.
8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.
9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.
10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.
11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.

12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co- occurring SUD/MH conditions.
13. Supporting screening for fentanyl in routine clinical toxicology testing.

Part III: Other Strategies

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.
2. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid- related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.
2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.
3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH

conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.
2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.
2. Research non-opioid treatment of chronic pain.
3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.
4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.
5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.
6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring (“ADAM”) system.
8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.
9. Geospatial analysis of access barriers to MAT and their association with treatment engagement and treatment outcomes.

MEMORANDUM OF AGREEMENT

OPIOID USE DISORDER AND MEDICATION ASSISTED TREATMENT PROGRAM MEMORANDUM OF AGREEMENT BETWEEN THE CITIES OF BREA, BUENA PARK, FULLERTON, PLACENTIA AND THE HOPE CENTER OF ORANGE COUNTY (HCOC)

This Memorandum of Agreement (“MOA”) is by and between the California Cities of Brea, Buena Park, Fullerton, and Placentia (collectively, the “Cities” and individually a “City”) and the HOPE Center of Orange County (“HCOC”), a non-profit corporation of California, (collectively, the “Parties” and individually, a “Party”) to be effective as of July 1, 2025 and signed by all Parties.

RECITALS:

A. The HCOC is a ground-breaking multi-city, multi-disciplinary partnership that seeks to establish community-wide coordination and standardization in homeless outreach and engagement by centralizing resources, coordinating responses, and integrating data. HCOC’s mission is to help individuals experiencing homelessness in the North Orange County Service Planning Area (SPA) gain more reliable relief and consistent support. The HOPE Center’s mantra is “Right People, Right Resources, Right Now.” They work diligently to align the efforts and strategies of North Orange County cities, community-based organizations, behavioral health street practitioners, and community health workers to improve the capacity of the homeless services system to effectively plan, manage, and allocate resources so that responses are appropriate and expedient.

B. The Cities desire to expand access to and the availability of Medication Assisted Treatment (MAT) and related services by contracting with HCOC to provide one (1) full time Clinical Manager to develop service coordination and access for vulnerable populations (including those in emergency or temporary shelter and unsheltered populations) that are disproportionately impacted by Substance Use Disorder (SUD) and Opioid Use Disorder (OUD), herein referred to as the “Program;”

C. HCOC desires to provide such services to the Cities, and the Cities have agreed to allocate a portion of the funding each received from the National Opioid Settlement to pay for the cost of such services, subject to the terms and conditions specified in this MOA;

D. The Cities and the HCOC desire to set forth the terms of their ongoing collaboration with respect to this effort in this MOA;

E. These services referred to as the “Program” will be an integrated component of the HCOC street outreach, engagement and services, which operates in the cities of the North Orange County Public Safety Collaborative.

NOW, THEREFORE, the Parties agree to the following:

I. TERM:

The term of this MOA shall commence on July 1, 2025 and upon execution of the MOA by all Parties and shall continue through June 30, 2028 (“Term”). The Term of this MOA may be extended by mutual agreement of all Parties by way of a written amendment to this MOA.

II. RESPONSIBILITIES OF EACH OF THE PARTIES:

A. HCOC agrees to:

1. Undertake the hiring and all other duties related to employment of a Clinical Manager to implement the Program.
 - a. The Clinical Manager, as an addiction specialist, will focus on coordinating wraparound support services, including but not limited to:
 - i. Medical referrals for treatment.
 - ii. Job-related information and employment assistance.
 - iii. Food and housing support.
 - iv. Follow-up care to ensure treatment continuity.
 - v. Linkages to additional social and health services aimed at supporting long-term recovery.
2. Manage, make eligible payments if required, and administer any necessary agreements with MAT service provider(s) if required to ensure the Program is being implemented as contemplated under this MOA.
3. Respond to and address Cities' concerns regarding Clinical Manager performance within a reasonable time.
4. Coordinate conference calls and/or meetings with Cities as necessary.
5. Gather data related to MAT, SUD, and OUD calls for service and utilize/interpret the data to enhance program effectiveness.
6. Provide Cities with monthly reports illustrating program effectiveness to include quantitative data analysis, performance metrics, and any other information necessary to fulfill National Opioid Settlement annual reporting requirements.
7. HCOC shall promptly review all documents submitted by Cities. HCOC shall advise Cities of decisions pertaining to such documents within a reasonable time after submission.
8. HCOC hereby designates its executive director, or designee, to act as its representative for the performance of this MOA ("HCOC's Representative"). HCOC's Representative shall have the power to act on behalf of HCOC for all purposes under this MOA.
9. Provide any updated point-of-contact described in Section V. to serve as the HCOC's Project Manager with name, title, and contact information.

B. Cities agree to:

1. Participate in conference calls and/or meetings with HCOC, as necessary.
2. Provide any updated point-of-contact described in Section V. to serve as each City's Project Manager with name, title, and contact information.
3. Manage program budget and process payments to HCOC for program expenses per Exhibit A attached hereto and incorporated herein by reference.
4. As needed, hold internal City meetings to continue to push the program forward and build internal buy-in across staff.
5. Provide feedback to the HCOC on the implementation of the Substance Use Disorder, Opioid Use Disorder and Medication Assisted Treatment Program.
6. Respond to requests, provide data and information as requested, review materials, and provide input to the HCOC to support the implementation of the Program.
7. Complete annual California Department of Health Care Services (DHCS) reporting requirements per the National Opioid Settlement Agreement.
8. Should a City not provide the required resources, as determined by HCOC, to support the Program, the HCOC reserves the right to withdraw the Program's services from

said City. Said City must provide 120 days advanced written notice to the remaining Cities in order for the remaining Cities to evaluate whether to terminate the Program or provide additional funding above their contracted allocation percentage, as further detailed in Section III (Compensation) of this MOA, to cover the difference.

III. COMPENSATION:

A. For the performance of all Services rendered by HCOC through the Clinical Manager under this MOA, Cities shall pay HCOC in accordance with the following Cost Allocation Plan based on the MAT services provided to respective Cities by treatment provider from February 2024 to August 2024 (“Compensation”):

- i. Brea (19 or 16%): not to exceed \$40,000
- ii. Buena Park (33 or 28%): not to exceed \$70,000
- iii. Fullerton (59 or 50%): not to exceed \$125,000
- iv. Placentia (7 or 6%): not to exceed \$15,000

This amount of Compensation to HCOC for the services provided under this MOA is not to exceed two-hundred and fifty thousand dollars (\$250,000) annually, as further detailed in the HCOC program budget enclosed in Exhibit A of this MOA. Budget modifications are permitted and will be allowed on a case by case basis upon approval by the Cities.

After completion of the first year of the MOA, as measured by the start date of July 1, 2025, this allocation formula shall be reviewed by the Parties and percentages adjusted according to new MAT-treatment client residence data to be provided by HCOC. The percentage shall always equal 100% to fund the activities identified in the budget within Exhibit A attached to this MOA and will only adjust internally between the participating Cities.

The percentage allocation may also change via an amendment to the MOA if additional cities wish to enter this MOA.

- B. Any consideration for an increase in Compensation shall occur no more than once per fiscal year, irrespective of the number of additional National Opioid Settlement funds secured within a single fiscal year by Cities. If the Cities agree that sufficient funding exists to support an increase in Compensation, the Parties shall execute a written amendment to this MOA to reflect such increase. In no event shall any increase in Compensation exceed the actual percentage increase in the Consumer Price Index – All Urban Consumers covering Orange County, as determined by the United States Department of Labor, Bureau of Labor Statistics for the preceding Twelve (12) months.
- C. For the first six (6) months of the Term, HCOC shall invoice Cities individually for the Compensation within 30 days of the effective date of this MOA, July 1, 2025. Thereafter, HCOC shall invoice each City on the last day of each month for that month’s compensation during the Term of this MOA. The first six (6) months of the Term will be paid in advance by the Cities, thereafter, payments shall be made on a monthly reimbursement basis. Cities shall pay the invoice within 30 days of its receipt

thereof.

IV. AMENDMENTS:

A. PROJECT SCOPE

1. For any change which materially affects the project scope of work or budget, or in any way modifies any term or condition included under this MOA, a written amendment to the MOA shall be prepared and executed by the Cities and the HCOC for such change to be effective.
2. Changes affecting the project scope of work must be in compliance with Exhibit E of the National Opioid Settlement Agreement.

B. NEW PARTIES

1. Qualifying Agencies: Only those cities whose jurisdictional boundaries include portions of, or overlap with, the Program Area qualify to be a party to this MOA (“Qualifying Agency”).
2. Financial Contribution of New Parties: After July 1, 2025, a Qualifying Agency that is not a participating City may petition the Parties to be added to this MOA, and will be made a Party hereto if, 1) the petition of the Qualifying Agency is approved by all Parties; 2) the Qualifying Agency pays a pro-rated share of the costs incurred by the Cities paid to the HCOC for the current fiscal year.

Upon being made a party to this MOA, and as condition precedent thereto, the Qualifying Agency shall be allocated and pay their contribution amount consistent with the Cost Allocation Plan set forth in Section III of this MOA, and all other allocations of the Cities shall be adjusted accordingly. The Parties acknowledge and agree that payments to be made by a Qualifying Agency under this Section fairly represent the Program benefits and burdens to the Parties.

V. PROJECT MANAGEMENT:

- A. For purposes of this MOA, the HCOC designates the following individual as its Project Manager:

Sarah Bernal, Operations Manager | Sarah.Bernal@ochopecenter.org

- B. For purposes of this MOA, the City of Brea designates the following individual as its Project Manager:

Tiara Solorzano, Management Analyst | Tiaras@cityofbrea.gov

- C. For purposes of this MOA, the City of Buena Park designates the following individual as its Project Manager:

Rosemary Nielsen, Homeless Outreach Supervisor | rnielsen@buenapark.com

- D. For purposes of this MOA, the City of Fullerton designates the following individual as its Project Manager:

Pedram Gharah, Police Captain | Pedram.Gharah@fullertonpd.org

- E. For purposes of this MOA, the City of Placentia designates the following individual as its Project Manager:

Chris Anderson, Admin. Lieutenant | CAnderson@placentia.org

- F. All notices required herein shall be sent by email, except for a notice of termination, default, or failure to cure, which shall be sent by certified mail, postage pre-paid, return receipt requested. Any Party may change its Project Manager or contact upon written notice to the other party and shall promptly update the other party in writing of any such changes.

VI. TERMINATION:

- A. This MOA may be terminated by the Cities at any time without cause if all participating Cities agree to termination. Termination will occur 120 days after written notice is issued to HCOC's Project Manager. The HCOC shall stop work and not incur any additional expenses upon receipt of or issuance of such notice, except that which is reasonable and necessary to effectuate the termination. The HCOC shall be entitled to reimbursement for eligible expenses that are reasonably and necessarily incurred up to the date that such termination is effective.
- B. Should a City elect to withdraw from the MOA without cause, said City must provide 120 days advanced written notice to remaining Cities and HCOC. Additionally, withdrawing City shall be responsible for agreed upon fees due for remainder of HCOC's current fiscal year, payable to HCOC prior to effective date of termination. Withdrawal and termination of City's participation in the MOA will be effective at the start of the next year of the MOA (fiscal year).
- C. Should a City not provide the required funding resources to support the Program, the HCOC reserves the right, in its sole discretion, to withdraw the Program's services from the City. Said City must provide 120 days advanced written notice for remaining Cities to evaluate whether to terminate the Program or provide additional funding above their contracted allocation percentage to cover the difference.
- D. HCOC may terminate this HOA at any time without cause with 120 days' notice. As of the effective termination date of this termination notice, HCOC will cease all expenditures associated with this Program as defined by this MOA.

VII. INDEMNITY:

- A. HCOC agrees to defend, indemnify, and hold free and harmless each City individually, its member agencies, and its respective elected and appointed boards, officials, officers,

agents, employees, and volunteers, at HCOC's sole expense, from and against any and all claims, actions, suits, or other legal proceedings brought against that City, its member agencies, and its respective elected and appointed boards, officials, officers, agents, employees, and volunteers arising out of or relating to the acts or omissions of the HCOC in connection with this MOA.

- B. Each City individually agrees to defend, indemnify, and hold free and harmless the HCOC and its employees, at that City's sole expense, from and against any and all claims, actions, suits, or other legal proceedings brought against the HCOC and its employees arising out of or relating to the acts or omissions of that City in connection with this MOA.

VIII. INSURANCE:

- A. Cities and HCOC shall each maintain and keep in full force and effect during the Term of this MOA, insurance or a program of self-insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Cities, HCOC, their agents, representatives, employees, or subcontractors. Cities and HCOC shall provide current evidence of the required insurance in a form acceptable to the Parties and shall provide replacement evidence for any required insurance which expires prior to the completion, expiration, or termination of this MOA.

B. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. Commercial General Liability Insurance. HCOCHCOC shall maintain commercial general liability insurance coverage in a form at least as broad as ISO Form #CG 00 01, with a limit of not less than \$2,000,000 each occurrence. If such insurance contains a general aggregate limit, it shall apply separately to the MOA or shall be twice the required occurrence limit.
2. Business Automobile Liability Insurance. HCOCHCOC shall maintain business automobile liability insurance coverage in a form at least as broad as ISO Form # CA 00 01, with a limit of not less than \$1,000,000 each accident. Such insurance shall include coverage for owned, hired and non-owned automobiles.
3. Workers' Compensation and Employers' Liability Insurance. HCOC shall maintain workers' compensation insurance as required by the State of California and employers' liability insurance with limits of not less than \$1,000,000 each accident.
4. Professional Liability Insurance. HCOC shall maintain professional liability insurance appropriate to HCOC's profession with a limit of not less than \$2,000,000. Architects' and engineers' coverage shall be endorsed to include contractual liability. If policy is written as a "claims made" policy, the retro date of the policy shall be prior to the start of the contract work
5. Sexual Abuse or Molestation (SAM) Liability Insurance: If the work will

include contact with minors, and the CGL policy referenced above is not endorsed to include affirmative coverage for sexual abuse or molestation, HCOC shall obtain and maintain a policy covering Sexual Abuse and Molestation with a limit no less than \$1,000,000 per occurrence or claim.

C. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductible of self-insured retention must be declared to and approved by all Parties.

D. OTHER INSURANCE PROVISIONS. The required insurance policies shall contain or be endorsed to contain the following provisions:

1. Commercial General Liability. Cities, their elected or appointed officials, officers, employees and volunteers are to be covered as additional insureds with respect to liability arising out of work or operations performed by or on behalf of HCOC, including materials, parts or equipment furnished in connection with such work or operations. Such coverage as an additional insured shall not be limited to the period of time during which HCOC is conducting ongoing operations for Cities but rather, shall continue after the completion of such operations. The coverage shall contain no special limitations on the scope of its protection afforded to Cities, their officers, employees and volunteers.
2. Commercial General Liability. This insurance shall be primary insurance as respects to Cities, their officers, employees and volunteers and shall apply separately to each insured against whom a suit is brought or a claim is made. Any insurance or self-insurance maintained by Cities, their officers, employees and volunteers shall be excess of this insurance and shall not contribute with it.
3. Professional Liability. If the professional liability policy is written on a "claims made" form, the retroactive date must be shown and must be before the date of the contract or beginning of contract work. The insurance must be maintained and evidence of insurance must be provided for at least (5) years after completion of the contract work. If the coverage is canceled or non-renewed and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, HCOC must purchase "extended reporting coverage" for a minimum of five (5) years after completion of work.
4. Workers' Compensation and Employers' Liability Insurance. Insurer shall waive their right of subrogation against Cities, their officers, employees and volunteers for work done on behalf of Cities.
5. All Coverages. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to Cities.
6. Special Risks or Circumstances. Cities reserve the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage or other special circumstances.

- E. **ACCEPTABILITY OF INSURERS.** All required insurance shall be placed with insurers acceptable to Cities with current BEST'S ratings of no less than A, Class VII. Workers' compensation insurance may be placed with the California State Compensation Insurance Fund. All insurers shall be licensed by or hold admitted status in the State of California. At the sole discretion of Cities, insurance provided by non-admitted or surplus carriers with a minimum BEST'S rating of no less than A- Class X may be accepted if HCOC evidences the requisite need to the sole satisfaction of Cities.
- F. **VERIFICATION OF COVERAGE.** HCOC shall furnish Cities with certificates of insurance which bear original signatures of authorized agents and which reflect insurers names and addresses, policy numbers, coverage, limits, deductibles and self-insured retentions. Additionally, HCOC shall furnish copies of all policy endorsements required herein. All certificates and endorsements must be received and approved by Cities before work commences. Cities reserve the right to require at any time complete, certified copies of any or all required insurance policies and endorsements.

IX. OTHER TERMS AND CONDITIONS:

- A. **No Partnership.** This MOA is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or a joint venture between the Parties. Except as otherwise specifically provided in the MOA, neither Party shall be authorized to act as an agent of or otherwise to represent the other Party.
- B. **Entire MOA.** This MOA constitutes the entire understanding between the Parties with respect to the subject matter herein and supersedes any and all other prior writings and oral negotiations. This MOA may be modified only in writing and signed by the Parties in interest at the time of such modification.
- C. **Governing Law.** This MOA shall be governed by and construed under California law and any applicable federal law without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this MOA, the Parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California.
- D. **Excusable Delays.** Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, floods, earthquakes, fires, acts of a public enemy, pandemic, epidemic, and government acts beyond the control and without fault or negligence of the affected Party. Each Party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this MOA.
- E. **Waiver.** Waiver by any Party to this MOA of any term, condition, or covenant of this MOA shall not constitute a waiver of any other term, condition, or covenant. No waiver of any provision of this MOA shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought.
- F. **Standard of Skill.** HCOC shall perform all services in the manner and according to the standards currently observed by a competent practitioner of the services in California,

and shall at all times, meet or exceed any applicable professional standards of care, workmanship, or conduct. All products of whatsoever nature that HCOC delivers to Cities pursuant to this MOA shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently providing similar services. The acceptance of the services by Cities shall not operate as a release of HCOC from such standards of care, workmanship, or conduct.

- G. Independent Contractor. HCOC is and shall at all times remain as to Cities a wholly independent contractor. Neither Cities nor any of its agents shall have control over the conduct of HCOC or any of HCOC's employees or agents, except as herein set forth. HCOC shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of Cities. HCOC shall have no power to incur any debt, obligation, or liability on behalf of Cities or otherwise act on behalf of Cities as an agent. HCOC shall not have the status of an employee of Cities under this MOA, or be entitled to participate in any insurance, medical care, vacation, sick leave or other benefits provided for Cities' officers or employees. In the event that HCOC, or any of its employees, agents, or subcontractors providing services under this MOA, claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("*PERS*") to be eligible for enrollment in PERS as an employee of Cities, HCOC shall indemnify, defend, and hold Cities harmless for the payment of any employee and/or employer contributions for PERS benefits on behalf of HCOC or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Cities. HCOC represents that it has, or will secure at its own expense, all personnel required to perform the services under this MOA. All of the services to be performed by HCOC or under its direct supervision, and all personnel engaged in the work shall be qualified to perform it. HCOC reserves the right to determine the assignment of its own employees to the performance of the services under this MOA, but Cities reserve the right, for good cause, to require HCOC to exclude any employee from performing services on Cities' premises.
- H. Records. HCOC shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information relating to the services, as required by Cities or the Cities' Project Managers. HCOC shall maintain adequate records on services provided in sufficient detail to permit an evaluation of the services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. At all times during regular business hours, HCOC shall provide access to such books and records to the Cities, and shall give the Cities, or his or her designees, the right to examine and audit such books and records and to make transcripts as necessary, and shall allow inspection of all work, data, documents, proceedings and activities related to this MOA.
- I. Permits and Licenses. HCOC, at its sole expense, shall obtain and maintain during the Term of this MOA all appropriate permits, licenses, and certificates that may be required in connection with performing the services.
- J. Headings. The section headings contained in this MOA are for convenience and identification only and shall not be deemed to limit or define the contents to which they relate.

- K. Assignment. Neither Party may assign its interest in this MOA, or any part thereof, without the prior written consent of the other Party. Any assignment without consent shall be void and unenforceable.
- L. Severability. If any provision of this MOA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- M. Authority to Execute. The person executing this MOA on behalf of a Party warrant that they are duly authorized to execute this MOA on behalf of said Party, and that by doing so said Party is formally bound to the provisions of this MOA.
- N. Counterparts. This MOA may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- O. Electronic Signatures. This MOA may be executed with electronic signatures in accordance with Government Code Section 16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

In witness whereof, the Parties enter into this MOA on the date of last execution by the Parties.

FOR THE CITY OF BREA

FOR THE HOPE CENTER OF ORANGE
COUNTY

By: _____

By: George Searcy

Kristin Griffith
City Manager

George Searcy
Executive Director

Date: _____

Date: March 12, 2025

APPROVED AS TO FORM:

Terrance Boga
City Attorney

In witness whereof, the Parties enter into this MOA on the date of last execution by the Parties.

FOR THE CITY OF BUENA PARK

FOR THE HOPE CENTER OF ORANGE
COUNTY

By: _____

By: George Searcy

Aaron France
City Manager

George Searcy
Executive Director

Date: _____

Date: March 12, 2025

APPROVED AS TO FORM:

City Attorney

In witness whereof, the Parties enter into this MOA on the date of last execution by the Parties.

FOR THE CITY OF FULLERTON

By: _____

Eric J. Levitt
City Manager

Date: _____

APPROVED AS TO FORM:

Richard D. Jones
City Attorney

FOR THE HOPE CENTER OF ORANGE
COUNTY

By: George Searcy

George Searcy
Executive Director

Date: March 12, 2025

In witness whereof, the Parties enter into this MOA on the date of last execution by the Parties.

FOR THE CITY OF PLACENTIA

FOR THE HOPE CENTER OF ORANGE
COUNTY

By: _____

By: George Searcy

Thomas Hatch
Interim City Administrator

George Searcy
Executive Director

Date: _____

Date: March 12, 2025

APPROVED AS TO FORM:

Christian Bettenhausen
City Attorney

EXHIBIT A

HOPE CENTER- OPIOID USE DISORDER AND MEDICATION ASSISTED TREATMENT PROGRAM BUDGET

		Year 1 FY2025-26	Year 2 FY2026-27	Year 3 FY2027-28
1	Clinical Manager			
	Salary	125,000	128,750	132,613
	Benefits	<u>27,500</u>	<u>28,325</u>	<u>29,175</u>
	Subtotal	152,500	157,075	161,787
2	Supplies & Program Materials	25,000	25,750	26,523
3	Program Evaluation Consultant	25,000	25,750	26,523
4	Program Training and Education	<u>25,000</u>	<u>25,750</u>	<u>26,523</u>
	Subtotal	75,000	77,250	79,568
	Grand Total	\$227,500	\$234,325	\$241,355

Budget Item Description:

1. Clinical Manager

This position will require an experienced LCSW or LMFT with knowledge of best practices in addressing the needs of persons with opioid use disorders in non-clinical community settings.

- The Program will provide program protocols and standard operations procedures for a mobile street outreach program to utilize with the identified population and will engage personally in providing services personally through the mobile program.
- This position will also lead the implementation of a system for tracking outreach efforts, client engagement, and program outcomes.
- Regular evaluation processes will provide for adapting engagement and treatment strategies to meet changing community needs effectively.

2. Supplies and Program Materials

- The program will maintain a stock of naloxone and other harm reduction supplies and ensure that all staff within the HOPE Center operation are trained in the effective and appropriate use. Staff will also be trained in and provided with information about treatment options and response protocols.

3. Program Evaluation Consultant

- External evaluation services will be provided to determine whether the program is conforming to evidence-based practices and program standards and what targeted outcomes are being achieved as a part of the HOPE Center operations model.

4. Program Training and Education

- Continuous training on trauma-informed care, overdose prevention, and the use of naloxone (an opioid overdose reversal drug) is crucial. All HOPE Center staff will receive training on cultural competence and the specific needs of the populations they serve.

Agreement No. 2025.03.03.154
Professional Services Agreement

This **Professional Services Agreement** ("Agreement") is dated **Tuesday, March 18, 2025** for reference purposes and is executed by the City of Brea, a California municipal corporation ("City"), and **Project Youth OC a Consultant** ("Consultant").

RECITALS

A. City desires to retain Consultant as an independent contractor to provide the following **Professional Services: Expansion of Project Youth OC's Shortstop and Stop Short of Addiction programs into the Brea Olinda Unified School District on behalf of the City of Brea.**

B. Contractor represents that it is duly licensed, fully authorized by law, and has the necessary experience and qualifications, to provide such services.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

1. Scope of Services.

Consultant shall perform the services referenced in the Recitals and more specifically described in the Scope of Services set forth in the attached Exhibit A, and as otherwise required by this Agreement, all to City's satisfaction (collectively, "Services").

2. Compensation

A. City shall pay for the Services satisfactorily performed, in accordance with the Fee Schedule set forth in the attached **Exhibit A**.

B. In no event shall the total amount paid for the Services exceed the all-inclusive **annual sum of \$ 84,220.00** ("Contract Amount"). This amount covers and is inclusive of all labor, materials, and any and all other costs incurred by **Consultant** in performing the Services. **Consultant** shall be deemed to have made all inquiries and site inspections deemed necessary by **Consultant** prior to execution of this Agreement.

C. Unless the Fee Schedule calls for payment of a one-time flat fee, periodic payments for undisputed work shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. **Consultant's** invoices shall indicate the amount of time spent on each task and the applicable rate.

D. Unless the Fee Schedule calls for payment on a different schedule, **Consultant** shall invoice City on a monthly basis.

3. Additional Work.

4. Term.

A. The term of this Agreement shall commence **Tuesday, July 1, 2025** (“Effective Date”). Unless extended or earlier terminated as provided herein, **this Agreement shall expire on: Friday, June 30, 2028**

City may extend the term of this Agreement by giving written notice to Contractor within 30 days prior to the then-scheduled expiration date which will be in the sole discretion of the: City Manager, or designee.

5. Time of Performance.

A. **Consultant shall commence the Services on the above Effective Date, timely complete all performance milestones, if any, and shall complete the Services within the term of this agreement.**

B. Force Majeure. Neither party shall be considered in default of this Agreement for delays in performance caused by a force majeure event. As used in this Agreement, the term “force majeure event” means circumstances beyond the reasonable control of the non-performing party and includes the following: abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage; or judicial restraint. **Consultant’s** lack of financial capability, shall not constitute a force majeure event unless directly attributable to any of the foregoing events.

C. Should a force majeure event occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

6. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to the Services, including costs incurred, shall be maintained by **Consultant** and made available for review by City at all reasonable times during the term of this Agreement and for five(5) years from the date of final payment by City. Consultant is to provide monthly program reports to the City of Brea.

7. Standard of Care.

Contractor’s Services shall be performed in accordance with the generally accepted professional standards of practice and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently performing similar services under similar conditions in southern California. Contractor shall maintain all professional licenses and certifications required to lawfully perform the Services.

8. Compliance with Law.

A. **Consultant** shall comply with all applicable laws including Cal/OSHA requirements.

B. **Consultant** shall obtain a City of Brea business license.

C. **Consultant** shall comply with all applicable provisions included in the attached Special Provisions Section.

9. Assignment and Subcontracting.

A. **Consultant** shall not assign or transfer this Agreement or any rights or obligations under, or any interest in this Agreement, or subcontract any required performance hereunder, without the prior written consent of City, which may be withheld for any reason. City shall be deemed to have approved **Consultant's** utilization of subcontractors identified in **Consultant's** proposal for the Services.

B. Any attempt to so assign, transfer, or subcontract without City's prior written consent shall be void and shall constitute grounds for City's termination of this Agreement. Authorized subcontracts shall contain a provision making the subcontractor subject to all requirements of this Agreement otherwise applicable to the **Consultant**.

C. If use of a subcontractor is approved, then City may withhold 5% of each monthly payment to **Consultant**. Such retention shall be released upon City's receipt of an unconditional release of all claims signed by any such subcontractor, as to work performed to date.

10. Independent Contractor.

A. **Consultant** is retained as an independent contractor and is not an employee of City. No employee or agent of **Consultant** is or shall become an employee of City.

B. **Consultant** will determine the means, methods, and details by which **Consultant's** personnel will perform the Services. **Consultant** shall be solely responsible for the satisfactory work performance of all personnel engaged in performing the Services and compliance with the customary professional standards.

C. **Consultant's** personnel shall not wear or display any City uniform, badge, identification number, or other information identifying such individual as an employee of City. **Consultant's** personnel shall not use any City e-mail address or City telephone number in the performance of the Services. **Consultant** shall acquire and maintain at its sole cost and expense such vehicles, equipment and supplies as **Consultant's** personnel require to perform the Services. **Consultant** shall perform the Services at the Brea Civic Center and its nearby convenient locations suitable for participant accessibility. City may make space available to **Consultant** from time to time for **Consultant's** personnel to obtain information about or to check on the status of projects pertaining to the Services.

D. **Consultant** shall be responsible for and pay all wages, salaries, benefits and other amounts due to **Consultant's** personnel in connection with the Services. **Consultant** shall be responsible for all reports and obligations respecting such additional personnel, including Social Security taxes, other retirement or pension benefits, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance. **Consultant** and its officers, employees, agents, and subcontractors shall not become entitled to, and hereby waive any claims to, any wages, salaries, compensation, benefit or any incident of employment by City, including eligibility to enroll in, or reinstate to membership in, the California Public Employees Retirement System ("PERS") or any other retirement program, as an employee of City, and entitlement to any contribution to be paid by City for employer contributions or employee contributions for PERS benefits or any other retirement benefits.

11. CalPERS Compliance.

The parties acknowledge that City is a local agency member of CalPERS, and as such has certain pension reporting and contribution obligations to CalPERS on behalf of qualifying employees.

Consultant agrees that, in providing its employees and any other personnel to City to perform the Services, **Consultant** shall assure compliance with the Public Employees' Retirement Law (Government Code Section 20000 et seq.), the regulations of CalPERS, and the Public Employees' Pension Reform Act of 2013 (Government Code Section 7522 et seq.). Without limitation to the foregoing, **Consultant** shall assure compliance with regard to personnel who have active or inactive membership in CalPERS and to those who are retired annuitants and in performing this Agreement shall not assign or utilize any of its personnel in a manner that will cause City to be in violation of the applicable retirement laws and regulations.

12. Insurance.

Unless otherwise permitted or waived in writing by City's Risk Manager **Consultant** shall not commence work until it has secured all insurance required under this section and provided evidence thereof that is acceptable to City. In addition, **Consultant** shall not allow any subcontractor to commence work on any subcontract until it has secured all insurance required under this section.

A. Commercial General Liability

- i. **Consultant** shall take out and maintain, in amounts not less than specified herein,

Commercial General Liability Insurance, in a form and with insurance companies acceptable to City.

- ii. Coverage for Commercial General Liability insurance shall be at least as broad as the following:

- a. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

- iii. Commercial General Liability Insurance must include coverage for the following:

- a. Bodily Injury and Property Damage
- b. Personal Injury/Advertising Injury
- c. Premises/Operations Liability
- d. Products/Completed Operations Liability
- e. Aggregate Limits that Apply per Project
- f. Contractual Liability with respect to this Agreement
- g. Broad Form Property Damage
- h. Independent **Consultant's** Coverage

- iv. The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to this Agreement.

- v. The policy shall be endorsed to name City, its elected and appointed officials, officers, employees, agents, servants, designated volunteers and agents serving as independent contractors in the role of City officials, as additional insureds using ISO endorsement forms CG 20 10 10 01

and 20 37 10 01, or endorsement forms providing the exact same coverage.

vi. The general liability coverage may utilize deductibles or provide coverage excess of a self-insured retention, only if approved by City's Risk Manager in writing, and further provided that such deductibles shall not apply to coverage of the additional insureds

B. Automobile Liability

i. **Consultant** shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to City.

ii. Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

iii. The policy shall be endorsed to name City, its officials, officers, employees, agents, servants, designated volunteers and agents serving as independent **Consultant** in the role of City officials, as additional insureds.

iv. Subject to City's written approval, the automobile liability coverage may utilize deductibles or provide coverage excess of a self-insured retention, provided that such deductibles shall not apply to coverage of the additional insureds.

C. Workers' Compensation/Employer's Liability

i. **Consultant** certifies that **Consultant** is aware of the provisions of Labor Code Section 3700 which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she/it will comply with such provisions before commencing work under this Agreement.

ii. **Consultant** shall maintain full compensation insurance for its employees in accordance with the Workers' Compensation and Insurance Act (Labor Code Section 3200 et seq.) and Employer's Liability Coverage in amounts indicated herein. **Consultant** shall require all subcontractors to obtain and maintain workers' compensation coverage of the same type and limits as specified in this section.

D. Professional Liability (Errors and Omissions)

Consultant shall maintain professional liability or errors and omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to City and with the limits required herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy coverage form specifically designed to protect against acts, errors or omissions of **Consultant** in the performance of professional services. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

E. Cyber Liability

If Cyber Liability is included in the Minimum Policy Limits Required below, then **Consultant** shall

maintain cyber liability insurance providing protection against claims and liabilities arising from:

- i. Errors and omissions in connection with maintaining security of City Data (as defined below);
- ii. Data breach including theft, destruction, and/or unauthorized use of City Data;
- iii. Identity theft including bank charges assessed; and
- iv. Violation of privacy rights due to a breach of City Data.

F. Minimum Policy Limits Required

i. A.M. Best's Rating

Each policy of insurance required herein shall be from a company or companies having a current A.M. Best's rating of no less than A:VII and admitted and authorized to transact the business of insurance in the State of California.

ii. The following insurance limits are required for this Agreement:

a. Commercial General Liability

\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage

b. Automobile Liability

\$2,000,000 per occurrence (any auto) for bodily injury and property damage

c. Worker's Compensation and Employers Liability

**In the amount required by California law for Workers' Compensation Limit.
\$1,000,000 per occurrence for Employer's Liability**

d. Professional Liability

\$2,000,000 per claim and aggregate (errors and omissions)

e. Cyber Liability

Cyber Liability Insurance is not required for this Agreement.

ii. Defense costs shall be payable in addition to the limits.

iii. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement.

G. Proof of Insurance

Within five days of execution of this Agreement, but prior to commencement of the Services, **Consultant** shall file with City evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required original endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

H. Policy Provisions Required

- i. The required policies of insurance shall require that the City be provided at least 30 days prior written notice of cancellation of any policy required by this Agreement, except that the policies shall provide at least 10 days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, **Consultant** shall deliver renewal certificate(s) including the required endorsement(s) to City at least 10 days prior to the effective date of cancellation or expiration.
- ii. The Commercial General Liability Policy and Automobile Liability Policy shall each contain a provision stating that **Consultant's** policy is primary insurance and that any insurance, self-insurance or other coverage maintained by City or any additional insureds shall not be called upon to contribute to any loss.
- iii. The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. If a "claims-made" professional liability policy is provided, it shall include an extended reporting period of not less than three years.
- iv. All required insurance coverages, except for the professional and cyber liability coverage, shall contain or be endorsed to provide a waiver of subrogation in favor of City, its elected and appointed officials, officers, employees, agents, servants, designated volunteers and agents serving as independent contractors in the role of City officials ("City Parties"), or shall specifically require **Consultant** or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. **Consultant** hereby waives its own right of recovery against the City Parties, and shall require similar written express waivers and insurance clauses from each of its subcontractors.
- v. The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve **Consultant** from liability in excess of such coverage, nor shall it limit **Consultant's** indemnification obligations to City or preclude City from taking such other actions available to City under other provisions of this Agreement or law.

I. Additional Insurance Provisions

- i. The foregoing requirements as to the types and limits of insurance coverage to be maintained by **Consultant**, and any approval of such insurance by City, are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by **Consultant** pursuant to this Agreement, including the provisions concerning indemnification.

ii. If at any time during the term of this Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by **Consultant** or City will withhold amounts sufficient to pay premium from **Consultant** payments. In the alternative, City may terminate this Agreement for cause.

iii. City may require **Consultant** to provide for inspection by City, complete copies of all insurance policies in effect for the duration of the Agreement.

iv. No City official, officer, employee, agent or volunteer shall be personally responsible for any liability arising under or by virtue of this Agreement.

v. The insurance obligations under this Agreement shall be: (1) all the insurance coverage and/or limits carried by or available to **Consultant**; or (2) the minimum insurance coverage requirements and/or limits shown in this Agreement; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and/or minimum required limits, which are applicable to a given loss, shall be available to City. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of **Consultant** under this Agreement.

J. Subcontractor Insurance Requirements

Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to City that it has secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors shall be endorsed to name City, its elected and appointed officials, officers, employees, agents, servants, designated volunteers and agents serving as independent contractors in the role of City officials as additional insureds, using ISO form CG 20 38 04 13 or an endorsement providing the same coverage. If requested by **Consultant**, City may approve different scopes or minimum limits of insurance for particular subcontractors.

13. Indemnification.

A. Other than in the performance of professional services, and to the fullest extent permitted by law, Contractor shall defend (with counsel reasonably approved by City), indemnify and hold City, its elected and appointed officials, officers, attorneys, agents, employees, servants, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees") free and harmless with respect to any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages, liens, stop notices and/or injury of any kind, in law or equity, to property or persons, including bodily injury, wrongful death, personal injury and property damage, and destruction, or unauthorized access to, disclosure, use, and/or theft of electronic data (collectively, "Claims") in any manner and to the extent arising out of, pertaining to, or incidental to any act, error, omission, or willful misconduct of Contractor, its owners, officials, officers, employees, subcontractors, contractors or agents (and/or any entity or individual for whom Contractor shall bear legal liability) in connection with the performance of the Services including the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses actually incurred in connection with such defense. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor, or by City or any of the other Indemnitees. Contractor shall have no liability hereunder for claims and liabilities arising out of the sole, active

negligence of any of the Indemnitees.

B. Professional Services. To the fullest extent permitted by law, Contractor shall, at its sole cost and expense, protect, defend, hold harmless and indemnify the Indemnitees, from and against any and all Claims, whether actual, alleged or threatened, to the extent arising out of, pertaining to, or relating to, in whole or in part, the negligence, recklessness or willful misconduct of Contractor, and/or its officers, agents, employees, subcontractors, contractors or their officers, agents, servants or employees (and/or any entity or individual for whom Contractor shall bear legal liability) in the performance of professional services under this Agreement. Contractor shall defend the Indemnitees in any action or actions filed in connection with any Claims with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs, actually incurred in connection with such defense.

C. Contractor's obligations under this Section shall survive the expiration or termination of this Agreement.

14. Laws and Venue.

This Agreement shall be governed by and interpreted in accordance with the laws of the State of California without regard for change of venue laws. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in the Superior Court of the County of Orange, or in the U.S. District Court, Central District,, State of California. **Consultant** must comply with the claim procedures set forth in the Government Claims act (Government Code Section 810 et seq.) prior to filing any lawsuit against City.

15. Termination.

A. City may terminate any portion or all of the Services or this Agreement with or without cause by giving 10 days' prior, written notice to **Consultant**. In such event, City shall be immediately given title to and possession of all Work Product (as defined below) and original field notes, drawings and specifications, written reports and all other documents produced or developed pursuant to this Agreement. Provided **Consultant** is not then in breach, City shall pay **Consultant** for any portion of the Services satisfactorily completed prior to termination. If termination occurs prior to completion of any specific task for which a payment request has not been received, the charge for Services performed shall be the reasonable value of such Services, based on an amount agreed to by the parties. City shall not be liable for any costs other than the charges or portions thereof which are specified herein. **Consultant** shall not be entitled to payment for unperformed Services, and shall not be entitled to damages or compensation resulting from such termination.

B. **Consultant** may terminate this Agreement only for cause and by serving written notice of termination to City, provided **Consultant** has first served City with a written notice of default and demand to cure, and City has failed to cure such default within 30 days of receipt of such notice.

16. Ownership of Work Product.

A. All draft and final reports, documents, and other written material, and any and all images, reports, writings, ideas, concepts, designs including website designs, source code, object code, electronic data and files, and/or other media whatsoever created or developed by Contractor in

the performance of this Agreement (collectively, "Work Product") shall be considered to be "works made for hire" for the benefit of City. All Work Product and any and all intellectual property rights arising from their creation, including all copyrights and other proprietary rights, shall be and remain the property of City without restriction or limitation upon their use, duplication or dissemination by City upon final payment being made, provided that any such use shall be at City's sole risk. Contractor shall not obtain or attempt to obtain copyright protection as to any of the Work Product. Contractor agrees that the compensation set forth in Section 2 of this Agreement includes conveyance to City of ownership of all Work Product, including intellectual property rights, as provided in this Section 16. "Work Product" shall not include intellectual property, or any thing or idea protected by intellectual property rights, lawfully owned or possessed by [contractor] prior to the effective date of this Agreement.

B. Contractor hereby assigns to City all rights of ownership to the Work Product, including any and all related intellectual property and proprietary rights, that are not otherwise vested in City pursuant to subsection A above.

C. Contractor warrants and represents that it has secured all necessary licenses, consents or approvals necessary to the production of the Work Product, and that upon final payment or Contractor's default, City shall have full legal title to the Work Product, and full legal authority and the right to use and reproduce the Work Product for any purpose. Contractor shall defend, indemnify and hold City, and the other Indemnitees harmless from any and all losses, claims or liabilities in any way related to a claim that City's use of any of the Work Product violates federal, state or local laws, or any contractual provisions, or any rights or laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products, ideas or inventions. Contractor shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the Work Product produced under this Agreement. In the event the use of any of the Work Product or other deliverables hereunder by City is held to constitute an infringement and the use of any of the same is enjoined, Contractor, at its expense, shall: (a) secure for City the right to continue using the Work Product and other deliverables by suspension of any injunction, or by procuring a license or licenses for City; or (b) modify the Work Product and other deliverables so that they become non-infringing while remaining in compliance with the requirements of this Agreement; or (c) provide the City with a full and complete refund of all sums paid under this Agreement. Contractor's obligations under this Section shall survive the expiration or termination of this Agreement.

17. Data Security.

18. Party Representatives.

City hereby designates **Kristin Griffith**, or such person's designee, as the City Representative for this Agreement.

Consultant hereby designates **Laura Marcum**, or such person's designee, as **Consultant's** Representative for this Agreement, unless and until written notice of a new representative acceptable to City is provided to City.

The foregoing representatives shall be authorized to provide consent where required herein, and to make other administrative decisions that will be binding on their respective party, except as otherwise specifically required herein.

19. Notices.

Any notices, invoices, or other documents related to this Agreement shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail after the receiving party's regular business hours; or (c) on the second business day following deposit in the United States mail, certified mail with return receipt requested and postage prepaid, to the addresses listed below, or to such other addresses as the parties may, from time to time, designate in writing.

City

City of Brea

1 Civic Center Circle

Brea, CA 92821

United States

Tiara Solorzano

tiaras@cityofbrea.gov

(714) 990-7215

Consultant

Project Youth OC

1605 E. 17th street

Santa Ana, CA 92705

USA

Manuel Gutierrez

manuel@pyoc.org

(714) 480-1925 ext.114

20. Third Party Rights.

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than City and **Consultant**.

21. Conflicts of Interest.

A. **Consultant** covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services. **Consultant** certifies that no one who has or will have any financial interest under this Agreement is an officer or employee of City.

B. **Consultant** further covenants that, in the performance of this Agreement, no subcontractor or person having any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services shall be employed. **Consultant** has provided City with a list of all City-approved subcontractors and the key personnel for such subcontractors that are retained or to be retained by **Consultant** in connection with the performance of the Services, to assist City in affirming compliance with this Section.

C. **Consultant** maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for **Consultant**, to solicit or secure this Agreement. Further, **Consultant** warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for **Consultant**, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. If required, **Consultant** further agrees to file, or shall cause its employees or subcontractors to file, a Statement of Economic Interest with the City Clerk as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to terminate this Agreement without liability. No director, official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any

present or anticipated material benefit arising therefrom.

22. Severability.

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the remaining provisions unenforceable, invalid or illegal.

23. Successors and Assigns.

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of the parties.

24. Non-Waiver.

None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specified in writing, and any such waiver shall be limited to that set of circumstances and not to any future circumstances unless another written waiver is executed.

25. Time of Essence.

Time is of the essence in each and every provision of this Agreement.

26. City's Right to Employ Other Consultant's.

City reserves its right to employ other **Consultant's** to provide the Services or similar services.

27. Exhibits.

The attached **Exhibit A** is incorporated herein by reference. In the event of any conflict or inconsistency between the provisions of this Agreement and any Exhibit, the provisions of this Agreement shall govern.

28. Entire Agreement.

This Agreement represents the entire understanding of the parties as to the Services, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters. Each party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both parties. This is an integrated agreement.

[SIGNATURES ON FOLLOWING PAGE]

TO EXECUTE THIS AGREEMENT, the Parties have caused their authorized representatives to sign below. Digital Signatures are acceptable if they conform to all requirements of California Government Code Section 16.5.

Project Youth OC

By: Laura Marcum

Laura Marcum

Executive Director

laura@pyoc.org

By: _____

Date Signed: 3/6/25

Date Signed: _____

[Corporation: pursuant to California Corporations Code Section 313, both signature lines must be executed unless the signatory holds at least one of the offices designated on each line. Limited liability company: Pursuant to California Corporations Code Section 17703.01(d), both signature lines must be executed unless the articles of incorporation state that the firm is managed by only one manager.]

City of Brea

Attest (if over \$50,000)

By: _____

Kristin Griffith

City Manager

KristinG@CityofBrea.gov

By: _____

Lillian Harris-Neal

City Clerk

LillianHN@CityofBrea.gov

Date Signed: _____

Date Signed: _____

SPECIAL PROVISIONS

No Special Provisions required for this Agreement.

EXHIBIT A
SCOPE OF SERVICES AND FEE SCHEDULE
(Consultant's proposal attached)



Funding Proposal
Submitted to the City of Brea

Funding Source:

National Opioid Settlement Funds

High Impact Abatement Activity (HIAA):

High Impact Abatement Activity 5: Interventions to prevent drug addiction in vulnerable youth.

Program Names:

Shortstop and Stop Short of Addiction

Requesting Agency:

Project Youth OC (PYOC)

Contact Name:

Manuel Gutierrez, Director of Program Strategy

Request: PYOC respectfully requests funding from the City of Brea for \$225,000 + \$27,650 for the renting of City of Brea facilities, with a total cost of **\$252,650 over a three-year grant term** to support the expansion of our Shortstop and Stop Short of Addiction programs into the Brea community. Each year, 100 youth and 150 parents/caregivers residing in the City of Brea, or surrounding North Orange County cities, will be served. A total of 750 unduplicated clients will be served during the three-year funding period.

Shortstop and Stop Short of Addiction work to reach at-risk youth early to prevent youth delinquency and substance use from escalating into chronic criminal behavior and drug addiction. These evidence-based services address critical issues affecting Brea youth, including truancy, vaping and other substance use, delinquency, and mental health challenges. We are committed to offering culturally competent services that reflect the demographics of the Brea community and that are tailored specifically to the needs of its at-risk youth. Our whole-person, customized approach ensures that Brea youth and families receive the support and local resources they need to navigate obstacles and thrive.

While our diversion services have been primarily focused on Santa Ana and neighboring cities, we have seen success in expanding to the Newport/Mesa area through our collaboration with Hoag Hospital. Building on this success, PYOC is eager to offer our diversion services directly in Brea, adapting our approach to meet the unique needs of local youth and families. Our goal is to position Brea as a central hub for diversion and substance abuse interventions and as a leader for innovation within the North Orange County community.

The requested funding of \$75,000 + \$9,216 for the City of Brea facilities per year over the grant term will allow us to maintain our current staffing to expand our Shortstop and Stop Short of Addiction services and establish a strong presence in Brea. This expansion will include offering



program sessions at the North Justice Center, as well as conducting intake assessments at the Brea Civic and Cultural Center as needed. Funding will cover key program costs, including but not limited to staff salary, training, and program-related expenses such as fees for using the North Justice Center, additional instructor fees, materials, staff travel, and incentives.

Our department manager will collaborate with the city services team, local law enforcement, schools, and social service agencies to ensure our diversion programs are tailored to meet the needs of Brea residents. Through these concentrated efforts, we aim to ensure that services are easily accessible, timely, and well-integrated with other resources within the Brea community. This partnership represents an exciting opportunity to contribute to Brea's goals of enhancing community safety and promoting long-term well-being for its youth. We look forward to collaborating with the City of Brea to create a positive, lasting impact, helping young residents reach their full potential.

Proposal Details:

A. Organizational Background

At PYOC, our mission is a human-centered, whole-family approach to ending cycles of crime and poverty by developing youth resilience and empowerment. Our vision is a safer, healthier community for all.

Established in 1969 as the philanthropic arm of the Orange County Bar Association, PYOC became an independent nonprofit in 1981, growing its impact over the years. With a strong foundation in the local legal community and a robust governing board, PYOC has been a steady force for positive change for 55 years. During this time, it has become a trusted provider of youth diversion, behavioral health, and substance abuse services.

Our programs are a lifeline to Orange County youth and family that are marginalized and disconnected. We focus on supporting populations that are often overlooked, particularly the working poor, families of color, and high-risk youth, offering solutions that help break cycles of crime and poverty. For many of the youth we serve, this involves giving them a second chance to get back on the right path.

Our whole-family system of care addresses the root causes of justice involvement, substance abuse, and behavioral health challenges resulting in long-term transformation. We are not only mitigating future negative behaviors but also creating pathways for youth that lead to employment and higher education, changing the trajectory of their lives.

Program Services

PYOC offers a comprehensive suite of programs designed to address the critical needs of at-risk youth and their families, filling crucial gaps in local services. We serve over 1,500 at-risk youth, ages 10-24, and their family members each year. At the heart of our agency is a service model that prioritizes tailored, culturally, linguistically, and age-appropriate programs for our target population. This ensures our services are not only relevant and accessible but also effective in meeting the unique needs of the diverse communities we serve. The ripple effect of



our services empowers not only our youth clients, but also their families and entire communities, contributing to long-term, positive change. PYOC programs include:

Youth Diversion and Restorative Justice

- Shortstop's evidence-based services offer juvenile crime diversion services for at-risk Orange County youth, ages 10-18, and their family members.
- Based on our successful Shortstop model, Stop Short of Addiction provides substance abuse intervention and diversion services for at-risk youth, ages 10-18, and their family members.

College and Career Access

- Project Self offers tailored support for at-risk, transition-age youth (ages 16-24) through an intensive case management model designed to help them overcome challenges and barriers. The program links youth to essential resources, career exploration opportunities, workshops, and summer internships, all aimed at helping them develop the skills necessary to achieve their educational and career goals, whether it be through college, military service, or vocational training.

Parent and Family Enrichment (new)

- Our new parent and family enrichment services are aimed at empowering parents of youth involved in PYOC programs. They connect parents to essential resources, support them through the court system, and offer workshops to enable self-sufficiency.

B. Need for Services

Childhood memories shouldn't include handcuffs and holding cells. And yet that is the reality for upwards of 53,000 youth in the United States on any given day. Moreover, 66% of these youth are held in the most restrictive facilities and 10% in adult facilities.

The brain isn't fully developed until age 25 when it comes to impulse control and judgment, yet one encounter with the law could destroy a youth's childhood and future forever. It is critical that delinquency is addressed early and effectively, because studies show that 75% of detained youth reoffend within three years and 40% end up in prison by the age of 25.

Substance abuse poses another threat to the health and safety of our youth, as 62% of 11th graders in Orange County currently report alcohol and/or drug use. In the Brea-Olinda School District, 33% of 11th graders in non-traditional/continuation schools report vaping. Compounding the problem, substance use increases the likelihood that youth will come in contact with the juvenile justice system.



"I've never seen a gang member who wasn't truant first."
--Former California District Attorney Kim Menninger

At the forefront is truancy, widely considered one of the most powerful predictors of delinquency, substance abuse, gang activity, and teen pregnancy. It's a problem that the Office of Juvenile Justice and Delinquency Prevention has labeled a national priority, and it's on the rise in Orange County. Within the Brea-Olinda School District the percentage of students that are truant sits at 19%, but among youth in non-traditional/continuation schools the percentage climbs to 44%. Moreover, 15% of low-income high school students and 14% of Latino students are chronically absent.

When combined, this data underscores the need for early intervention and a more supportive, rehabilitative approach to addressing the underlying causes of youth delinquency. Education and family support are essential to breaking the cycle of delinquency and substance abuse, providing youth with opportunities to succeed rather than fall further into the justice system.

C. Program Description

Target Population

Over the three-year grant period, 100 youth and 150 parents/caregivers residing in the City of Brea, or surrounding North Orange County cities, will be served each year through our Shortstop and Stop Short of Addiction programs, for a total of 750 unduplicated clients.

Shortstop and Stop Short of Addiction serve at-risk youth, ages 10-18, and their families. Youth are typically referred for drug use, possession of alcohol and/or drugs, petty theft, burglary, assault and battery, truancy, possession of weapons, vandalism, and behavioral struggles.

Parent/caregiver participation is a key contributor to our sustainable, long-term impact by creating a supportive network that extends beyond the duration of our programs. Project Youth OC will collaborate closely with law enforcement, schools, and community agencies within the City of Brea to refer youth and families to these services. Special focus will be placed on developing referral relationships with non-traditional/continuation schools in Brea, ensuring that the most vulnerable at-risk youth have access to the resources they need.

Program Services

Shortstop and Stop Short of Addiction are offered at no cost. New sessions start each month and are offered in both English and Spanish. Services include:

- Comprehensive Intake Assessment (2 hours): Intakes will be conducted at the PYOC office or Brea Civic and Cultural Center, depending on clients' needs. The intake assessment gathers critical information about the youth's drug history, family dynamics, emotional stability, at-risk behaviors, and school functioning. Trauma-informed screening is used to support recovery, resilience, and youth success. Youth and parents are



provided an individualized service plan that includes referrals to other PYOC programs and linkages to partners within the Brea community.

- Program Sessions: Each program has three, 3-hour sessions. The first program session will be held at the North Justice Center. The second and third sessions will be held at the PYOC office or Brea Civic and Cultural Center, as availability allows.

Shortstop and Stop Short of Addiction are not scared straight programs, but instead focus on restorative justice, legal education, and personal accountability. Program sessions utilize cognitive behavior therapy (CBT) approaches, which have proven to be 79% effective in reducing juvenile crime through a meta-analysis conducted by the National Institute of Justice (2016). This is where the developing youth brain works in our favor. Shortstop and Stop Short of Addiction work to reshape thoughts and behaviors, maximizing the program's efficacy and helping our kids to be kids, and not kids behind bars.

Sessions integrate a variety of activities aimed at fostering positive change in youth participants. These activities include a booking process, trial simulations, and educational presentations by experts such as the Orange County Sheriff's Coroner, who discusses the biological and psychological impacts of drug abuse. A panel of incarcerated teens in recovery also serves as reliable messengers, sharing a peer's point of view of their own experiences, substance use struggles, and the series of choices that led them to incarceration. The core of both programs centers around discussion groups and family-strengthening exercises, targeting key protective factors that help reduce the likelihood of future involvement in risky behaviors. These protective factors include enhancing skills such as conflict resolution, communication, peer refusal, problem-solving, and self-control. By adopting a restorative justice framework and incorporating evidence-based cognitive behavioral therapy, these programs emphasize personal responsibility, impulse control, and social skills development. Services also aim to improve school connectedness, encourage participation in pro-social activities, foster personal responsibility, and strengthen parental monitoring.

- Mandatory Assignments: A critical part of Shortstop and Stop Short of Addiction is what happens at home.

Reading decision making and legal/drug education materials
Writing essays (i.e., how drug use has impacted their lives)
Researching and summarizing news articles on crime in the city of Brea
Goal-setting assignments
Family communications exercises
Attending two AA or NA meetings (Stop Short of Addiction youth)
Court navigation assistance

- Exit Plan and Linkages to Addiction Care: An individualized exit plan is developed for each youth participating in Shortstop and Stop Short of Addiction, ensuring they have a clear path forward after completing the program. This plan includes connections to



partner agencies within the City of Brea that offer additional behavioral health services (list of community providers to be given by the City of Brea.) Youth and their families may be referred to our Project Self program, which supports at-risk, transition-age youth by providing the resources, skill-building, and individualized support necessary to achieve educational and career goals through college, military service, or vocational training. Additionally, parents and caretakers may be referred to our family and parent enrichment services which offer resource connections to housing assistance, food security, healthcare, and financial support. Parenting skills and financial independence training is also available.

- **Case Management:** As needed, clients may receive up to 12 weeks of intensive case management, where they receive personalized support and linkages to resources that promote emotional health and well-being. Case management is delivered using a high-touch, trauma-informed approach, adapted from the evidence-based Adolescent Community Reinforcement Approach (A-CRA) model. Case managers work closely with youth to help them develop essential skills such as problem-solving, anger management, employment readiness, drug/alcohol refusal, and effective communication. They also support parents in developing parenting skills.

D. Stakeholders

Strong relationships with our stakeholders are a lynchpin of our work. We prioritize building transformational relationships with our board members, advisory board, clients, donors (individual and corporate), foundations, volunteers, employees, media, and our partner agencies. Many of these partnerships have been in place for over 40 years, demonstrating the trust and collaboration that have shaped our organization's success.

In alignment with the SAMHSA document “Changing the Conversation,” Project Youth OC has fostered long-term partnerships among youth diversion and behavioral health service providers in Orange County. These partnerships help address service gaps, extend the system of care for at-risk youth, and promote effective collaboration among service providers.

Since 2011, Project Youth OC has played a leading role in supporting the Orange County Probation Department as part of the Annie E. Casey Foundation's Juvenile Detention Alternative Initiative (JDAI). Our involvement includes participation in the Executive Steering and Alternative to Detention (ATD) work group alongside other community organizations and juvenile justice officials. We are also an active member of the Orange County Probation Department's Juvenile Hall Self-Assessment Team.

More recently, we have collaborated with the Orange County Reentry Partnership (OCREP) to establish a sub-committee focused on juvenile youth re-entry. Project Youth OC has co-chaired this sub-committee since 2017, working to support youth transitioning from detention back into their communities. Additionally, for the past 15 years, we have attended Orange County Juvenile Justice Commission meetings, advocating for youth involved in the juvenile justice system and supporting efforts related to advocacy and regulatory functions. These longstanding



partnerships demonstrate our commitment to collaboration and our dedication to improving outcomes for at-risk youth in Orange County.

E. Projected Outcomes

Objective/Outcome #1

- Objective: 100 youth per year will receive 11-23 hours of intensive legal education by participating in Shortstop or Stop Short of Addiction.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Individualized exit plan
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 70% of participating youth and 60% of participating parents will demonstrate increased legal knowledge, as measured by pre/post- tests.

Objective/Outcome #2

- Objective: 100 youth per year will receive 11-23 hours of diversion services by participating in Shortstop or Stop Short of Addiction.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Individualized exit plan
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 90% of participating youth will not recidivate within six months of completing the program, as measured by six-month follow-up surveys.

Objective/Outcome #3

- Objective: 100 youth per year will receive 11-23 hours of diversion services by participating in Shortstop or Stop Short of Addiction.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Individualized exit plan
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 70% of participating youth will report increased peer refusal skills, as measured by pre- and six-month follow-up surveys.

Objective/Outcome #4



- Objective: 100 youth per year will receive 11-23 hours of diversion services by participating in Shortstop or Stop Short of Addiction.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Individualized exit plan
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 60% of participating youth will report increased school connectedness, as measured by pre- and six-month follow-up surveys.

Objective/Outcome #5

- Objective: 100 youth per year will receive 11-23 hours of diversion services by participating in Shortstop or Stop Short of Addiction.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Individualized exit plan
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 60% of participating youth will report increased participation in prosocial activities, as measured by pre- and six-month follow-up surveys.

Objective/Outcome #6

- Objective: 50 youth participating in Stop Short of Addiction each year will receive 13-25 hours of substance abuse intervention services.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Individualized exit plan
 - Attending two AA or NA meetings (2 hours)
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 75% of participating youth will report decreased substance use, as measured by six-month follow-up surveys.

Objective/Outcome #7

- Objective: 50 youth participating in Stop Short of Addiction each year will receive 13-25 hours of substance abuse prevention education.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Individualized exit plan
 - Attending two AA or NA meetings (2 hours)
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 70% of participating youth will report increased knowledge of the impact of drugs and addiction, as measured by pre/post-tests.



Objective/Outcome #8

- Objective: 150 family members of youth participating in Shortstop or Stop Short of Addiction each year will receive 11 - 23 hours of family strengthening services.
 - Intake assessment (2 hours)
 - Program sessions (9 hours)
 - Up to twelve 1-hour case management sessions, as needed
- Measurable Outcome: 70% of participating parents will report strengthened family relationships, as measured by six-month follow-up surveys.

F. Evaluation Plan

Outcome evaluation data sources will include:

- Referral report forms collect data on services partner organizations provided to parents/caregivers and family members during the grant period.
- Self-report surveys assess outcomes for youth and parents/caregivers. Surveys will be administered using a single-assessment retrospective pre-post design at program exit. Additional follow-up surveys will be administered via email 6-month post completion.
- Participation reports gather information on client involvement in direct services. Staff will document the number and types of activities attended.

Surveys are developed in-house by our evaluation consultant. They pull from various substance abuse, family functioning, and legal education assessment tools. Youth surveys measure increases in both drug and legal education; improvements in family functioning; decreased use of marijuana, alcohol, other drugs; and any further contact with the juvenile justice system.

Caregiver surveys measure increases in both drug and legal education, including parents' legal rights and responsibilities; increased parental monitoring; increased confidence in parenting skills; increased parent engagement; improvements in family functioning; increased self-sufficiency skills; and increased awareness of community agencies offering additional behavioral health services.

CITY OF BREA GRANT BUDGET				
Organization:	Orange County Bar Foundation, Inc. DBA: Project Youth OC			
Contact Information:	Manuel Gutierrez; manuel@pyoc.org; 714-480-1925 x114			
Address:	1605 E 17th Street, Santa Ana, CA 92705			
Name of Program(s):	SHORTSTOP; STOP SHORT of Addiction			
BUDGET SUMMARY				
Budget Period:	7/1/2025-6/30/2028			
Total Direct Costs:	\$198,763.25			
Approved Indirect Rate:	13.2%			
Total Indirect Costs:	\$26,236.75			
Total Facilities Costs:	\$27,650.00			
Total Costs:	\$252,650.00			
GRANT BUDGET INFORMATION				
SALARIES AND BENEFITS				
Title	Monthly Salary	FTE	#of Months	Total Amount Requested (For Life of the Grant)
Department Manager	\$6,041.67	.15	36	\$32,625.00
Associate Manager	\$5,833.33	.15	36	\$31,499.98
Case Manager II	\$4,680.00	.15	36	\$25,272.00
Case Manager II	\$4,853.33	.15	36	\$26,207.98
Case Manager I	\$3,986.67	.15	36	\$21,528.00
Total Salary Costs:				\$137,132.97
Benefits	Benefits Percentage:	25%	Total Benefits:	\$34,283.24
Total Staffing Cost:				\$171,416.21
OPERATING COSTS				
Expenditure Categories	Please provide a detail description of the cost associated with each category		Total Amount Requested (For Life of the Grant)	
Program materials	Program materials, including food		\$5,647.04	
Supplies	General office supplies and computer purchase for program staff; wireless projectors for presentations		\$2,500.00	
IT	Computer maintenance costs for program staff; case management software for program staff		\$0.00	
Instructors	Instructors to provide training to youth participants		\$15,000.00	
Training costs	Training costs for staff (trauma informed interviewing skills; presentation skills; substance abuse issues)		\$0.00	
Travel (If applicable)	Reimbursement of local travel at IRS reimbursement rate		\$1,200.00	
Administrative Costs	Fee for after hours use of Superior Court courtrooms		\$3,000.00	
TOTAL OPERATING COSTS			\$27,347.04	
TOTAL DIRECT COSTS:			\$198,763.25	



City Council Regular Meeting Communication

D. Adopt a Resolution Authorizing Persons Holding Certain Designated Positions to Execute the Urban Area Security Initiative Grant Documents for and on behalf of the City of Brea

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4D.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

1. Adopt a resolution authorizing the Police Chief or his designee to execute Urban Area Security Initiative (UASI) grant documents for and on behalf of the City of Brea;
2. Authorize the City Manager, Police Chief or designated persons within the Brea Police Department to oversee and administer the projects associated with the Anaheim/Santa Ana UASI training and funding on behalf of the City;
3. Approve an agreement with the City of Santa Ana for transfer or purchase of equipment/services or reimbursement of training costs;
4. Authorize the City Manager and City Attorney to make any necessary, non-monetary changes to the agreement; and 5) Authorize the Police Chief to execute the agreement.

BACKGROUND/DISCUSSION

The U.S. Department of Homeland Security, through the State of California Emergency Management Agency, has authorized the City of Santa Ana to allocated funds from the County. The Anaheim/Santa Ana Urban Area (ASAUA) oversees and distributes these funds, with the majority of the funds going to Emergency Operations Training, including Community Emergency Response Teams (CERT), various communications enhancements, and some equipment requests. The Brea Police Department is a sub-recipient of this grant.

At this time, the police department does not expect any funding from this program. However, the proposed resolution and agreement would allow the City to accept those funds, should they become available, and allow specified personnel, the City Manager, Police Chief, and Operations or Support Services Division Commander (Police Captain), to manage and/or execute any necessary documents related to the grant on behalf of the City. If funds do become available, those monies would likely be used to reimburse the City for overtime expended in UASI-sanctioned training.

FISCAL IMPACT/SUMMARY

There is no fiscal impact to the City of Brea.

RESPECTFULLY SUBMITTED:

Kristin Griffith, City Manager

Prepared by: Adam Hawley, Police Chief

Attachments

[CITY OF BREa AGREEMENT.pdf](#)

[UASI Resolution_March 18, 2025.pdf](#)

AGREEMENT

SUB-RECIPIENT: CITY OF BREA

City Contract Number _____

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EXHIBITS

Exhibit A	CalOES FY2023 Grant Assurances
Exhibit B	Certification Regarding Debarment, Suspension and Other Responsibility Matters
Exhibit C	Certification Regarding Lobbying

Agreement Number: _____

AGREEMENT FOR TRANSFER OR PURCHASE OF EQUIPMENT/SERVICES OR
FOR REIMBURSEMENT OF TRAINING COSTS
FOR FY2023 URBAN AREAS SECURITY INITIATIVE (UASI)

BETWEEN
THE CITY OF SANTA ANA
AND CITY OF BREA

THIS AGREEMENT is made and entered into this ____ day of _____, 2024, by and between the CITY OF SANTA ANA, a municipal corporation (the "CITY"), and CITY OF BREA, a municipal corporation (the "SUB-RECIPIENT" or "Contractor").

W I T N E S S E T H

WHEREAS, CITY, acting through the Santa Ana Police Department in its capacity as a Core City for the Anaheim/Santa Ana Urban Area under the FY2023 Urban Areas Security Initiative, has applied for, received and accepted a grant entitled "FY 2023 Urban Areas Security Initiative" from the federal Department Of Homeland Security(DHS) Federal Emergency Management Agency (FEMA), through the State of California Governor's Office of Emergency Services (CalOES), to enhance countywide emergency preparedness (the "grant"), as set forth in the grant guidelines and assurances that are incorporated to this Agreement by reference and located at:

U.S. Department of Homeland Security "Fiscal Year 2023 Homeland Security Grant Program (HSGP) Notice of Funding Opportunity (NOFO)"
<https://www.fema.gov/print/pdf/node/652405>

California Office of Emergency Services "FY2023 Homeland Security Grant Program: California Supplement to Federal Program Guidance" <https://www.caloes.ca.gov/wp-content/uploads/Grants/Documents/FY2023-HSGP-State-Supplement.pdf>

Copies of the grant guidelines shall be retained in the Anaheim/Santa Ana Grant Office.

WHEREAS, this financial assistance is administered by the CITY OF SANTA ANA ("CITY") and is overseen by the California Governor's Office of Emergency Services ("CalOES"); and

WHEREAS, this financial assistance is being provided to address the unique equipment, training, planning, and exercise needs of large urban areas, and to assist them in building an enhanced and sustainable capacity to prevent, respond to, and recover from threats or acts of terrorism; and

WHEREAS, the Anaheim/Santa Ana Urban Area ("ASAUA") consists of 34 cities in Orange County, including the City of Anaheim and the City of Santa Ana, the County of Orange, Santa Ana Unified School District Police, California State University, Fullerton,

University of California, Irvine, Municipal Water District of Orange County, and the Orange County Fire Authority; and

WHEREAS, the Office of Grants Management (“OGM”) awarded a FY2023 UASI Grant of \$5,113,750 (“Grant Funds”) to the CITY OF SANTA ANA, as a Core City, for use in the ASUA; and

WHEREAS, the CITY has designated the Chief of Police, or his designee and the Santa Ana Police Department, Emergency Management Director (“UASI Grant Office”) to provide for terrorism prevention and emergency preparedness; and

WHEREAS, the UASI Grant Office now wishes to distribute FY2023 UASI Grant Funds throughout the ASUA, as further detailed in this Agreement (“Agreement”) to CITY OF BREA (“SUB-RECIPIENT”) and others;

WHEREAS, the CITY and SUB-RECIPIENT are desirous of executing this Agreement as authorized by the City Council and the Chief of Police which authorizes the CITY to prepare and execute the Agreement.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

I. INTRODUCTION

§101. Parties to the Agreement

The parties to this Agreement are:

- A. The CITY, a municipal corporation, having its principal office at 20 Civic Center Plaza, Santa Ana, CA 92702; and
- B. CITY OF BREA, a municipal corporation, having its principal office at One Civic Center Circle, Brea, CA 92821.

§102. Representatives of the Parties and Service of Notices

- A. The representatives of the respective parties who are authorized to administer this Agreement and to whom formal notices, demands and communications shall be given are as follows:

- 1. The representative of the City of Santa Ana shall be, unless otherwise stated in the Agreement:

Jose Gonzalez, Commander
Santa Ana Police Department
Homeland Security Division
60 Civic Center Plaza
Santa Ana, CA 92702
Phone: (714) 245-8009
jgonzalez@santa-ana.org

- 2. The representative of CITY OF BREA shall be:

Name: _____

Title: _____

Sub Recipient Name: _____

Sub Recipient Address: _____

City _____ State: _____ Zip: _____

Phone: _____

E-mail: _____

- B. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing.

- C. If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be given, in accord with this section, within five (5) business days of said change.

§103. Independent Party

SUB-RECIPIENT is acting hereunder as an independent party, and not as an agent or employee of the CITY OF SANTA ANA. No employee of SUB-RECIPIENT is, or shall be an employee of the CITY OF SANTA ANA by virtue of this Agreement, and SUB-RECIPIENT shall so inform each employee organization and each employee who is hired or retained under this Agreement. SUB-RECIPIENT shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY OF SANTA ANA.

§104. Conditions Precedent to Execution of This Agreement

SUB-RECIPIENT shall provide copies of the following documents to the CITY OF SANTA ANA, unless otherwise exempted.

- A. Standard Assurances (Grant Assurances) in accordance with section 412A of this Agreement attached hereto as Exhibit A and made part hereof.
- B. Certifications Regarding Ineligibility, Suspension and Debarment as required by Executive Order 12549 in accordance with Section 412 of this Agreement and attached hereto as Exhibit B and made a part hereof.
- C. Certifications and Disclosures Regarding Lobbying in accordance with Section 412C of this Agreement and attached hereto as Exhibit C and made a part hereof. SUB-RECIPIENT shall also file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of the information contained in any Disclosure Form previously filed by SUB-RECIPIENT.

I. TERM AND SERVICES TO BE PROVIDED

§201. Time of Performance

The term of this Agreement shall commence on 9/1/2023 and end on 3/31/2026 or upon the final disbursement of all of the Grant Amount (as defined in Section 301) and any additional period of time as is required to complete any necessary close out activities. Said term is subject to the provisions herein.

§202. Use of Grant Funds

- A. CITY may, a) transfer to SUB-RECIPIENT, equipment or services purchased with grant funds and in accordance with grant guidelines set forth above; or, b) reimburse SUB-RECIPIENT for purchase of authorized equipment, exercises, services or training upon receiving prior written approval from CITY or its designee and in accordance with grant guidelines and in full compliance with all of the SUB-RECIPIENT'S purchasing and bidding procedures. SUB-RECIPIENT shall specify the equipment, services, exercises and training to be purchased using the Application for Project Funding. A paper copy of this document will be provided to SUB- RECIPIENT by CITY. In addition, a compact disc with a copy of the document will be provided to SUB-RECIPIENT by CITY. If additional copies of the document are needed, SUB-RECIPIENT may contact the Santa Ana Grant Coordinator and it will be provided.
- B. SUB-RECIPIENT shall provide any reports requested by the CITY regarding the performance of the Agreement. Reports shall be in the form requested by the CITY, and shall be provided in a timely manner.
- C. SUB-RECIPIENT shall provide the CITY a copy of its most current procurement guidelines and follow its own procurement requirements as long as they meet the minimum federal requirements. Federal procurement requirements for the FY2023 UASI Grant can be found at 2 Code of Federal Regulations (CFR) Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
- D. The Authorized Equipment List (AEL) is a list of the allowable equipment which may be purchased pursuant to this Agreement and is located at <https://www.fema.gov/authorized-equipment-list>, and incorporated to this Agreement by reference. A copy of the AEL shall be retained in the Anaheim/Santa Ana Grant Office. Unless otherwise stated in program guidance any equipment acquired pursuant to this Agreement shall meet all mandatory regulations and/or DHS-adopted standards to be eligible for purchase using grant funds.

Any equipment acquired or obtained with Grant Funds:

- 1. Shall be made available under the California Disaster and Civil Defense Master Mutual Aid Agreement in consultation with representatives of the various fire, emergency medical, hazardous materials response services,

and law enforcement agencies within the jurisdiction of the applicant;

2. Shall be consistent with needs as identified in the National Priorities and Core Capabilities, the State Homeland Security Strategy and the Anaheim/Santa Ana Urban Area and Orange County Operational Area Homeland Security Grants Strategy, the Threat Hazard Identification and Risk Assessment (THIRA), the State Preparedness Report; and deployed in conformance with those plans;
3. Shall be made available pursuant to applicable terms of the California Disaster and Civil Defense Master Mutual Aid Agreement and deployed with personnel trained in the use of such equipment in a manner consistent with the California Law Enforcement Mutual Aid Plan or the California Fire Services and Rescue Mutual Aid Plan;
4. Shall be subject to the requirements of Title 2 CFR Part 200.313 and 200.314. For the purposes of this subsection, "Equipment" is defined as nonexpendable property that is not consumed or does not lose its identity by being incorporated into another item of equipment, which costs \$5,000 or more per unit, or is expected to have a useful life of one (1) year or more.
5. Shall be used by SUB-RECIPIENT in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer useful for the original program or project, the Equipment may be used in other activities currently or previously supported by a Federal agency.
6. Shall be made available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency.
7. Shall be recorded on a ledger. The record shall include: (a) description of the item of Equipment, (b) serial number or other identification number, (c) the source of funding for the property (including FAIN); (d) who holds the title, (e) date of acquisition; (f) the per unit acquisition cost of the Equipment, (g) percentage of federal participation in the project costs for the Federal award under which the property was acquired, (h) location, and (i) use and condition of Equipment, and (j) ultimate disposition data including the date of disposal and sale price of the property. Records must be retained pursuant to 2 CFR Part 200.313.
8. All equipment obtained under this Agreement shall have an ASAUA identification decal affixed to it, and, when practical, shall be affixed where it is readily visible.
9. A physical inventory of the Equipment shall be taken and the results reconciled with the Equipment records at least once every two years.

Inventory shall also be taken prior to any UASI, State or Federal monitor visits.

10. SUB-RECIPIENT shall exercise due care to preserve and safeguard equipment acquired with grant funds from damage or destruction and shall provide regular maintenance and such repairs for said equipment as necessary, in order to keep said equipment continually in good working order. Such maintenance and servicing shall be the sole responsibility of SUB-RECIPIENT, who shall assume full responsibility for maintenance and repair of the equipment throughout the life of said equipment.
 11. SUB-RECIPIENT shall identify a Point-of-Contact (POC) to be responsible for all Equipment prior to the receipt of the item(s). POC will serve as the custodian of the Equipment. SUB-RECIPIENT shall notify the CITY of any change in the POC and assume the responsibility of advising the new custodian of all UASI grant program guidelines and requirements.
 12. SUB-RECIPIENT shall contact the ASUA Grant Office prior to initiating the disposition process. Disposal of equipment shall be conducted pursuant to 2 CFR Part 200.313. The ASUA will contact the awarding agency for disposition instructions, if necessary, prior to any action being taken.
- E. Any training paid pursuant to this Agreement shall conform to the guidelines as listed in FY2023 Homeland Security Grant Program, as set forth above. All training expenses must be pre-authorized by CalOES. A catalogue of Grantor approved and sponsored training courses is available at <https://cdp.dhs.gov/>.
 - F. Any exercise paid pursuant to this Agreement shall conform to the guidelines as listed in FY2023 Homeland Security Grant Program, as set forth above. Detailed Homeland Security Exercise and Evaluation Program Guidance is available at <https://www.fema.gov/emergency-managers/national-preparedness/exercises/hseep>.
 - G. Any planning paid pursuant to this Agreement shall conform to the guidelines as listed in FY2023 Homeland Security Grant Program, as set forth above.
 - H. Any organizational activities paid pursuant to this Agreement shall conform to the guidelines as listed in FY2023 Homeland Security Grant Program, as set forth above.

III. PAYMENT

§301. Payment of Grant Funds and Method of Payment

- A. CITY may, a) transfer to SUB-RECIPIENT, equipment or services purchased with grant funds; or, b) reimburse SUB-RECIPIENT for the purchase of authorized equipment, exercises, services or training upon receiving prior written approval from CITY or its designee and in accordance with grant guidelines and in full compliance with all of the SUB-RECIPIENT'S purchasing and bidding procedures. SUB-RECIPIENT shall specify the equipment, exercises, services or training to be purchased using the Application for Project Funding. A copy of this document will be provided to SUB-RECIPIENT by CITY. If additional copies of the document are needed, SUB-RECIPIENT may contact the Santa Ana Grant Coordinator and it will be provided. Funds may be used for planning, exercises, organizational and training activities, and the purchase of equipment as described in Section 202 above.
- B. SUB-RECIPIENT shall provide invoices to the CITY requesting payment and all supporting documentation. Each reimbursement request shall be accompanied by the Reimbursement Request for Grant Expenditures detailing the expenditures made by SUB-RECIPIENT as authorized by Section 202 above. Each reimbursement request shall be submitted to the Santa Ana UASI Grant Office. For equipment for which SUB-RECIPIENT is requesting reimbursement, all appropriate back-up documentation must be attached to the reimbursement form, including invoices, proof of payment, packing slips, and Equipment Reimbursement Worksheet. For training reimbursements, SUB-RECIPIENT must include a copy of any certificates issued or a copy of the class roster verifying training attendees, proof that a CalOES tracking number has been assigned to the course, timesheets and payroll registers for all training attendees, receipts for travel expenses related to the training, and Training Reimbursement Worksheet. For regional project reimbursements, SUB-RECIPIENT must include approval from the lead agency for all submitted invoices.
- C. Payment of final invoice shall be withheld by the CITY until the SUB-RECIPIENT has turned in all supporting documentation and completed the requirements of this Agreement.
- D. It is understood that the CITY makes no commitment to fund this Agreement beyond the terms set forth herein.
- E. Funding for all periods of this Agreement is subject to the continuing availability to the CITY of federal funds for this program. The Agreement may be terminated immediately upon written notice to SUB-RECIPIENT of a loss or reduction of federal grant funds.

IV. STANDARD PROVISIONS

§401. Construction of Provisions and Titles Herein

All titles or subtitles appearing herein have been inserted for convenience and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Agreement shall be construed according to its fair meaning and not strictly for or against either party. The word "Sub-recipient" herein and in any amendments hereto includes the party or parties identified in this Agreement. The singular shall include the plural. If there is more than one Sub-recipient as identified herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

§402. Applicable Law, Interpretation and Enforcement

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the CITY. This Agreement shall be enforced and interpreted under the laws of the State of California and the CITY.

If any part, term or provision of this Agreement shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Agreement, the validity of the remaining portions of provisions shall not be affected thereby.

§403. Integrated Agreement

This Agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous agreements or understandings, whether written or oral, relating thereto. This Agreement may be amended only by a written instrument executed by both parties hereto.

§404. Excusable Delays

In the event that performance on the part of any party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension.

Circumstances deemed to be beyond the control of the parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation; to the extent that they are not caused by the party's willful or negligent acts or omissions and to the extent that they are beyond the party's reasonable control.

§405. Breach

Except for excusable delays, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

§406. Prohibition Against Assignment or Delegation

SUB-RECIPIENT may not, unless it has first obtained the written permission of the CITY:

A. Assign or otherwise alienate any of its rights hereunder, including the right to payment; or

B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

§407. Permits

SUB-RECIPIENT and its officers, agents and employees shall obtain and maintain all permits and licenses necessary for SUB-RECIPIENT performance hereunder and shall pay any fees required therefore. SUB-RECIPIENT further certifies to immediately notify the CITY of any suspension, termination, lapses, non-renewals or restrictions of licenses, certificates, or other documents.

§408. Bonds

SUB-RECIPIENT must purchase a performance bond for any equipment item over \$250,000 or any vehicle (including aircraft or watercraft) financed with homeland security funds. SUB-RECIPIENT must provide a copy of performance bond to CITY no later than the time of reimbursement.

§409. Indemnification

To the fullest extent of the law, SUB-RECIPIENT agrees to indemnify, defend, and hold harmless the City of Santa Ana, its officers, agents, employees, representatives and designated volunteers from and against any and all claims, demands, defense costs, or liability of any kind or nature arising out of or resulting from, or any way connected with SUB-RECIPIENT'S acts, errors or omissions in the performance of SUB-RECIPIENT'S services or use of grant funds under the terms of this Agreement.

§410. Conflict of Interest

A. SUB-RECIPIENT covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administering any subcontract supported (in whole or in part) by Federal funds where such person is a

director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:

1. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
2. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
3. The participation of such person would be prohibited by the California Political Reform Act, California Government Code §87100 et seq. if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.

B. Definitions:

1. The term "immediate family" includes but is not limited to domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father in law, mother in law, brother in law, sister in law, son in law, daughter in law.
2. The term "financial or other interest" includes but is not limited to:
 - a. Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
 - b. Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.

- C. The SUB-RECIPIENT further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement, (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
- D. The SUB-RECIPIENT shall not subcontract with a former director, officer, or employee within a one year period following the termination of the relationship between said person and the Contractor.
- E. Prior to obtaining the CITY'S approval of any subcontract, the SUB-RECIPIENT shall disclose to the CITY any relationship, financial or otherwise, direct or indirect, of the SUB-RECIPIENT or any of its officers, directors or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.

- F. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the SUB-RECIPIENT, State of California, and Federal regulations regarding conflict of interest.
- G. The SUB-RECIPIENT warrants that it has not paid or given and will not pay or give to any third person any money or other consideration for obtaining this Agreement.
- H. The SUB-RECIPIENT covenants that no member, officer or employee of SUB-RECIPIENT shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.
- I. The SUB-RECIPIENT shall incorporate the foregoing subsections of this Section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "SUB-RECIPIENT" and "sub subcontractor" for "Subcontractor".

§411. Restriction on Disclosures

Any reports, analysis, studies, drawings, information, or data generated as a result of this Agreement are to be governed by the California Public Records Act (California Government Code Sec. 6250, et seq.).

§412. Statutes and Regulations Applicable To All Grant Contracts

A. Compliance with Grant Assurances

To obtain the Grant Funds, the Grantor required an authorized representative of the CITY to sign certain promises regarding the way the Grant Funds would be spent ("Grant Assurances"), attached hereto as Exhibit A. By signing these Grant Assurances, the CITY became liable to the Grantor for any funds that are used in violation of the grant requirements. SUB-RECIPIENT shall be liable to the Grantor for any funds the Grantor determines SUB-RECIPIENT used in violation of these Grant Assurances. SUB-RECIPIENT shall indemnify and hold harmless the CITY for any sums the Grantor determines SUB- RECIPIENT used in violation of the Grant Assurances.

- B. SUB-RECIPIENT shall comply with all applicable requirements of state, federal, county and SUB-RECIPIENT laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this Agreement. SUB-RECIPIENT shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. SUB-RECIPIENT shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

- 1. Office of Management and Budget (OMB) Circulars

SUB-RECIPIENT shall comply with 2 Code of Federal Regulations (CFR) Part 200 (Uniform Administrative, Cost Principles, and Audit Requirements for Federal Awards).

2. Single Audit Act

If Federal funds are used in the performance of this Agreement, SUB-RECIPIENT shall adhere to the rules and regulations of the Single Audit Act, 31 USC Sec. 7501 et seq.; Title 2 Code of Federal Regulations, Part 200, Subpart F Audit Requirements; and any administrative regulation or field memos implementing the Act. When reporting under on the FY2023 UASI Grant Program under the Single Audit Act, SUB-RECIPIENT shall use Catalog of Federal Domestic Assistance (CFDA) Program Number 97.067 "Homeland Security Grant Program"; Grant Identification Number 2023-0042; and identify the City of Santa Ana as the Pass-Through.

3. False Claims Act

The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract.

4. Records Maintenance

Records, in their original form, shall be maintained in accordance with requirements prescribed by the CITY with respect to all matters covered on file for all documents specified in this Agreement.

Original forms are to be maintained on file for all documents specified in this Agreement. Such records shall be retained for a period of three (3) years after the CITY receives notification of grant closeout from CalOES, and after final disposition of all pending matters. "Pending matters" include, but are not limited to, an audit, litigation or other actions involving records. The CITY may, at its discretion, take possession of, retain and audit said records. Records, in their original form pertaining to matters covered by this Agreement, shall at all times be retained within the County of Orange unless authorization to remove them is granted in writing by the CITY.

The Contractor agrees to provide SUB-RECIPIENT, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

The Contractor agrees to provide the FEMA Administrator or his authorized

representatives access to construction or other work sites pertaining to the work being completed under the contract.

In compliance with section 1225 of the Disaster Recovery Reform Act of 2018, the SUB-RECIPIENT and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

5. Subcontracts and Procurement

SUB-RECIPIENT shall comply with the federal and SUB- RECIPIENT standards in the award of any subcontracts. For purposes of this Agreement, subcontracts shall include but not be limited to purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.

SUB-RECIPIENT shall ensure that the terms of this Agreement with the CITY are incorporated into all Subcontractor Agreements. The SUB-RECIPIENT shall submit all Subcontractor Agreements to the CITY for review prior to the release of any funds to the subcontractor. The SUB-RECIPIENT shall withhold funds to any subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective Subcontractor Agreement.

a. Recovered Materials

SUB-RECIPIENT shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired competitively within a timeframe providing for compliance with the contract performance schedule; Meeting contract performance requirements; or at a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines webpage: <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

b. Domestic Preference for Procurements/ Required Use of American Iron, Steel, Manufactured Products, and Construction Materials

SUB-RECIPIENT should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products.

For purposes of this clause:

Produced in the United States means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

Manufactured products mean items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

The Applicant must comply with the “Build America, Buy America” Act (BABAA), enacted as part of the Infrastructure Investment and Jobs Act and Executive Order 14005. Applicants receiving a federal award subject to BABAA requirements may not use federal financial assistance funds for infrastructure projects unless:

(a) All iron and steel used in the project are produced in the United States – this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

(b) All manufactured products used in the project are produced in the United States – this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

(c) All construction materials are manufactured in the United States – this means that all manufacturing processes for the construction material occurred in the United States.

The “Buy America” preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. It does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a “Buy America” preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

6. Civil Rights

SUB-RECIPIENT shall comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681- 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of

the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) The Age Discrimination act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601, et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; (j) the requirements of any other nondiscrimination statute(s) which may apply to the application; and (k) P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

7. Equal Employment Opportunity

The regulation at 41 C.F.R. § 60-1.4(b) requires, except as otherwise provided or exempted in 41 C.F.R. Part 60, the insertion of the following contract clause: "During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation

of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other

8. Davis-Bacon Act

If applicable per the standard described above, the NFE must include the provisions at 29 C.F.R. § 5.5(a)(1)-(10) in full into all applicable contracts, and all applicable contractors must include these provisions in full in any subcontracts.

9. Copeland "Anti-Kickback" Act.

Contractor. The contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. Part 3 as may be applicable, which are incorporated by reference into this contract.

Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

10. Contract Work Hours and Safety Standards Act

(1) *Overtime requirements.* No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) *Violation; liability for unpaid wages; liquidated damages.* In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages* CITY OF BREA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

- (4) *Subcontracts*. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

11. Environmental Standards

a. Clean Air Act

The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*

The contractor agrees to report each violation to the SUB-RECIPIENT and understands and agrees that the SUB-RECIPIENT will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office.

The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by FEMA.

b. Federal Water Pollution Control Act (33 USC 1251)

The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*

The contractor agrees to report each violation to the SUB-RECIPIENT and understands and agrees that the SUB-RECIPIENT will, in turn, report each violation as required to assure notification to the City of Santa Ana, Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office.

The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by FEMA.

12. Telecommunications

- (a) *Definitions*. As used in this clause, the terms backhaul; covered foreign country; covered telecommunications equipment or services; interconnection arrangements; roaming; substantial or essential component; and telecommunications equipment or services have the

meaning as defined in FEMA Policy 405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services (Interim), as used in this clause—

(b) *Prohibitions.*

(1) Section 889(b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, and 2 C.F.R. § 200.216 prohibit the head of an executive agency on or after Aug.13, 2020, from obligating or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons.

(2) Unless an exception in paragraph (c) of this clause applies, the contractor and its subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds from the Federal Emergency Management Agency to:

- (i) Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
- (ii) Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
- (iii) Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or
- (iv) Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

(c) *Exceptions.*

(1) This clause does not prohibit contractors from providing—

- (i) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or
- (ii) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) By necessary implication and regulation, the prohibitions also do not apply to:

(i) Covered telecommunications equipment or services that:

- i. Are *not used* as a substantial or essential component of any system; *and*
- ii. Are *not used* as critical technology of any system.

(ii) Other telecommunications equipment or services that are not considered covered telecommunications equipment or services.

(d) *Reporting requirement.*

(1) In the event the contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the contractor is notified of such by a subcontractor at any tier or by any other source, the contractor shall report the information in paragraph (d)(2) of this clause to the recipient or subrecipient, unless elsewhere in this contract are established procedures for reporting the information.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause:

(i) Within one business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

(e) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments.

C. Statutes and Regulations Applicable To This Particular Grant

SUB-RECIPIENT shall comply with all applicable requirements of state and federal laws, executive orders, regulations, program and administrative requirements, policies and any other requirements governing this particular grant program. SUB-RECIPIENT shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

1. Title 2 Code of Federal Regulations (CFR) Part 200; EO 12372; Department of Justice (DOJ) Office of Judicial Programs (OJP) Office of the Comptroller, U.S. Department of Homeland Security, Preparedness Directorate Financial Management Guide; U.S. Department of Homeland Security, Office of Grants and Training, FY 2020 Homeland Security Grant Program –Notice of Funding Opportunity; ODP WMD Training Course Catalogue; and DOJ Office for Civil Rights.

Standardized Emergency Management System (SEMS) requirements as stated in the California Emergency Services Act, Government Code Chapter 7 of Division 1 of Title 2, § 8607.1(e) and CCR Title 19, §§ 2445-2448.

Provisions of 44 CFR applicable to grants and cooperative agreements, including Part 18, Administrative Review Procedures; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence Systems Operating Policies; Part 30, Intergovernmental Review of Department of Justice Programs and Activities; Part 35, Nondiscrimination on the Basis of Disability in State and Local Government Services; Part 38, Equal Treatment of Faith-based Organizations; Part 42, Nondiscrimination/Equal employment Opportunities Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; Part 64, Floodplain Management and Wetland Protection Procedures; Federal laws or regulations applicable to federal Assistance Programs; Part 69, New Restrictions on Lobbying; Part 70, Uniform Administrative Requirements for Grants and Cooperative Agreements (including sub-awards) with Institutions of Higher Learning, Hospitals and other Non-Profit Organizations; and Part 83, Government- Wide Requirements for a Drug Free Workplace (grants).

2. Travel Expenses

SUB-RECIPIENT as provided herein may be compensated for SUB-RECIPIENT'S reasonable travel expenses incurred in the performance of this Agreement, to include travel and per diem, unless otherwise expressed. Travel including in-State and out-of- State travel shall not be reimbursed without prior written authorization from the UASI Grant Office.

SUB-RECIPIENT'S travel and per diem reimbursement costs shall be reimbursed based on the SUB-RECIPIENT'S travel policies and procedures. If SUB-RECIPIENT does not have established travel policies and procedures,

SUB-RECIPIENT'S reimbursement rates shall not exceed the amounts established under 5 U.S.C 5701-11, ("Travel and Subsistence Expenses; Mileage Allowances"), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter must apply to travel under federal awards (48 CFR 31.205-46(a)).

3. Debarment and Suspension

This contract is a covered transaction for purposes of 2 C.F.R. Part 180 and 2 C.F.R. Part 3000. As such, the contractor is required to verify that none of the contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

The contractor must comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

This certification is a material representation of fact relied upon by SUB-RECIPIENT . If it is later determined that the contractor did not comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, in addition to remedies available to CITY OF BREA, the federal government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

4. Byrd Anti-Lobbying Amendment

Contractors who apply or bid for an award of more than \$100,000 shall file the required certification. Each tier certifies to the tier above that it will not and has not used federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the federal awarding agency.

5. Noncompliance

SUB-RECIPIENT understands that failure to comply with any of the above assurances may result in suspension, termination or reduction of grant funds, and repayment by SUB-RECIPIENT to CITY of any unlawful expenditures.

§413. Federal, State and Local Taxes

Federal, State and local taxes shall be the responsibility of SUB-RECIPIENT as an independent party and not as a CITY employee.

§414. Inventions, Patents and Copyrights

A. Reporting Procedure for Inventions

If any project produces any invention or discovery (Invention) patentable or otherwise under title 35 of the U.S. Code, including, without limitation, processes and business methods made in the course of work under this Agreement, the SUB-RECIPIENT shall report the fact and disclose the Invention promptly and fully to the CITY. The CITY shall report the fact and disclose the Invention to the Grantor. Unless there is a prior agreement between the CITY and the Grantor, the Grantor shall determine whether to seek protection on the Invention. The Grantor shall determine how the rights in the Invention, including rights under any patent issued thereon, will be allocated and administered in order to protect the public interest consistent with the policy ("Policy") embodied in the Federal Acquisition Regulations System, which is based on Ch. 18 of title 35 U.S.C. Sections 200, et seq. (Pub. L. 95-517, Pub. L. 98-620, 37 CFR part 401); Presidential Memorandum on Government Patent Policy to the Heads of the Executive Departments and Agencies, dated 2/18/1983); and Executive Order 12591, 4/10/87, 52 FR 13414, 3 CFR, 1987 Comp., p. 220 (as amended by Executive Order 12618, 12/22/87, 52 FR 48661, 3 CFR, 1987 Comp., p. 262). SUB-RECIPIENT hereby agrees to be bound by the Policy, and will contractually require its personnel to be bound by the Policy.

B. Rights to Use Inventions

CITY shall have an unencumbered right, and a non-exclusive, irrevocable, royalty- free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Invention developed under this Agreement.

C. Copyright Policy

1. Unless otherwise provided by the terms of the Grantor or of this Agreement, when copyrightable material ("Material") is developed under this Agreement, the author or the CITY, at the CITY'S discretion, may copyright the Material. If the CITY declines to copyright the Material, the CITY shall have an unencumbered right, and a non-exclusive, irrevocable, royalty- free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed under this Agreement.
2. The Grantor shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use, manufacture, improve upon, and allow others to do so for all government purposes, any Material developed

under this Agreement or any Copyright purchased under this Agreement.

3. SUB-RECIPIENT shall comply with all applicable requirements in the Code of Federal Regulations related to copyrights and copyright policy.
4. License and Delivery of Works Subject to Copyright and Data Rights. The Contractor grants to the CITY OF BREA a paid-up, royalty-free, nonexclusive, irrevocable, worldwide license in data first produced in the performance of this contract to reproduce, publish, or otherwise use, including prepare derivative works, distribute copies to the public, and perform publicly and display publicly such data. For data required by the contract but not first produced in the performance of this contract, the Contractor will identify such data and grant to the CITY OF BREA or acquires on its behalf a license of the same scope as for data first produced in the performance of this contract. Data, as used herein, shall include any work subject to copyright under 17 U.S.C. § 102, for example, any written reports or literary works, software and/or source code, music, choreography, pictures or images, graphics, sculptures, videos, motion pictures or other audiovisual works, sound and/or video recordings, and architectural works. Upon or before the completion of this contract, the Contractor will deliver to the CITY OF BREA data first produced in the performance of this contract and data required by the contract but not first produced in the performance of this contract in formats acceptable by the CITY OF BREA.

D. Rights to Data

The Grantor and the CITY shall have unlimited rights or copyright license to any data first produced or delivered under this Agreement. "Unlimited rights" means the right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, or permit others to do so; as required by 48 CFR 27.401. Where the data are not first produced under this Agreement or are published copyrighted data with the notice of 17 U.S.C. Section 401 or 402, the Grantor acquires the data under a copyright license as set forth in 48 CFR 27.404(f)(2) instead of unlimited rights. (48 CFR 27.404(a)).

E. Obligations Binding on Subcontractors

SUB-RECIPIENT shall require all subcontractors to comply with the obligations of this section by incorporating the terms of this section into all subcontracts.

F. No Obligation by Federal Government

The federal government is not a party to this contract and is not subject to any obligations or liabilities to the non-federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

§415. Minority, Women, And Other Business Enterprise Outreach Program

It is the policy of the CITY to provide minority business enterprises (MBEs), women business enterprises (WBEs) and all other business enterprises an equal opportunity to participate in the performance of all SUB-RECIPIENT contracts, including procurement, construction and personal services. This policy applies to all Contractors and Sub-Contractors.

V
DEFAULTS, SUSPENSION, TERMINATION, AND AMENDMENTS

§501. Defaults

Should SUB-RECIPIENT fail for any reason to comply with the contractual obligations of this Agreement within the time specified by this Agreement, the CITY reserves the right to terminate the Agreement, reserving all rights under state and federal law.

§502. Amendments

Any change in the terms of this Agreement, including changes in the services to be performed by SUB-RECIPIENT and any increase or decrease in the amount of compensation which are agreed to by the CITY and SUB-RECIPIENT shall be incorporated into this Agreement by a written amendment properly executed and signed by the person authorized to bind the parties thereto.

SUB-RECIPIENT agrees to comply with all future CITY directives, or any rules, amendments or requirements promulgated by the CITY affecting this Agreement.

VI
ENTIRE AGREEMENT

§601. Complete Agreement

This Agreement contains the full and complete Agreement between the two parties. Neither verbal agreement nor conversation with any officer or employee of either party shall affect or modify any of the terms and conditions of this Agreement.

§602. Number of Pages and Attachments

This Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original. This Agreement includes thirty-two (32) pages and three (3) Exhibits which constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the City and CITY OF BREA have caused this Agreement to be executed by their duly authorized representatives on the date first set forth above.

ATTEST:

ATTEST:

By: _____
JENNIFER L. HALL
City Clerk

THERESA BASS
City Clerk

RECOMMENDED FOR APPROVAL:

SUB-RECIPIENT
CITY OF BREA
UEI #PU9SHMKA84D6

By: _____
ROBERT RODRIGUEZ
Acting Chief of Police

By: _____

Printed Name _____

Title _____

APPROVED AS TO FORM:

APPROVED AS TO FORM

By:  _____
TAMARA BOGOSIAN
Senior Assistant City Attorney

By: _____

Printed Name _____

Title _____

CITY OF SANTA ANA

By: _____
ALVARO NUNEZ
City Manager

EXHIBIT A

California Governor's Office of Emergency Services FY2023 Grant Assurances (All HSGP Applicants)

As the duly authorized representative of the Applicant, I hereby certify that the Applicant has the legal authority to apply for federal assistance and the institutional, managerial, and financial capability (including funds sufficient to pay any non-federal share of project cost) to ensure proper planning, management, and completion of the project described in this application, within prescribed timelines.

The requirements outlined in these assurances apply to Applicant and any of its subrecipients.

I further acknowledge that the Applicant is responsible for reviewing and adhering to all requirements within the:

- (a) Applicable Federal Regulations (see below);
- (b) Federal Program Notice of Funding Opportunity (NOFO);
- (c) Federal Preparedness Grants Manual;
- (d) California Supplement to the NOFO; and
- (e) Federal and State Grant Program Guidelines.

Federal Regulations

Government cost principles, uniform administrative requirements, and audit requirements for federal grant programs are set forth in Title 2, Part 200 of the Code of Federal Regulations (C.F.R.). Updates are issued by the [Office of Management and Budget \(OMB\)](http://www.whitehouse.gov/omb/) and can be found at <http://www.whitehouse.gov/omb/>.

In the event Cal OES determines that changes are necessary to the subaward after a subaward has been made, including changes to period of performance or terms and conditions, Applicants will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate Applicant acceptance of the changes to the subaward.

State and federal grant award requirements are set forth below. The Applicant hereby agrees to comply with the following:

1. Proof of Authority

The Applicant will obtain proof of authority from the city council, governing board, or authorized body in support of this project. This written authorization must specify that the Applicant and the city council, governing board, or authorized body agree:

- (a) To provide all matching funds required for the grant project and that any cash match will be appropriated as required;
- (b) Any liability arising out of the performance of this agreement shall be the responsibility of the Applicant and the city council, governing board, or

- authorized body;
- (c) Grant funds shall not be used to supplant expenditures controlled by the city council, governing board, or authorized body;
 - (d) The Applicant is authorized by the city council, governing board, or authorized body to apply for federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-federal share of project cost, if any) to ensure proper planning, management and completion of the project described in this application; and
 - (e) The official executing this agreement is authorized by the Applicant.

This Proof of Authority must be maintained on file and readily available upon request.

2. Period of Performance

The period of performance is specified in the Award. The Applicant is only authorized to perform allowable activities approved under the award, within the period of performance.

3. Lobbying and Political Activities

As required by Section 1352, Title 31 of the United States Code (U.S.C.), for persons entering into a contract, grant, loan, or cooperative agreement from an agency or requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan, the Applicant certifies that:

- (a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (c) The Applicant shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

The Applicant will also comply with provisions of the Hatch Act (5 U.S.C. §§ 1501- 1508 and §§ 7324-7328) which limit the political activities of employees whose principle employment activities are funded in whole or in part with federal funds.

Finally, the Applicant agrees that federal funds will not be used, directly or indirectly, to

support the enactment, repeal, modification or adoption of any law, regulation or policy without the express written approval from the California Governor's Office of Emergency Services (Cal OES) or the federal awarding agency.

4. Debarment and Suspension

As required by Executive Orders 12549 and 12689, and 2 C.F.R. § 200.214 and codified in 2 C.F.R. Part 180, Debarment and Suspension, the Applicant will provide protection against waste, fraud, and abuse by debarring or suspending those persons deemed irresponsible in their dealings with the federal government. The Applicant certifies that it and its subrecipients:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (4)(b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transaction (federal, state, or local) terminated for cause or default.

Where the Applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

5. Non-Discrimination and Equal Employment Opportunity

The Applicant will comply with all state and federal statutes relating to non-discrimination, including:

- (a) Title VI of the Civil Rights Act of 1964 (Public Law (P.L.) 88-352 and 42 U.S.C. § 2000d et. seq.) which prohibits discrimination on the basis of race, color, or national origin and requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services;
- (b) Title IX of the Education Amendments of 1972, (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex in any federally funded educational program or activity;
- (c) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794), which prohibits discrimination against those with disabilities or access and functional needs;
- (d) Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability and requires buildings and structures be accessible to those with disabilities and access and functional needs;
- (e) Age Discrimination Act of 1975, (42 U.S.C. §§ 6101-6107), which prohibits

- discrimination on the basis of age;
- (f) Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd—2), relating to confidentiality of patient records regarding substance abuse treatment;
 - (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), relating to nondiscrimination in the sale, rental or financing of housing as implemented by the Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features (See 24 C.F.R. § 100.201);
 - (h) Executive Order 11246, which prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identification or national origin;
 - (i) Executive Order 11375, which bans discrimination on the basis of race, color, religion, sex, sexual orientation, gender identification, or national origin in hiring and employment in both the United States federal workforce and on the part of government contractors;
 - (j) California Public Contract Code § 10295.3, which prohibits discrimination based on domestic partnerships and those in same sex marriages;
 - (k) Department of Homeland Security (DHS) policy to ensure the equal treatment of faith-based organizations, under which the Applicant must comply with equal treatment policies and requirements contained in 6 C.F.R. Part 19;
 - (l) The Applicant will comply with California's Fair Employment and Housing Act (FEHA) (California Government Code §§12940-12957), as applicable. FEHA prohibits harassment and discrimination in employment because of ancestry, familial status, race, color, religious creed (including religious dress and grooming practices), sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, genetic information, medical condition, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave, military and veteran status, and/or retaliation for protesting illegal discrimination related to one of these categories, or for reporting patient abuse in tax supported institutions;
 - (m) Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and
 - (n) The requirements of any other nondiscrimination statute(s) that may apply to this application.

6. Drug-Free Workplace

As required by the Drug-Free Workplace Act of 1988 (41 U.S.C. § 701 et seq.), the Applicant certifies that it will maintain a drug-free workplace and a drug-free awareness program as outlined in the Act.

7. Environmental Standards

The Applicant will comply with state and federal environmental standards, including:

- (a) California Environmental Quality Act (CEQA) (California Public Resources Code §§ 21000-21177), to include coordination with the city or county planning agency;
- (b) CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, §§ 15000-15387);
- (c) Federal Clean Water Act (CWA) (33 U.S.C. § 1251 et seq.), which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters;
- (d) Federal Clean Air Act of 1955 (42 U.S.C. § 7401) which regulates air emissions from stationary and mobile sources;
- (e) Institution of environmental quality control measures under the National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190); the Council on Environmental Quality Regulations for Implementing the Procedural Provisions of NEPA; and Executive Order 12898 which focuses on the environmental and human health effects of federal actions on minority and low-income populations with the goal of achieving environmental protection for all communities;
- (f) Evaluation of flood hazards in floodplains in accordance with Executive Order 11988;
- (g) Executive Order 11514 which sets forth national environmental standards;
- (h) Executive Order 11738 instituted to assure that each federal agency empowered to enter into contracts for the procurement of goods, materials, or services and each federal agency empowered to extend federal assistance by way of grant, loan, or contract shall undertake such procurement and assistance activities in a manner that will result in effective enforcement of the Clean Air Act and the Federal Water Pollution Control Act Executive Order 11990 which requires preservation of wetlands;
- (i) The Safe Drinking Water Act of 1974, (P.L. 93-523);
- (j) The Endangered Species Act of 1973, (P.L. 93-205);
- (k) Assurance of project consistency with the approved state management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.);
- (l) Conformity of Federal Actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); and
- (m) Wild and Scenic Rivers Act of 1968 (16 U.S.C. § 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

The Applicant shall not be: (1) in violation of any order or resolution promulgated by the State Air Resources Board or an air pollution district; 2) subject to a cease-and-desist order pursuant to section 13301 of the California Water Code for violation of waste discharge requirements or discharge prohibitions; or 3) determined to be in violation of federal law relating to air or water pollution.

8. Audits

For subrecipients expending \$750,000 or more in federal grant funds annually, the Applicant will perform the required financial and compliance audits in accordance with the

Single Audit Act Amendments of 1996 and 2 C.F.R., Part 200, Subpart F Audit Requirements.

9. Cooperation and Access to Records

The Applicant must cooperate with any compliance reviews or investigations conducted by DHS. In accordance with 2 C.F.R. § 200.337, the Applicant will give the awarding agency, the Comptroller General of the United States and, if appropriate, the state, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award. The Applicant will require any subrecipients, contractors, successors, transferees and assignees to acknowledge and agree to comply with this provision.

10. Conflict of Interest

The Applicant will establish safeguards to prohibit the Applicant's employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

11. Financial Management

False Claims for Payment - The Applicant will comply with 31 U.S.C §§ 3729-3733 which provides that Applicant shall not submit a false claim for payment, reimbursement, or advance.

12. Reporting - Accountability

The Applicant agrees to comply with applicable provisions of the Federal Funding Accountability and Transparency Act (FFATA) (P.L. 109-282), including but not limited to (a) the reporting of subawards obligating \$30,000 or more in federal funds, and (b) executive compensation data for first-tier subawards as set forth in 2 C.F.R. Part 170, Appendix A. The Applicant also agrees to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A.

13. Whistleblower Protections

The Applicant must comply with statutory requirements for whistleblower protections at 10 U.S.C. § 2409, 41 U.S.C. § 4712, and 10 U.S.C. § 2324, 41 U.S.C. § 4304 and § 4310.

14. Human Trafficking

The Applicant will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. § 7104) which prohibits the Applicant or its subrecipients from: (1) engaging in trafficking in persons during the period of time that the award is in effect; (2) procuring a commercial sex act during the period of time that the award is in effect; or (3) using forced labor in the performance of the award or subawards under the award.

15. Labor Standards

The Applicant will comply with the following federal labor standards:

- (a) The Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), as applicable, and the

- Copeland Act (40 U.S.C. § 3145 and 18 U.S.C. § 874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally-assisted construction contracts or subcontracts, and
- (b) The Federal Fair Labor Standards Act (29 U.S.C. § 201 et seq.) as they apply to employees of institutes of higher learning (IHE), hospitals and other non-profit organizations.

16. Worker's Compensation

The Applicant must comply with provisions which require every employer to be insured to protect workers who may be injured on the job at all times during the performance of the work of this Agreement, as per the workers compensation laws set forth in California Labor Code §§ 3700 et seq.

17. Property-Related

If applicable to the type of project funded by this federal award, the Applicant will:

- (a) Comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchase;
- (b) Comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires federal award subrecipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more;
- (c) Assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), Executive Order 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. § 469a-1 et seq.); and
- (d) Comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4831 and 24 CFR Part 35) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

18. Certifications Applicable Only to Federally-Funded Construction Projects

For all construction projects, the Applicant will:

- (a) Not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with federal assistance funds to assure nondiscrimination during the useful life of the project;
- (b) Comply with the requirements of the awarding agency with regard to the drafting, review and approval of construction plans and specifications; and
- (c) Provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved

plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

19. Use of Cellular Device While Driving is Prohibited

The Applicant is required to comply with California Vehicle Code sections 23123 and 23123.5. These laws prohibit driving motor vehicle while using an electronic wireless communications device to write, send, or read a text-based communication.

Drivers are also prohibited from the use of a wireless telephone without hands-free listening and talking, unless to make an emergency call to 911, law enforcement, or similar services.

20. California Public Records Act and Freedom of Information Act

The Applicant acknowledges that all information submitted in the course of applying for funding under this program, or provided in the course of an entity's grant management activities that are under Federal control, is subject to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and the California Public Records Act, California Government Code §7920.000 et seq. The Applicant should consider these laws and consult its own State and local laws and regulations regarding the release of information when reporting sensitive matters in the grant application, needs assessment, and strategic planning process.

**HOMELAND SECURITY GRANT PROGRAM (HSGP) –
PROGRAM SPECIFIC ASSURANCES / CERTIFICATIONS**

21. Acknowledgment of Federal Funding from DHS

The Applicant must acknowledge its use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

22. Activities Conducted Abroad

The Applicant must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

23. Best Practices for Collection and Use of Personally Identifiable Information (PII)

DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. If the Applicant collects PII, the Applicant is required to have a publicly-available privacy policy that describes standards on the usage and maintenance of PII they collect. The Applicant may refer to the DHS Privacy Impact Assessments: Privacy Guidance and Privacy template as a useful resource.

24. Copyright

The Applicant must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 and an acknowledgement of United States Government sponsorship (including the award number) to any work first produced under federal financial assistance awards.

25. Duplication of Benefits

Any cost allocable to a particular federal financial assistance award provided for in 2

C.F.R. Part 200, Subpart E may not be charged to other federal financial assistance awards to overcome fund deficiencies, to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions, or for other reasons. However, these prohibitions would not preclude the Applicant from shifting costs that are allowable under two or more awards in accordance with existing federal statutes, regulations, or the federal financial assistance award terms and conditions.

26. Energy Policy and Conservation Act

The Applicant must comply with the requirements of 42 U.S.C. § 6201 which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

27. Federal Debt Status

The Applicant is required to be non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.

28. Fly America Act of 1974

The Applicant must comply with Preference for United States Flag Air Carriers: (air carriers holding certificates under 49 U.S.C. § 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. § 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

29. Hotel and Motel Fire Safety Act of 1990

In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990, the Applicant must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, as amended, 15 U.S.C. § 2225a.

30. Non-supplanting Requirement

If the Applicant receives federal financial assistance awards made under programs that prohibit supplanting by law, the Applicant must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources.

31. Patents and Intellectual Property Rights

Unless otherwise provided by law, the Applicant is subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. § 200 et seq. The Applicant is subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. § 401.14.

32. SAFECOM

If the Applicant receives federal financial assistance awards made under programs that provide emergency communication equipment and its related activities, the Applicant must

comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

33. Terrorist Financing

The Applicant must comply with Executive Order 13224 and United States law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. The Applicant is legally responsible for ensuring compliance with the Order and laws.

34. Reporting of Matters Related to Recipient Integrity and Performance

If the total value of the Applicant's currently active grants, cooperative agreements, and procurement contracts from all federal assistance offices exceeds \$10,000,000 for any period of time during the period of performance of this federal financial assistance award, the Applicant must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the award terms and conditions.

35. USA Patriot Act of 2001

The Applicant must comply with requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. §§ 175-175c.

36. Use of DHS Seal, Logo, and Flags

The Applicant must obtain permission from their DHS Financial Assistance Office, prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

37. Performance Goals

In addition to the Biannual Strategy Implementation Report submission requirements outlined in the Preparedness Grants Manual, the Applicant must demonstrate how the grant-funded project addresses the core capability gap associated with each project and identified in the Threat and Hazard Identification and Risk Analysis or Stakeholder Preparedness Review or sustains existing capabilities, as applicable. The capability gap reduction or capability sustainment must be addressed in the Project Description of the BSIR for each project.

38. Applicability of DHS Standard Terms and Conditions to Tribes

The DHS Standard Terms and Conditions are a restatement of general requirements imposed upon the Applicant and flow down to any of its subrecipients as a matter of law, regulation, or executive order. If the requirement does not apply to Indian tribes or there is a federal law or regulation exempting its application to Indian tribes, then the acceptance by Tribes of, or acquiescence to, DHS Standard Terms and Conditions does not change or alter its inapplicability to an Indian tribe. The execution of grant documents is not intended to change, alter, amend, or impose additional liability or responsibility upon the Tribe where it does not already exist.

39. Required Use of American Iron, Steel, Manufactured Products, and Construction Materials

The Applicant must comply with the “Build America, Buy America” Act (BABAA), enacted as part of the Infrastructure Investment and Jobs Act and Executive Order 14005.

Applicants receiving a federal award subject to BABAA requirements may not use federal financial assistance funds for infrastructure projects unless:

- (a) All iron and steel used in the project are produced in the United States – this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (b) All manufactured products used in the project are produced in the United States – this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- (c) All construction materials are manufactured in the United States – this means that all manufacturing processes for the construction material occurred in the United States.

The “Buy America” preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. It does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a “Buy America” preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Per section 70914(c) of BABAA, FEMA may waive the application of a “Buy America” preference under an infrastructure program in certain cases.

For any new awards FEMA makes after January 1, 2023, as well as new funding FEMA obligates to existing awards or through renewal awards where the new funding is obligated after January 1, 2023, Applicants will be required to follow the BABAA requirements unless a waiver is requested and approved.

40. Advancing Effective, Accountable Policing and Criminal Justice Practice to Enhance Public Trust and Public Safety

The Applicant must comply with the requirements of section 12(c) of Executive Order 14074.

The Applicant is also encouraged to adopt and enforce policies consistent with Executive Order 14074 to support safe and effective policing.

IMPORTANT

The purpose of these assurances is to obtain federal and state financial assistance, including any and all federal and state grants, loans, reimbursement, contracts, etc. Applicant recognizes and agrees that state financial assistance will be extended based on the

representations made in these assurances. These assurances are binding on Applicant, its successors, transferees, assignees, etc. as well as any of its subrecipients. Failure to comply with any of the above assurances may result in suspension, termination, or reduction of grant funds.

All appropriate documentation, as outlined above, must be maintained on file by the Applicant and available for Cal OES or public scrutiny upon request. Failure to comply with these requirements may result in suspension of payments under the grant or termination of the grant or both and the Applicant may be ineligible for award of any future grants if Cal OES determines that the Applicant: (1) has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

All of the language contained within this document must be included in the award documents for all subawards at all tiers. Applicants are bound by DHS Standard Terms and Conditions 2023, Version 2, hereby incorporated by reference, which can be found at: <https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions>.

The undersigned represents that he/she is authorized to enter into this agreement for and on behalf of the Applicant.

Applicant: _____

Signature of Authorized Agent: _____

Printed Name of Authorized Agent: _____

Title: _____ Date: _____

EXHIBIT B

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under the applicable CFR covering New Restrictions on Government-wide Debarment and Suspension (Nonprocurement). The certification shall be treated as a material representation of fact upon which reliance will be placed when the Agency determines to award the covered transaction or cooperative agreement.

As required by Executive Order 12549, Debarment and Suspension, and implemented under the applicable CFR, for prospective participants in covered transactions, as defined in the applicable CFR

A. The applicant certifies that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal State or local) with commission of any of these offenses enumerated in paragraph (1) (b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

Authorized Agent Signature

Address: _____

Printed or Typed Name

Title

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this document, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to whom this agreement is entered, if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous, when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Procurement or Non Procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under Paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

EXHIBIT C

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL "Disclosure Form to Report Lobbying" in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Subrecipient, as identified below, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Subrecipient understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

AGREEMENT NUMBER: _____

CONTRACTOR/BORROWER/AGENCY

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

RESOLUTION NO. 2024-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA, CALIFORNIA AUTHORIZING PERSONS HOLDING CERTAIN DESIGNATED POSITIONS TO EXECUTE URBAN AREA SECURITY INITIATIVE GRANT DOCUMENTS FOR AND ON BEHALF OF THE CITY OF BREA

A. RECITALS:

- (i) WHEREAS, The City of Brea (the “City”) regularly accesses funding and training assistance funded by grants established by the Department of Homeland Security (hereinafter collectively referred to as “Eligible Grants”) from the Federal Department of Homeland Security and administered by the Anaheim/Santa Ana Urban Area Security Initiative (ASAUASI); and
- (ii) WHEREAS, part of such applications for Eligible Grants, the Anaheim/Santa Ana Urban Areas Security Initiative requires the City to maintain a Resolution with authorization from the City Council, authorizing persons holding specific positions to act on behalf of the City, and designates and/or affirms that the City official executing the grant agreement is authorized to do so.

B. RESOLUTION:

NOW, THEREFORE, be it found, determined and resolved, by the City Council of the City of Brea as follows:

- 1) The following City officials are the City’s agents for purposes of applying and obtaining Eligible Grants, executing grant agreements and other required documents, and taking any actions necessary to implement such grant agreements and other required documents: City Manager, Chief of Police or designated persons within the Brea Police Department.

APPROVED AND ADOPTED by the Council of the City of Brea, California, this 18th day of March 2025.

Blair Stewart, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, California, do hereby certify that the foregoing resolution was adopted by the City Council of the City of Brea, California, at its regular meeting held on the 18th day of March 2025, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

DATED: March 18, 2025

Lillian Harris-Neal, City Clerk



City Council Regular Meeting Communication

E. Approval of City Manager Employment Agreement

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4E.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

Adopt a resolution approving an employment agreement between the City of Brea and Kristin Griffith for employment as City Manager; and authorizing the Mayor to execute the Employment Agreement

BACKGROUND/DISCUSSION

Following the retirement announcement by former City Manager Bill Gallardo on November 20, 2024, the City Council appointed Deputy City Manager/Administrative Services Director Kristin Griffith to the position of Interim City Manager/Administrative Services Director on November 23, 2024. In December 2024, the City Council appointed Council Member Marick and Vargas to an Ad-Hoc Committee to work with the City Attorney and Human Resources Manager to conduct a market review of the City Manager position and draft an Employment Agreement in order to hire a new City Manager. On February 18, 2025, Kristin Griffith was appointed City Manager.

The City Council selected Kristin Griffith based on her extensive experience in municipal service and her qualifications for the position. Ms. Griffith started her career with the Santa Margarita Water District over twenty-eight (28) years ago and held various positions in the organization, ultimately advancing to Director of Finance. Ms. Griffith also served as the Director of Financial Management and Strategic Planning for the City of Irvine. She first came to Brea in 2022 as the Administrative Services Manager overseeing the Finance, Human Resources, Accounting, and Information Technology divisions. In July 2024, she was appointed as Deputy City Manager/Administrative Services Director. Ms. Griffith earned a Bachelor's Degree in Financial Services from San Diego State University.

The terms of the proposed Employment Agreement includes, among other terms, a base salary of \$28,424.25 per month with no scheduled increases for a two-year period and, unless terminated by either party, a one-year extension period. This salary is consistent with the City Council's goal to pay employees the median of the market within a 10-City comparable group and reflects similar compensation negotiated with other bargaining groups in recent years. The contract also provides for an eight percent (8%) of base salary annual contribution to deferred compensation and sixty (60) hours of administrative leave for each fiscal year in recognition of work outside of normal working hours.

Furthermore, Ms. Griffith will be eligible for the Executive Management benefits as outlined in the Executive Compensation Plan, which includes flexible benefits plan (medical, dental, vision), wellness, life, and disability insurance; holidays, vacation and sick leave; and retirement benefits. The contract includes annual performance reviews, at which time the City Council may consider cost of living and salary adjustments.

Either party may terminate without cause upon providing a thirty-day notice. The City may terminate for cause for the specific reasons set forth in the Employment Agreement by providing her with a written notice of termination, which shall be effective immediately. If employment is terminated and severance pay is applicable per the contract, the employee will receive a cash payment equal to twelve (12) months of base salary.

California law requires that the City Council adopt a proposed employment agreement with a City Manager at a regular meeting, via resolution. If approved, Ms. Griffith's contract will be effective on March 18, 2024.

FISCAL IMPACT/SUMMARY

This compensation adjustment is needed for the City to remain competitive in the current labor market if Brea is going to continue to attract and maintain quality executives. This action authorizes the City Council to approve an Employment Agreement with a City Manager salary set to the median of the market, effective March 18, 2025. This adjustment is consistent with median of the market salary adjustments that were approved for all labor groups and executives in recent years.

There is no fiscal impact to the adopted budget for FY 2024-25 due to current budget allocation and department salary savings. However, on-going costs related to this agreement will be programmed in the FY 2025-26 budget projections as applicable.

RESPECTFULLY SUBMITTED:

Prepared by: Mario E. Maldonado, Human Resources Manager
Concurrence: Terence Boga, City Attorney

Attachments

[Reso Adopt Griffith Employment Agreement.pdf](#)

[Exhibit A - Employment Agmt with City Manager Kristin Griffith.pdf](#)

RESOLUTION NO. 2025-0XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA
APPROVING AN EMPLOYMENT AGREEMENT FOR THE CITY MANAGER**

A. RECITALS:

(i) On February 18, 2025, the City Council unanimously appointed Kristin Griffith to the position of City Manager.

(ii) The Employment Agreement attached as Exhibit A provides for the City's employment of Kristin Griffith as City Manager for a two-year period and, unless terminated by either party, a one-year extension period.

(iii) All legal prerequisites to the adoption of this Resolution have occurred.

B. RESOLUTION:

NOW, THEREFORE, it is found, determined and resolved by the City Council of the City of Brea to:

1. The City Council approves the attached Employment Agreement and authorizes the Mayor to execute such contract on the City's behalf.

2. The City Clerk shall certify to the adoption of this Resolution.

APPROVED and ADOPTED this 18th day of March, 2025.

Blair Stewart, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

RESO NO. 2025-
March 18, 2025

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing resolution was adopted at a meeting of the City Council of the City of Brea held on the 18th of March 2025, by the following votes:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

DATED: _____

Lillian Harris-Neal, City Clerk

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is dated March 18, 2025 for reference purposes and is executed by the City of Brea ("City"), a California municipal corporation, and Kristin Griffith ("Employee"), an individual.

R E C I T A L S

A. City desires to retain the services of Employee in the at-will position of City Manager.

B. Employee desires to accept employment, on an at-will basis, as the City Manager of City.

NOW, THEREFORE, the parties agree as follows:

1. Duties and Authority. City employs Employee as City Manager of City and as Executive Director of the Successor Agency to the Brea Redevelopment Agency. Employee shall exercise the full powers and perform the functions and duties of the position of City Manager and the Executive Director as specified in Brea City Code and all applicable laws, and shall perform such other legally permissible and proper duties and functions as the City Council may from time to time assign to Employee.

2. Term.

A. Base Term. This Agreement shall commence on March 18, 2025. Unless extended or earlier terminated, this Agreement shall expire at City's close of business on March 18, 2027.

B. Extension. Unless terminated by either party on before February 16, 2027, the term of this Agreement shall automatically be extended by one year, ending on March 18, 2028.

3. Employee's Obligations.

A. Exclusivity. Employee shall devote her full time and effort to the performance of this Agreement. Employee shall remain in the exclusive employ of City and shall not become otherwise employed without the prior written approval of the City Council. Any other City Council-approved employment engaged in or by Employee shall not interfere with the performance of duties under this Agreement.

B. Schedule. Employee shall maintain a regular work schedule consistent with that approved by the City Council for other Management employees of the City. Employee's duties may involve expenditures of time in excess of nine hours per day and in excess of 40 hours per week, and may also include time outside normal office hours such as attendance at City Council meetings or community meetings. Employee shall not be entitled to additional compensation for such time. Employee shall be exempt from paid overtime compensation and from Social Security taxes other than the mandatory

Medicare portion of such taxes.

C. **Authority Over Employees.** Employee shall have authority over City employees as provided in Brea City Code Section 2.04.060. The City Council shall not direct any subordinate of Employee. The City Council shall confidentially communicate to Employee any criticism or concerns of a subordinate of Employee.

D. **Personnel Rules.** The provisions of City's Personnel Rules and Regulations ("Personnel Rules") shall apply to Employee to the extent they explicitly apply to the position of City Manager; provided, however, the provisions of this Agreement shall prevail over the Personnel Rules in the event of a conflict.

E. **Ethics.** Employee shall conform to the International City/County Management Association Code of Ethics. Employee shall not engage in any business or transaction, or have a financial or other personal interest or association, direct or indirect, that is in conflict with the proper discharge of her duties or that would tend to impair the independence of her judgement or action in the performance of duties. Employee shall also be subject to the conflict of interest provisions of the Government Code, the Brea City Code, and any other conflict of interest regulations applicable to Employee's employment with City.

4. Performance Evaluations. The City Council shall endeavor to conduct an annual performance evaluation of Employee before July 1, 2025 and then, starting in 2026, at least once annually by June 30 of each year. Performance evaluations may include: setting and reviewing achievement of goals; consideration of enhancements to pay, benefits, or both; and renegotiation of other provisions of this Agreement to be effective by July 1 of each year.

5. Salary and Benefits.

A. **Base Salary.** Effective the first full payroll period commencing on or after March 18, 2025, Employee shall receive, as compensation for her performance of the duties of City Manager and Executive Director, a starting monthly base salary of \$28,424.25 less customary and legally required payroll deductions.

B. **Retirement Plan Contribution.** For each pay period City shall contribute an amount that is 8% of Employee's base salary for such pay period to her personal 457b deferred compensation plan account; provided, however, if the total combined amount contributed each calendar year by City and Employee exceeds the maximum allowable annual contribution limit established in the Internal Revenue Code, then City shall contribute such excess amount to City's 401(a) deferred compensation plan in an account established for the benefit of Employee.

C. **Executive Management Benefits.** Employee shall be entitled to all of the benefits as provided to other City Executive Management employees pursuant to the then-applicable Executive Compensation Plan including: sick leave accrual; health/dental/vision insurance benefits; long-term disability insurance; life insurance; one-time payments or pay adjustments; and enrollment in City's CalPERS retirement plan.

D. Automobile. Employee's duties require the exclusive and unrestricted use at all times of an automobile provided by City, by either lease or purchase of the vehicle. City shall be responsible for paying liability, property damage and comprehensible insurance, all operation, maintenance, repair and replacement costs of such an automobile. Any automobile supplied to Employee shall be approved by the City Council.

E. Administrative Leave. For the remainder of FY 2024-2025, Employee shall be granted 20 hours of administrative leave. Commencing July 1, 2025, and on an annual basis thereafter, Employee shall be granted 60 hours of administrative leave for each fiscal year. Administrative leave shall not be carried over from one fiscal year to the next, nor may Employee convert unused administrative leave to cash.

F. Seminars, Conferences, and Professional Memberships. The City Council may provide for the payment of seminars, conferences, and professional memberships when such is of mutual benefit to Employee and City.

6. At-Will Employment Relationship.

A. City Council Authority To Terminate. Consistent with Brea City Code Section 2.04.010 and Government Code Section 36506, Employee is appointed by and serves at the pleasure of the City Council. Nothing in this Agreement or the Personnel Rules shall prevent, limit, or otherwise interfere with the right of the City Council to terminate this Agreement and the employment of Employee, with or without cause, in accordance with Brea City Code Section 2.04.080.

B. Cause Definition. For purposes of this Agreement the term "cause" is defined solely as follows:

1. Dishonesty involving employment.
2. Creation of an intimidating, hostile, or offensive work environment in violation of any state and federal employment law including Title VII of the Civil Rights Act of 1964 and the Fair Employment and Housing Act.
3. Incompetence, inefficiency, or habitual neglect in the performance of duties after a reasonable opportunity to remediate any issue(s) identified in writing by the City Council.
4. Insubordination or failure to comply with lawful, ethical, and appropriate written City Council directives.
5. Any act of conduct undertaken, during or outside of work hours, that is of such a nature that it causes discredit to fall upon City.
6. Knowingly and willfully failing to comply with applicable laws in the performance of the duties.
7. Continued and ongoing incapacity of Employee to perform the duties

of employment as City Manager, unless such incapacity is protected by applicable employment, labor or disability laws.

8. Conviction or a plea bargain, judgment, or adverse determination by any court, the California Attorney General, the Fair Political Practices Commission, or a grand jury for any felony, intentional tort, crime or moral turpitude, or violation of any law constituting forfeiture of office, misconduct in office, misuse of public funds, or conflict of interest.

7. Resignation. Employee may resign from her position with City in lieu of termination, or may voluntarily terminate this Agreement, any time upon 30 days written notice to the City Council. Employee shall not be entitled to any severance pay upon such resignation or voluntary termination, unless otherwise approved by the City Council.

8. Unused Leave Payout. Upon termination of this Agreement, Employee will be provided with a full payout of unused vacation leave and other leave balances if applicable at their then hourly rate of pay such as provided to other City Executive Management employees. Employee retains the right to have a portion or all of the cash value of these accrued leave balances transferred by City, on a pre-tax basis, to Employee's 457b deferred compensation account, 401(a) deferred compensation accounts, or retiree health savings account. Employee shall have her unused accrued sick leave be applied to CalPERS by City on her behalf as additional service credit, provided this meets all applicable legal requirements.

9. Severance.

A. Entitlement. If City terminates this Agreement without cause, then City shall pay Employee a severance benefit in the amount of Employee's then applicable base salary multiplied by 12 or by the number of months remaining in the term of this Agreement, whichever is less. Additionally, for the same period Employee shall receive:

1. Continuation, or cash compensation, for the value of full pay, accrued benefits and accruable benefits.

2. Continuation of CalPERS retirement service credit accrual.

3. Continuation of City's contributions to Employee's 457b and/or 401(a) deferred compensation and retiree health savings accounts.

B. Employee shall not be entitled to any severance if City terminates this Agreement for cause or if Employee terminates this Agreement.

C. In no event shall the severance that Employee receives under this Agreement exceed the limit specified by Government Code Section 53260 et seq. or other applicable law.

10. Indemnification. City shall defend, hold harmless, and indemnify Employee against any claim for negligent tort or omissions, professional liability claim or demand,

or other legal action, whether groundless or otherwise, arising out of an alleged negligent act or omission occurring in the performance of her duties as Employee in accordance with the provisions of Government Code Section 825. Such indemnification shall extend beyond termination of employment to provide full and complete protection to Employee by City for any acts undertaken or committed in her capacity as Employee, regardless of whether the notice of filing of a lawsuit for such tort, claim, demand, or other legal action occurs during or following employment with City. City shall provide, at City's expense, personal legal counsel for Employee and shall consult with Employee as to the selection of such counsel, if it is mutually determined by City and the Employee that personal legal counsel is necessary.

11. Reimbursement of City. In the event Employee is convicted of a crime involving an abuse of office or position, Employee shall reimburse City for any paid leave, legal criminal defense, or cash settlement (including severance) as provided in Government Code Sections 53243 et seq.

12. Notices. Any notice to be given under this Agreement by either party to the other shall be given in writing, either by personal service or by registered or certified mail, postage prepaid, addressed to City or Employee. All mailed notices to City shall be addressed as follows:

Mayor
City of Brea
One Civic Center Circle
Brea, CA 92821

Any notice to Employee shall be given in a like manner, and, if mailed, shall be addressed to Employee at the address then shown in City's personnel records. For the purpose of determining compliance with any time limit stated in this Agreement, a notice shall be deemed to have duly given (a) on the date of delivery, if served personally on the party to whom notice is to be given, or (b) on the second (2nd) calendar day after mailing, if mailed in the manner provided in this section to the party to whom notice is to be given.

13. Miscellaneous.

A. Employee Acknowledgement. Employee acknowledges that she has had the opportunity and has conducted an independent review of the financial and legal effects of this Agreement. Employee acknowledges that she has made an independent judgment upon the financial and legal effects of this Agreement and has not relied upon any representation of City, its officers, agents or employees other than those expressly set forth in this Agreement.

B. Nondisparagement. In the event of termination of this Agreement, City and Employee may prepare a mutually agreeable joint press release or statement that does not contain any text or information disparaging to either party. City Council Members, City personnel, and Employee may verbally repeat the substance of any such press release or statement upon inquiry, but shall not otherwise make any written, oral, or

electronic statement to any member of the public, the press, or any City employee concerning the termination.

C. Litigation. This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event that either party shall commence legal action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover its costs of suit including reasonable attorneys' fees. The venue for litigation shall be Orange County, California. The interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted the disputed language.

D. Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

E. Waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

F. Entire Agreement. This Agreement sets forth the final, complete and exclusive agreement between City and Employee relating to the employment of Employee as City Manager by City. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. No amendments to this Agreement may be made except in writing, signed and dated by City and Employee.

[SIGNATURES ON FOLLOWING PAGE]

Executed:

EMPLOYEE



Kristin Griffith


EMPLOYER
City of Brea

Blair Stewart, Mayor

Attest:

Approved as to form:

Lillian Harris-Neal, City Clerk



Terence Boga, City Attorney



City Council Regular Meeting Communication

F. Consideration of Solid Waste and Recycling Service Rate Adjustments in Conformance with Senate Bill 1383, and Consideration a Second Amended and Restated Franchise Agreement with Republic Waste Services of Southern California, LLC (d.b.a. Brea Disposal) in Conformance with Senate Bill 1383, and Approve a CEQA Exemption.

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4F.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

Staff recommends that the City Council take the following actions:

1. Adopt a Resolution approving City staff's recommendation for the proposed solid waste rates for residential, commercial and multi-family customers and Adopt a Resolution approving the Second Amended and Restated Franchise Agreement with Republic Waste Services of Southern California, LLC (d.b.a. Brea Disposal) and corresponding Exhibits.
2. Find the Second Amended and Restated Franchise Agreement is exempt from the provisions of the California Environmental Quality Act (CEQA).

BACKGROUND/DISCUSSION

Based on feedback from prior City Council meetings, Republic Services has agreed to retain the negotiated \$65.00 overage fee starting in year one, forgo the request for a 0.75% addition to the commercial rate adjustment, and commit to help assist the three mobile home parks with curbside cart options for pickup. The finalized version of the Second Amended and Restated Agreement (Agreement) and corresponding Exhibits are attached to the staff report for City Council consideration. The attached Agreement and Exhibits contain the agreed upon contract and other provisions, which include:

- Republic Services would retain full flow control for all residential and commercial recyclable materials
- Revised phase-in period from Consumer Price Index (CPI) to the Garbage and Trash Collection Index (GTCL) as the rate adjustment index
 - Phase-in from CPI to GTCL for the residential sector would occur from years 2 through 5
 - Phase-in for commercial sector would be 100% to the GTCL starting in year 2
- Streamlined reporting requirements in Exhibit F to align with SB 1383 requirements
- Re-opener language to discuss the landfill disposal component upon the approval of the new Orange County waste disposal agreement

These provisions are in exchange for the City retaining full flow control for all residential and commercial solid and organic waste.

Republic Services Contract Negotiations Results

At the January 17, 2023, Brea City Council Meeting, the City Council created a Solid Waste Ad Hoc Committee (Ad Hoc Committee). It assigned Council Member Hupp and Council Member Vargas to serve on the committee. Since then, the Ad Hoc Committee and City staff have been engaged in extensive negotiations with Republic Services to reach a comprehensive agreement that will provide all the additional services the City must implement to comply with SB 1383 regulations. This Second Amended and Restated Franchise Agreement will memorialize each party's rights and obligations in a single document to implement an SB 1383-compliant program in Brea. The tentative Agreement is being presented for City Council consideration. Below is a summary of some of the new provisions.

Residential and Commercial Rates

A significant component of the Second Amended and Restated Franchise Agreement (Agreement) is implementing a residential curbside organic waste collection program. Under the new program, single-family residential locations can place food scraps in their yard waste cart; thus, the yard waste cart will now be considered an organic waste cart. The residential curbside organic waste collection program was a service that was not part of the prior 2002 Agreement. This component was also one of the crucial activities identified in the City's CAP with CalRecycle.

Table 1 compares single-family residential (curbside) rates of Orange County cities that contract with Republic Services. When reviewing the table, it is essential to note that some cities that contract with Republic Services have not yet implemented a residential organic waste collection program. Once all cities have implemented a program, Brea's single-family rate is anticipated to be closer to the median of cities that contract with Republic Services.

O.C. Cities - Republic Services	
Table 1: Single Family Residential Curb Side Cart Rate¹	
City	Monthly Rate
Seal Beach ²	\$23.96
Santa Ana	\$26.39
Fullerton ²	\$27.11
Anaheim	\$27.41
Huntington Beach ²	\$27.77
Garden Grove	\$28.57
Fountain Valley	\$29.20
Brea	\$31.27
Yorba Linda	\$32.85
Villa Park	\$39.25
Placentia ²	\$41.20

¹ Rate includes 3 carts - regular trash, recycling, and yard/organic waste

² Residential curbside SB 1383 program not implemented

The City of Brea had already established an organic waste collection program for commercial properties under the 2019 CORP agreement to comply with prior organic waste legislation (Assembly Bill 1826). Under SB 1383 regulations, multi-family locations consisting of 5 dwelling units or more are considered commercial entities and fall under commercial services. Through extensive negotiations by the City's Ad Hoc Committee, commercial rate increases were minimized. The amended Agreement keeps commercial rates competitive compared to other Orange County cities that contract with Republic Services.

Table 2 compares commercial/multi-family rates for the most commonly used container size for cities that contract with Republic Services. Under the negotiated terms, Brea will be the second lowest for this container size among cities serviced by Republic.

O.C. Cities - Republic Services	
Table 2: Commercial/Multi-Family 3 CY Trash Rate ¹	
City	Rate (1x/week pick-up)
Villa Park	\$192.33
Brea	\$192.44
Yorba Linda	\$198.56
Seal Beach	\$203.17
Anaheim	\$212.36
Santa Ana	\$215.48
Placentia	\$215.96
Huntington Beach	\$221.73
Garden Grove	\$228.78
Fullerton	\$232.36
Fountain Valley	\$257.87

¹ Most commonly used container size Commercial/Multi-Family locations 3 cubic yard bin

Table 3 compares commercial/multi-family rates for the most commonly used recycling container size for cities that contract with Republic Services. Through negotiations, Brea is in the top half of rates for containers this size.

O.C. Cities – Contracted with Republic Services	
Table 3: Commercial/Multi-Family 3 CY Recycle Rate ¹	
City	Rate (1x/week pick-up)
Anaheim	\$110.62
Garden Grove	\$155.14
Yorba Linda	\$159.08
Brea	\$160.45
Santa Ana	\$161.61
Fountain Valley	\$183.66
Placentia	\$184.27
Huntington Beach	\$184.33
Villa Park	\$187.39
Fullerton	\$195.29
Seal Beach	N/A

¹ Most commonly used container size Commercial/Multi-Family locations 3 cubic yard bin

The City's Ad Hoc Committee also secured no rate increases for commercial organic waste collection services. The proposed rate will place Brea in the median of cities contracting with Republic Services.

O.C. Cities - Republic Services	
Table 4: Commercial/Multi-Family 65G Organic Waste Cart Rate ¹	
City	Rate (1x/week pick-up)
Fullerton	\$55.49
Yorba Linda	\$56.06
Placentia	\$56.57
Huntington Beach	\$58.21
Fountain Valley	\$58.37
Brea	\$65.19
Anaheim	\$69.03
Garden Grove	\$82.82
Villa Park	\$84.59
Santa Ana	\$86.28
Seal Beach	N/A

¹ Most commonly used container size Commercial/Multi-Family locations 65-gallon cart

The amended Agreement also provides customer credits for potential future labor unrest which may impact services. This provision will allow customers to receive compensation for any missed service days. Additionally, the amended Agreement retains the fifty percent revenue sharing from the sale of recyclable materials collected by providing residential customer rebates.

Liquidated Damages

The amended Agreement contains new liquidated damages provisions to help ensure Republic Services is adhering to performance standards. These liquidated damages allow the City to hold Republic Services accountable for substandard service by imposing monetary penalties. Below are some of the liquidated damages the City would be able to impose:

- Failure to collect discarded materials that have been adequately set out for collection - \$100 per occurrence.
- Failure to collect illegally dumped bulky goods within two days of notification by the City -\$100 per day.
- Failure to clean up vehicle leaks or spills within the agreed time-frame - \$500 per occurrence.
- Failure to record a response to a customer complaint or request within 24 hours of resolution—\$100 per occurrence.
- Failure to repair or replace a damaged or missing container within two working days of a request from the City or a customer—\$50 per day.

The complete list of liquidated damages can be found in Section 12.6 of the attached amended Agreement.

Flow Control

Under the initial negotiated terms, the City retained flow control rights for solid waste disposal for single-family and commercial customers. In addition, the Amended Agreement explicitly designates that the City will retain flow control for single-family residential recycling materials and organic materials, a key provision that the City retains. This allows the City to direct which facilities these materials should be taken to for processing and disposal. Retaining this option could minimize future rate adjustments for single-family residential customers by allowing the City to designate facilities that may have lower processing and disposal costs.

Outreach and Education Requirements

The amended Agreement contains additional education and outreach activities that City staff and Republic Services will conduct. These efforts will be key to the City's compliance with SB 1383 to inform residential and commercial customers of new service levels, container configurations, and recycling requirements. Upon approval of the amended Agreement, City staff and Republic Services will begin notification of the new service collection program. This will include mailings to all residential and commercial customers regarding the new program requirements, updates on both Republic Services and City websites, quarterly newsletters, and informational posts on the City's social media platforms. Republic Services will be required under the amended Agreement to provide continuous education and outreach to all residential and commercial customers annually to ensure SB 1383 compliance.

Moreover, Republic Services will assign a full-time, Brea-dedicated Recycling Coordinator/Sustainability Advisor and one part-time route auditor to assist with citywide education and outreach efforts, participate in community events, conduct waste audits, resolve customer complaints/requests, and perform additional compliance efforts.

Once the amended Agreement is approved, Republic Services will distribute a new cart label to all single-family residential locations in the City. Residents will place these new labels on their yard waste containers to identify the expanded accepted materials for collecting all organic waste. This is because Brea's current residential yard waste carts do not meet SB 1383 labeling and color requirements. With the goal of limiting the increase to residential rates, the temporary labels were a compromise, allowing the current carts to continue to be used until they become damaged or worn. Once the cart has reached the end of its useful life, it will be replaced with an SB 1383-compliant cart. Under SB 1383, current carts are allowed to be used until January 1, 2036.

Monitoring and Reporting

The amended Agreement contains provisions for contamination monitoring and reporting requirements to comply with SB 1383 regulations. Republic Services will be required to perform container contamination monitoring, conduct route reviews of containers for prohibited container contaminants, prepare reports, and assist customers in reducing the levels of contamination in their containers.

Upon identification of prohibited container contaminants, Republic Services shall provide the customer with a notice of contamination, either as a courtesy pick-up notice or a non-collection notice. Commercial customers who receive a notice will be informed of the observed presence of prohibited container contaminants, information on the customer's requirement to properly separate materials into the appropriate containers, and information that contamination fees may be assessed following one instance of contaminated materials for commercial customers. Residential customers will be notified via a non-collection notice of container contamination and instructed to properly separate the materials into the appropriate container before servicing them.

Republic Services will also be required to maintain a container contaminant log and fee assessment report, which will be included in monthly activity reports for the City. These reports will be required to maintain compliance with the record-keeping requirements under SB 1383. Furthermore, Republic Services shall prepare and submit the draft CalRecycle Electronic Annual Report (EAR) to the City for review and approval by July 1 of each year. All jurisdictions are required by the State to submit an EAR annually to monitor progress in implementing solid waste and recycling laws.

Food Recovery Assistance

The amended Agreement contains a provision to assist with identification and outreach to Commercial Edible Food Generators (CEFG) as part of food recovery efforts. Under the amended Agreement, Republic Services will provide a \$45,000 annual lump sum to help fund an agreement with a food recovery organization to facilitate food recovery efforts. City staff and Republic Services will annually provide education outreach, legislative requirement reminders, and training to all on-site employees for CEFG to ensure SB 1383 compliance. Furthermore, Republic Services will be expected to facilitate the growth of food recovery efforts in Brea for Edible Food Recovery Organizations to ensure a collaborative approach to reducing food waste within the community.

City and Community Services

The amended Agreement also contains additional benefits to the community and City. Republic Services will continue to provide solid waste and recycling collection and disposal services for City-sponsored events at no cost. The amended Agreement also annually provides seven 40-yard roll-off containers for the City to utilize for neighborhood or other cleanup events such as Go Serve Brea. Republic will also provide up to 20 tons of compost and/or mulch for community giveaway events for Brea residents to pick up. This material will assist the City in achieving its annual recovered organic target. Additionally, the amended Agreement includes a new annual mobile paper shredding event where residents can take old paperwork to be securely shredded on-site.

Compliance with other State Laws

The amended Agreement will help the City maintain compliance with other State laws regarding solid waste and recycling, including:

- AB 939 - Adopted in 1989, AB 939 (the California Integrated Waste Management Act of 1989) provides the statutory framework for solid waste collection and diversion by jurisdictions in the State
- AB 341 - Adopted in 2012, AB 341 required mandatory commercial recycling and set forth a state diversion goal of 75% by 2020
- AB 1826 - Adopted in 2014, AB 1826 required mandatory commercial organics (food and green waste) recycling from businesses and green waste recycling from multi-family units (five or more units) by April 2016. Food scrap recycling programs were also required to be offered to businesses meeting the thresholds of the law
- AB 1594 - Eliminated allowing the use of green (yard) waste for alternative daily cover at landfills as a diversion credit in state reporting starting in January 2020
- SB 1383 - Effective January 1, 2022, SB 1383 established goals to reduce short-lived climate pollutants (e.g., greenhouse gasses) by 75 percent by 2025 throughout the State. In particular, focusing on methane gasses released from landfills from decomposing organic material. The law also set a 20% recovery threshold for edible food from being disposed in landfills.

Environmental Determination

The City Council finds and determines that approval of the 2025 Franchise Agreement and the Proposed Rate Adjustments is exempt from California Environmental Quality Act ("CEQA") review under statutory and categorical exemptions, including those outlined in California Code of Regulations Title 14, Sections 15061(b) (3), 15273(a), 15301, and 15308. Development and implementation of the amended organic waste collection services under the 2025 Agreement is a requirement of SB 1383 and CalRecycle and is exempt from CEQA because it is an action under a regulatory requirement to assure the protection of the environment and involves procedures for the protection of the environment. Furthermore, the amended organic waste collection services apply to the City's existing volume of generated solid waste, which has no expansion of use. The Proposed Rate Adjustments are necessary to meet the operating expenses of the organic waste collection program. These approvals are additionally exempt under the general rule that CEQA applies only to projects that can potentially cause a significant effect on the environment.

Cost-of-Service-Study

The proposed solid waste rate adjustments are needed to comply with new unfunded State regulations required by SB 1383. They also coincide with the Second Amended and Restated Franchise Agreement being presented for City Council consideration. The proposed rate adjustments will allow for Republic Services to implement a residential curbside organic waste collection program, expand current commercial organic waste collection services, procure additional collection carts and vehicles, implement monitoring and reporting functions, assist with edible food recovery efforts, and incorporate additional service measures to ensure compliance with SB 1383.

NewGen Strategies and Solutions, LLC (NewGen) conducted a cost-of-service study (Study) (Attachment B—Solid Waste Cost of Service Study Memorandum), which examined the City's Sanitation and Street Sweeping Fund (Fund 440). The Study focused on residential solid waste collection services to determine if the proposed rate adjustment will meet the cost-of-service requirements to ensure the continuous delivery of essential sanitation services and implement additional services to comply with SB 1383 regulations.

The Study analyzed historical data for Fund 440 from the past five budget cycles, the current Fiscal Year budget for Fund 440, and Republic Services' estimated cost for residential organic waste collection service to design rates for the City for Fiscal Year (FY) 2024-2025. The Study also removed 15% of City staff salary expenses to account for assistance provided to commercial customers as part of daily City functions.

Under current year projections, the cost to provide residential solid waste collection is \$4,061,390. This cost does not include the additional amount to implement the new residential curbside organic waste collection service. The current revenues generated at the current curbside cart rate is \$3,857,941. This results in a current under-recovery of costs of \$203,449. The solid waste franchise fees collected in FY 23-24 were \$1,164,193, included in the City's General Fund revenues. These revenues are utilized for various General Fund activities. They are not intended to administer the solid waste program. As a result, Table 5 shows the amount of solid waste franchise fees collected and the General Fund subsidies to Fund 440. Enterprise funds should strive to be cost-neutral and not be provided subsidies from General Fund revenues.

Table 5: Current Residential Solid Waste Revenues & Costs	
Fund 440	FY 2024-2025
Solid Waste Budget Costs (Minus Commercial Costs)	\$4,061,390*
Current Revenues Residential Services	\$3,857,941
Over/(Under) Cost Recovery at Current Rate	\$(203,449)
Franchise Fees	
Solid Waste Franchise Fees (FY 23-24)	\$1,164,193
Transfer from General Fund to Fund 440	\$159,245

*Cost projection does not include additional residential organic waste collection costs

After reviewing historical and current budget data, NewGen determined that the total revenue requirement to achieve cost recovery for residential solid waste services in Fund 440 for FY 2024-2025 is \$4,504,926. According to the Study, most of those costs, which amount to \$3,440,310, are related to the contract with Republic Services. The remaining costs are for salaries and benefits of City staff to administer the solid waste program and provide residential billing services. There is an additional cost of \$487,740 in FY 2024-2025 for Republic Services to implement the new curbside residential organic waste collection service. This new service is a significant component of the Second Amended and Restated Franchise Agreement. Table 6 outlines the FY 2024-2025 revenue requirement for residential solid waste services.

Table 6: Residential Solid Waste Revenue Requirement	
Fund 440	FY 2024-2025
Solid Waste Budget Costs (Minus Commercial Costs)	\$4,017,186
Additional Organics Collection Costs	\$487,740
Solid Waste Revenue Requirement	\$4,504,926

The Study showed that under the current residential cart rate of \$27.80 per month, there is a projected under-recovery of \$646,985 for FY 2024-2025. The under-recovery results from the total revenue from the current curbside cart rate of \$3,857,941 compared with the future revenue requirement of \$4,504,926 to implement the residential organic waste collection service and account for City administrative costs. Table 7 shows the difference between the current curbside cart rate revenues and the future revenues needed to cover service costs.

Table 7: Revenue Recovery from Current Residential Cart Rate	
Fund 440	FY 2024-2025
Revenue from Current Residential Cart Rate	
Standard Cart Revenue	\$3,756,002
Additional Cart Revenue	\$101,939
Total Annual Solid Waste Revenue	\$3,857,941
Total Annual Solid Waste Revenue	\$3,857,941
Solid Waste Revenue Requirement	\$4,504,926
Over/(Under) Cost Recovery at Current Rate	\$(646,985)

To achieve cost recovery, including the new curbside residential organic waste collection program, NewGen recommended a \$4.79 increase to the current monthly refuse rate.

Table 8: Proposed Adjusted Solid Waste Residential Rate – Consultant Recommendation			
Current Residential Rate	Contract Rate to Republic Services	PW Administration/Utility Billing	Proposed Adjusted Rate
\$27.80	\$29.45	\$3.14	\$32.59

Based on the consultant's recommended \$4.79 increase, \$29.45 is comprised of the negotiated contract rate with Republic Services to implement required SB 1383 programs. The additional \$3.14 would go to the City to cover costs for administration and oversight of the residential solid waste program and billing services.

After reviewing the study results, City staff conducted additional research to determine if any action could be taken to reduce the consultant-recommended residential rate. Staff determined that the recommended residential rate could be reduced due to current staffing vacancies in the Public Works Department. As a result, City staff's recommended adjusted residential rate is \$31.27 per month which is \$1.32 less than the consultant's recommended rate. This recommended residential rate is projected to result in an under-recovery of \$158,930 for Fund 440, compared to the full cost recovery identified in the Study, by the end of FY 2024-2025.

Table 9: Proposed Adjusted Solid Waste Residential Rate – City Staff Recommendation			
Current Residential Rate	Contract Rate to Republic Services	PW Administration/Utility Billing	Proposed Adjusted Rate
\$27.80	\$29.45	\$1.82	\$31.27

The City staff proposed rate retains the negotiated contracted rate to allow Republic Services to implement required SB 1383 programs and maintain minimum service levels provided by City staff for the remainder of FY 2024-2025. The proposed adjustments account for all labor, equipment, materials and supplies, insurance, overhead, transfer, and disposal necessary to perform all services. With its consultant, the City has reviewed the overall proposed rate adjustments as part of the Study and determined them to be reasonable.

Furthermore, the proposed rate adjustments will allow the City to implement the necessary services to satisfy the action items identified in its formal CAP and ensure compliance with SB 1383 regulations. If the City Council approves the proposed rate adjustments, the new rates will go into effect on July 1, 2025.

Proposition 218 Public Hearing

Proposition 218 (Prop. 218) requires the City to conduct a public hearing to consider approving a resolution adjusting solid waste service rates for residential, multi-family, and commercial customers. The City must mail the notice at least forty-five (45) days before the public hearing date regarding the proposed rates.

Beginning the week of December 1, 2024, per Prop. 218, the City mailed notifications of the proposed adjusted, solid waste service rates to property owners, commercial customers, tenants, and occupants as part of the bi-monthly utility billing (Attachment A—Prop. 218 Public Hearing Notice). Separate Prop. 218 notices were mailed out on December 19, 2024, utilizing the most current addresses from Orange County property tax roll assessments.

The Prop. 218 notice identified the proposed adjusted rates and instructions for filing written protests concerning the proposed rates. As of agenda preparation on January 28, 2025, the City received three written protest objecting to the rate increase. Protest letters from over 50% of the parcels in Brea would be required to prevent the approval of the recommended actions. If no majority protest is received, and the City Council approves the resolution, the rate adjustments would be effective July 1, 2025.

COMMISSION/COMMITTEE RECOMMENDATION

This staff report was reviewed by the Finance Committee at their January 28, 2025, meeting and recommended to proceed to City Council.

SUMMARY/FISCAL IMPACT

Under the Second Amended and Restated Franchise Agreement, the City will be paid a 10 percent franchise fee. The annual franchise fee is estimated to be \$1.2 million for the Agreement's first year. Subsequent franchise fee payments will depend upon the revenues collected after applying the rate adjustment indexes and the number of active solid waste accounts. The collected franchise fees are deposited into the General Fund (Fund 110).

City staff's recommended residential curbside monthly cart rate of \$31.27 is estimated to generate \$4,345,996 in revenue for Fund 440. Based on the staff-recommended residential rate, there is a projected under-recovery of \$158,930 by the end of FY 2024-2025. After the conclusion of FY 2024-2025, additional rate adjustments may be needed to achieve full cost recovery, as identified in the Cost-of-Service Study for Fund 440, which can be further analyzed as part of future budgeting processes.

RESPECTFULLY SUBMITTED

Kristin Griffith, City Manager

Prepared by: Francesca Vivanti, Management Analyst I and Matthew Cuevas, Senior Management Analyst

Concurrence: Michael Ho, PE, Public Works Director

Attachments

[Attachment A - Proposition 218 Notices of Public Hearing.pdf](#)

[Attachment B - Solid Waste Cost of Service Study Memorandum.pdf](#)

[Attachment C - Resolution Approving 2nd Amended Solid Waste Franchise Agreement and Rate Adjustments.pdf](#)

[Attachment D - Revised Draft Second Amended and Restated Franchise Agreement with Republic Waste Services of Southern California LLC - Redline Text.pdf](#)

[Attachment E - Revised Draft Second Amended and Restated Franchise Agreement with Republic Waste Services of Southern California LLC - Final Text.pdf](#)

[Attachment F - Revised Draft Second Amended and Restated Franchise Agreement Exhibits - Redline Text.pdf](#)

[Attachment G - Revised Draft Second Amended and Restated Franchise Agreement Exhibits - Final Text.pdf](#)



PROPOSED ADJUSTMENTS TO SOLID WASTE & RECYCLING SERVICE RATES

Service rates are for the operation and administration of the solid waste disposal and recycling services and programs implemented by the franchisee as required by State law, the Brea Municipal Code, and the franchise agreement.

Such services include solid waste containers, solid waste pick-up, a set number of bulky item pickups per year, e-waste disposal, compost giveaways, and other community clean up events.

WHAT IS SENATE BILL 1383 ?

Short-lived Climate Pollutants (SLCP): Organic Waste Reductions Act was signed into law in 2016 and established methane emissions targets and edible food recovery goals.

For more information on SB 1383, visit calrecycle.ca.gov/organics/slcp/

Additional information on services provided by Republic Services can be found at www.recyclebrea.net



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CITY OF BREA NOTICE OF PUBLIC HEARING FOR PROPOSED ADJUSTMENTS TO SOLID WASTE & RECYCLING SERVICE RATES

NOTICE IS HEREBY GIVEN that the Brea City Council will hold a public hearing on proposed adjustments to solid waste and recycling service rates on **Tuesday, February 4, 2025 at 7:00 PM**, or as soon as the matter may be heard, at 1 Civic Center Circle, Brea, CA 92821 in City Council Chambers. If approved by the City Council in the absence of a majority protest (see below), the initial increases will go into effect on March 1, 2025.

WHY HAVE I RECEIVED THIS NOTICE?

This notice is regarding a public hearing to consider proposed adjustments to solid waste and recycling service rates for all Brea solid waste customers. The public hearing will be conducted in accordance with Proposition 218 (1996), specifically California Constitution Article XIII D, Section 6. This notice is being sent to all property owners of record whose parcels receive solid waste and recycling services from Brea's solid waste hauler franchisee and to tenants who are directly responsible for payment of the solid waste and recycling service rates.

WHY ARE RATE INCREASES NECESSARY?

All California cities, including Brea, face the most stringent solid waste legislation in history under Senate Bill 1383 (2016) ("SB 1383"). SB 1383 mandates the State of California to reduce organic waste disposal (including green waste and food waste) 50% by January 1, 2020, and 75% by January 1, 2025. SB 1383 also requires the State to recover 20% of edible food by January 1, 2025. As a result, green waste and food waste can no longer be disposed of in a landfill and must be recycled. The SB 1383 organic recycling mandates, along with current economic conditions, including equipment supply chain interruptions and labor shortages, are significantly impacting the solid waste industry. For the City of Brea to remain in compliance with State law and avoid being fined by the State, expanded solid waste and recycling services are necessary, none of which are funded by the State. Therefore, these expanded services and other cost increases must be funded by adjusting the solid waste and recycling service rates.

PROPOSED SOLID WASTE & RECYCLING SERVICE RATES

The City Council will consider the proposed adjustments to the solid waste and recycling service rates in connection with entering into a restated and amended Franchise Agreement with the City's solid waste hauler franchisee, Republic Waste Services of Southern California LLC, which does business as Brea Disposal. The new Franchise Agreement will ensure that the City continues to be in compliance with SB 1383 and other unfunded State mandates for solid waste and recycling. The proposed rates represent the maximum amount that customers can be charged pursuant to the new Franchise Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, letters of credit, overhead, disposal, transfer, profit, and all other things necessary to perform solid waste and recycling services.

Under the new Franchise Agreement, there are two customer classes: (i) single-family residential (premises with less than five dwelling units) and (ii) commercial, which includes multi-family and industrial. The proposed single-family residential monthly rate is a flat rate comprised of a City Utility Billing Component, Service Component, and Disposal Component, and includes one pick-up per week of a trash cart, recycling cart, and organic waste cart. The proposed commercial monthly rates are comprised of a Service Component and a Disposal Component for each type of service (trash, recycling and organic waste), and for each type of service is based on: (i) container size (in gallons or cubic yards); (ii) type of container (e.g., cart or bin); and (iii) frequency of pick-ups per week. Absent a waiver, commercial customers are required to have trash, organic waste and recycling service. For all customers, extra services (e.g., roll-out services) are available at additional cost. A partial list of the proposed rates are set forth in the attached Exhibit A. A full list of the proposed rates can be viewed on the City's website at www.cityofbrea.net/recyclebrea.

If approved by the City Council, the initial rate adjustments will go into effect on March 1, 2025. In addition, without the City Council holding additional public hearings, the rates may be adjusted on July 1, 2025, July 1, 2026, July 1, 2027, and July 1, 2028 to account for inflation and changes in the gate rate at the County landfill. The method for calculating the annual adjustments can be viewed on the City's website at cityofbrea.net/recyclebrea.

HOW CAN I PARTICIPATE? WHAT IS A MAJORITY PROTEST?

At the public hearing, the City Council will hear and consider all objections or protests to the proposed adjustments to the solid waste and recycling service rates. Any property owner of record whose parcel receives solid waste and recycling services from Republic and any property tenant that is directly responsible for payment of solid waste and recycling service rates (each, a "rate payer") may submit a written protest against the proposed adjustments to the solid waste and recycling service rates. Written protests may be personally delivered to the City Clerk during the public hearing. Written protests may also be mailed to the City of Brea, Attention: City Clerk, 1 Civic Center Circle, Brea, CA 92821 or delivered in-person to City Hall, 1 Civic Center Circle, Brea, CA 92821. Protests that are mailed or delivered to City Hall must be received by the City Clerk by 7:00 PM on February 4, 2025.

To be counted, a written protest must: (1) identify the parcel of property subject to the proposed adjustments to solid waste and recycling service rates, (2) identify the rate payer, and (3) include the signature of the rate payer. Emailed protests will not be counted in determining the existence of a majority protest. A majority protest will exist if, at the end of the public hearing, there are written protests submitted by a majority of the rate payers subject to the proposed adjustments to solid waste and recycling service rates. No more than one written protest per parcel of property will be counted in calculating a majority protest. The City Council cannot adopt the proposed adjustments to the solid waste and recycling service rates if a majority protest exists.

WHERE CAN I FIND MORE INFORMATION?

For more information regarding the State's SB 1383 unfunded mandate please visit CalRecycle's website at calrecycle.ca.gov/organics/slcp. You may also contact the Brea Public Works Department at (714) 990-7691 if you have questions about this notice or your solid waste and recycling service rates.



EXHIBIT A

ATTACHMENT A

CITY OF BREA PROPOSED SOLID WASTE & RECYCLING SERVICE RATES EFFECTIVE MARCH 1, 2025

(Rates may escalate on July 1, 2025; July 1, 2026; July 1, 2027; and July 1, 2028)

SINGLE FAMILY RESIDENTIAL SERVICES*	Current Rate	¹ City Utility Billing	¹ Collection Component (85%)	¹ Disposal Component (15%)	¹ Proposed Adjusted Rate
*Residential premises with 4 or less dwelling units					
MONTHLY RESIDENTIAL RATE (Includes 3 carts: 1 Trash, 1 Recycle, 1 Organic Waste 1x/week PICK-UP)	\$27.80	\$3.14	\$25.03	\$4.42	\$32.59
ADDITIONAL RESIDENTIAL					
TRASH CONTAINER	\$13.15		\$12.95	\$2.28	\$15.23
ORGANIC WASTE CONTAINER	\$6.04		\$5.95	\$1.05	\$7.00
RECYCLE CONTAINER	\$0.00		\$0.00	\$0.00	\$0.00
MOBILE HOME RESIDENTIAL RATE	\$27.80	\$3.14	\$25.03	\$4.42	\$32.59
TEMPORARY 3 YARD RES. BIN	\$105.89		\$104.26	\$18.40	\$122.66
3 DAYS (Del - Fill - PICK-UP & Disposal)					
RESIDENTIAL ROLL-OUT SERVICES (Service is for customers that want back door, garage, walk in service)	\$14.01		\$13.79	\$2.43	\$16.22
RESIDENTIAL EXTRA DUMP - ALL 3 CONTAINERS	\$29.74		\$29.28	\$5.17	\$34.45
RESIDENTIAL EXCHANGE OF ALL 3 CONTAINERS	\$45.98		\$45.27	\$7.99	\$53.26
RESIDENTIAL CONTAINER REPLACEMENT - MISUSE (Each)	\$81.36		\$80.11	\$14.14	\$94.25
RESIDENTIAL BULKY-ITEM COLLECTION					
Additional Pick-ups Over 3x Pick-up/Year	\$57.55		\$56.67	\$10.00	\$66.67
Charge for Each Item Over 20 per Collection	\$8.22		\$8.09	\$1.43	\$9.52
Additional Fee Required for Gas Recovery	\$78.12		\$76.92	\$13.57	\$90.49
RESIDENTIAL KITCHEN PAIL FOR PURCHASE (unbranded)	New Rate				\$12.15
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL BIN SERVICE	Current Rate		² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
(Absent a waiver, trash, recycle and organic waste service is required. Typical service includes 1 trash, 1 recycle, and 1 organic waste container)					
COMMERCIAL BARREL RATE (96 GALLON TRASH)	\$41.26		\$37.26	\$6.58	\$43.84
MONTHLY COMMERCIAL TRASH BIN RATES					
1.5 YARD TRASH BIN 1x/week PICK-UP	\$111.93		\$101.09	\$17.84	\$118.93
1.5 YARD TRASH BIN 2x/week PICK-UP	\$194.06		\$175.26	\$30.93	\$206.19
1.5 YARD TRASH BIN 3x/week PICK-UP	\$276.19		\$249.43	\$44.02	\$293.45
1.5 YARD TRASH BIN 4x/week PICK-UP	\$358.32		\$323.61	\$57.11	\$380.72
1.5 YARD TRASH BIN 5x/week PICK-UP	\$440.45		\$397.78	\$70.20	\$467.98
1.5 YARD MANURE BIN 1x/week PICK-UP	\$123.43		\$111.47	\$19.67	\$131.14
1.5 YARD MANURE BIN 2x/week PICK-UP	\$217.06		\$196.03	\$34.59	\$230.62
1.5 YARD MANURE BIN 3x/week PICK-UP	\$310.69		\$280.59	\$49.52	\$330.11
1.5 YARD MANURE BIN 4x/week PICK-UP	\$404.32		\$365.15	\$64.44	\$429.59
1.5 YARD MANURE BIN 5x/week PICK-UP	\$497.95		\$449.71	\$79.36	\$529.07
2 YARD TRASH BIN 1x/week PICK-UP	New Rate		\$139.04	\$24.54	\$163.58
2 YARD TRASH BIN 2x/week PICK-UP	New Rate		\$232.28	\$40.99	\$273.27
2 YARD TRASH BIN 3x/week PICK-UP	New Rate		\$325.52	\$57.44	\$382.96
2 YARD TRASH BIN 4x/week PICK-UP	New Rate		\$418.76	\$73.90	\$492.66
2 YARD TRASH BIN 5x/week PICK-UP	New Rate		\$512.00	\$90.35	\$602.35
3 YARD TRASH BIN 1x/week PICK-UP	\$181.12		\$163.57	\$28.87	\$192.44
3 YARD TRASH BIN 2x/week PICK-UP	\$302.58		\$273.27	\$48.22	\$321.49
3 YARD TRASH BIN 3x/week PICK-UP	\$424.04		\$382.96	\$67.58	\$450.54
3 YARD TRASH BIN 4x/week PICK-UP	\$545.50		\$492.65	\$86.94	\$579.59
3 YARD TRASH BIN 5x/week PICK-UP	\$666.96		\$602.35	\$106.30	\$708.65
3 YARD MANURE BIN 1x/week PICK-UP	\$195.79		\$176.82	\$31.20	\$208.02
3 YARD MANURE BIN 2x/week PICK-UP	\$331.92		\$299.77	\$52.90	\$352.67
3 YARD MANURE BIN 3x/week PICK-UP	\$468.05		\$422.71	\$74.60	\$497.31
3 YARD MANURE BIN 4x/week PICK-UP	\$604.18		\$545.65	\$96.29	\$641.94
3 YARD MANURE BIN 5x/week PICK-UP	\$740.31		\$668.59	\$117.99	\$786.58
3 YARD TEMP CONSTRUCTION BIN 1x/week PICK-UP	\$232.94		\$210.37	\$37.12	\$247.49
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3 YARD COMPACTED BIN 5x/week PICK-UP	\$1,128.03		\$1,018.75	\$179.78	\$1,198.53
4 YARD TRASH BIN 1x/week PICK-UP	New Rate		\$188.11	\$33.20	\$221.31
4 YARD TRASH BIN 2x/week PICK-UP	New Rate		\$314.26	\$55.46	\$369.72
4 YARD TRASH BIN 3x/week PICK-UP	New Rate		\$440.41	\$77.72	\$518.13
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6 YARD TRASH BIN 3x/week PICK-UP	New Rate		\$765.92	\$135.16	\$901.08

¹ City Utility Billing, Collection Component and Disposal Component make up the Proposed Adjusted Rate for Single Family Residential.² Collection Component and Disposal Component make up the Proposed Adjusted Rate for Commercial/Multi-Family/Industrial.FULL LIST OF PROPOSED RATES AVAILABLE ON CITY WEBSITE: www.cityofbrea.net/recyclebrea

EXHIBIT A

ATTACHMENT A

CITY OF BREA PROPOSED SOLID WASTE & RECYCLING SERVICE RATES EFFECTIVE MARCH 1, 2025

(Rates may escalate on July 1, 2025; July 1, 2026; July 1, 2027; and July 1, 2028)

6 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$985.31	\$173.88	\$1,159.19
6 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,204.70	\$212.59	\$1,417.29
8 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$376.22	\$66.39	\$442.61
8 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$628.52	\$110.91	\$739.43
8 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$880.81	\$155.44	\$1,036.25
8 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$1,133.11	\$199.96	\$1,333.07
8 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,385.40	\$244.48	\$1,629.88
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL RECYCLE RATES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
65 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
96 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
2 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$95.14	\$16.79	\$111.93
Additional per trip PICK-UP	New Rate	\$95.14	\$16.79	\$111.93
3 YARD RECYCLE BIN 1x/week PICK-UP	\$152.81	\$136.38	\$24.07	\$160.45
Additional per trip PICK-UP	\$152.81	\$136.38	\$24.07	\$160.45
4 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$159.89	\$28.22	\$188.11
3 YARD SPLIT BIN (no additional lock fee or installation)	New Rate	\$206.93	\$36.52	\$243.45
COMMERCIAL RECYCLE BIN CONTAMINATION FEE per occurrence	New Rate	\$98.85	\$17.44	\$116.29
COMMERCIAL RECYCLE CART CONTAMINATION FEE per occurrence	New Rate	\$49.44	\$8.72	\$58.16
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL ORGANIC WASTE RATES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
35 GALLON CART 1x/week PICK-UP	\$41.26	\$35.07	\$6.19	\$41.26
35 GALLON CART 2x/week PICK-UP	\$82.52	\$70.14	\$12.38	\$82.52
35 GALLON CART 3x/week PICK-UP	\$123.78	\$105.21	\$18.57	\$123.78
65 GALLON CART 1x/week PICK-UP	\$65.19	\$55.41	\$9.78	\$65.19
65 GALLON CART 2x/week PICK-UP	\$130.37	\$110.81	\$19.56	\$130.37
65 GALLON CART 3x/week PICK-UP	\$195.56	\$166.23	\$29.33	\$195.56
2 YARD BIN 1x/week PICK-UP	\$348.61	\$296.32	\$52.29	\$348.61
2 YARD BIN 2x/week PICK-UP	\$697.21	\$592.63	\$104.58	\$697.21
2 YARD BIN 3x/week PICK-UP	\$1,045.82	\$888.95	\$156.87	\$1,045.82
ORGANIC BIN NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$296.32	\$52.29	\$348.61
ORGANIC CART NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$35.07	\$6.19	\$41.26
ORGANIC BIN CONTAMINATION FEE per occurrence	\$116.29	\$98.85	\$17.44	\$116.29
ORGANIC CART CONTAMINATION FEE per occurrence	\$58.16	\$49.44	\$8.72	\$58.16
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL SPECIAL SERVICES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
Pull out service (applicable when container must be moved more than 25ft)	\$71.94	\$64.97	\$11.47	\$76.44
Lock latch (For any bin with lockbar other than split bins)	\$2.71	\$2.45	\$0.43	\$2.88
Redeliver bin (due to non-payment)	\$101.78	\$91.92	\$16.22	\$108.14
Lock latch bin one-time installation fee (For all lock latch except split bins)	\$120.81	\$109.10	\$19.25	\$128.35
NON-SCHEDULE ADDITIONAL PICK-UPS				
1st BIN PICK-UP (1.5 & 3 YARD BINS)	\$84.79	\$76.58	\$13.51	\$90.09
BIN OVERAGE "OVER THE TOP" - Each Occurrence	\$47.31	\$55.25	\$9.75	\$65.00
COMMERCIAL CONTAINER STEAM CLEANING (container exchanged)	\$135.14	\$122.05	\$21.54	\$143.59
COMMERCIAL BULKY-ITEM COLLECTION				
Bulky item pickups (no limit); max 20 items per collection	\$61.06	\$55.14	\$9.73	\$64.87
Charge for Each Item Over 20 per collection	\$8.12	\$7.33	\$1.29	\$8.62
Additional Fee Required for Gas Recovery	\$78.12	\$70.55	\$12.45	\$83.00
INDUSTRIAL SPECIAL SERVICES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
PERMANENT 30 YARD ROLL-OFF - Min. 4 PICK-UPS per/Month	\$2,646.69	\$2,390.29	\$421.82	\$2,812.11
ADDITIONAL PICK-UP - PERM 30 YARD ROLL-OFF	\$661.67	\$597.57	\$105.45	\$703.02
PERMANENT 15 YARD DEMO BOX - Min. 4 PICK-UPS per/Month	\$2,819.48	\$2,546.34	\$449.35	\$2,995.69
ADDITIONAL PICK-UP - PERM 15 YARD DEMO	\$704.87	\$636.59	\$112.34	\$748.93
PERMANENT 40 YARD PACKER - Each PICK-UP	\$825.04	\$745.11	\$131.49	\$876.60
TEMPORARY 30 YARD ROLL-OFF BOX	\$663.40	\$599.13	\$105.73	\$704.86
TEMPORARY 30 YARD ROLL-OFF BOX - Yardwaste	\$625.25	\$564.68	\$99.65	\$664.33
TEMPORARY 15 YARD DEMO BOX	\$766.18	\$691.96	\$122.11	\$814.07
THREE DAYS - 1 EMPTY				
CONTAINER MONTHLY RENTALS				
THREE (3) YARD BIN	\$67.58	\$61.03	\$10.77	\$71.80
TILT HOPPER	\$52.72	\$47.61	\$8.40	\$56.01
STORAGE CONTAINER	\$106.76	\$96.42	\$17.01	\$113.43
PACKER UNIT - "TURN-A-ROUND" REQUIRED	\$13.76	\$12.43	\$2.19	\$14.62
(Surcharge per Pull)				
SATURDAY SERVICE - PER LOAD	\$40.74	\$36.79	\$6.49	\$43.28
BREA OLINDA SCHOOL DISTRICT	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
MONTHLY COMMERCIAL RATES				
3 YARD BIN 1x/week PICK-UP	\$117.46	\$106.08	\$18.72	\$124.80
3 YARD BIN - ADDITIONAL PICK-UP	\$85.56	\$77.27	\$13.64	\$90.91

¹ City Utility Billing, Collection Component and Disposal Component make up the Proposed Adjusted Rate for Single Family Residential.² Collection Component and Disposal Component make up the Proposed Adjusted Rate for Commercial/Multi-Family/Industrial.FULL LIST OF PROPOSED RATES AVAILABLE ON CITY WEBSITE: www.cityofbrea.net/recyclebrea

PROPOSED ADJUSTMENTS TO SOLID WASTE & RECYCLING SERVICE RATES

Service rates are for the operation and administration of the solid waste disposal and recycling services and programs implemented by the franchisee as required by State law, the Brea Municipal Code, and the franchise agreement.

Such services include solid waste containers, solid waste pick-up, a set number of bulky item pickups per year, e-waste disposal, compost giveaways, and other community clean up events.

ARE WE THE ONLY CITY EXPERIENCING A RATE ADJUSTMENT ?

No. The costs associated with the proposed rate increase will affect most, if not all, jurisdictions in Orange County and the State. Costs associated with inflation, Senate Bill 1383 (SB 1383), and recycling markets will impact solid waste rates all across California.

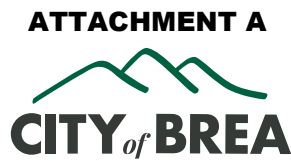
WHAT IS SENATE BILL 1383 ?

Short-lived Climate Pollutants (SLCP): Organic Waste Reductions Act was signed into law in 2016. The law established statewide targets to achieve a 50% reduction in the level of organic waste disposed in landfills by 2020 and a 75% reduction by 2025. Additionally, the law sets a statewide target of a 20% reduction in the disposal of edible food, and for this food to be recovered for human consumption.

For more information on SB 1383, please visit the CalRecycle website at calrecycle.ca.gov/organics/slcp/



Additional information on services provided by Republic Services
can be found at www.recyclebrea.net



CITY OF BREA NOTICE OF PUBLIC HEARING FOR PROPOSED ADJUSTMENTS TO SOLID WASTE & RECYCLING SERVICE RATES

NOTICE IS HEREBY GIVEN that the Brea City Council will hold a public hearing on proposed adjustments to solid waste and recycling service rates on **Tuesday, February 4, 2025 at 7:00 PM**, or as soon as the matter may be heard, at 1 Civic Center Circle, Brea, CA 92821 in City Council Chambers. If approved by the City Council in the absence of a majority protest (see below), the initial increases will go into effect on March 1, 2025.

WHY HAVE I RECEIVED THIS NOTICE?

This notice is regarding a public hearing to consider proposed adjustments to solid waste and recycling service rates for all Brea solid waste customers. The public hearing will be conducted in accordance with Proposition 218 (1996), specifically California Constitution Article XIII D, Section 6. This notice is being sent to all property owners of record whose parcels receive solid waste and recycling services from Brea's solid waste hauler franchisee and to tenants who are directly responsible for payment of the solid waste and recycling service rates.

WHY ARE RATE INCREASES NECESSARY?

All California cities, including Brea, face the most stringent solid waste legislation in history under Senate Bill 1383 (2016) ("SB 1383"). SB 1383 mandates the State of California to reduce organic waste disposal (including green waste and food waste) 50% by January 1, 2020, and 75% by January 1, 2025. SB 1383 also requires the State to recover 20% of edible food by January 1, 2025. As a result, green waste and food waste can no longer be disposed of in a landfill and must be recycled. The SB 1383 organic recycling mandates, along with current economic conditions, including equipment supply chain interruptions and labor shortages, are significantly impacting the solid waste industry. For the City of Brea to remain in compliance with State law and avoid being fined by the State, expanded solid waste and recycling services are necessary, none of which are funded by the State. Therefore, these expanded services and other cost increases must be funded by adjusting the solid waste and recycling service rates.

PROPOSED SOLID WASTE & RECYCLING SERVICE RATES

The City Council will consider the proposed adjustments to the solid waste and recycling service rates in connection with entering into a restated and amended Franchise Agreement with the City's solid waste hauler franchisee, Republic Waste Services of Southern California LLC, which does business as Brea Disposal. The new Franchise Agreement will ensure that the City continues to be in compliance with SB 1383 and other unfunded State mandates for solid waste and recycling. The proposed rates represent the maximum amount that customers can be charged pursuant to the new Franchise Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, letters of credit, overhead, disposal, transfer, profit, and all other things necessary to perform solid waste and recycling services.

Under the new Franchise Agreement, there are two customer classes: (i) single-family residential (premises with less than five dwelling units) and (ii) commercial, which includes multi-family and industrial. The proposed single-family residential monthly rate is a flat rate comprised of a City Utility Billing Component, Service Component, and Disposal Component, and includes one pick-up per week of a trash cart, recycling cart, and organic waste cart. The proposed commercial monthly rates are comprised of a Service Component and a Disposal Component for each type of service (trash, recycling and organic waste), and for each type of service is based on: (i) container size (in gallons or cubic yards); (ii) type of container (e.g., cart or bin); and (iii) frequency of pick-ups per week. Absent a waiver, commercial customers are required to have trash, organic waste and recycling service. For all customers, extra services (e.g., roll-out services) are available at additional cost. A partial list of the proposed rates are set forth in the attached Exhibit A. A full list of the proposed rates can be viewed on the City's website at www.cityofbrea.net/recyclebrea.

If approved by the City Council, the initial rate adjustments will go into effect on March 1, 2025. In addition, without the City Council holding additional public hearings, the rates may be adjusted on July 1, 2025, July 1, 2026, July 1, 2027, and July 1, 2028 to account for inflation and changes in the gate rate at the County landfill. The method for calculating the annual adjustments can be viewed on the City's website at cityofbrea.net/recyclebrea.

HOW CAN I PARTICIPATE? WHAT IS A MAJORITY PROTEST?

At the public hearing, the City Council will hear and consider all objections or protests to the proposed adjustments to the solid waste and recycling service rates. Any property owner of record whose parcel receives solid waste and recycling services from Republic and any property tenant that is directly responsible for payment of solid waste and recycling service rates (each, a "rate payer") may submit a written protest against the proposed adjustments to the solid waste and recycling service rates. Written protests may be personally delivered to the City Clerk during the public hearing. Written protests may also be mailed to the City of Brea, Attention: City Clerk, 1 Civic Center Circle, Brea, CA 92821 or delivered in-person to City Hall, 1 Civic Center Circle, Brea, CA 92821. Protests that are mailed or delivered to City Hall must be received by the City Clerk by 7:00 PM on February 4, 2025.

To be counted, a written protest must: (1) identify the parcel of property subject to the proposed adjustments to solid waste and recycling service rates, (2) identify the rate payer, and (3) include the signature of the rate payer. Emailed protests will not be counted in determining the existence of a majority protest. A majority protest will exist if, at the end of the public hearing, there are written protests submitted by a majority of the rate payers subject to the proposed adjustments to solid waste and recycling service rates. No more than one written protest per parcel of property will be counted in calculating a majority protest. The City Council cannot adopt the proposed adjustments to the solid waste and recycling service rates if a majority protest exists.

WHERE CAN I FIND MORE INFORMATION?

For more information regarding the State's SB 1383 unfunded mandate please visit CalRecycle's website at calrecycle.ca.gov/organics/slcp. You may also contact the Brea Public Works Department at (714) 990-7691 if you have questions about this notice or your solid waste and recycling service rates.



EXHIBIT A

CITY OF BREA PROPOSED SOLID WASTE & RECYCLING SERVICE RATES EFFECTIVE MARCH 1, 2025

(Rates may escalate on July 1, 2025; July 1, 2026; July 1, 2027; and July 1, 2028)

SINGLE FAMILY RESIDENTIAL SERVICES*	Current Rate	¹ City Utility Billing	¹ Collection Component (85%)	¹ Disposal Component (15%)	¹ Proposed Adjusted Rate
*Residential premises with 4 or less dwelling units					
MONTHLY RESIDENTIAL RATE (Includes 3 carts: 1 Trash, 1 Recycle, 1 Organic Waste 1x/week PICK-UP)	\$27.80	\$3.14	\$25.03	\$4.42	\$32.59
ADDITIONAL RESIDENTIAL					
TRASH CONTAINER	\$13.15		\$12.95	\$2.28	\$15.23
ORGANIC WASTE CONTAINER	\$6.04		\$5.95	\$1.05	\$7.00
RECYCLE CONTAINER	\$0.00		\$0.00	\$0.00	\$0.00
MOBILE HOME RESIDENTIAL RATE	\$27.80	\$3.14	\$25.03	\$4.42	\$32.59
TEMPORARY 3 YARD RES. BIN	\$105.89		\$104.26	\$18.40	\$122.66
3 DAYS (Del - Fill - PICK-UP & Disposal)					
RESIDENTIAL ROLL-OUT SERVICES (Service is for customers that want back door, garage, walk in service)	\$14.01		\$13.79	\$2.43	\$16.22
RESIDENTIAL EXTRA DUMP - ALL 3 CONTAINERS	\$29.74		\$29.28	\$5.17	\$34.45
RESIDENTIAL EXCHANGE OF ALL 3 CONTAINERS	\$45.98		\$45.27	\$7.99	\$53.26
RESIDENTIAL CONTAINER REPLACEMENT - MISUSE (Each)	\$81.36		\$80.11	\$14.14	\$94.25
RESIDENTIAL BULKY-ITEM COLLECTION					
Additional Pick-ups Over 3x Pick-up/Year	\$57.55		\$56.67	\$10.00	\$66.67
Charge for Each Item Over 20 per Collection	\$8.22		\$8.09	\$1.43	\$9.52
Additional Fee Required for Gas Recovery	\$78.12		\$76.92	\$13.57	\$90.49
RESIDENTIAL KITCHEN PAIL FOR PURCHASE (unbranded)	New Rate				\$12.15
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL BIN SERVICE	Current Rate		² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
(Absent a waiver, trash, recycle and organic waste service is required. Typical service includes 1 trash, 1 recycle, and 1 organic waste container)					
COMMERCIAL BARREL RATE (96 GALLON TRASH)	\$41.26		\$37.26	\$6.58	\$43.84
MONTHLY COMMERCIAL TRASH BIN RATES					
1.5 YARD TRASH BIN 1x/week PICK-UP	\$111.93		\$101.09	\$17.84	\$118.93
1.5 YARD TRASH BIN 2x/week PICK-UP	\$194.06		\$175.26	\$30.93	\$206.19
1.5 YARD TRASH BIN 3x/week PICK-UP	\$276.19		\$249.43	\$44.02	\$293.45
1.5 YARD TRASH BIN 4x/week PICK-UP	\$358.32		\$323.61	\$57.11	\$380.72
1.5 YARD TRASH BIN 5x/week PICK-UP	\$440.45		\$397.78	\$70.20	\$467.98
1.5 YARD MANURE BIN 1x/week PICK-UP	\$123.43		\$111.47	\$19.67	\$131.14
1.5 YARD MANURE BIN 2x/week PICK-UP	\$217.06		\$196.03	\$34.59	\$230.62
1.5 YARD MANURE BIN 3x/week PICK-UP	\$310.69		\$280.59	\$49.52	\$330.11
1.5 YARD MANURE BIN 4x/week PICK-UP	\$404.32		\$365.15	\$64.44	\$429.59
1.5 YARD MANURE BIN 5x/week PICK-UP	\$497.95		\$449.71	\$79.36	\$529.07
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6 YARD TRASH BIN 2x/week PICK-UP	New Rate		\$546.54	\$96.45	\$642.99
6 YARD TRASH BIN 3x/week PICK-UP	New Rate		\$765.92	\$135.16	\$901.08

¹ City Utility Billing, Collection Component and Disposal Component make up the Proposed Adjusted Rate for Single Family Residential.² Collection Component and Disposal Component make up the Proposed Adjusted Rate for Commercial/Multi-Family/Industrial.

EXHIBIT A

ATTACHMENT A

CITY OF BREA PROPOSED SOLID WASTE & RECYCLING SERVICE RATES EFFECTIVE MARCH 1, 2025

(Rates may escalate on July 1, 2025; July 1, 2026; July 1, 2027; and July 1, 2028)

6 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$985.31	\$173.88	\$1,159.19
6 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,204.70	\$212.59	\$1,417.29
8 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$376.22	\$66.39	\$442.61
8 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$628.52	\$110.91	\$739.43
8 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$880.81	\$155.44	\$1,036.25
8 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$1,133.11	\$199.96	\$1,333.07
8 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,385.40	\$244.48	\$1,629.88
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL RECYCLE RATES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
65 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
96 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
2 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$95.14	\$16.79	\$111.93
Additional per trip PICK-UP	New Rate	\$95.14	\$16.79	\$111.93
3 YARD RECYCLE BIN 1x/week PICK-UP	\$152.81	\$136.38	\$24.07	\$160.45
Additional per trip PICK-UP	\$152.81	\$136.38	\$24.07	\$160.45
4 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$159.89	\$28.22	\$188.11
3 YARD SPLIT BIN (no additional lock fee or installation)	New Rate	\$206.93	\$36.52	\$243.45
COMMERCIAL RECYCLE BIN CONTAMINATION FEE per occurrence	New Rate	\$98.85	\$17.44	\$116.29
COMMERCIAL RECYCLE CART CONTAMINATION FEE per occurrence	New Rate	\$49.44	\$8.72	\$58.16
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL ORGANIC WASTE RATES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
35 GALLON CART 1x/week PICK-UP	\$41.26	\$35.07	\$6.19	\$41.26
35 GALLON CART 2x/week PICK-UP	\$82.52	\$70.14	\$12.38	\$82.52
35 GALLON CART 3x/week PICK-UP	\$123.78	\$105.21	\$18.57	\$123.78
65 GALLON CART 1x/week PICK-UP	\$65.19	\$55.41	\$9.78	\$65.19
65 GALLON CART 2x/week PICK-UP	\$130.37	\$110.81	\$19.56	\$130.37
65 GALLON CART 3x/week PICK-UP	\$195.56	\$166.23	\$29.33	\$195.56
2 YARD BIN 1x/week PICK-UP	\$348.61	\$296.32	\$52.29	\$348.61
2 YARD BIN 2x/week PICK-UP	\$697.21	\$592.63	\$104.58	\$697.21
2 YARD BIN 3x/week PICK-UP	\$1,045.82	\$888.95	\$156.87	\$1,045.82
ORGANIC BIN NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$296.32	\$52.29	\$348.61
ORGANIC CART NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$35.07	\$6.19	\$41.26
ORGANIC BIN CONTAMINATION FEE per occurrence	\$116.29	\$98.85	\$17.44	\$116.29
ORGANIC CART CONTAMINATION FEE per occurrence	\$58.16	\$49.44	\$8.72	\$58.16
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL SPECIAL SERVICES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
Pull out service (applicable when container must be moved more than 25ft)	\$71.94	\$64.97	\$11.47	\$76.44
Lock latch (For any bin with lockbar other than split bins)	\$2.71	\$2.45	\$0.43	\$2.88
Redeliver bin (due to non-payment)	\$101.78	\$91.92	\$16.22	\$108.14
Lock latch bin one-time installation fee (For all lock latch except split bins)	\$120.81	\$109.10	\$19.25	\$128.35
NON-SCHEDULE ADDITIONAL PICK-UPS				
1st BIN PICK-UP (1.5 & 3 YARD BINS)	\$84.79	\$76.58	\$13.51	\$90.09
BIN OVERAGE "OVER THE TOP" - Each Occurrence	\$47.31	\$55.25	\$9.75	\$65.00
COMMERCIAL CONTAINER STEAM CLEANING (container exchanged)	\$135.14	\$122.05	\$21.54	\$143.59
COMMERCIAL BULKY-ITEM COLLECTION				
Bulky item pickups (no limit); max 20 items per collection	\$61.06	\$55.14	\$9.73	\$64.87
Charge for Each Item Over 20 per collection	\$8.12	\$7.33	\$1.29	\$8.62
Additional Fee Required for Gas Recovery	\$78.12	\$70.55	\$12.45	\$83.00
INDUSTRIAL SPECIAL SERVICES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
PERMANENT 30 YARD ROLL-OFF - Min. 4 PICK-UPS per/Month	\$2,646.69	\$2,390.29	\$421.82	\$2,812.11
ADDITIONAL PICK-UP - PERM 30 YARD ROLL-OFF	\$661.67	\$597.57	\$105.45	\$703.02
PERMANENT 15 YARD DEMO BOX - Min. 4 PICK-UPS per/Month	\$2,819.48	\$2,546.34	\$449.35	\$2,995.69
ADDITIONAL PICK-UP - PERM 15 YARD DEMO	\$704.87	\$636.59	\$112.34	\$748.93
PERMANENT 40 YARD PACKER - Each PICK-UP	\$825.04	\$745.11	\$131.49	\$876.60
TEMPORARY 30 YARD ROLL-OFF BOX	\$663.40	\$599.13	\$105.73	\$704.86
TEMPORARY 30 YARD ROLL-OFF BOX - Yardwaste	\$625.25	\$564.68	\$99.65	\$664.33
TEMPORARY 15 YARD DEMO BOX	\$766.18	\$691.96	\$122.11	\$814.07
THREE DAYS - 1 EMPTY				
CONTAINER MONTHLY RENTALS				
THREE (3) YARD BIN	\$67.58	\$61.03	\$10.77	\$71.80
TILT HOPPER	\$52.72	\$47.61	\$8.40	\$56.01
STORAGE CONTAINER	\$106.76	\$96.42	\$17.01	\$113.43
PACKER UNIT - "TURN-A-ROUND" REQUIRED	\$13.76	\$12.43	\$2.19	\$14.62
(Surcharge per Pull)				
SATURDAY SERVICE - PER LOAD	\$40.74	\$36.79	\$6.49	\$43.28
BREA OLINDA SCHOOL DISTRICT	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
MONTHLY COMMERCIAL RATES				
3 YARD BIN 1x/week PICK-UP	\$117.46	\$106.08	\$18.72	\$124.80
3 YARD BIN - ADDITIONAL PICK-UP	\$85.56	\$77.27	\$13.64	\$90.91

¹ City Utility Billing, Collection Component and Disposal Component make up the Proposed Adjusted Rate for Single Family Residential.² Collection Component and Disposal Component make up the Proposed Adjusted Rate for Commercial/Multi-Family/Industrial.FULL LIST OF PROPOSED RATES AVAILABLE ON CITY WEBSITE: www.cityofbrea.net/recyclebrea



8140 North Mopac Expressway
Suite 1-240
Austin, TX 78759
Phone: (512) 806-7713

Final Memorandum

To: Michael Ho, Public Works Director – City of Brea
From: Dave Yanke, President, NewGen Strategies and Solutions, LLC
Savanna Page, Senior Consultant, NewGen Strategies and Solutions, LLC
Date: October 2, 2024
Re: Solid Waste Cost of Service Study and Proposed Rate Increase for FY 2024 – 2025

Introduction

NewGen Strategies and Solutions, LLC (NewGen) was retained by the City of Brea (City) to conduct a solid waste cost of service study to assess the financial integrity of the City's residential solid waste collection service, while ensuring that the City's cost of organics diversion collection services, provided by Republic Services (a.k.a. Brea Disposal) in compliance with SB 1383 regulations, were fully incorporated into NewGen's cost analysis. In developing this analysis, the Project Team assessed and forecasted the cost of service by analyzing historical data, the current budget, and Republic's estimated cost proposal to design rates for the City of Brea for Fiscal Year (FY) 2024-2025.

Test Year

In developing the Test Year revenue requirement for the City, NewGen used the FY 2024 – 2025 adopted budget as the basis for the Test Year. NewGen compared the FY 2024 – 2025 budget to historical budgets for FY 2023 – 2024, FY 2022 – 2023, and FY 2021 – 2022. Through this comparison and with input from City staff, NewGen made the following adjustments to ensure that the Test Year would reflect residential collection expenses that occur on a regular basis:

- 15% of all salary related expenses were deducted from the Test Year to remove the portion of expense used to fund commercial solid waste collection.
- \$487,740 of additional costs were added to the Test Year to cover the City's additional expense associated with Republic Services providing organics diversion collection services.

Table 1 shows the projected revenue requirement for FY 2024 – 2025.

Table 1
Residential Solid Waste Revenue Requirement

	FY 2024 – 2025
Solid Waste Budget (Less Commercial Costs)	\$ 4,017,186
Additional Organics Diversion Collection Cost	487,740
Total Solid Waste Revenue Requirement	\$ 4,504,926

Final Memorandum

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Revenue Recovery from Current Rates

Table 2 shows the forecasted revenue recovery from the City's current monthly service rate of \$27.80. Under current rates, residential collection service is projected to under-recover the revenue requirement by approximately \$647,000 in FY 2024 – 2025. The under-recovery of revenue from current rates is detailed on lines 1 – 19 of Schedule 2.

Table 2
Revenue Recovery from Current Rates

	FY 2024 – 2025
Revenue from Current Rates	
Standard Cart Service Revenue	\$ 3,756,002
Additional Cart Revenue	101,939
Total Annual Solid Waste Revenue	\$ 3,857,941
 Total Annual Solid Waste Revenue	 \$ 3,857,941
Solid Waste Revenue Requirement	4,504,926
Over/(Under) Recovery at Current Rates	\$ (646,985)

Proposed Rates

Table 3 shows the proposed rate increase required to fully recover the City's residential revenue requirement for FY 2024 – 2025. In order to recover the \$646,985 revenue shortfall, the City needs to increase the monthly rate by \$4.79 for a total rate of \$32.59 per month. Of the \$4.79 increase, approximately 75% is related to the additional organics diversion collection cost (e.g. SB 1383), while the other 25% is needed to recover the City's normal increase in budgeted residential solid waste expenses. See Schedule 2 for more detail.

Table 3
Proposed Rates

	FY 2024 – 2025
Over/(Under) Recovery at Current Rates	\$ (646,985)
Monthly Residential Customers	11,259
Rate Increase needed to Recover Revenue Requirement¹	\$ 4.79

1. Rate increase needed to recover Revenue Requirement= \$646,985 / 11,259 customers / 12 months = \$4.79.

Recommendations

This analysis confirms that the City's residential collection service is under-recovering the required revenue requirement for FY 2024 – 2025. In addition to the \$3.61 monthly rate increase proposed by Republic Services to provide organics diversion collection services, NewGen also recommends a \$1.18

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monthly rate increase to fully recover operational costs for FY 2024 – 2025. These adjustments bring the proposed monthly residential rate adjustment to \$4.79, resulting in a monthly bill of \$32.59 per month.

NewGen would note that in working with our municipal clients throughout the United States, we are observing cost based residential rates that are now in the \$30 to \$35 per month range, with some exceeding \$40 per month. Therefore, NewGen does not find this rate increase unreasonable given that Republic Services is offering an additional service to the City.

ATTACHMENT B

Schedule 1

City of Brea Solid Waste Cost of Service Residential Solid Waste Budget												
Line No.	Item No.	Description	FY 2020-2021 Actual	FY 2021-2022 Budget	FY 2021-2022 Actual	FY 2022-2023 Budget	FY 2023-2024 Budget	FY 2024-2025 Budget	Adjustments	Test Year	Notes	
1	Expenses											
2	4098	APPROPRIATION (NON-SPEC)	\$ -	\$ -	\$ 4,332	\$ -	\$ -	\$ -	\$ -	\$ -		
3	4111	FULL TIME	71,923	94,816	94,415	175,151	132,979	140,732	(21,110)	119,622	A	
4	4112	PART-TIME & SEASONAL	62,576	64,169	66,458	68,604	67,346	71,193	(10,679)	60,514	A	
5	4113	OVERTIME	1	121	8,263	188	188	192	(29)	163	A	
6	41230045	VACATION PAYOFF	-	-	4,537	-	1,512	1,512	(227)	1,285	A	
7	41230048	VACATION BUYDOWN	1,441	1213	150.7	1,200	716	716	(107)	609	A	
8	41230064	COMP TERMINATION PAYOFF	-	-	56	-	-	-	-	-	A	
9	41230137	HOLIDAY BANKS PAID	-	-	59	-	-	-	-	-	A	
10	41230140	PERFORMANCE AWARD	-	1,334	-	1,100	600	600	(90)	510	A	
11	41230190	UNIFORM ALLOWANCE	-	13	-	13	13	-	-	-	A	
12	41230192	WORK SHOE REIMBURSEMENT	17	-	13	-	-	-	-	-	A	
13	41230196	FITNESS/WEELLNESS PROGRAM	238	506	193	956	731	765	(115)	650	A	
14	4131	RETIREMENT PERS	25,942	32,120	34,105	57,989	44,265	50,843	(7,626)	43,217	A	
15	4131A	PERS COST SHARING	(128)	-	(268)	-	-	-	-	-	A	
16	4134	WORKERS' COMPENSATION	8,371	10,700	10,829	16,502	9,234	10,020	(1,503)	8,517	A	
17	4141	MEDICARE	1,964	2,500	2,601	3,918	3,105	3,280	(492)	2,788	A	
18	4151	FLEXIBLE BENEFITS	8,658	13,166	11,192	25,856	13,481	13,217	(1,983)	11,234	A	
19	4152	TUITION REIMBURSEMENT	-	-	-	413	413	421	(63)	358	A	
20	4153	AUTOMOBILE ALLOWANCE	1,218	1,200	1,203	1,200	1,200	1,200	(180)	1,020	A	
21	4173	UNPAID COMPENSATED ABSENC	1,029	-	(6,428)	-	400	-	-	-		
22	4212	TELEPHONE & FAXES	623	-	581	-	-	-	-	-		
23	4231	ADVERTISING	501	-	543	-	-	-	-	-		
24	4232	SUBSCRIPTIONS	130	-	-	-	-	-	-	-		
25	4244	LEGAL	6,242	-	16,321	-	-	-	-	-		
26	4249	PROFESSIONAL SVC-OTHER	26,424	50,000	31,671	65,000	65,000	66,300	-	66,300		
27	4267	CONTR SVC-TRASH COLLECT	1,998,678	2,034,200	2,041,606	2,034,200	2,469,000	2,543,000	-	2,543,000		
28	4268	CONTR SVC-TRASH DISPOSAL	875,144	936,230	754,581	869,657	871,214	897,310	-	897,310		
29	4271	MILEAGE REIMBT - AUTO	-	-	-	-	-	-	-	-		
30	4279	TRAVEL & MEETING EXPENSE	-	-	-	-	3,100	1,950	-	1,950		
31	4311	FOOD & CLOTHING	-	-	101	-	-	-	-	-		
32	4327	MINOR TOOLS & EQUIPMENT	-	-	97	-	-	-	-	-		
33	4329	OFFICE SUPPLIES-OTHER	-	-	1,354	-	-	-	-	-		
34	4332	JANITORIAL SUPPLIES	-	-	-	-	11,000	-	-	-		
35	4334	ROCK ASPHALT SAND ETC	-	-	-	15,000	900	13,350	-	13,350		
36	4432	UNCOLLECTIBLE ACCOUNTS	5,963	3,000	2,097	3,000	3,000	3,060	-	3,060		
37	4441	MISCELLANEOUS EXPENSE	-	-	-	-	-	-	-	-		
38	5819	VEHICLES - OTHER	-	-	-	-	153,625	153,625	-	153,625		
39	5822	TECHNOLOGY CHARGES	9,530	11,789	11,789	12,277	11,627	11,627	-	11,627		
40	5826	RETIREE BENEFIT CHARGES	2,394	3,220	3,220	3,376	4,088	4,169	-	4,169		
41	5827	GENERAL LIABILITY CHG	5,202	7,547	7,547	8,932	8,505	8,788	-	8,788		
42	5828	INDIRECT OVERHD-CITYWIDE	39,700	48,800	48,800	51,790	61,940	63,520	-	63,520		
43	Additional Organic Recycling Hauling Fee									487,740	\$	487,740 B
45	TOTAL EXPENSES		\$ 3,153,782	\$ 3,316,644	\$ 3,152,018	\$ 3,416,322	\$ 3,939,182	\$ 4,061,390	\$ 443,536	\$	4,504,926	
47	Revenues											
48	3621	REFUSE COLLECTION	\$ 2,923,934	\$ 3,092,375	\$ 3,053,833	\$ 2,989,637	\$ 3,643,000	\$ 3,760,000		\$	3,760,000	
49	TOTAL REVENUES		\$ 2,923,934	\$ 3,092,375	\$ 3,053,833	\$ 2,989,637	\$ 3,643,000	\$ 3,760,000	\$ -	\$	3,760,000	
50												
51	Over/Under Recovery		\$ (229,848)	\$ (224,269)	\$ (98,185)	\$ (426,685)	\$ (296,182)	\$ (301,390)		\$	(744,926)	

Notes:

- A Adjustments were made to remove the portion of expense that is used to fund commercial solid waste collection, which according to City staff is 15% of salary expenses.
- B Additional organic recycling hauling cost per Republic cost proposal 8.14.24 set at \$3.61 per household per month.
\$3.61 x 11,259 customers x 12 months = \$487,740

City of Brea
Solid Waste Cost of Service
Contracted Rates

Line No.		FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	Notes
1	Monthly Billed Rate					
2	Net to Hauler	\$ 14.75	\$ 15.95	\$ 16.76	\$ 16.68	A
3	Tonnage Fees	6.57	6.19	6.14	7.16	A
4	Less Recycling Credit	(0.25)	(0.33)	(0.29)	(0.29)	A
5	Franchise Fee	2.04	2.12	2.20	2.29	A
6	Public Works/Utility Billing	1.27	1.35	1.65	1.96	A
7	Total	\$ 24.38	\$ 25.28	\$ 26.46	\$ 27.80	A
8	Additional Fees					
9	Additional Trash Cart (\$/month)	\$ 11.74	\$ 12.24	\$ 12.54	\$ 13.15	A
10	Cost of Service					
11	FY 2024 - 2025				\$ 4,504,926	B
12	Customer Count					
13	Residential Customers	11,219	11,276	11,234	11,259	C
14	Number of Households with add'l cart	523	555	561	646	C
15	Revenue from Rates					
16	Est. Solid Waste Revenue (Standard Service)				\$ 3,756,002	D
17	Est. Additional Cart Revenue				101,939	E
18	Total (Annual)				\$ 3,857,941	
19	Over / Under				\$ (646,985)	F
20	Increase per Month to recover Additional Organic Recycling Hauling				\$ 3.61	I
21	Increase per Month required in Addition to Republic Increase				1.18	J
22	Increase per Month to Recover Cost of Service				\$ 4.79	G
23	Monthly Rate to Recover the Cost of Service				\$ 32.59	H

Notes:

- A** Rate components as itemized in City's Finance Committee Memorandums dated May 12, 2020, May 11, 2021, May 9, 2023, and May 2024 which were provided as part of the data request.
- B** The cost of service calculated per NewGen based on the FY 2024 - 2025 Budget and adjustments, as noted in Schedule 1.
- C** Per Republic memo 8.14.
- D** Calculated by multiplying the Number of Residential Customers (Line 13) by the monthly fee (Line 7) for a year (12 months):
 $11,259 \times \$27.80 \times 12 = \$3,756,002$
- E** Calculated by multiplying the Number of Households with an Additional Trash Cart (Line 14) by the monthly fee (Line 9) for a year (12 months):
 $646 \times \$13.15 \times 12 = \$101,939$
- F** The Variance between the FY 2024 - 2025 Cost of Service (Line 11) and the Estimated Revenue Generated from Rates (Line 18):
 $\$3,857,941 - \$4,504,926 = -\$646,985$.
- G** Calculated by dividing the Variance (Line 19) by the number of Residential Customers (Line 13) divided by 12 months.
 $\$646,985 / 11,259 \text{ customers} / 12 \text{ months} = \4.79
- H** The required rate of \$32.59 per month is calculated by adding the amount needed to increase the billed rate per month to recover the total Cost of Service (Line 22) to the current Monthly Billed Rate (Line 7).
 Monthly Rate to Recover the Cost of Service = $\$27.80 + \$4.79 = \$32.59$
- I** From Republic Memo 8.14. Increase includes Franchise Fee.
- J** The remaining shortfall required to be recovered for FY 2024 - 2025 after including a \$3.61 per month increase

Combined Resolution- approving agreement and rates

RESOLUTION NO. 2025-_____

A RESOLUTION OF THE BREA CITY COUNCIL APPROVING ADJUSTMENTS TO THE SOLID WASTE AND RECYCLING SERVICE RATES; APPROVING A SECOND AMENDED AND RESTATED FRANCHISE AGREEMENT WITH REPUBLIC WASTE SERVICES OF SOUTHERN CALIFORNIA, LLC; MAKING A DETERMINATION OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND TAKING RELATED ACTIONS

A. RECITALS:

(i) By enactment of the California Integrated Waste Management Act of 1989 (Public Resources Code Section 40000 et seq.), the Legislature has declared that it is in the public interest to require local agencies to make adequate provision for solid waste handling within their respective jurisdictions to meet the statute's objectives.

(ii) Pursuant to Public Resources Code Sections 40059 and 49300, and pursuant to Brea City Code Sections 8.28.030 and 8.28.070, the City is authorized to grant a qualified solid waste enterprise an exclusive franchise for the collection, transportation, recycling, composting and disposal of solid waste ("Solid Waste Services").

(iii) The City and Republic Waste Services of Southern California, LLC ("Brea Disposal") (successor to Taormina Industries, LLC) are parties to a September 3, 2002 Restated and Amended Agreement for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("2002 Franchise Agreement").

(iv) The City and Brea Disposal have supplemented the 2002 Franchise Agreement by executing a November 19, 2019 Commercial Organics Recycling Program Agreement ("2019 CORP Agreement"), and have amended the 2002 Franchise Agreement by executing a January 21, 2020 Amendment No. 1 to Restated and Amended Agreement for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("2020 Amendment").

(v) The 2002 Franchise Agreement, as amended by the 2020 Amendment, is referred to herein as the "Current Agreement."

(vi) Senate Bill 1383 (2016) and implementing California Department of Resources Recycling and Recovery ("CalRecycle") regulations (collectively, "SB 1383") require jurisdictions to provide organic waste collection services to all solid waste generators, and, in connection therewith, meet processing facility requirements, conduct contamination monitoring, provide education, maintain records, submit reports, monitor compliance, conduct enforcement, and fulfill other mandates.

(vii) Brea Disposal represents and warrants to the City that it has the experience, responsibility, and qualifications to perform services required by SB 1383.

(viii) The City and Brea Disposal have negotiated in good faith a Second Amended and Restated Franchise Agreement (“2025 Franchise Agreement”), a copy of which is attached to the staff report for this item and on file in the office of the City Clerk, that amends and restates the Current Agreement, incorporates provisions of the 2019 CORP Agreement, and memorializes the rights and obligations of the City and Brea Disposal in a single document that facilitates implementation of new programs mandated by SB 1383.

(ix) Implementing the new programs mandated by SB 1383 will result in additional costs being incurred by Brea Disposal, and Brea Disposal has requested the City Council to approve adjustments to the solid waste and recycling service rates for all Brea solid waste customers.

(x) In accordance with the requirements of Section 6 of Article XIII D of the California Constitution (also known as Proposition 218) and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 et seq.), the City identified the parcels which receive Solid Waste Services (the “Identified Parcels”), calculated the proposed adjustments to the solid waste and recycling service rates for the Identified Parcels (the “Proposed Rate Adjustments”), and provided written notice by mail of the time and place of a public hearing by the City Council on the Proposed Rate Adjustments to the record owner of each Identified Parcel and any tenant directly responsible for the payment of the solid waste and recycling service rates.

(xi) The City Council held a public hearing on the Proposed Rate Adjustments on February 4, 2025, and, prior to the conclusion of the public hearing, any owner of an Identified Parcel and any tenant directly responsible for the payment of the solid waste and recycling service rates was allowed to submit a written protest against the Proposed Rate Adjustments, provided that only one written protest per parcel, filed by an owner of the parcel or a tenant, shall be counted in calculating whether there is a majority protest against the Proposed Rate Adjustments.

(xii) At the public hearing, the City Council considered all oral testimony, written materials, and written protests concerning the Proposed Rate Adjustments, and at the close of the public hearing, the City Council determined that there were not written protests against the Proposed Rate Adjustments submitted (and not withdrawn) representing a majority of the Identified Parcels, and, therefore, there was not a majority protest filed against the Proposed Rate Adjustments.

(xiii) In order to protect the public health, safety, and well-being, the City Council now desires to approve the 2025 Franchise Agreement and the Proposed Rate Adjustments.

(xiv) Health and Safety Code Section 5471 authorizes the City Council, by a two-thirds vote of its members, to approve the Proposed Rate Adjustments by resolution.

(xv) The solid waste and recycling service rates, as adjusted by the Proposed Rate Adjustments (the “Initial Maximum Rates”), are set forth in Exhibit D to the 2025 Franchise Agreement and Exhibit A to this Resolution.

Resolution No. 2025-_____

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B. RESOLUTION:

NOW, THEREFORE, it is found, determined and resolved by the Brea City Council as follows:

1. The facts set forth in the Recitals are true and correct.
2. The City Council finds and determines that approval of the 2025 Franchise Agreement and the Proposed Rate Adjustments is exempt from California Environmental Quality Act ("CEQA") review pursuant to statutory and categorical exemptions including those set forth at California Code of Regulations Title 14, Sections 15061(b)(3), 15273(a), 15301, and 15308. Development and implementation of the amended organic waste collection services pursuant to the 2025 Agreement is a requirement of SB 1383 and CalRecycle, and is exempt from CEQA because it is an action pursuant to a regulatory requirement to assure the protection of the environment and involves procedures for protection of the environment. Furthermore, the amended organic waste collection services apply to the City's existing volume of generated solid waste where there is no expansion of use. The Proposed Rate Adjustments are necessary to meet operating expenses of the organic waste collection program. These approvals additionally are exempt pursuant to the general rule that CEQA applies only to projects that have the potential to cause a significant effect on the environment.
3. The City Council finds that the public health, safety, and well-being require Solid Waste Services to be provided pursuant to an exclusive franchise agreement. The proposed 2025 Franchise Agreement with Brea Disposal, in substantially the form attached to the staff report for this item and on file in the office of the City Clerk, is approved. The Mayor is authorized to and shall execute the 2025 Franchise Agreement subject to any clerical or otherwise nonsubstantive revisions deemed necessary or appropriate by the City Attorney.
4. The City Council approves the Initial Maximum Rates, which are for the rate period ending June 30, 2025. The Initial Maximum Rates may be adjusted for inflation in accordance with the methodology and formulas set forth in the 2025 Franchise Agreement on July 1, 2025, July 1, 2026, July 1, 2027, and July 1, 2028, without the City holding additional public hearings pursuant to Proposition 218, provided that the City will provide, or cause to be provided, written notice each year to the record owners of parcels receiving Solid Waste Services and tenants who are directly responsible for paying the fee for Solid Waste Services at least 30 days in advance of each annual inflationary increase taking effect.
5. The City Manager is authorized to do all things necessary and proper to implement this resolution.
6. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this ____ day of _____, 2025.

ATTACHMENT C

Resolution No. 2025-_____

Page 4

Blair Stewart, Mayor

ATTEST:

Lillian Harris-Neal, City Clerk

Attachment: Exhibit A (Initial Maximum Rates)

SECOND AMENDED AND RESTATED FRANCHISE AGREEMENT

BETWEEN

CITY OF BREA

AND

REPUBLIC WASTE SERVICES OF SOUTHERN CALIFORNIA, LLC

DBA BREA DISPOSAL

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- O. City Non-Extension Notice

THIS SECOND AMENDED AND RESTATED FRANCHISE AGREEMENT ("Agreement") is dated March 18, 2025 for reference purposes and is executed by the CITY OF BREA ("City"), a California municipal corporation, and Republic Waste Services of Southern California, LLC ("Contractor"), a Delaware limited liability company (formerly known as Taormina Industries, LLC ("Taormina LLC")), which is a wholly owned subsidiary of Republic Services, Inc. and does business as Brea Disposal.

RECITALS

- A. City and Jaycox Disposal Company ("Jaycox") executed an April 1, 1986 Agreement for the Collection and Disposal of Refuse, Rubbish, Garbage and Waste Materials ("1986 Franchise Agreement"). The 1986 Franchise Agreement granted Jaycox an exclusive franchise for the picking up of trash, garbage, and construction debris.
- B. Taormina Industries Inc. ("Taormina Inc.") purchased Jaycox in 1988 and was assigned the 1986 Franchise Agreement.
- C. City and Taormina Inc. executed a December 19, 1989 Agreement for the Collection and Disposal of Refuse, Rubbish, Garbage and Waste Materials ("1989 Franchise Agreement"). The 1989 Franchise Agreement superseded the 1986 Franchise Agreement and granted Taormina Inc. an exclusive franchise for the collection, transportation, and disposal of refuse, recyclables, and construction debris.
- D. City and Taormina Inc. executed a July 16, 1996 Agreement Between the City of Brea and Taormina Industries Incorporated for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("1996 Franchise Agreement"). The 1996 Franchise Agreement superseded the 1989 Franchise Agreement and granted Taormina Inc. an exclusive franchise for the collection, transportation, and disposal of municipal solid waste, recyclables, green waste, and construction debris.
- E. City and Taormina Inc. executed a March 4, 1997 Amendment to Agreement ("1997 Amendment"). The 1997 Amendment amended the 1996 Franchise Agreement and memorialized City's approval of a sale and transfer of Taormina Inc. to Republic Industries Inc.
- F. Taormina Inc. and Taormina LLC executed a June 22, 1998 Agreement and Plan of Merger ("Merger"). The Merger provided for Taormina Inc.'s merger with and into Taormina LLC.
- G. City and Taormina LLC executed a September 3, 2002 Restated and Amended Agreement Between the City of Brea and Taormina Industries, LLC for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("2002 Franchise Agreement"). The 2002 Franchise Agreement superseded the 1996 Franchise Agreement and granted Taormina LLC an exclusive franchise for the collection, transportation, and disposal of municipal solid waste, recyclables, green waste, and construction debris.
- H. On July 3, 2008, Taormina LLC filed paperwork with the California Secretary of State to change its corporate name to Republic Waste Services of Southern California LLC.
- I. On December 10, 2018, City issued a Non-Extension Notice (a copy of which is set forth in Exhibit P) ending the automatic annual extension of the 2002 Franchise Agreement and setting a December 31, 2038 expiration date for such contract.
- J. City and Contractor executed a November 19, 2019 Commercial Organics Recycling Program Agreement ("2019 CORP Agreement"). The 2019 CORP Agreement supplemented the 2002

Franchise Agreement and provided for Contractor's implementation of a commercial organics recycling program in compliance with AB 1826 (2014).

- K. City and Contractor executed a January 21, 2020 Amendment No. 1 to Restated and Amended Agreement for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("2020 Amendment"). The 2020 Amendment amended the 2002 Franchise Agreement to: (i) increase the residential rate schedule based on green waste disposal cost at an Orange County landfill; (ii) grant City discretion to change the facility used for green waste disposal; and, (iii) provide for a further adjustment of the residential rate schedule in the event City exercises such discretion.
- L. The parties desire to amend and restate the 2002 Franchise Agreement (as amended by the 2020 Amendment), and to incorporate provisions of the 2019 CORP, in order to memorialize their respective rights and obligations in a single document that facilitates implementation of new programs mandated by state law.

NOW, THEREFORE, based upon the foregoing Recitals and for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

ARTICLE 1. INTRODUCTORY MATTERS

1.1 Definitions

Unless otherwise indicated or apparent from the context, the definitions set forth in the attached Exhibit A shall apply regardless of whether the defined term is capitalized. The meaning of terms not defined in Exhibit A shall be as commonly understood in the solid waste collection services industry.

1.2 Exhibits

The attached Exhibits A through 0 are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of an Exhibit, the provisions of this Agreement shall prevail.

1.3 Cross-References

Cross-references to "Article __", "Section __", "Paragraph __," or "Page __" refer to an Article, Section, Paragraph, or Page of this Agreement unless otherwise indicated or apparent from the context.

1.4 External References

References to a statutory code or legislative bill refer to California law unless otherwise indicated or apparent from the context. References to a statute, regulation, or ordinance shall be deemed to refer to the then-current version of the statute, regulation, or ordinance.

1.5 Rules of Construction

As the context may require, the singular tense includes the plural tense and vice versa; "shall" is mandatory and "may" is permissive; and "include," "includes," and "including" are illustrative and non-exhaustive.

1.6 City Manager Authority

The administration of this Agreement by City shall be under the supervision and direction of the City Manager. Unless otherwise stated, the City Manager is authorized to issue notices and grant approvals that may be allowed or required from City under this Agreement. City Council approval is required for amendments of this Agreement and for City's exercise of its extension option.

ARTICLE 2. CONTRACT PERIOD

2.1 Base Term

- A. Subject to satisfaction of the conditions precedent specified in Section 2.3 or waiver by City, this Agreement shall commence on _____, April 1, 2025 ("Effective Date") at 12:00 a.m.
- B. Unless extended or earlier terminated, this Agreement shall expire on December 31, 2038 at 11:59 p.m.
- C. **Commercial Organics Recycling Program Termination.** Notwithstanding any other provision of this Agreement, if there are changes to state law (including material amendment or repeal of SB 1383), or if there are technological advances that modify or eliminate the need for a commercial organics recycling program as currently structured, then City may terminate Contractor's SB 1383 commercial organics recycling program services upon 60 days' notice.
- D. **Evergreen Contract Invalidation Ruling.** Notwithstanding any other provision of this Agreement, if there is a binding federal or state published appellate court ruling upholding a constitutional amendment or statute that retroactively declares automatic contract renewal clauses to be invalid for all public agency contracts then in effect with a remaining term longer than 10 years, then City may terminate this Agreement upon 12 month's written notice. For purposes of this Paragraph, "binding" means a decision that is issued by the U.S. Supreme Court, the Ninth Circuit Court of Appeals, the California Supreme Court, or the California Court of Appeal and from which no further appeals may be taken or where further review is denied.

2.2 Extension Option

City shall have one option to extend the term of this Agreement on a month-to-month basis. To exercise this option, City shall give notice to Contractor on or before September 1, 2038. The extension period shall not exceed 36 months and may be terminated by City on 90 days' prior written notice without cause.

2.3 Conditions Precedent

Effectiveness of this Agreement is contingent upon satisfaction of the following conditions precedent unless waived by City.

- A. **Accuracy of Representations.** All representations and warranties made by Contractor set forth in this Agreement shall be accurate, true, and correct on and as of the Effective Date.
- B. **Furnishing of Insurance, Bond, Letter of Credit, and Corporate Guarantee.** Contractor shall have furnished evidence of the insurance and surety required by Sections 10.2 and 10.3, and shall have provided the Corporate Guarantee required by Exhibit G.

- C. **Absence of Litigation.** There is no actual or threatened litigation involving Contractor or Republic Services, Inc. that would do any of the following:
1. Adversely impact Contractor's performance of this Agreement.
 2. Make this Agreement invalid or unenforceable.
 3. Adversely impact the financial condition of Contractor, Republic Services, Inc., or any other entity guaranteeing Contractor's performance under this Agreement.
- D. **Permits Furnished.** Contractor has provided City with copies of permits necessary for operation of approved facilities owned or operated by Contractor or any subcontractor for use under this Agreement.
- E. **Payment of Fees and Costs.** Contractor has paid City all fees, costs, and other payments due as of the Effective Date.

ARTICLE 3. EXCLUSIVE FRANCHISE

3.1 Grant and Acceptance of Franchise

City grants to Contractor, and Contractor accepts, a wholly exclusive franchise for the scope of services specified in this Agreement. Such franchise is subject to the limitations specified in Section 3.2 and applicable law including Public Resources Code Section 49520.

3.2 Limitations to Franchise

- A. This franchise does not preclude the categories of recyclable materials, organic materials, solid waste, or other materials listed below from being delivered to, and collected and transported by, other persons. City may permit such activity without seeking or obtaining approval of Contractor.
1. **Recyclable and Organic Materials.** Other persons may: (1) accept source separated recyclable materials and source separated organic materials; or, (2) sell, in a commercial transaction, source separated recyclable materials and source separated organic materials provided that there is no net payment made by a generator to such a third person.
 2. **Self-Hauled Materials.** Using its own vehicles, equipment, and employees, a commercial business or residential owner may transport recyclable materials and organic materials for processing if those materials are generated in or on its own premises. Self-hauler must deliver any recyclable materials or organic materials to a permitted facility and have proof of transactions, such as weight tickets, to document any self-haul transaction in compliance with the City Code.
 3. **Construction and Demolition Debris (C&D).** Using its own vehicles, equipment, and employees, a duly licensed construction or demolition company may remove construction and demolition debris that is part of a total construction and demolition service offered by it.
 4. **Donated or Sold Materials.** A generator may sell or donate to youth, civic, or charitable organizations items that are source separated at the premises. Materials will not be deemed donated if they are collected by a non-franchised solid waste enterprise that is not a 501(c)(3) organization.

5. **Edible Food.** A food recovery organization, food recovery service, and other persons may collect edible food from a generator for the purposes of food recovery. Additionally, a generator may self-haul edible food to a food recovery organization, food recovery service, or other person for the purposes of food recovery. This category applies regardless of whether the generator donates, sells, or pays a fee to the other person for collection or receipt of the edible food.
6. **Food Scraps.** A generator may separate food scraps for use by the generator or distribution to other persons for animal feed in accordance with 14 CCR Section 18983.1(b)(7). Food scraps intended for animal feed may be self-hauled by a generator or hauled by another person.
7. **Beverage Containers.** Containers delivered for recycling under the California Beverage Container Recycling and Litter Reduction Act (Public Resources Code Section 14500 et seq.).
8. **Incidental Material Removal Services.** A gardener, landscaper, tree-trimming service, construction firm, residential clean-out service, or similar entity may remove recyclable materials, organic materials, solid waste, and bulky goods from a premises as an incidental part of a service being performed at the premises.
9. **On-site or Community Composting.** A generator may compost organic materials at the site where they are generated (e.g., backyard composting or on-site anaerobic digestion) or at a community composting site.
10. **Animal Waste, Grease, and Used Cooking Oil.** Animal waste and remains from slaughterhouses or butcher shops, grease, or used cooking oil.
11. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash, grit, and screenings.
12. **Excluded Waste.** Excluded waste regardless of its source.
13. **Materials Generated by Agency Facilities.** Materials generated by state, county, school district, or other public agency facilities provided that the generator has arranged services with other persons or has arranged services with Contractor through a separate agreement. School district services shall continue consistent with the practice under the 2002 Franchise Agreement. However, nothing in this Agreement will prevent the Brea Olinda Unified School District from contracting with Contractor separate from this Agreement.
14. **Manure.** A generator may contract with other persons for removal of manure from the premises. Contractor may provide customers whose premises are zoned in a manner authorizing equestrian or other large animals to be kept on site, and who so request, with containers for the collection of manure at rates that do not exceed the maximum rates set forth in Exhibit D.
15. **Agricultural or Industrial Sources.** The hauling of byproducts from agricultural or industrial sources in accordance with Public Resources Code Section 40059.4.
16. **Junk Removal.** Solid waste removed by cleanup services whose primary business is the cleanup of solid waste on the property of another person and, incidental to such business, where all of the following apply: (i) the cleanup service hauls only the solid waste that it is contracted to clean up and no other solid waste; (ii) performs onsite cleanup services that includes removing junk from commercial premises, garages, and residential premises as part of the overall cleanup service, but does not remove solid waste or construction and

demolition debris from construction and demolition sites; (iii) uses their own vehicle to haul the solid waste that is contracted for clean up; and, (iv) does not use a bin, roll-off box, or other container to accomplish the cleanup, collection, or transportation of the solid waste.

- B. If a law or court decision after the Effective Date limits City's ability to award a franchise for the scope of services and materials covered by this Agreement, then this Agreement shall be limited to those services and materials that lawfully may be included. City shall not be liable for any lost profits claimed by Contractor to result from new laws or court decisions.

3.3 Obligations of Parties

In addition to the specific performance required under this Agreement, the parties shall:

- A. Provide timely notice to one another of a perceived failure to perform any obligations under this Agreement and access to information demonstrating such failure.
- B. Provide timely access to the City Manager and the Contract Administrator in accordance with the terms of this Agreement.
- C. Provide complete and timely responses to requests of the other party.
- D. Provide timely notice of matters that may affect either party's ability to perform under the Agreement.

3.4 Prior Contracts

- A. Contractor waives any right or claim to serve City or any part of Brea under any prior grant of franchise, contract, license, or permit issued or granted by any governmental entity. This Agreement supersedes the 1986 Franchise Agreement, the 1989 Franchise Agreement, the 1996 Franchise Agreement (as amended by the 1997 Amendment), the 2002 Franchise Agreement (as amended by the 2020 Amendment), and the 2019 CORP Agreement. Subject to Paragraph B below, to the extent not already void all such contracts shall be of no further force or effect as of the Effective Date.
- B. This Section does not excuse any prior breach of, or liability arising under, the 2002 Franchise Agreement or the 2019 CORP Agreement; provided, however, that this Section does not allow either party to pursue a breach or liability claim that is barred by the statute of limitations. Nor does this Section relieve Contractor from such contracts' insurance obligations, indemnity obligations, and obligations that are designated as surviving expiration or termination.

3.5 Mutual Determinations

The parties jointly acknowledge that Public Resources Code Section 40059 authorizes City to determine whether the services covered by this Agreement will be provided by partially exclusive franchise, wholly exclusive franchise, or otherwise. The parties have mutually and independently determined that: (i) the exclusive franchise conferred by this Agreement provides Contractor a specific benefit or privilege that is not provided to other persons; and, (ii) the fees and charges imposed on Contractor by this Agreement do not exceed the reasonable costs to City of conferring such benefit or granting such privilege. The parties also have mutually and independently determined that this Agreement imposes fees and charges on Contractor for the use of City property, negotiated at arm's length.

ARTICLE 4. SCOPE OF AGREEMENT

4.1 Summary Scope of Services

- A. This Agreement applies to recyclable materials, organic materials, and solid waste collected by Contractor within Brea. Contractor shall be responsible for the following:
1. Providing a program for the separate collection of recyclable materials, organic materials, and solid waste generated by and placed for collection by customers.
 2. Transporting collected materials to the appropriate approved facilities or designated disposal facilities.
 3. Processing collected recyclable materials and organic materials at the appropriate approved facilities.
 4. Performing all other services required by this Agreement including commercial customer billing, public education, customer service, contamination monitoring, record keeping, and reporting.
 5. Furnishing all labor, supervision, vehicles, containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement.
 6. Paying all expenses related to provision of the services including taxes, regulatory fees (including City fees and reimbursements), and utilities.
 7. Performing or providing all services necessary to fulfill its obligations in full accordance with this Agreement at all times using best industry practice for comparable operations.
 8. Complying with applicable laws.
- B. The enumeration and specification of particular aspects of service, labor, or equipment requirements shall not relieve Contractor of the duty to perform all other tasks and activities necessary to fulfill its obligations under this Agreement, regardless of whether such requirements are enumerated elsewhere in the Agreement.

4.2 Flow Control Option

- A. **Solid Waste Disposal Flow Control Option.** City shall have the absolute right to choose the location for the delivery and disposal of all solid waste destined for landfill collected pursuant to this Agreement ("Flow Control Option"). Contractor waives the right to challenge City's ability to do so including any rights under the Commerce Clause of the United States Constitution. As used herein, "County Agreement" means that certain waste disposal agreement, as the same may be amended from time to time, entered into among various County municipalities, including specifically City and the County relating to the use of County landfills for the disposal of solid waste collected in such municipalities, and which is on file in the office of City's City Clerk. Exhibit K contains the County waste disposal agreement, which was current as of the Effective Date. As of the Effective Date, City shall be deemed to have exercised its Flow Control Option so as to require delivery of all solid waste to the County landfill system in a manner consistent with its obligations under the County Agreement (including its obligations related to solid waste that is delivered to a processing/transfer facility prior to being delivered to a landfill for disposal), and Contractor has agreed to handle all solid waste in a manner consistent with City's exercise of its Flow Control Option. At any time City

may notify Contractor that City no longer desires to exercise its Flow Control Option. In such event, Contractor shall have the absolute discretion to utilize any disposal facility, transfer station, recycling facility, material recovery facility, landfill, or other facility of its choosing to dispose of solid waste generated within Brea provided that the use of such facility by Contractor enables it to meet all other requirements of this Agreement and applicable law.

B. Organic Materials.

1. Residential Organic Materials.

- a. Contractor will deliver residential source separated organic materials collected from City's residential customers to the approved organic materials processing facilities included in Exhibit L.
- b. City shall retain the right to choose the location for the delivery of residential source separated organic materials, and that the rate paid by the customer will be reduced or increased accordingly if the transfer, transportation, and processing costs of using such facility are lower or higher than the costs of using the approved organic materials processing facilities included in Exhibit L. The parties acknowledge and agree that the designated facilities in Exhibit L are approved at the time of entering into this Agreement and that Contractor's rates are premised on the use of the designated facilities as set forth in Exhibit L.
- c. The current residential contractor rates to divert residential organic materials are based on the organic materials transfer, transportation, and processing cost of \$136.98 per ton as documented in Exhibit M. The total cost of \$136.98 is based on transfer, transportation, and processing costs per ton originating at the approved transfer facility [CVT Facility] for the approved organic materials processing facilities to process residential organic materials as shown in Exhibit L.
- d. Contractor will notify City in connection with Contractor's regular annual rate adjustment effective July 1 of each year if a lower cost option becomes available to divert the residential organic materials to initiate a cost reduction to City's residential customers. Additionally, at any time, City can notify Contractor of the availability of a lower cost option to divert the residential organic materials to initiate a cost reduction to City's residential customers.

2. Commercial Organics Materials. ~~Contractor~~City shall have the absolute right to choose the location for the delivery and processing of source separated organic materials generated at multi-family or commercial premises collected pursuant to this Agreement to the approved organic processing facilities included in Exhibit L. As of the Effective Date, Contractor shall deliver collected multi-family and commercial organic materials to the approved organics materials processing facilities listed in Exhibit L.

- a. Contractor will deliver multi-family or commercial source separated organic materials collected from City's multi-family or commercial customers to the approved organic materials processing facilities included in Exhibit L.
- b. The current multi-family and commercial contractor rates to divert multi-family and commercial organic materials are based on the organic materials transfer, transportation, and processing cost of \$136.98 per ton as documented in Exhibit M. The total cost of \$136.98 is based on transfer, transportation, and processing costs per ton originating at the approved transfer facility [CVT Facility] for the approved organic

materials processing facilities to process multi-family and commercial organic materials as shown in Exhibit L.

c. Contractor will notify City in connection with Contractor's regular annual rate adjustment effective July 1 of each year if a lower cost option becomes available to divert the multi-family and commercial organic materials to initiate a cost reduction to City's multi-family and commercial customers. Additionally, at any time, City can notify Contractor of the availability of a lower cost option to divert the multi-family and commercial organic materials to initiate a cost reduction to City's multi-family and commercial customers.

- C. **Recyclable Materials.** Contractor shall have the absolute right to choose the location for the delivery and processing of all source separated recyclable materials collected pursuant to this Agreement to the approved recyclable materials processing facilities included in Exhibit L. As of the Effective Date, Contractor shall deliver collected recyclable materials to the approved recyclable materials processing facilities listed in Exhibit L.
- D. **County Agreement.** Contractor expressly acknowledges its awareness of the County Agreement, which has been adopted and entered into by City. Moreover, Contractor acknowledges that it is aware that all solid waste collected within Brea is to be disposed of in the County landfill system. Contractor further acknowledges that the County is an intended third-party beneficiary of Contractor's obligations relating in any way to the disposal of solid waste pursuant to this Agreement and the County Agreement.

4.3 Use of Approved and Designated Facilities

Contractor, without constraint and as a free-market business decision in accepting this Agreement, agrees to use the approved and designated facilities for the purposes of transferring, processing, and disposal of all recyclable materials, organic materials, and other materials collected in Brea.

4.4 Subcontracting

Contractor shall not engage any subcontractors for collection, transportation, or processing of recyclable materials, organic materials, or solid waste services without the prior written consent of City, which consent shall not be unreasonably withheld. If Contractor plans to engage subcontractors in the provision of services, Contractor shall provide City with 30 days' written notification of its plans and provide an explanation of any potential impacts related to the quality, timeliness, or cost of providing services. Contractor shall require that all subcontractors comply with the insurance provisions in this Agreement, file insurance endorsements with City, name City as an additional insured, and comply with all other material terms of this Agreement.

4.5 Responsibility for Materials

- A. Once recyclable materials, organic materials, or solid waste are placed in Contractor's containers and at the collection location, the responsibility for their proper handling shall transfer from the generator to Contractor, with the exception of excluded waste that is identified and responded to pursuant to Section 6.8.B. Once recyclable materials, organic materials, or solid waste are deposited by Contractor at the appropriate approved facility, such materials shall become the responsibility of the owner or operator of the approved facility except for excluded waste pursuant to Section 6.8.C.

- B. Title to and liability for excluded waste shall at no time pass to Contractor. If excluded waste is discovered before it is collected by Contractor, Contractor may refuse to collect the entire container that contains the excluded waste. In such situations, Contractor shall contact City and City shall promptly undertake appropriate action to ensure that such excluded waste is removed and properly disposed of by the depositor or generator of the excluded waste. In the event excluded waste is present but not discovered until after it has been collected by Contractor, Contractor may, in its sole discretion, remove, transport, and dispose of such excluded waste at a facility authorized to accept such excluded waste in accordance with applicable law and charge the depositor or generator of such excluded waste for all direct and indirect costs incurred due to the removal, remediation, handling, transportation, delivery, and disposal of such excluded waste. City shall provide all reasonable assistance to Contractor to conduct an investigation to determine the identity of the depositor or generator of the excluded waste and to collect the costs incurred by Contractor in connection with such excluded waste.

4.6 City-Directed Changes to Scope

- A. City may require a proposal from Contractor to establish the scope of any modification to existing services (which may include use of approved facilities) or additional services to be provided under this Agreement. In such case, Contractor shall present, within 30 calendar days of City's request unless an alternate schedule is mutually agreed-upon, a written proposal to provide such modified or additional services. City shall review Contractor's proposal for the change in scope of services. The parties may meet and confer to negotiate Contractor's proposed revisions and costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-upon changes in scope. If the parties are unable to agree on terms and conditions within 180 calendar days from City's receipt of Contractor's proposal for such services, then City may permit other persons to provide such services. Nothing herein shall prevent City from soliciting cost and operating information from other persons in order to inform the evaluation of Contractor's proposal.
- B. Upon CalRecycle's final adoption of regulations to implement SB 54, the parties shall meet and confer in good faith to negotiate revisions to Contractor's services and costs that are necessary or appropriate to ensure compliance with such regulations. The final adoption of SB 54 regulations by CalRecycle, with approval by the Office of Administrative Law ("OAL"), shall be considered a change in law in this Agreement.

ARTICLE 5. SCOPE OF SERVICES

5.1 Recyclable and Organic Materials

- A. **Collection.** Contractor shall provide recyclable materials and organic materials collection services as described in Exhibit B.
- B. **Transfer.** Contractor shall transport recyclable materials and organic materials to the approved transfer facility where the materials will be unloaded from collection vehicles, loaded into large-capacity vehicles, and transported to the approved processing facilities. Contractor shall keep all permits necessary for use of the approved transfer facility in full regulatory compliance. Upon request, Contractor shall provide City with copies of facility permits and/or notices of violations (obtained from its transfer facility subcontractor if necessary). If Contractor is unable to use the approved transfer facility, then Contractor shall be responsible for making other transportation

arrangements. In such event, Contractor shall not be compensated for any additional costs. Contractor shall obtain written approval from City prior to changing the transfer method.

- C. **Processing.** Contractor shall transport and deliver customer-generated source separated recyclable materials to the approved recyclable materials processing facility. Contractor shall transport and deliver customer-generated source separated organic materials to the approved organic materials processing facility. All tipping fees and other costs associated with transportation and processing of such materials at the approved processing facilities and disposing of the residue shall be paid by Contractor.
- D. **Capacity Guarantee.** Contractor guarantees sufficient capacity at the approved processing facilities to process all source separated recyclable materials and organic materials collected by Contractor under this Agreement throughout the term of the Agreement; provided, however, that Contractor makes no guaranty with respect to the capacity of any County facilities to the extent organic materials are handled at County facilities.
- E. **Notification of Emergency Conditions.** Within 48 hours of discovery, Contractor shall notify City whenever (i) any unforeseen operational restrictions have been imposed upon an approved facility or the designated disposal facility by a regulatory agency; or, (ii) any unforeseen equipment or operational failure temporarily prevents the facility from processing the discarded materials collected under this Agreement.
- F. **Approved Facility Unavailable/Use of Alternative Facility.**
 - 1. If Contractor is unable to use an approved processing facility due to an event specified in Section 12.7, Contractor shall use an alternative processing facility provided that Contractor provides written notice to City. Within 48 hours of an emergency or sudden and unforeseen closure, Contractor shall provide a written description of the reasons the use of the approved processing facility is not feasible and the period of time Contractor proposes to use the alternative processing facility. Such a change in processing facility shall be temporarily permitted until such time as City is able to consider and respond to the use of the proposed alternative processing facility. If the use of the proposed alternative processing facility is anticipated to or actually does exceed 30 days in a consecutive 12-month period, the use of such processing facility shall be subject to approval by City. City may approve, conditionally approve, temporarily approve, or disapprove of the use of the proposed alternative processing facility. If City disapproves the use of the proposed alternative processing facility, the parties shall meet and confer to determine an acceptable processing facility.
 - 2. If the use of an alternative processing facility is for reasons within Contractor's control, then Contractor's compensation shall not be adjusted for any change in transportation and processing costs associated with use of the alternative processing facility. However, if the use of an alternative processing facility is due to an uncontrollable circumstance, including events of force majeure, then Contractor's compensation shall be increased or decreased for changes in transportation and processing costs associated with the use of the alternative processing facility. In the event that the change in the processing facility results in increased costs, City may identify and direct Contractor to an alternative processing facility, at Contractor's expense, that results in less cost than the Contractor-identified alternative.
 - 3. Except for the emergency conditions described in this Section, Contractor shall not change its selection of the approved processing facilities without City's written approval, which may not be unreasonably withheld. If Contractor elects to use a processing facility that is different than the initial approved processing facilities, it shall request written approval from City 30

calendar days prior to use of the site and obtain such approval no later than 10 calendar days prior to use of the site. Failure to meet the requirements of this Section may result in liquidated damages in accordance with Section 12.6 of this Agreement.

4. Contractor shall observe and comply with all regulations in effect at the approved processing facilities and cooperate with respect to delivery of recyclable materials and organic materials. Contractor shall actively work with the approved processing facility operators to ensure that contamination of the recyclable materials and organic materials remains below the limits established by applicable law including SB 1383.
- G. **Marketing.** Contractor shall be responsible for marketing recyclable materials and organic materials that it collects and delivers for processing at the approved processing facilities. Contractor's marketing strategy shall promote the highest and best use of materials presented in the waste management hierarchy in accordance with AB 939. Where practical, the marketing strategy shall include use of local markets for recyclable materials and organic materials.
- H. **Residue Disposal.** Residue from the processing of recyclable materials and organic materials collected under this Agreement at the approved processing facilities that cannot be marketed shall be disposed of by Contractor or the processing facility subcontractor. Residue delivered for disposal shall not include any excluded waste.
- I. **Compostable Plastics.** Contractor may allow customers to place compostable plastics in the organic materials container for collection. Contractor may collect and transport such materials for processing at the approved organic materials processing facility. Within 10 calendar days of the Effective Date, and annually thereafter, Contractor shall provide a written notification to City confirming that the facility has the capability to process and recover the compostable plastics. Contractor shall not revoke this confirmation at any time. If Contractor does not submit such notification, or if at any time the approved organic materials processing facility can no longer accept and process compostable plastics, then City may assess liquidated damages in accordance with Section 12.6. Contractor shall notify City within seven days of the facility's inability to accept the compostable plastics. The notification shall, at a minimum, include: the date and a description of the reasons that the facility is not able to process and recover the compostable plastics; the period of time the facility will not process and recover these materials; and, Contractor's proposed plan to find an alternative facility or arrangement to process the compostable plastics, subject to City approval. Upon execution of this Agreement, City may prohibit or restrict the use of compostable plastics, with a six month notice to Contractor. This shall not constitute a City-directed change in scope or change in law.

5.2 Solid Waste

- A. Contractor shall offer and provide solid waste collection services as described in Exhibit B.
- B. Contractor acknowledges that City is committed to diverting materials from disposal through the implementation of source reduction, reuse, recycling, composting, and other programs, and that City may implement new programs other than discarded materials collection programs. Examples of new programs City may implement include reuse programs, drop-off programs, community composting, and other diversion programs, with or without the involvement of Contractor, that may impact the overall quantity or composition of solid waste to be collected by Contractor. Contractor shall not be entitled to any compensation or other relief resulting from a decline in solid waste volumes or tonnage or from a change in the composition of solid waste.

- C. Contractor shall transport all solid waste to the designated disposal facility. Contractor shall pay all costs associated with transportation and disposal of solid waste including payment of any gate fees charged at the designated disposal facility. Contractor shall observe and comply with all regulations and posted rules in effect at the designated disposal facility and cooperate with respect to delivery of solid waste.

5.3 Miscellaneous Service Provisions

5.3.1 Bin Pullout Service

- A. Upon customer request and approval by the City Manager, Contractor shall provide bin pullout service in accordance with the approved rate schedule, whereby Contractor will access bins using a small vehicle either to move bins to street or other public right-of-way for collection or retrieve a bin when operationally required in order to safely position the bin for collection. Pullout service charge shall only be assessed for bins and not assessed for carts. In the event of a dispute between Contractor and a customer as to whether bin pullout service will be used, City will make the final determination.
- B. Customers requiring bin pushout service shall only be charged for bin pullout service in accordance with the approved rate schedule.
- C. If Contractor must place a container in the public right-of-way to facilitate collection, Contractor shall not permit the bin to remain in the public right-of-way over four hours. City and Contractor will annually review the customer list that identifies areas of high traffic where bins cannot remain in the public right-of-way for more than two hours, and City will make the final determination for removing or placing customers on the list. If the bin is stored under a chute for collection, the customer shall have a spare or standby bin to be in place while the primary bin is being serviced in the event the chute cannot be closed to prevent discarded materials from spilling.
- D. Any changes to the customer bin pullout service list shall be approved by City prior to Contractor adding or removing this service for any customer.

5.3.2 Container Over-Filling

- A. A container may be considered overfilled when discarded materials project above its rim in a manner that impedes the complete closure of the container's lid and/or when discarded materials are placed outside the container or allowed to accumulate, making access to the container unsafe for collection.
- B. In the event that a multi-family premise or bin commercial customer overfills its bin(s), Contractor shall implement the following procedures in an effort to correct the problem, charge customer in accordance with the approved rate schedule, and, if necessary, increase service levels. For any over-fill occurrences, Contractor shall document occurrence with a photograph. Contractor shall send a notification to the customer, including a photograph of the overage, and a statement advising of service alternatives including right-sizing opportunities, as well as notify the customer of an overflow charge and of a possible increase in service level and the related costs. Notification of over-fill can occur via e-mail, invoice statement, or other City approved method. Contractor shall document the location of the encountered overage, a photograph, as well as the outreach material provided to the customer. Contractor shall provide this information to City upon request.

~~C. Effective July 1, 2026, Contractor may charge commercial, multi-family, and industrial customers for bin overage special services a per occurrence charge of \$65.00 in accordance with Paragraph B above. Beginning with rate period three (July 1, 2027 to June 30, 2028) and for all subsequent rate~~

~~periods, Contractor may make an inflationary adjustment to the per-occurrence charge for bin coverage special services for commercial, multi-family, and industrial customers, subject to review and approval by City in accordance with Article 9.~~

5.4 Bulky Goods and Reusable Materials

Contractor shall offer bulky goods and reusable materials collection services as described in Exhibit B. On-call bulky goods and reusable materials collection services shall be offered to customers within a reasonable time but not longer than seven calendar days of Contractor's receipt of such a request for service. Contractor shall make reasonable efforts to schedule on-call bulky goods and reusable materials collections on a day that is convenient to the customer. Contractor shall transport all bulky goods or reusable materials to the approved reusable materials processing facility. Contractor shall pay all costs associated with transporting and processing bulky goods and reusable materials. Contractor shall observe and comply with all regulations in effect at the approved reusable materials processing facility and cooperate with respect to delivery of bulky goods and reusable materials.

5.5 City Sponsored Events

- A. Contractor shall provide recyclable materials, organic materials, and solid waste collection services to City-sponsored events at no cost to the event organizer or City. City shall provide Contractor with a minimum of 10 business days' notice prior to any City-sponsored event where Contractor is requested to provide collection services. Special event services include all of the following.
1. **Event Collection Stations.** Contractor shall provide and set-up event collection stations for collection of recyclable materials, organic materials, and solid waste at City-sponsored events. Each event collection station shall include a separate collection area for recyclable materials, organic materials, and solid waste, as appropriate. Contractor shall provide a sufficient number of event collection stations of sufficient capacity to meet the needs of the event as determined by Contractor in cooperation with City and the event organizer. Collection stations shall utilize cardboard boxes for solid waste and recyclable materials and shall use carts for organic materials unless alternative containers are approved by City. Contractor shall provide liners/bags for the containers at the collection stations. Collection stations shall include adequate signs and labeling.
 2. **Roll-Off Boxes.** Upon request, Contractor shall provide up to eight containers annually (or monthly) for the aggregation of material removed from event collection stations during the course of the event. Contractor shall provide containers in sufficient number of appropriate types, subject to the cap, for the needs of the event as determined by Contractor in cooperation with City and the event organizer. Contractor shall service containers, as agreed-upon with City and the event organizer, and deliver collected materials to the appropriate approved facility for processing and disposal.
 3. **Public Education Booth.** Upon request of either City or the event organizer, Contractor shall staff a booth or exhibit at the event for the purpose of educating the public about the services and programs provided by Contractor and the benefits of source reduction, reuse, recycling, and composting.
 4. **Reporting.** Within 14 calendar days of the end of the event, Contractor shall submit a report to City and the event organizer. The report shall include: the number of collection stations deployed at the event; the tonnage of each material type (i.e., recyclable materials, organic materials, and solid waste) collected; the landfilled and diverted tonnage from each stream;

the name and address of disposal site utilized; and, a description of the public education provided at the event. Weight receipts shall be made available to City upon request.

- B. Contractor may, at its sole discretion and expense, coordinate with local youth, community, or charitable organizations to provide some or all of the required services. Regardless of Contractor's use of such an organization, Contractor shall be responsible for ensuring that service is provided to the customer in a professional and timely manner.
- C. For special events that are not identified in Exhibit B4 or otherwise hosted or sponsored by City, Contractor shall provide the above-described special event services and may negotiate the charges for such services with the event organizer based on the specific needs of the event, or provide the services at its sole expense, at no cost to City or ratepayers.

5.6 Public Education and Outreach

- A. Contractor shall perform the public education and outreach activities specified in Exhibit C.
- B. **Program Objectives.** City's public education and outreach strategy shall focus on improving generator understanding of the benefits of, and opportunities for, source reduction, reuse, and landfill disposal reduction and supporting compliance with applicable laws including AB 939, AB 341, AB 1826, and SB 1383. Examples of goals of the City-provided public education and outreach program include: (i) informing generators about the services that are provided under this Agreement with specific focus on describing the methods and benefits of source reduction, reuse, recycling, and composting; (ii) instructing generators on the proper method for placing materials in containers for collection and setting containers out for collection, with specific focus on minimizing contamination of recyclable materials and organic materials; (iii) clearly defining excluded waste and educating generators about the hazards of such materials and their opportunities for proper handling; (iv) discouraging generators from buying products if the product and its packaging are not readily reusable, recyclable, or compostable; (v) informing generators subject to food recovery requirements under SB 1383 of their obligation to recover edible food and actions they can take to prevent the creation of food waste; (vi) encouraging the use of compost and recovered organic waste products; and, (vii) encouraging generators to purchase products/packaging made with recycled content materials. The cumulative intended effect of these efforts is to reduce generation of solid waste and, ultimately, disposal of solid waste by each generator. Contractor shall support and not undermine or interfere with such efforts.
- C. **Contractor Public Education Requirements.** Contractor shall print, produce, and distribute education materials and conduct outreach detailed in Exhibit C at no additional cost to ratepayers or City. Contractor shall obtain approval from City on all Contractor-provided promotional and service-related materials used within Brea before publication, distribution, or release. City shall have final approval of any materials or content distributed or made available to customers. Upon City's request, Contractor shall include City identification and contact information on such materials.
- D. **Non-English Language Requirements.** Contractor shall make all public education and outreach materials in English, Spanish, Korean, and Traditional Chinese. Contractor may use Quick Response ("QR") codes to assist customers with specific languages and for specific programs. Upon City's request, Contractor shall provide materials in additional languages in response to shifting demographics, changes in applicable law, or any other reason reasonably deemed appropriate by City.

5.7 Billing

5.7.1 General

- A. Contractor shall develop, maintain, and regularly update a customer account information database, which shall include:
 - 1. Customer name.
 - 2. Phone number.
 - 3. Service address.
 - 4. E-mail address.
 - 5. Customer service levels, including:
 - a. Customer service levels exceptions.
 - b. Customer service waivers.
- B. Contractor shall make access to such database available, upon no more than five working days' request from City, in accordance with this Section and Section 7.1. Contractor shall additionally, on an annual basis, reconcile all customer accounts with City's billing information (i.e., via GIS and parcel data). Failure to maintain a database in accordance with this Section shall result in liquidated damages in accordance with Section 12.6.
- C. Contractor shall provide direct-billed customers the option to receive invoices electronically using paperless invoices or by standard mail using standard (paper) invoices. Contractor shall allow customers to pay bills through an electronic check or credit card and shall include the ability for customer billings to be automatically charged on a recurring basis. Contractor shall prepare, mail, and collect bills from customers who decline to use such internet-based billing system. Contractor shall make arrangements to allow such customers to pay bills by check, electronic check, money order, and credit card.
- D. Up to once per month, City may direct Contractor to include a billing note directly onto the customer invoices. Contractor shall provide electronic bill inserts to customers who are billed electronically, and paper bill inserts to customers who receive paper bills. Electronic bill inserts must be readily available for the customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon City request for such attachments, Contractor shall comply with such request during its next billing cycle for the targeted customer group. Contractor shall perform this service with no additional requirement for compensation.
- E. Contractor shall maintain copies of all billings and receipts, each in chronological order for inspection and verification by City.
- F. If Contractor fails to invoice a customer, or otherwise undercharges a customer for services provided for more than six months, Contractor may not subsequently attempt to collect the undercharged amount for more than six months of service. If Contractor overcharges a customer for a period of more than six months, Contractor shall reimburse or credit the customer for six months of the overcharged service. Contractor is not prohibited from reimbursing or crediting a customer for more than six months of overcharges.
- G. If a customer reduces or cancels service during a billing cycle, the customer shall be entitled to a proration of the billing from the date that the service change was requested, in the case of

cancellations or reductions in the customer's bill, or the date the service change was fulfilled, in the case of increases in the customer's bill.

5.7.2 City's Billing Responsibility

- A. Contractor shall accept as full compensation from City for the complete collection and disposal of single-family waste, organic materials, and recyclable materials the amount specified in Exhibit D less the franchise fee specified in Section 8.1 below. City shall bill single-family customers. Such compensation for single-family services shall be based on the number of single-family customers in each residential category reflected in Exhibit D. The number of single-family customers shall be established by City as of the Effective Date and shall be reviewed monthly by the parties. In the event such a review results in an increase or decrease in the number of single-family customers, the subsequent payments to Contractor shall be adjusted accordingly.
- B. City shall pay Contractor for single-family disposal charges on or before the 20th of the month following the close of each month. City shall pay Contractor for single-family collection services on or before the 15th of the month following the close of each month. Separate checks for disposal charges and collection services shall be payable to Brea Disposal and shall be mailed or otherwise delivered as agreed to by City and Contractor to Accounting Manager, 1131 North Blue Gum Street, Anaheim, CA 92806.

5.7.3 Contractor's Billing Responsibility

Contractor shall direct bill customers that are not billed by City pursuant to Section 5.7.2 above (i.e., commercial customers, residential customers with bin service, and residential customers with five or more dwelling units). Contractor's billing shall be on a monthly basis, except as may be otherwise specified, in writing, by City. Contractor may charge the rates specified in Exhibit D for commercial and industrial services, as such rates may be amended from time to time pursuant to the provisions of Article 9 and any AB 939 fees imposed by City.

5.7.4 Vacant Premises

5.7.4.1 City Billed

Contractor shall discontinue service to customers billed by City if instructed to do so by City and will resume service upon instruction from City. Contractor shall not invoice City for periods during which service is not provided to a customer. Contractor shall cooperate with all reasonable requests of City that relate to the collection of accounts receivable. Bad debt from City-billed customers will be assumed by City.

5.7.4.2 Contractor Billed

Contractor shall not provide collection services to a premises, and shall not bill such premises, during any time when Contractor has actual notice such premises is vacant and the customer has provided Contractor written notice of the vacancy. The customer at any such premises shall be responsible for providing reasonable evidence to Contractor, pursuant to such guidelines as Contractor shall develop and City shall approve, demonstrating the premises is vacant. Any customer grievance regarding a claim that a premises was vacant and received no service, and hence should not be billed for a given period, may be appealed by the customer to City. The City Manager's decision, following an opportunity for the parties to present information, shall be final. It is the intent of the parties that Contractor shall not be entitled to charge for services that are not needed or used. Notwithstanding the foregoing, it is the intent of the parties that

premises shall not be deemed vacant due only to a temporary absence of the owner(s) or occupant(s), such as a period during which the owner(s) or occupant(s) are merely on vacation.

5.7.5 Delinquent Accounts

- A. **Customers Billed by City.** Residential customers billed directly by City with delinquent amounts will be handled in accordance with City's internal billing procedures for delinquent accounts.
- B. **Customers Billed by Contractor.**
1. Any service account unpaid by the due date listed on the billing statement shall be deemed delinquent. Except to the extent otherwise provided herein, it shall be the sole responsibility of Contractor to take any authorized measures to collect any delinquent sums owed for commercial customers.
 2. Any delinquent fees or service charges to be imposed in connection with delinquent accounts shall be set by Contractor and be subject to City review.
 3. Contractor may discontinue service to any customer whose account is delinquent in the manner set forth in this Section. Customers who have not remitted required payments within 30 days after the date of billing shall be notified on forms approved by City. Such forms shall contain a statement that services may be discontinued 15 days from the date of notice if payment is not made before that time. If payment is not made by the expiration of such 15-day period, Contractor may discontinue service 48 hours thereafter.
 4. Contractor shall resume collection services on the next regularly scheduled collection day for any customer whose service is discontinued upon receipt of payment of delinquent fees and any related service restart charges, or at such sooner time as directed to do so by City.
 5. A deposit as set forth in the approved rate schedule, as such rates may be amended from time to time, may be required of accounts that have been discontinued for non-payment prior to re-instituting service at such accounts.
 6. Contractor shall make all reasonable efforts to diligently pursue and collect all delinquent sums owed by customers. Following exhaustion of all such reasonable efforts by Contractor, Contractor may request City's assistance in collecting any remaining delinquent sums owed, and City shall endeavor, in good faith, to assist Contractor with its collection efforts. Notwithstanding the foregoing, City shall have no liability to Contractor for failure to collect any such delinquent sums from customers. Contractor shall reimburse City for any and all costs incurred by City in assisting Contractor in the collection of delinquent sums owed.

5.7.6 Collection and Processing of Payments.

- A. **Accounting and Deposit of Funds.** All payments received by Contractor shall be appropriately credited to customer accounts, deposited in a bank account, and accounted for in a businesslike manner utilizing generally accepted accounting principles. To facilitate audits and record keeping, Contractor shall make all withdrawals from its bank accounts by check, ACH debit/credit, or wire, regardless of whether the withdrawal is to provide funds to City, Contractor, or any permissible subcontractor, vendor, or supplier of Contractor.
- B. **Allocation of Funds.** With respect to payments received from each customer, unless a customer specifically directs a different allocation, funds shall be allocated first to outstanding charges for collection services, then to any related delinquency fees or other administrative charges, up to the

amount of any outstanding balance. Any overpayment shall be credited to future bills in the same sequence or returned to customers, as appropriate.

5.8 Customer Service Program

A. Program Requirements.

1. Office Locations.

- a. Customer Service Office. Contractor maintains an office located at 1131 North Blue Gum Street, Anaheim. No change in this location shall occur without City's approval if such change would result in Contractor not having an office within 25 miles of the Brea Civic and Cultural Center. Such office shall be open, at a minimum, from 8:00 a.m. to 5:00 p.m. Monday through Friday, and 8:00 a.m. to 12:00 p.m. Saturday, holidays excepted. At least one responsible and qualified representative of Contractor, capable of communicating in English and Spanish, shall be present and available during office hours, for personal communication with the public. A similarly qualified person(s) capable of communicating in Korean, Traditional Chinese, and other languages by way of translation services shall be available for communication with the public by phone during any times other than office hours when collection is occurring.
- b. Principal Office. In the event that the principal office of Contractor is not maintained in the County of Orange, State of California, City may terminate this Agreement upon the giving of 365 calendar days' notice.

2. Telephone Customer Service Requirements.

- a. Contractor shall maintain either a local or toll-free telephone number that rings at an office within North Orange County at all times during office hours, except during periods of high call volume when calls may be routed to Contractor's available southwest area regional call centers. English and Spanish speaking personnel shall be available during office hours to assist customers with telephone inquiries. All such personnel shall be polite and responsive, and shall be sufficiently knowledgeable, and have the authority to respond and/or advise customers seeking assistance. Contractor's telephone system shall be adequate to handle the volume of calls typically experienced, subject to high call volume events when southwest area regional call centers may be utilized to manage call volume. Contractor shall provide City with a 24-hour emergency number to a live person. Contractor shall provide and maintain a current emergency list of responsible personnel to be contacted in the event of an emergency.
- b. Contractor shall make reasonable attempts to answer all phone calls within five rings. If a call has been placed on hold for three minutes, the caller will either be switched to a message center that shall be responsible to obtain the caller's address and phone number or a customer service representative will obtain the customer's address and a number at which the call can be returned. Contractor shall make at least one attempt within the next 24-hour period to return the call and will leave a voicemail with the customer. If Contractor is unsuccessful in contacting the customer after following this procedure, Contractor shall maintain a record of the unsuccessful attempts.
- c. Contractor shall maintain an emergency telephone number for use outside office hours. Contractor shall have a representative, or an answering service to contact such

representative, available at such emergency telephone number during all hours other than normal office hours.

- d. Contractor shall be able to respond to inquiries in English, Spanish, Korean, Traditional Chinese, and other languages as reasonably directed by City. Customer may subscribe to a telecommunications device for the deaf ("TDD") service for use by persons with hearing or speech difficulties.

3. **Complaint Documentation.**

- a. Contractor shall retain daily logs of complaints for 24 months.
- b. Contractor shall log all complaints received by telephone, mail, and e-mail, and such log shall include the date and time the complaint was received, name, address, and telephone number of callers, description of complaint, employee recording complaint, and the action taken by Contractor to respond to and remedy complaint. Missed pick-ups shall be included in this log.
- c. Customer complaints and inquiries shall be date-stamped when received and shall be initially responded to within the same day for a customer complaint received before 12:00 p.m. and the following business day for a complaint received after 12:00 p.m. (excluding Saturday, Sunday, and holidays) of receipt. Contractor shall log its actions taken to respond to and remedy the complaint.
- d. All customer service records and logs kept by Contractor shall be available to City upon request and at no cost to City. City shall, at any time during regular business hours, have access to Contractor's City Liaison for purposes that may include monitoring the quality of customer service or researching customer complaints.

4. **Resolution of Customer Complaints.**

- a. Disputes between Contractor and customers regarding the services may be resolved by City, except for customer claims for personal injury or damages to property. Contractor shall have the right to present evidence in connection with any customer claim. City's decision shall be final and binding. Contractor shall reimburse City's legal and consultant costs for each City intervention in a dispute between Contractor and a customer if City reasonably deems intervention is required and the customer's dispute is valid.
- b. Should Contractor and customers not be able to establish a mutually acceptable fee to be charged for special hauling services, the matter shall also be determined by City, and City's decision shall be final.
- c. Intervention by City is not a condition precedent to any rights or remedies customers or third parties might otherwise have in any dispute with Contractor. Nothing in this Section is intended to affect the remedies of third parties against Contractor or to customer claims for personal injury or property damage.

- 5. **Website and E-mail Access.** Contractor shall develop and maintain a website with Brea specific links that is accessible by the public and solely dedicated to the operations under this Agreement. Contractor's website shall include all public education and outreach materials produced and distributed under this Agreement and provide the public the ability to e-mail Contractor questions, service requests, or complaints. Contractor shall respond within 24

hours to all customers who leave e-mail messages on any given business day. Contractor may respond to customer e-mails via e-mail or phone.

B. Missed Collections.

1. **Missed Collection Complaints.** In the event that a customer has placed its container for collection during the established or designated collection time and reports a missed or incomplete collection directly to the customer service line, Contractor's customer service representative shall not question or contest the customer's claim that the collection was missed or incomplete. In cases where the route driver recorded the container(s) in question as already "collected" or "not out," Contractor shall resolve the complaint as noted in the below subsections.
 2. **Schedule for Resolution.**
 - a. Contractor shall resolve every customer complaint of a missed or incomplete collection by returning to the customer address and completing the collection. For all complaints related to missed collections that are received by 12:00 p.m. on a business day, Contractor shall return to the customer address and collect the missed materials on the same business day on which the missed collection was reported. For those complaints related to missed collections that are received after 12:00 p.m. on a business day, Contractor shall have until the end of the following business day to resolve the complaint. Contractor's failure to comply with this Section may be subject to liquidated damages in accordance with Section 12.6.
 - b. Contractor shall not be required to return and complete a collection in response to a complaint if Contractor's driver has left a non-collection notice in accordance with Section 5.11.A.4.
 3. **Courtesy Collections for Admitted Late Set-Outs.** In the event that a customer: (i) reports that its container(s) were placed for collection after Contractor's collection vehicle had already passed the premises for regularly scheduled collection; (ii) does not claim that Contractor missed the collection; and, (iii) requests that Contractor return and collect the containers, Contractor shall return to the customer's premises and provide a courtesy collection at no charge to the customer. Contractor is not required to provide more than one courtesy collection for admitted late set-outs per customer per calendar year. For residential customers, one courtesy collection represents collection of up to three carts (recyclable materials, organic materials, solid waste) per incident. Contractor shall complete the courtesy collection by the end of the following business day. The provisions of this Section shall only apply if the customer acknowledges during the initial call to the customer service line that the event did not constitute a missed or incomplete collection event by Contractor.
- C. SB 1383 Non-Compliance Complaints.** For complaints received directly by Contractor in which the person alleges that an entity is in violation of SB 1383 requirements, Contractor shall document the information listed in Exhibit F. Contractor shall provide this information in a brief complaint report to City for each SB 1383 non-compliance complaint within seven days of receipt of such complaint and a monthly summary report of SB 1383 non-compliance complaints in accordance with Exhibit F. Upon City request, Contractor shall conduct follow-up inspections and/or outreach to the violating entity and shall document the information in the reports provided pursuant to Exhibit F.

5.9 Access to Customer Service and Billing Systems

Contractor shall provide access to customer contact information (including e-mail addresses) for purposes of City-provided public education and outreach activities. In addition, Contractor shall ensure that the City Manager and any other City staff, as requested by City, have read-only access to all service order, billing, and customer service records in Contractor's internal information systems. Such read-only access is intended to provide City the ability to review notes related to customer service and billing issues.

5.10 Service Exemptions

- A. **General Exemptions.** Upon customer request, and with written approval from City, Contractor shall cease providing and collecting payment for collection services to a premises that is anticipated to be vacant for no less than 30 days based on verified information from the customer. In addition, upon written direction from City, Contractor shall modify or otherwise cease providing collection services to customers requesting other service exemptions, provided that such customers consistently demonstrate the ability to responsibly manage discarded materials generated at the premises in question, in a manner consistent with applicable law.
- B. **Commercial and Multi-Family Customer Waivers.**
1. **General.** City may grant waivers described in this Section 5.10.B to commercial or multi-family generators that impact the scope of Contractor's provision of service for those customers, provided the generator shall continue to subscribe with Contractor for franchised collection services to the extent such services are not waived by City. Waivers issued shall be subject to compliance with SB 1383 requirements, pursuant to 14 CCR Section 18984.11, or other requirements specified by City in compliance with applicable law.
 2. **Types of Generator Waivers.**
 - a. De Minimis Waivers. City may waive a commercial or multi-family generator's obligation to comply with some or all of the recyclable materials and organic materials requirements set forth in this Agreement, SB 1383, and the City Code if the generator provides documentation or City has evidence demonstrating one of the following de minimis conditions:
 - i. The generator's total discarded materials collection service is two cubic yards or more per week, and organic waste subject to collection in a recyclable materials container or organic materials container comprises less than 20 gallons per week, per applicable container, of the commercial business' total waste.
 - ii. The generator's total discarded materials collection service is less than two cubic yards per week, and organic waste subject to collection in a recyclable materials container or organic materials container comprises less than 10 gallons per week, per applicable container, of the generator's total waste.
 - b. Physical Space Waivers. City may waive a commercial or multi-family generator's obligation to comply with some or all of the recyclable materials and organic materials requirements set forth in this Agreement, SB 1383, and the City Code if the generator provides documentation, or City has evidence from its staff, Contractor, licensed architect, engineer, or similarly qualified source demonstrating that the premises lacks

adequate space for recyclable materials containers and/or organic materials containers.

3. **Contractor Review of Waiver Requests.** Generators may submit requests for de minimis waivers and physical space waivers to City or Contractor. Within seven days of being notified by City of a waiver request, Contractor shall inspect the generator's premises to verify the accuracy of the application. Contractor shall provide documentation of the inspection, including the date of the inspection, customer name and address, a description of the premises, evaluation of each criterion of the relevant waiver type, and photographic evidence. Contractor shall send this information and documentation to City within three days after the inspection date. City ultimately retains the right to approve or deny any application, regardless of the information provided by Contractor. Contractor shall report information regarding waivers reviewed within the month, if any, in accordance with this Section and Exhibit F.
4. **Service Level Updates.** When City grants a waiver to a customer, or the customer's waiver status changes after a re-verification determination, City shall notify Contractor within seven days with information on the customer and any changes to service level or collection service requirements for the customer. Contractor shall have seven days to modify the customer's service level, customer account data, and billing statement, as needed.
5. **Waiver Re-verification.** City shall be responsible for re-verification of waivers. Upon request, Contractor shall support City in this re-verification process by providing requested customer information as per customer database requirements in Section 5.7. In the event that a waiver status changes, Contractor shall update the customer's information and service level in accordance with Section 5.10.B.4.

C. **Contractor Service Exemptions.**

1. **Disaster Waivers.** In the event of a disaster, City may grant Contractor a waiver of some or all discarded materials collection requirements under this Agreement and 14 CCR 18984 et seq. in the disaster-affected areas for the duration of the waiver, provided that such waiver has been approved by CalRecycle. Any resulting changes in collection requirements shall be addressed as a change in scope in accordance with Section 4.6.
2. **Quarantined Waste.** If approved by City, Contractor may dispose of, rather than process, specific types of organic materials and/or recyclable materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by City or until City provides notice that the quarantine has been removed and directs Contractor to transport the materials to the approved facilities for such material.

In accordance with Exhibit F, Contractor shall maintain records and submit reports regarding compliance agreements for quarantined organic materials and recyclable materials that are disposed of pursuant to this Section 5.10.C.

5.11 Contamination Monitoring

A. **Annual Route Reviews.**

1. **Methodology.**

- a. Contractor shall conduct route reviews of containers for prohibited container contaminants in a manner that is approved by City and results in all routes being reviewed at least annually.
 - b. Contractor's route review shall include all container types in service (recyclable materials, organic materials, and solid waste containers) for all customer types. The containers shall be selected prior to beginning the route review.
 - c. Contractor shall ensure that a minimum of 1% of accounts or 25 accounts, whichever is larger, on each and every hauler route are inspected annually to ensure the requirements of SB 1383 contamination minimization route reviews are met.
 - d. Contractor shall develop a specific route review methodology to accomplish the above container inspection requirements, and such methodology shall comply with the requirements of 14 CCR Section 18984.5(b). Contractor shall submit its proposed route review methodology for the coming year to City no later than January 15 of each year. Contractor's proposed methodology shall include the schedule for performance of each route's annual review and Contractor's plan for prioritizing the inspection of customers that are more likely to be out of compliance. Contractor may commence with the proposed methodology upon approval by City or CalRecycle.
 - e. If City or CalRecycle notifies Contractor that the methodology is inadequate to meet the requirements of 14 CCR Section 18984.5(b), Contractor shall, at its sole expense, revise the methodology and, after obtaining City or CalRecycle approval, conduct additional route reviews, increased container inspections, or implement other changes using the revised procedure. If Contractor's proposed methodology meets the requirements of 14 CCR Section 18984.5(b), but has been deemed inadequate by City, then Contractor shall, at the expense of City, revise the methodology and implement the necessary changes using the revised procedure.
 - f. City may require modifications to the schedule to permit observation of the route reviews by City. In addition, Contractor shall provide an e-mail notice to City no less than 10 working days prior to each scheduled route review that includes the specific time(s), which shall be within City's normal business hours, and location(s).
2. **Contamination Notification.** Upon identification of prohibited container contaminants in a container, Contractor shall provide the customer with a notice of contamination in the form of either a courtesy pick-up notice or a non-collection notice.
 3. **Courtesy Pick-Up Notice.**
 - a. Upon identification of prohibited container contaminants in a container, Contractor shall provide the customer a courtesy pick-up notice at the customer's door or gate or, subject to City's approval, may deliver the notice by mail, e-mail, or phone. Contractor may also attach courtesy pick-up notices if verified visually while conducting the collection service to the contaminated containers.
 - b. The courtesy pick-up notice shall:
 - i. Inform the customer of the observed presence of prohibited container contaminants.
 - ii. Include the date and time the prohibited container contaminants were observed.

- iii. Include information on the customer's requirement to properly separate materials into the appropriate containers, and the accepted and prohibited materials for collection in each container.
- iv. Inform the customer of the courtesy pick-up of the contaminated materials on this occasion with information that Contractor may assess contamination fees following one instance of contaminated materials for commercial customers (provided that the foregoing shall not apply to excluded waste identified and responded to pursuant to Section 6.8.B).
- v. Include photographic evidence via mail or e-mail.
- c. The format of the courtesy pick-up notice shall be approved by City.
- d. Contractor shall collect the contaminated recyclable materials and organic materials and either transport the material to the appropriate approved facility for processing or Contractor may collect the contaminated materials with solid waste and transport the contaminated materials to the designated disposal facility. A courtesy collection of contaminated recyclable materials or organic materials where the materials are sent to the designated disposal facility may be made with a solid waste collection vehicle, provided that the contaminants may safely and lawfully be collected as solid waste.

4. Non-Collection Notices.

- a. Non-Collection Notice. Upon identification of prohibited container contaminants in a container in excess of 10% or more, by volume, or that contain excluded waste, Contractor shall provide a non-collection notice to the generator.
- b. The non-collection notice shall, at a minimum:
 - i. Inform the customer of the reason(s) for non-collection.
 - ii. Include the date and time the notice was left or issued.
 - iii. Describe the premium (extra pick-up) charge to customer for Contractor to return and collect the container after the customer removes the prohibited container contaminants to the extent safe to do so.
 - iv. Provide a warning statement that a contamination processing fee may be assessed for commercial and multi-family bin customers.
 - v. Document photographic evidence of the violation(s).
- c. Communications with Customer. Whenever a container at the premises of a commercial or multi-family customer is not collected, Contractor shall contact the customer on the scheduled collection day or within 24 hours of the scheduled collection day by telephone, e-mail, text message, or other verbal or electronic message to explain why the container was not collected. Whenever a container is not collected because of prohibited container contaminants, a customer service representative shall contact the customer to discuss and encourage the customer to adopt proper discarded materials preparation and separation procedures.
- d. Contractor Return for Collection. Upon request from a customer, Contractor shall collect containers that received non-collection notices within one working day of the customer's request if the request is made at least two working days prior to the

regularly scheduled collection day. Contractor shall bill the customer for the extra collection service event ("extra pick-up") at the applicable rates only if Contractor notifies the customer of the premium rate for this service at the time the request is made.

5. Assessment of Contamination Processing Fees.

- a. For commercial and multi-family bin customers, if Contractor observes 10% or more, by volume, of prohibited container contaminants on more than one occasion and issues a prior courtesy pick-up notice on that initial instance of contamination, then Contractor may impose a contamination fee for that customer's service level. The intent of commercial contamination fees is to provide a behavioral tool to educate and prevent customers from placing source separated discarded materials into the improper designated container(s), as well as to cover the increased costs to dispose of the contaminated loads. To ensure that the assessment of fees is to be used for the intended purposes and not as a form of revenue generation, contamination fees shall not exceed the following percent of Contractor's gross receipts in any calendar quarter: 1% for the first two years after the Effective Date; 3% for the following three years; and 5% for the remainder of the term of this Agreement. In the event that contamination fees exceed the applicable limit in any calendar quarter, the assessment of contamination fees shall be suspended immediately and indefinitely pending a program assessment by the parties. Upon program suspension or at the request of City, the parties shall meet and confer regarding the application and effectiveness of contamination fees in accomplishing the behavior change. If the program is suspended due to excessive revenue generation, City may require Contractor to either: (i) modify the program parameters; (ii) modify the amount of the contamination fee; or, (iii) return to City any funds generated by the contamination fee that exceed the thresholds noted above of Contractor's gross receipts for a given period of time, with such funds to be used for customer education and outreach and/or related programs to reduce contamination. The foregoing limitations on the contamination fee shall not apply to excluded waste for which the customer (once identified in accordance with this Agreement) shall pay Contractor for all costs and fees associated with the inclusion of such excluded waste.
- b. Failure to comply with the requirements of this Section 5 may be subject to liquated damages in accordance with Section 12.6.
- c. Contractor shall provide a notice of the contamination fee as required by 3.a above prior to assessing the contamination fee.
- d. Contamination Processing Fee Notice. Contamination processing fee notices shall be in a format approved by City. Contractor shall notify City in its monthly report of customers for which contamination processing fees were assessed per this Section. Each contamination processing fee notice shall:
 - i. Describe the specific material(s) of issue.
 - ii. Explain how to correct future set-outs.
 - iii. Indicate that the customer will be charged a contamination processing fee on the next bill.

6. Reporting Requirements.

- a. Container Contaminant Log. The driver or other Contractor representative shall record each event of identification of prohibited container contaminants in a written log or in the on-board computer system including date, time, customer's address, type of container, and photographic evidence. Photographic evidence by the driver or other Contractor representative shall be provided to City if requested by the customer or City for identified occurrences.
- b. Contaminant Fees Assessment Report. Contractor's contract administrator or their designee shall update the customer's account records to note the contaminant event(s) as identified by driver(s) and/or other Contractor personnel upon identification. Contractor shall maintain records and report to City monthly on contamination monitoring activities and actions taken, consistent with the submittal timing and content requirements of Exhibit F. Failure to meet the requirements of this Section may be subject to liquidated damages in accordance with Section 12.6.
- c. Monthly Report. The monthly report shall include: list of customers that were assessed charges; photographic evidence of each contamination event where a fee was assessed if requested by the customer or City for identified occurrences; verification processes to assure accurate fee assessment; date of notification, form(s) of notification given to customer; list of efforts made in educating the customer that was assessed a fee; list of customer complaints in response to fee assessment; Contractor's response and actions taken in response to customer complaints; and, the dollar amount of contamination fees assessed during the reporting period. Failure to meet the requirements of this Section may be subject to liquidated damages in accordance with Section 12.6.

5.12 Route Audit

- A. Upon City's request (but not more than once every four years), Contractor shall conduct an audit of its collection routes in Brea. City may use information from the audit to develop a request for proposals for a new service provider. City may instruct Contractor when to conduct the audit in order for the results to be available for use in preparation of a request for proposals or for other City uses provided that City provides Contractor with reasonable notice of such audit. City may also instruct Contractor to conduct an audit at a time that would produce the most accurate customer service information for a new service provider to use in establishing service with customers. In setting these audit dates, City will reasonably establish deadlines for Contractor to provide routing and account information, and later the report, to City.
- B. The route audit, at minimum, shall consist of an independent physical observation by a City-approved person other than the route driver, or observation by onboard technology, if available, and if approved by City, which approval shall not be unreasonably withheld. The route audit information shall include, as a minimum, the following information for each account:
 1. For cart customers:
 - a. Route number.
 - b. Truck number.
 - c. Number and size of carts by waste stream (solid waste, recyclable materials, and organic materials).
 - d. Cart condition.

2. For bin and roll-off customers:
 - a. Route number.
 - b. Truck number.
 - c. Account name.
 - d. Account number.
 - e. Account service address.
 - f. Account type (residential, commercial, roll-off box).
 - g. Service level per contractor billing system (quantity, size, frequency, waste stream).
 - h. Observed containers (quantity, size, frequency, waste stream).
 - i. Container condition.
 - j. Proper signage.
 - k. Graffiti.
3. Within 30 days after the completion of the route audit, Contractor shall submit to City a report summarizing the results of the audit. This summary shall include:
 - a. Identification of the routes.
 - b. Route map.
 - c. Truck numbers.
 - d. Number of accounts, by route and in total (residential, commercial, and roll-off box).
 - e. Confirmation that all routes are dedicated exclusively to Brea customers.
 - f. Number and type of exceptions observed.
 - g. Name and addresses of customers that do not have source separated recyclable materials collection services and documentation of waivers if any for each account.
 - h. Name and addresses of customers that do not have source separated organic materials collection services and documentation of waivers, if any, for each account.
 - i. Total monthly service charge (residential, commercial, and roll-off box), pre-audit for each customer.
 - j. Total monthly service charge (residential, commercial, and roll-off box), post-audit (subsequent to corrections of identified exceptions) for each customer.
4. The report shall include a description of the procedures followed to complete the route audit. This description shall include the names and titles of those supervising the route audits and the name and titles of those performing the observations. The report shall also include a description of the changes and Contractor's plans to resolve the exceptions. The results of the audit and supporting back-up data shall be available for review by City.

5.13 Preparation of CalRecycle Electronic Annual Report (EAR)

Contractor shall prepare, and submit to City for review and approval, the draft EAR by July 1 of each calendar year. Contractor shall revise the EAR upon receipt of revisions made by City, and City will submit the final draft EAR to CalRecycle.

ARTICLE 6. STANDARD OF PERFORMANCE

6.1 General

Contractor shall at all times comply with applicable law and provide services in a manner that is safe to its employees and the public. Except to the extent that a higher performance standard is specified in this Agreement, Contractor shall perform services in accordance with recyclable materials, organic materials, and solid waste management practices common to the County area.

6.2 Operating Hours and Schedules

A. **Hours of Collection.** Unless otherwise authorized by City, Contractor's days and hours for Collection operations shall be as follows:

1. **Residential Premises.** Collection from residential premises shall only occur between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday, unless otherwise provided for in Chapter 8.28 of the City Code. Collection at residential premises shall not occur on Saturdays; excepting temporary bin services and collection occurring on Saturdays following such holidays as may be approved by City, or as required for special collections or to address a missed collection or failure to set out event. No collection services shall occur on Sundays at residential premises, except in exceptional circumstances for which specific approval is given by City.
2. **Commercial Premises.** Collection from commercial premises in close proximity to residential premises shall only occur between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday, unless otherwise provided for in Chapter 8.28 of the City Code. Collection from commercial premises otherwise may occur between the hours of 5:00 a.m. and 8:00 p.m. Collection services may occur at commercial premises on Sundays; provided, however, no such service shall occur on Sundays in connection with any premises at which City determines such service would be contrary to the public interest. City may require Contractor to comply with time frames applicable to residential premises in connection with collection services for customers at commercial premises whose premises are in close proximity to residential premises.
3. **City Facilities.** The collection schedule for City facilities shall be the same as commercial premises.

B. **Changes in Collection Routes.** Contractor shall establish collection routes and a collection schedule that shall be approved by City such that customers at all residential and commercial premises will have not less than one established collection day each week. Contractor shall provide City with route maps identifying at a minimum the type of route (e.g., single-family, multi-family, commercial) and the service day. Contractor may propose changes or additional routes for City approval, which shall not be unreasonably withheld. If a standard collection route change is

approved, Contractor shall notify all affected customers 14 days prior to implementing the new route. Failure to obtain City approval on route changes resulting in service day changes for customers shall be subject to liquidated damages in accordance with Section 12.6 of this Agreement.

C. Commingling of Routes.

1. During its collection process, Contractor shall not commingle solid waste collected within Brea with solid waste collected in other jurisdictions based on Contractor's methodology to account for solid waste collected within Brea, any other jurisdiction, or on behalf of any other entity operating or existing within Brea that is not subject to this Agreement, and Contractor is specifically prohibited from combining collection routes related to services provided pursuant to this Agreement with collection routes for other jurisdictions. Notwithstanding the forgoing, if written consent of CalRecycle and City is obtained, then Contractor may commingle such solid waste collected within Brea in a collection vehicle with solid waste collected from premises in other jurisdictions.
2. City may grant consent for such commingling in its absolute and sole discretion if it determines the methodology used to account for commingled solid waste is reasonably likely to result in City being in compliance with applicable laws. City may withdraw consent if it determines the methodology used to account for commingled solid waste is reasonably likely to result in City not being in compliance with applicable laws. As of the Effective Date, commingling of routes for the collection of recyclable materials and organic materials from customers at commercial premises and multi-family dwellings is approved by City, using a methodology for tracking such types of solid waste generated in Brea and in other jurisdictions that is premised upon container capacity.

- D. Holiday Collection.** Contractor, at its sole discretion, may choose not to provide collection services on a holiday. In such event, Contractor shall provide single-family collection services on the day following the holiday thereby adjusting subsequent work that week with normally scheduled Friday collection services being performed on Saturday; however, customer service days shall be returned to the normal schedule within one week of the holiday. Multi-family, commercial, and City collection services shall be adjusted as agreed between Contractor and the customer but must meet the minimum frequency requirement of one time per week. Contractor shall provide customers notice of holiday-related changes in collection schedules at least two weeks prior to the change.

6.3 Collection Standards

- A. Servicing Containers.** Contractor shall collect and return each container to the approximate location where the occupant placed the container for collection. Contractor shall place the containers upright with lids properly secured. For customers other than single-family residential customers, Contractor may provide scout service, pullout service, accessing container enclosures with a key or access code, or locking bin service as described in Exhibit B3.
- B. Non-Collection, Courtesy Pick-Up Noticing.**
1. Within 30 days of the Effective Date, Contractor shall develop and submit to City for review and approval:
 - a. A template non-collection notice, for use in instances of acceptable non-collection of discarded materials.

- b. A template courtesy pick-up notice, for use in instances of improper set-out of discarded materials, which Contractor, at its sole option, elects to collect as a courtesy to the customer.
2. In the event that Contractor is prevented from collecting discarded materials that have been placed for collection, Contractor shall leave a non-collection notice at the customer premises clearly explaining Contractor's refusal to collect the discarded materials. Contractor shall not be required to collect discarded materials that are reasonably believed to contain excluded waste. Contractor may propose an alternative to a paper non-collection notice left at customer premises (e.g., customer notification via a phone call or e-mail) subject to City approval. Such an alternative must involve pro-active communication with the customer, initiated by Contractor.
3. In the event that Contractor encounters circumstances at a premises that allow for safe collection of discarded materials but do not otherwise reflect proper set-out procedures (including spills not caused by Contractor, carts placed too close together, carts placed in front of one another, and carts placed too close to parked cars), Contractor shall collect the material and leave a courtesy pick-up notice clearly explaining how the customer failed to comply with proper set-out procedures.
4. Contractor may educate the public on proper set-out procedures designed to maximize the efficiency of collection (e.g., carts spaced three feet apart). However, Contractor acknowledges that such procedures are not practical in all circumstances and failure of the customer to follow such procedures does not constitute a reason for non-collection if the discarded materials may be safely and reasonably serviced. Contractor's route drivers shall dismount their collection vehicles and reposition containers as necessary to provide collection service. Contractor may not require a customer to set out the customer's containers in such a manner that would block vehicle access to the customer's driveway. Contractor and customers may mutually agree to uncommon service locations if necessary for collection in specific areas (e.g., setting out all of the carts in a court in a line down the middle of the court as opposed to curbside.)
5. Contractor may refuse to collect recyclable materials or organic materials containers that are contaminated and shall leave an approved non-collection notice informing customer how to properly separate materials.

C. Litter Abatement.

1. Contractor shall use due care to prevent spills or leaks of material placed for collection, fuel, and other vehicle fluids while providing services. If any materials are spilled or leaked during collection and transportation by Contractor, then Contractor shall clean up all spills or leaks before leaving the site of the spill.
2. Contractor shall not transfer loads from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, combustion of material in the truck, or accidental damage to a vehicle.
3. Contractor shall cover all open roll-off boxes at the pick-up location before transporting materials to an approved facility or the designated disposal facility.
4. Contractor shall conduct public outreach and staff training to customers on best management practices for litter abatement at no extra charge. Such best management practices include:

- a. Closing container lids and right-sizing service: Contractor shall tag overfilled containers with courtesy pick-up notices, which will serve as outreach and education to the customer. Photographs of the container shall be taken by drivers, attached to the customer's account, and will be available to outreach and customer service staff in order to demonstrate to the customer where a problem exists.
 - b. Outreach to customers on the importance of bagging lightweight materials such as plastic bags, film plastics, foam peanuts, and other materials that can easily become litter due to their lightweight nature.
 - c. Driver training on litter reduction techniques and litter removal best management practices.
 - d. Affixing to the back of Contractor trucks signage that provides a phone number for residents to report material spills.
- D. **Development and Review of Collection Specifications.** Contractor shall work with City to develop standard specifications for collection container enclosures at commercial and multi-family premises in compliance with the City Code. These specifications shall be developed to ensure that the container enclosures are built to provide adequate space and suitable configuration to allow Contractor to safely and efficiently service the containers. Contractor's operations manager or other appropriately qualified staff shall, upon request by City, provide a review of plans for new multi-family and commercial development or project design drawings. Contractor shall provide comments and recommendations in writing within 10 working days of receipt of the documents for review. In each review report, Contractor shall comment on the acceptability of the proposed enclosure arrangements in terms of the: (i) adequacy of space for recyclable materials, organic materials, and solid waste containers; (ii) accessibility of the containers for collection, including whether additional charges (e.g., pullout or scout service) would apply; and, (iii) ease of use by tenants.
- E. **No Commingling of Materials.** Contractor shall not commingle materials that have been properly source separated with other material types (for example, source separated recyclable materials that have been properly placed for collection shall not be combined with solid waste or source separated organic materials).

6.4 Transfer and Processing Standards

A. Equipment and Supplies.

1. Contractor shall equip and operate the approved processing facilities in a manner to fulfill its obligations under this Agreement. Contractor is solely responsible for the adequacy, safety, and suitability of the approved processing facilities. Contractor shall modify the approved processing facilities as needed to perform this Agreement.
2. Contractor or its approved processing facility subcontractors, as applicable, shall provide all rolling stock, stationary equipment, material storage containers, spare parts, maintenance supplies, transfer, transport, processing equipment, and other consumables as appropriate and necessary to operate the approved processing facilities and provide all services required by this Agreement. Contractor or its approved processing facility subcontractors shall place the equipment in the charge of competent operators and shall repair and maintain all equipment at its own cost and expense.

B. Scales and Weighing.

1. **Accurate Weighing.** Contractor is solely responsible for ensuring accurate weighing of all materials delivered pursuant to this Agreement as they are entering and/or leaving the approved processing facilities.
2. **Facility Scales.** Contractor shall maintain state-certified motor vehicle scales in accordance with applicable law. All scales shall be linked to a centralized computer recording system at the approved processing facilities to record weights for all incoming and outgoing materials. Contractor shall provide back-up generators capable of supplying power to the scales in the event of a power outage. Contractor shall promptly arrange for use of substitute portable scales should its usual scales be unavailable. Pending substitution of portable scales, Contractor shall, as necessary, estimate the tonnages of materials delivered to and transported from the approved processing facilities on the basis of delivery vehicle and transfer trailer volumes, unloaded ("tare") weights, and other available facility weight records. These estimates shall take the place of actual weights while scales are inoperable and shall be identified as estimates in electronic records and reporting. The requirements in this Section shall apply only to scales at facilities owned or operated by Contractor and utilized for disposal or processing pursuant to this Agreement.
3. **Tare Weights.** Within 30 calendar days of the Effective Date, Contractor shall ensure that all vehicles used by Contractor to deliver recyclable materials, organic materials, and solid waste to the approved processing facilities are weighed to determine tare weights. Contractor shall electronically record the tare weight, identify vehicle as Contractor-owned, and provide a distinct vehicle identification number for each vehicle. Contractor shall provide City with a report listing the vehicle tare weight information upon request. Contractor shall promptly weigh additional or replacement vehicles prior to placing them into service. Contractor shall check tare weights annually and within 14 calendar days of a City request. Contractor shall re-tare vehicles immediately after any major maintenance or service event.
4. **Testing.** At any facilities owned or operated by Contractor and utilized for disposal or processing pursuant to this Agreement, Contractor shall test and calibrate all scales in accordance with applicable law but at least one test and recalibration per scale every 12 months or upon City request.
5. **Records.** Contractor shall maintain computerized scale records and reports that provide information including date of receipt, inbound time, inbound and outbound weights of vehicles, and vehicle identification number. Contractor shall also maintain computerized scale records and reports providing historical vehicle tare weights for each vehicle and the date and location for each tare weight recorded.
6. **Upon-Request Reporting.** If vehicles receiving and unloading operations are recorded on video cameras at the approved processing facilities, Contractor shall (to the extent Contractor owns or operates such facilities) make those videos available for City review during the approved processing facility's operating hours, upon request of City, and shall provide the name of the driver of any particular load if available.

6.5 Collection Vehicle Requirements

A. Vehicle Requirements.

1. Contractor shall provide a fleet of collection vehicles sufficient in number and capacity to efficiently perform the work required by this Agreement. Contractor shall have available

sufficient back-up vehicles for each type of collection vehicle used to respond to scheduled and unscheduled maintenance, service requests, complaints, and emergencies.

2. All vehicles used by Contractor shall be of size, weight, nature, and type to be minimally intrusive on the community with respect to noise, emissions, maneuverability, safety, fuel efficiency, and other factors necessary to minimize impacts of Contractor's services. All such vehicles shall have watertight bodies designed to prevent leakage, spillage, or overflow and shall comply with applicable laws. In the event a particular vehicle used by Contractor causes complaints as a result of fluid spills or leakage, Contractor will remove the vehicle immediately (same day) from service and repair the vehicle before returning to service or replace the vehicle in the fleet as necessary. Each piece of equipment used by Contractor shall carry at all times a broom and shovel to be used for the immediate removal of any spilled material. Contractor's vehicles shall utilize recycled motor oil to the extent practicable.
3. Contractor shall annually investigate the ability to procure qualified RNG with its fueling provider and shall implement the use of such fuel to the maximum available extent provided that the premium cost of qualified RNG does not cause Contractor's total fuel expense to increase by more than 10%. Contractor shall make commercially best efforts to seek and utilize RNG that is purchased through a wheeling agreement, provided that the wheeling agreement is for purchase of gas derived from organic waste that has been diverted from a landfill and processed at an in-vessel digestion facility that is permitted to recycle organic waste and meets SB 1383 requirements. Contractor shall maintain records of the amount of RNG purchased and shall report this information in accordance with Exhibit F. Contractor shall allow City to report this RNG usage toward City's fulfillment of its annual recovered organic waste product procurement target.
4. Collection vehicles shall have the capacity to collect and transport loose cardboard overages to ensure that Contractor is capable of complying with Exhibit B.
5. Collection vehicles shall present a clean appearance while providing service. Solid waste collection vehicles shall be washed at least once every seven days.
6. The body of each truck of Contractor shall have a metal cover covering at least 50% of the truck body at all times and the remaining 50% shall be covered by a tight fitting, waterproof tarpaulin, which shall be securely tied in order to cover discarded materials when the vehicle is being used to transport its contents to the place of disposal or otherwise of a design and construction approved by the City Manager.
7. All collection vehicles shall comply at all times with applicable laws including CARB's truck and bus regulation (13 CCR 2025) and advanced clean trucks regulation (13 CCR 1963-1963.5 and 2012-2012.2). The parties acknowledge the requirements of the advanced clean fleets regulation, and Contractor acknowledges that vehicles with a gross vehicle weight rating greater than 8,500 pounds and light-duty package delivery vehicles operated in California may be subject to the advanced clean fleets regulation. Contractor's collection vehicles may therefore be subject to requirements to reduce emissions of air pollutants. All collection vehicles shall meet on-road heavy duty vehicle emissions requirements for model year purchased if newer. Contractor is aware that the advanced clean fleets regulation is a current state law and Contractor's compliance with the advanced clean fleets regulation, as it may be amended, throughout the term shall be eligible to request an extraordinary adjustment pursuant to Section 9.5. The parties agree to meet and confer regarding Contractor's

obligation to transition to zero-emission fleet and to incur costs associated with such transition in order to not burden City disproportionately relative to other jurisdictions or agencies serviced by Contractor or its affiliates. The parties understand and agree that each municipality served by Contractor is a unique service model based on the specific contractual requirements and service requirements of the particular municipality.

- B. **Vehicle Display.** Contractor's name and a vehicle number shall be visibly printed or painted in letters not less than five inches in height on both sides and the rear of each collection vehicle, including vehicles rented from a subcontractor that are being utilized to provide collection services in Brea. Additionally, the words "Serving the City of Brea" shall be displayed on both sides of every residential collection vehicle in letters not less than three inches in height.
- C. **Vehicle Inspection.** Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly shall be taken out of service until they are repaired and operate properly. Contractor shall repair or arrange for the repair of all 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. City may inspect vehicles at any reasonable time to determine compliance with sanitation requirements.
- D. **Vehicle Operations.** All collection operations shall be conducted as quietly as possible and shall conform to applicable noise level regulations, including the requirement that the noise level during the stationary compaction process not exceed 60 decibels with the exception of 65 decibels for one minute duration. All decibel readings shall be based on a distance of 10 feet from the vehicle. City may request Contractor to check any piece of equipment for conformance with the noise limits in response to complaints and when City deems necessary.
- E. **Leaks and Spill Mitigation.** Contractor shall clean up any leaks or spills from its vehicles per the NPDES permit. Contractor shall notify City of any leaks or spills reported to Contractor or observed by any employee of Contractor. Contractor shall ensure that it initiates remediation of leaks or spills within two hours of notification or observation. Contractor shall notify City immediately upon remediation of leaks or spills. No pollutant that leaks, spills, or otherwise escapes from any Contractor vehicle shall be allowed to enter a storm drain. All NPDES dry-cleaning measures shall be complied with. All collection vehicles shall be equipped with absorbent for such cleanup efforts. Contractor shall provide photographic evidence to City for each clean up. Payment of liquidated damages for failure to clean up leaks or spills within the required timeframe, or for failure to follow the cleanup procedures, does not excuse Contractor from the clean-up requirements.
- F. **Costs of Operation and Damages.** Contractor shall be responsible for any costs incurred in connection with ensuring all collection vehicles comply with applicable laws including laws relating to noise, fuels, emission standards, or weight limits.

6.6 Container Requirements

- A. **Containers Provided to Customers.** Contractor shall provide containers to new customers within three working days of Contractor's first receipt of a service initiation request. Containers shall be new or fully refurbished in as-new condition and shall comply with the container standards set forth in this Section. All containers shall display Contractor's name, logo, telephone number, website, capacity (yards or gallons), and an identifying inventory or serial number.
- B. **Container Standards.**

1. All carts shall be manufactured by injection or rotational molding methods. The cart handles and handle mounts may be an integrally molded part of the cart body or molded as part of the lid. The cart handles shall provide comfortable gripping area for pulling or pushing the cart or lifting the lid. Pinch points are unacceptable. Carts shall have a useful life of 10 or more years as evidenced by a manufacturer's warranty or other documentation acceptable to City.
2. Carts shall meet the following durability requirements: maintain original shape and appearance; be resistant to kicks and blows; require no routine maintenance and essentially be maintenance free; not warp, crack, rust, discolor, or otherwise deteriorate over time in a manner that shall interfere with intended use; resist degradation from ultraviolet radiation; be incapable of penetration by biting or clawing of household pets (i.e., dogs and cats); have bottoms that remain impervious to damage that would interfere with the cart's intended use after repeated contact with gravel, concrete, asphalt, or any other rough and abrasive surface; and, have wheel and axle assemblies to provide continuous maneuverability and mobility as originally designed and intended.
3. Carts shall be resistant to: common household or residential products and chemicals; human and animal urine and feces; and, airborne gases or particulate matter present in the ambient air.
4. All bins with a capacity of one cubic yard or more shall meet applicable safety laws and be covered with attached lids.
5. Contractor shall obtain City's written approval of container material, design, colors, labeling, and other specifications before acquisition, painting, labeling, or distribution occurs.
6. When purchasing plastic collection containers, Contractor shall purchase containers that contain a minimum of 10% post-consumer recycled plastic content, unless such requirement is waived by City.
7. Container lids shall be designed such that the following requirements are met when properly utilized by the customer:
 - a. Prevents the intrusion of rainwater and vectors.
 - b. Prevents the emissions of odors.
 - c. Enables the free and complete flow of material from the container during the dump cycle without interference with the material already deposited in the truck body or the truck body itself and its lifting mechanism.
 - d. Permits users of the cart to conveniently and easily open and shut the lid throughout the serviceable life of the cart.
 - e. Hinges to the cart body in such a manner to enable the lid to be fully opened, free of tension, to a position whereby it may rest against the backside of the cart body.
 - f. Prevents damage to the container body, the lid itself, or any component parts through repeated opening and closing of the lid by generators or in the dumping process.
 - g. Remains closed in 25 miles per hour winds. All lid hinges shall remain fully functional and continually hold the lid in the original designed and intended positions when either opened or closed or any position between the two extremes.

- h. Designed and constructed such that it prevents physical injury to the user while opening and closing the cart.
- 8. Containers shall be stable and self-balancing in the upright position, when either empty or loaded to maximum design capacity with an evenly distributed load, and with the lid in either a closed or an open position. Containers shall be capable of maintaining upright position in 25 miles per hour winds.
- 9. Containers shall be capable of being easily moved and maneuvered, if applicable, with an evenly distributed load equal in weight to its maximum design capacity on a level, sloped or stepped surface.
- 10. Containers shall be recyclable at the end of their useful life.
- 11. Containers shall be designed and constructed to be watertight and prevent the leakage of liquids.

C. Container Colors.

- 1. Contractor shall provide customers with collection containers that comply with the color requirements specified in this Section, or as otherwise specified in 14 CCR Section 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other applicable law. Colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation, and the lids and bodies shall be uniform for each container type, as follows:
 - a. Recyclable materials container lids shall be blue.
 - b. Organic materials container lids shall be green.
 - c. Solid waste container lids shall be black or grey.
 - d. Source separated food waste container lids shall be brown.
- 2. Hardware such as hinges and wheels on the containers may be a different color than specified above. All containers, including split-bins, shall comply with these color requirements. Each section of the split-bin shall be painted in accordance with the color requirements in this Section for the applicable discarded material type intended for that segregated section of the bin (e.g., a split-bin for solid waste and recyclable materials shall be half gray and half blue, respectively).

D. Container Labeling.

- 1. Solid waste, recyclable materials, and organic materials carts shall carry stickers, labels, or other identifying markings indicating the materials that can and cannot be placed in each container.
- 2. All containers that are not currently in Contractor's inventory shall include a label with the following: primary materials accepted; a clear indication of prohibited container contaminants; and, notification forbidding hazardous waste and describing proper disposal thereof. Design for the labels shall be approved by City prior to Contractor's ordering of labels. Lids shall be replaced when current in-mold labels or other container markings become worn but no later than 90 days of request from City or customer. Information on the containers shall include the telephone number to call Contractor for bulky item pick-ups and for general customer service. Contractor may also add to the required label information a QR code that can be scanned by the customer's personal digital devices, including cell phones, to allow the customer to review information including container materials accepted,

prohibited container contaminants, and other information concerning SB 1383 programs that can be updated over time to reflect new information or program changes. All containers shall be labeled in accordance with CalRecycle requirements and applicable law. Labels shall be designed to include English, Spanish, and Korean, and Traditional Chinese. If utilized, container labeling shall be on the top of the lid and/or on the body of the cart and shall be reviewed and approved by City.

E. Repair and Replacement of Containers; Inventory.

1. Contractor shall be responsible for repairing or replacing containers when Contractor determines the container is no longer suitable for service or when City or the customer requests replacement of a container that does not properly function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be responsible for acquiring and providing the replacement containers. Contractor shall repair or replace all damaged or broken containers within three working days of a customer or City request. Minor cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts shall be readily repairable by Contractor personnel. All repairs shall restore the cart to its full functionality.
2. Contractor shall maintain a sufficient inventory of containers to accommodate new customer requests for service, requests for change in service levels (size, type, or number of containers) from current customers, and requests for replacement due to damage. All replacement containers requested by customers and any newly deployed containers for new services shall be new and SB 1383 color compliant.
3. Contractor shall provide to single-family residential customers at least one free cart replacement for the 12-month period July 1 – June 30 of any contract year for any reason, upon customer request. If a customer requests more than one cart replacement during the period July 1 to June 30 of any contract year, then Contractor shall make carts available at the City-approved rate for such services. In addition, single-family residential customers may also request one cart size exchange per rate period at no charge. All such containers shall be provided within three working days of request. Contractor's failure to comply with the container requirements may result in assessment of liquidated damages in accordance with Section 12.6.
4. Bins shall be replaced on Contractor's normal replacement schedule and any new bins placed into service shall comply with the color and labeling requirements of SB 1383. All refuse, source separated recyclable materials, and/or organic materials bins at a customer location shall be uniform in color.

F. Maintenance, Cleaning, Painting.

1. Containers shall be maintained in a safe, serviceable, and functional condition, and present a clean appearance. Contractor shall repair or replace all customer containers damaged by collection operations in accordance with standards specified in this Section unless damage is caused by the customer's gross negligence, in which case, the customer may be billed for repair or replacement of container at the City-approved rate. All containers shall be maintained in a functional condition.
2. Contractor shall steam clean and/or repaint all customer containers as needed to present a clean appearance. Contractor shall offer steam cleaning service (or clean container exchange) to customers requesting such service and may charge customers for such cleaning (or container exchange).

3. Contractor shall remove graffiti from all customer containers within two working days or notification at no additional charge.

G. Monitoring of Container Enclosures.

1. A container may be considered overfilled when discarded materials project above its rim in a manner that impedes the complete closure of a container's lid and/or when discarded materials are placed outside the container and/or allowed to accumulate, making access to the container unsafe for collection.
2. In the event that a multi-family dwelling or bin commercial customer overfills its bin(s), Contractor shall follow the following procedures in an effort to correct the problem, charge customer in accordance with the approved rate schedule, and/or, if necessary, increase service levels. For any over-fill occurrences, Contractor will document occurrence with a photograph. Contractor shall send a notification to the customer, including a photograph of the overage, and a statement advising of service alternatives including right-sizing opportunities, as well as notifying the customer of an overflow charge and of a possible increase in service level and the related costs. Notification of over-fill can occur via e-mail, invoice statement, or other City approved method. Contractor shall document in its records the location of the encountered overage, a photograph, as well as the outreach material provided to the customer. Contractor shall provide this information to City upon request.

6.7 Personnel

- A. **General.** Contractor shall furnish such qualified personnel as may be necessary to perform this Agreement in a safe and efficient manner. Contractor shall assure that its employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall not permit its employees to accept, demand, or solicit, directly or indirectly, any additional compensation, or gratuity from customers or members of the public.
- B. **Driver Qualifications.** Drivers shall have in effect a valid license, of the appropriate class, issued by the DMV. Contractor shall use the DMV's Class II employer "Pull Notice Program" to monitor its drivers for safety.
- C. **Safety Training.** Contractor shall provide suitable operational and safety training for all employees who operate collection vehicles or equipment. Contractor shall train its employees to identify, and not to collect, excluded waste. Upon request, Contractor shall provide City a copy of Contractor's safety policy and safety training program, the name of its safety officer, and the frequency of its trainings.
- D. **Designated Staff.**
 1. **Contractor's Contract Administrator.** Contractor shall designate at least one qualified employee as City's primary point of contact with Contractor who is principally responsible for collection operations and resolution of service requests and complaints. Such individual shall be empowered to negotiate on behalf of and bind Contractor with respect to any changes in scope, dispute resolution, compensation adjustments, and service-related matters. Such individual is defined as Contractor's Contract Administrator. The City Manager shall be made aware of the name, position, e-mail, and telephone number of this individual, and in the event the Contractor's Contract Administrator is changed, Contractor shall notify the City Manager within 48 hours of the change.

2. **Field Supervisor.** Contractor shall designate one qualified full-time employee as supervisor of field operations. At least 50% of the field supervisor's time shall be dedicated to field checking on collection operations, including responding to customer requests, inquiries, and complaints.
3. **Recycling Coordinator/Sustainability Advisors; Route Auditors.** Contractor shall dedicate the equivalent of one full-time recycling coordinator/sustainability advisor and the equivalent of one-half of a full-time route auditor or compliance monitor to City to complete outreach to customers and develop and implement all public education and outreach activities required under this Agreement. The recycling coordinator/sustainability advisor and route auditors shall conduct outreach, promote waste reduction, recycling, diversion programs, provide technical assistance to multi-family and commercial customers, and upon City request, assist with the distribution of City purchased kitchen pails.
 - a. The recycling coordinator/sustainability advisor shall work exclusively on City programs and services and shall not have other non-City responsibilities or other City responsibilities not related to recycling coordinator/sustainability advisor responsibilities in Brea.
 - b. The recycling coordinator/sustainability advisor shall visit each school located within Brea each rate period to discuss environmental issues with students, read books, and facilitate craft activities.
 - c. Contractor shall provide a fully trained and experienced recycling coordinator/sustainability advisor. In the event of a resignation, Contractor shall have 90 calendar days to provide a replacement.
 - d. At any time, City may, for good cause, request that a Recycling Coordinator/Sustainability Advisor be reassigned to no longer perform any work relating to this Agreement and City shall provide a statement describing the specific good cause reason for such request. Contractor shall promptly review the request and meet and confer with City. Upon confirmation of good cause, Contractor shall remove the identified employee(s) from performing any work related to this Agreement as allowed by and subject to the provisions of any applicable collective bargaining agreement. As used herein, "good cause" means: adjudicated criminal conduct following a trial or plea; conduct that is agreed by the parties to be a threat or harm to persons or property; or, that is agreed by the parties to be socially unacceptable.
 - e. Contractor shall afford City a reasonable opportunity to review, request modifications to, and approve all outreach and educational materials including print, radio, television, or internet media before publication, distribution, and/or release. The recycling coordinator/sustainability advisor shall also work cooperatively with any City-appointed outreach and education consultant.

E. Key Personnel.

1. Contractor shall make every reasonable effort to maintain the stability and continuity of its staff assigned to perform this Agreement. Contractor shall notify City of any changes in Contractor's key staff assigned to perform this Agreement.
2. Notwithstanding City's approval of Contractor's personnel, Contractor shall not be relieved from any liability resulting from the work performed under this Agreement, nor shall

Contractor be relieved from its obligation to ensure that its personnel maintain all requisite certifications, licenses, and the like.

3. At any time, City may, for good cause, request that any of Contractor's non-management employees be reassigned such that they no longer perform any work relating to this Agreement and City shall provide a statement describing the specific good cause reason for such request. Contractor shall promptly review the request and meet and confer with City. Upon confirmation of good cause, Contractor shall remove the identified employee(s) from performing any work related to this Agreement as allowed by and subject to the provisions of any applicable collective bargaining agreement. The vacated position(s) shall be filled by Contractor with a suitable replacement within 10 calendar days or as soon thereafter as practicable. As used herein, "good cause" means: adjudicated criminal conduct following a trial or plea; conduct that is agreed by the parties to be a threat or harm to persons or property; or, conduct that is agreed by the parties to be socially unacceptable.

6.8 Hazardous Waste Inspection and Handling

A. Inspection Program and Training.

1. Contractor shall develop a load inspection program that includes the following components: (i) personnel and training; (ii) load checking activities; (iii) management of wastes; and, (iv) record keeping and emergency procedures.
2. Contractor's load checking personnel, including its collection vehicle drivers, shall be trained in: (i) the effects of hazardous substances on human health and the environment; (ii) identification of prohibited materials; and, (iii) emergency notification and response procedures. Collection vehicle drivers shall inspect containers before collection when practical.

B. Response to Excluded Waste Identified During Collection.

1. If Contractor determines that material placed in any container is excluded waste or presents a hazard to Contractor's employees, then Contractor may refuse to accept such material. The generator shall be contacted by Contractor and requested to arrange proper disposal. If the generator cannot be reached immediately, then Contractor shall, before leaving the premises, leave a non-collection notice that indicates the reason for refusing to collect the material and lists the phone number of a facility that accepts the excluded waste or a phone number of an entity that can provide information on proper disposal of the excluded waste. Under no circumstances shall Contractor's employees knowingly collect excluded waste or remove unsafe or poorly containerized excluded waste from a container.
2. If excluded waste is found in a container or collection area that could possibly result in imminent danger to people or property, Contractor shall immediately notify the Brea Fire Department.

- C. Response to Excluded Waste Identified at Processing or Disposal Facility.** Materials collected by Contractor shall be delivered to the approved facilities for purposes of processing or disposal. In the event that load checkers or equipment operators at such facility identify excluded waste in the loads delivered by Contractor, such personnel shall remove these materials for storage in approved, on-site, excluded waste storage container(s). Contractor shall arrange for removal of the excluded wastes at its cost by permitted haulers in accordance with applicable laws. Contractor may at its sole expense attempt to identify and recover the cost of disposal from the generator. If the

generator can be successfully identified, the cost of this effort, as well as the cost of disposal shall be chargeable to the generator.

6.9 Contract Management

- A. Contractor's Contract Administrator shall be responsible for working closely with the City Manager in the monitoring and administration of this Agreement.
- B. Contractor's Contract Administrator shall meet and confer with the City Manager to resolve differences of interpretation and implement and execute the requirements of this Agreement in an efficient and effective manner that is consistent with the stated objectives.
- C. The City Manager and Contractor's Contract Administrator shall hold contract management meetings monthly or at such other frequency as designated by the City Manager. This meeting is intended to review the status of Contractor's implementation of programs and services, coordinate shared efforts, and such other agenda items as are deemed appropriate.
- D. From time to time the City Manager may designate other agents of City to work with Contractor on specific matters. In the event of a dispute between the City Manager's designee and Contractor, the City Manager's determination shall be conclusive.
- E. The City Manager shall have the right to observe and review Contractor operations and Contractor's processing facilities and enter premises for the purposes of such observation and review, including review of Contractor's operations, maintenance, and safety records, during reasonable hours with reasonable notice. In no event shall Contractor prevent access to such premises for a period of more than three calendar days after receiving such a request.

6.10 Minimum Diversion Requirements

A. General.

- 1. Contractor warrants and represents that it is aware of and familiar with City's current Source Reduction and Recycling Element, that it is familiar with City's waste stream, and that it has the ability to provide sufficient programs and services to ensure City will meet or exceed the diversion goals (including amounts of discarded materials to be diverted, time frames for diversion, and any other requirements) set forth in AB 939, AB 341, AB 1826, and SB 1383, and that it shall do so without imposing any costs or fees other than those set forth in the attached Exhibit D, subject to changes in applicable laws. Contractor acknowledges that it is responsible for ensuring that its various programs achieve the applicable CalRecycle 50% per capita diversion requirements at the Effective Date and that in the absence of a change in applicable laws it may be required to modify its programs from time to time, at no additional cost to City or customers, to meet such diversion requirements. Contractor specifically acknowledges that City's current mandated diversion goal upon the Effective Date as set forth pursuant to the applicable laws is 50% of all solid waste (currently set per AB 939) and that this diversion rate is subject to modification by the Legislature. In the event of a change in applicable laws, including that new programs are required to meet a diversion goal in excess of 50% of all solid waste, the parties shall meet and confer in good faith in advance to determine a fair and reasonable adjustment to the maximum rates set forth in Exhibit D in order to compensate Contractor for implementing such new programs.
- 2. Contractor shall divert from landfilling the state-mandated construction and demolition debris diversion percentage of all construction and demolition debris loads. Contractor shall

provide a diversion report for each construction and demolition project performed by Contractor.

- B. **Implementation of Additional Diversion Services.** In the event City does not meet the CalRecycle 50% per capita of all solid waste generated diversion goal, City may direct Contractor to perform additional services (including the implementation of new diversion programs) or modify the manner in which it performs existing services, and Contractor shall do so and may request a compensation adjustment under Section 4.6. Pilot programs and innovative services that may entail new collection methods, and use of new or alternative waste processing and disposal technologies, are included among the kinds of changes that City may direct.

6.11 Customer Participation Compliance Requirements

General. The minimum required level of customer participation that must be achieved by Contractor on or before May 1, 2025 for residential customers and July 1, 2025 for commercial customers and annually thereafter includes the following:

6.11.1 SB 1383 Programs

- A. **Residential Premises.** Contractor shall fully implement a residential organic materials diversion program where all residential premises are provided the required containers to comply with SB 1383.
- B. **Commercial Premises.** Contractor shall implement and maintain an SB 1383 compliant commercial recycling and organic materials diversion program with the goal of providing recycling and organic materials containers to all customers required to have such containers under CalRecycle requirements, unless the customer has been granted a waiver per the City Code or the customer otherwise complies via third-party program, self-haul, or back-haul programs.

6.11.2 Contractor Has Maintained Full Implementation of All AB 341 and AB 1826 Diversion Programs

Contractor shall implement and maintain AB 341 and AB 1826 diversion programs such that all commercial customers required to have such programs are subscribed to the Contractor-provided program, unless the customer has been granted a waiver per the City Code or the customer otherwise complies via third-party program, self-haul, or back-haul programs.

6.11.3 Non-Compliant Customers

Contractor shall document any customers that are not in compliance with the required mandatory programs per AB 341, AB 1826, and SB 1383, and forward the list of non-compliant customers to City.

ARTICLE 7. RECORD KEEPING AND REPORTING

7.1 Record Keeping

- A. Contractor shall maintain customer contact data, customer service, accounting, statistical, operational, programmatic, and other records, and associated documentation, related to its performance as shall be necessary to provide detailed and accurate reports under this Agreement and to demonstrate compliance with this Agreement and applicable law. Unless otherwise required in this Article, Contractor shall retain all such records and data for four years after expiration or

termination of this Agreement or such longer period as required by applicable law. Records and data shall be in chronological and organized form that is readily and easily interpreted to facilitate the flexible use of data to structure reports. Contractor's records shall be stored in one on site central location, physical or electronic, or at such off-site storage location that can be readily accessed by Contractor. Upon request, and subject to limitations on non-disclosure of confidential and proprietary customer information of Contractor, any such non-confidential records shall be made available to City within five working days for City to review at Contractor's office. As used herein, "confidential and proprietary information" means customer identifying information and service or credit history and other customer financial information that is subject to state or federal privacy laws protecting customers.

- B. Contractor shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an earthquake. Electronically maintained data and records shall be protected and backed-up. City may require Contractor to maintain customer service and compliance records using a City-approved web-based software platform, at Contractor's expense. To the extent that Contractor utilizes its computer systems to comply with record keeping and reporting requirements, Contractor shall, on a monthly basis, save all system-generated reports supporting those record keeping and reporting requirements in a static format in order to provide an audit trail for all data required by City.
- C. At a mutually agreed upon time during normal business hours, but within five working days of a request from City, Contractor shall provide access to City at its offices its data and records with respect to the matters covered by this Agreement and applicable law. Contractor shall permit City to audit, examine, and make excerpts or transcripts from such data and records and make copies of all data relating to all matters covered by this Agreement and applicable law, all at City's expense.
- D. If City receives a CPRA request seeking disclosure of information Contractor has designated as confidential and proprietary, then City shall promptly notify Contractor of the request and provide Contractor a reasonable opportunity to comment on the pending request before City acts upon it. Contractor may seek a court order to limit or enjoin disclosure of such records. In the event City is subject to an action seeking to enforce the CPRA for any Contractor information designated confidential and proprietary and withheld from disclosure, Contractor shall defend and indemnify City in such litigation, which indemnity shall cover all of City's costs and expenses including attorney's fees.
- E. City views its ability to defend itself against CERCLA and related litigation as a matter of great importance. Contractor shall maintain records that can establish where recyclable materials, organic materials, and solid waste collected were transferred, processed, or disposed. This provision shall survive the expiration or termination of this Agreement. Contractor shall maintain these records for a minimum of five years beyond expiration or termination of this Agreement or such longer period as required by applicable law. Contractor shall provide these records to City (upon request or at the end of the record retention period) in an organized and indexed manner rather than destroying or disposing of them.

7.2 Report Submittal Requirements

- A. The parties acknowledge that City will require reporting by Contractor at various intervals by which information important to City can be compiled and analyzed. The parties shall work together to address City's needs with respect to the information to be contained in reports prepared by Contractor. The following is intended as a starting point to have established an objective baseline for reporting, but the frequency and content of the reports may be changed by consensus of the

parties, which shall be memorialized in a writing signed by the City Manager and Contractor's Contract Administrator. Records related to performance of this Agreement shall be maintained by Contractor in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. The format of each report shall be approved by City. Contractor shall submit all reports in an electronic format compatible with City's software/computers at no charge to City. Monthly reports shall be submitted within 20 calendar days after the end of the report month. Quarterly reports shall be submitted within 20 calendar days after the end of the calendar quarter. Annual reports shall be submitted within 45 calendar days after the end of the calendar year.

- B. Monthly, quarterly, and annual reports shall include all data and information described in Exhibit F, unless otherwise specified under this Agreement.
- C. Contractor may propose report formats that are responsive to the objectives and audiences for each report. The format of each report shall be approved by City in its sole discretion. City may review and request changes to Contractor's report formats and content and Contractor shall not unreasonably deny such requests.
- D. Contractor shall submit all reports to City electronically via e-mail using software acceptable to City. City may require Contractor to maintain records and submit the reports through use of a City-selected web-based software platform, at Contractor's expense.
- E. City reserves the right to require Contractor to provide additional reports or documents as required for the administration of this Agreement or compliance with applicable law.
- F. Upon request of either of the parties, but no more than two times per year, City and Contractor will meet and confer about the current reporting requirements and templates utilized for the prior calendar year to discuss updates or modifications to the formatting or additional information as required by applicable law.

7.3 System and Services Review

- A. **Hearing.** City may hold an administrative hearing each year at which Contractor shall be present and shall participate to review the solid waste collection, processing, and recycling system and services. It is City's intent to conduct any system and services review concurrently with any performance review.
- B. **Contractor Report.** Sixty days after receiving notice from City, Contractor shall submit a report to City regarding the solid waste collection, processing, and recycling system.
- C. **Review; Scope.** Topics for discussion and review at the system and services review hearing shall include services provided, Contractor's performance, cost and economic and technological feasibility of providing new services, application of new technologies, customer complaints, rights of privacy, amendments to this Agreement, developments in the law, new initiatives for meeting or exceeding AB 939 and SB 1383, or goals and regulatory constraints of other applicable law.
- D. **Additional Topics.** Each party may select additional topics for discussion at any systems and services review hearing.
- E. **City Report.** Not later than 60 days after the conclusion of each system and service review hearing, City shall issue a report. The report shall include a listing of any solid waste, processing, and recycling services not then being provided to City that are considered technically and economically

feasible by City, together with the anticipated costs associated with such services and proposals for generating program revenue to pay for such services in alignment with Sections 4.6 and 9.3.

7.4 Biennial Audit

A. General.

1. Contractor shall fund biennial audits as described below. The scope of the audit, and auditing party, will be determined by City and the scope may include:
 - a. Compliance with this Agreement.
 - b. Customer service levels and billing.
 - c. Fee payments.
 - d. Receipts.
 - e. Tonnage.
 - f. Complaint log.
 - g. Compliance with mandatory commercial recycling, mandatory commercial organics recycling, and SB 1383.
 - h. Verification of diversion rate.
2. The first audit is to be performed during the fourth quarter of 2025, and every two years thereafter. Contractor shall reimburse City the cost of such audits up to \$50,000 for the first audit and up to \$50,000 for each subsequent biennial audit. The up to \$50,000 amount in subsequent years shall be adjusted annually by 3% per year.
3. Should an audit by City disclose that franchise or other fees payable by Contractor were underpaid by 3% or more, or that more than 2% of customers were inaccurately billed, Contractor shall reimburse City for the actual cost of the audit to the extent it exceeded \$50,000.

- B. **Payments and Refunds.** Should an audit by City disclose that the franchise fees payable by Contractor were underpaid or that customers were overcharged for the period under review, Contractor shall pay to City any underpayment of franchise fees and/or refund to customers any overcharges within 30 calendar days following the date of the audit. In the event customers were undercharged, single-family customers may be billed for up to 12 months of services not previously billed and all other customers may be billed for up to 24 months of services not previously billed. In the event customers were overcharged, Contractor shall provide a refund for up to 24 months of overcharged services.

7.5 SB 1383 Record Keeping Software

Contractor shall utilize the City provided SB 1383 software that allows access to both parties, to integrate outreach efforts to customers within Brea, store certain reports required by this Article and Exhibit F, and monitor additional data required to be made available to CalRecycle. City shall provide Contractor on-line access to the database for real-time uploading and monitoring of data.

ARTICLE 8. CONTRACTOR'S CONSIDERATION

8.1 Franchise Fee

- A. **General.** Contractor acknowledges that it, and not customers, is to pay a 10% franchise fee to City as consideration for this Agreement. Accordingly, neither Contractor's bills nor City's bills shall include separate itemization of a "franchise fee" or other similar designation. Finally, Contractor acknowledges the franchise fee is a cost paid solely by Contractor from its profits.
- B. **Contractor Franchise Fee.** Contractor shall pay City an amount equal to 10% of all gross receipts, excluding compactor rental charges, as and for a franchise fee for services directly billed by Contractor pursuant to Section 5.7.3 above. The payment of a franchise fee by an end user shall not be considered payment for franchised services. Contractor shall remit the franchise fee to City pursuant to the provisions of Exhibit D, and without invoice from City. For the avoidance of doubt, the franchise fee shall be based on Contractor's actual receipts from Contractor's billings to its Customers.
- C. **Contractor Billed Fee Remittance.** The franchise fee for customers billed directly by Contractor shall be paid to City monthly on or before the 20th day of each month. Should any such due date fall on a weekend or holiday in which City's business offices are closed, payment shall be due on the first day thereafter in which City's business offices are open.
- D. **City Billed Fee Retention.** City will deduct the 10% franchise fee from its payments to Contractor for customers billed directly by City pursuant to Section 5.7.2 above.
- E. **Fee Remittance After Term.** The franchise fee shall apply to gross receipts of Contractor actually collected after expiration or termination of this Agreement and relating to Contractor's performance of this Agreement. Franchise fee payments shall be accompanied by a statement certified by an officer of Contractor attesting to the accuracy of the amounts paid and setting forth the basis for their calculation in a manner acceptable to City.

8.2 AB 939 Administrative Fees

Pursuant to Public Resources Code Section 41902, Contractor shall pay or collect, as the case may be, an AB 939 administrative fee as may be established by City Council resolution. Following 30 days' prior written notice by City to Contractor, any fee established pursuant to this Section shall be payable by Contractor to City concurrent with the payment of franchise fees.

8.3 Recyclable Materials Revenues

Contractor shall provide to City residential customers 50% of the Contractor revenues from the sales of recovered residential recyclable materials by calculating a residential customer rebate as shown in Exhibit E, Page 5, together with supporting data. This rebate shall be applied annually to the rate adjustment calculations as shown in Exhibit E, Page 1.

8.4 Edible Food Recovery Funding

On or before June 30, 2025, and annually thereafter during the term, Contractor shall provide City with funding (the "Edible Food Recovery Payment") to assist City with contracting with third parties that will facilitate compliance with City's obligations under 14 CCR Chapter 12, Article 10. The Edible Food Recovery

Payment due on or before June 30, 2025, shall be \$45,000. Thereafter, the amount of the Edible Food Recovery Payment shall be increased based on the percentage change in the applicable published index as specifically set forth in Exhibit E herein for commercial rate adjustments.

8.5 Payment Schedule and Late Fees

- A. Checks for franchise fee and recyclable revenue shall be payable to the City of Brea and shall be mailed or otherwise delivered to City's Finance Department.
- B. Contractor payments are due on the 20th day of the month and shall be considered late if they are received after the 25th day of any month. In the event Contractor fails to timely make any of the payments required by this Agreement by the 25th day of any month, Contractor shall pay to City an additional sum of money equal to 5% of the amount due. This amount is required to defray those additional expenses and costs incurred by City by reason of the late payment including the cost of administering, accounting for, and collecting the late payment and the cost to City of postponing services and projects necessitated by the delay in receiving the revenue. In addition to any other remedy provided by law, any amounts not paid to City by Contractor within 60 days of the due date shall be subject to interest in the amount of 10% per annum, calculated on a daily basis for each day such sums remain past due.

8.6 Other Fees

City shall reserve the right to establish other fees, or negotiate changes to fees beyond the regular annual adjustments described above as it deems necessary, to the extent that such further adjustments are also included in the adjustments to the approved rates.

ARTICLE 9.

CONTRACTOR'S COMPENSATION AND RATE SETTING

9.1 General

Contractor shall perform the responsibilities and duties described in this Agreement in consideration of the right to receive compensation for services. Compensation provided for in this Article shall be the complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, disposal, recycling, processing, transfer, profit, and all other things necessary to perform all the services required by this Agreement.

9.2 Initial Rates

The rates for the rate period ending June 30, 2026, shall not exceed those set forth in Exhibit D. Contractor has reviewed these maximum rates and agrees they are reasonably expected to generate sufficient revenues to provide adequate compensation. Unless and until the maximum rates set forth in Exhibit D are adjusted, Contractor will provide the services required by this Agreement, charging no more than the maximum rates authorized by Exhibit D, except as provided herein in this Article.

9.3 Schedule of Future Adjustments

Beginning with rate period two (July 1, 2026 to June 30, 2027) and for all subsequent rate periods, either party may request an annual adjustment to the maximum rates shown in Exhibit D, excepting that

Contractor shall be entitled to those adjustments in rates as provided in Section 9.4. For all inflationary adjustments, Contractor shall submit notice in writing by March 1 of the same year based on the method of adjustment described in Section 9.4. Failure to submit a written request by March 1 shall be conclusive as to Contractor's decision not to proceed with an increase for the subsequent year. If any rates would decline based upon Section 9.4 calculations and a rate decrease is not implemented, the subsequent rate adjustment shall be based upon the changes in indices since the previous rate adjustment instead of the change over the prior year.

9.4 Method of Adjustments

9.4.1 General

Pursuant to Section 9.3, the Contractor may request an adjustment to the maximum rates according to the method described below and the formulas shown in Exhibit E, subject to review and approval of City. All future adjustments are to be effective July 1. The rate adjustment calculations shall be separately performed for all rates (Exhibit E).

9.4.2 Cost Component and Rate Adjustment Indexes

The approved rates consist of the following cost components, followed by the initial weightings of each component. Each cost component may be adjusted by the change in the corresponding index as provided below. See Section 9.4.3 for detailed rate adjustment procedures and Exhibit E for examples of rate adjustment calculations.

RESIDENTIAL AND COMMERCIAL/INDUSTRIAL SERVICES COST COMPONENTS				
	Cost Component	% of Costs		Rate Adjustment Index
		Residential	Commercial/ Industrial	
A.	Collection	85.0%	85.0%	Stair step collection component from CPI to GTCI as shown in Exhibit E, Page 3.
B.	Disposal	15.0%	15.0%	Gate rate at the County landfills as of July 1 (as established under the County Waste and Recycling WDA).
	Total	100.0%	100.0%	

Annual Adjustments to Landfill Disposal Component of Rates

It is the intention of the parties that the landfill disposal component associated with any of the maximum rates as set forth in Exhibit D shall be a pass-through component included in the rates subject to City and Contractor agreeing on the allocation of the landfill disposal component of the rate across residential, commercial, industrial, and multifamily sectors. After the effective date of this Agreement, rates shall be adjusted annually on each adjustment date as adjusted by the County pursuant to the County Agreement or any successor agreement then in effect to reflect the direct increase or decrease in the actual landfill disposal (tipping) fees incurred by Contractor for disposal of solid waste collected pursuant to this Agreement. On the effective date of this Agreement, the County Agreement rate is \$42.55 per ton

delivered to the County system. In the event an increase occurs in applicable landfill tipping fees at a time other than an annual adjustment date, Contractor shall receive an adjustment to the maximum rates applicable to the landfill disposal component pursuant to this section.

9.4.3 Rate Adjustment Calculations

- A. Residential services rates and commercial/industrial services rates will be adjusted using the same method but will be calculated separately due to the differences in the weightings of the collection and disposal components, as well as the collection component stair step for each customer type, as listed in Section 9.4.2 and Exhibit E, Page 3.

1. **Step One.** Calculate the percentage increase or decrease in collection and disposal component indices listed in Section 9.4.2. The increase or decrease in the collection indices will be for the change in the average annual published indices as shown in Exhibit E, Pages 3 and 4. The average annual change for the CPI or GTCI (as shown in Exhibit E, Pages 3 and 4) will be calculated based on the 12 months ended December prior to the rate adjustment date, and the 12 months ended the prior December.

The disposal component will be based on the actual percentage change in the gate rate at the County landfills.

2. **Step Two.** For the first-rate adjustment, cost components are weighted as listed in Section 9.4.2. For subsequent rate adjustments, the relative weights of the collection and disposal cost components will be determined in Step Four of the prior year's rate adjustment.

Multiply the percentage changes for the collection and disposal cost components, as determined in Step One, by that component's weighting as a percentage of total cost.

3. **Step Three.** Multiply the total weighted percent change from Step Two by the existing maximum residential services rates and commercial/industrial services rates to determine the increase or decrease in maximum rates. Then add (subtract) the changes in rates to (from) the existing maximum rates to determine the new maximum rates.

Apply any City maintenance service costs and the residential recycling rebate per Section 8.3.

4. **Step Four.** Recalculate weightings for the following year based on these changes.

9.5 Extraordinary Adjustments

- A. Either party may request an adjustment to maximum rates at reasonable times other than that allowed under Section 9.3 in the event of extraordinary changes in the cost of providing service under this Agreement, including requests related to change in law. Such changes shall not include changes in recyclable materials or organic waste processing costs, changes in the market value of recyclable materials, inaccurate estimates by Contractor of its proposed cost of operations, unionization of Contractor's work force, or change in wage rates or employee benefits. Extraordinary rate adjustments may not be applied retroactively.
- B. For each request for an adjustment to the maximum rates Contractor shall prepare a schedule documenting the extraordinary costs. Such request shall be prepared in a form acceptable to City with support for assumptions made by Contractor in preparing the estimate. Contractor shall also submit a schedule showing how its total costs and total revenues have changed over the past three years for the services provided under this Agreement.

- C. Contractor shall provide to City a report of its annual revenues and expenses for the services provided in Brea, and City shall have right to audit this information in connection with City's review of Contractor's rate adjustment request. City may consider increases or decreases in the Contractor's total revenues and total cost of services when reviewing an extraordinary rate adjustment request and City's determination will be final. A rate adjustment request made in response to a new service requested by City will be determined in accordance with Section 4.6.

9.6 Limitations on Rate Adjustments

At least 45 days prior to adjusting any rate(s) charged to customers, Contractor shall provide written notice to City of its intent to adjust such rate(s) and the amount of such adjustment. Contractor shall be entitled to implement the intended adjustment to such rate(s) unless City determines that the adjusted rates will exceed the ~~then-current~~ maximum rates ~~as set forth in Exhibit D~~ established pursuant to the Proposition 218 Notice for the applicable rate year.

ARTICLE 10.

INDEMNITY, INSURANCE, AND PERFORMANCE BOND

10.1 Indemnification

- A. **General.** To the maximum extent permitted by law, Contractor shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, volunteers, and agents from and against any and all claims, liability, loss, injuries, damage, expense, and costs (including costs and fees of litigation, including reasonable attorney's and expert witness fees) (collectively, "Damages") of every nature arising out of or in connection with Contractor's performance, and the performance of any subcontractor or agent of Contractor, under this Agreement or Contractor's failure to comply with any of its obligations contained in the Agreement, except to the extent such loss or damage was caused by the negligence or willful misconduct of City. This Section shall survive the expiration or termination of this Agreement and shall not be construed as a waiver of City's legal and/or equitable rights.
- B. **Excluded Waste.**
1. Contractor acknowledges that it is responsible for compliance with applicable law. Contractor shall not knowingly store, transport, use, or dispose of any excluded waste except in strict compliance with applicable law.
 2. If Contractor negligently or willfully mishandles excluded waste, Contractor shall at its sole expense promptly take all investigatory and/or remedial action reasonably required for the remediation of such environmental contamination. Prior to undertaking any investigatory or remedial action, however, Contractor shall first obtain City's approval of any proposed investigatory or remedial action. Should Contractor fail at any time to promptly take such action, City may undertake such action at Contractor's sole cost and expense, and Contractor shall reimburse City for all such expenses within 30 calendar days of being billed for those expenses. These obligations are in addition to Contractor's indemnity, defense, and hold harmless obligations.
 3. Notwithstanding the foregoing, Contractor's duties under this Paragraph shall not extend to any claims arising from the disposal of solid waste at the designated disposal facility,

including claims arising under CERCLA, unless such claim is a direct result of Contractor's negligence or willful misconduct.

- C. **Related to AB 939, AB 341, and SB 1383.** Contractor's duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle, if the requirements of AB 939, AB 341, AB 1826, and/or SB 1383 are not met by Contractor with respect to Contractor's obligations under this Agreement, and such failure is: (i) solely due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) solely due to Contractor delays in providing information that prevents Contractor or City from submitting reports to regulators in a timely manner. This indemnity is subject to the provisions of Public Resources Code Section 40059.1.

D. **Related to Proposition 218.**

1. Should there be a change in law or a new judicial interpretation of applicable law, including California Constitution Articles XIII C and XIII D, that impacts the rates for the collection services, the parties shall meet to discuss the impact of such change in law on this Agreement.
2. If a rate adjustment determined by the parties to be appropriate to compensate Contractor for increases in costs as described in this Agreement cannot be implemented for any reason, then Contractor shall be granted the option to negotiate with City, in good faith, a reduction of services equal to the value of the rate adjustment that cannot be implemented. If the parties are unable to reach agreement about such a reduction in services, then Contractor may terminate this Agreement upon one year's prior written notice to City. In such event the parties shall each be entitled to payment of amounts due for contract performance through the date of termination but otherwise will have no further obligation to one another unless this Agreement specifically states otherwise, after the date of such termination. Should a court of competent jurisdiction determine that Contractor cannot charge and/or increase its rates for charges related to franchise fees and governmental fees and charges, Contractor shall reduce the rates it charges customers a corresponding amount, providing such fees, reimbursements, rates and/or charges disallowed by the court are not related to the cost of providing service hereunder and had been incorporated in the rates charged by Contractor.
3. Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D, apply to the rates established for services provided under this Agreement. Rather this Section 10.1.D is provided merely to allocate risk of an adverse judicial interpretation between the parties.
4. The cost of all printing, copying, and mailing notices related to such procedural requirements shall be Contractor's sole responsibility.
5. In the event that any rate adjustments provided for in Section 9.3, 9.4, or 9.5 are not implemented by City solely by reason of a 50% protest lawfully lodged with City in accordance with the requirements of Proposition 218, Contractor may, in its sole discretion, either: (i) accept that the rates will remain at the rates in effect prior to the scheduled adjustment or the requested rate increase; (ii) request in writing that City negotiate in good faith regarding reductions in programs, services, or fees under this Agreement to accommodate any materially adverse financial impact on Contractor's ability to provide any collection services under the Agreement that has been caused by the failure to approve the adjustment; or, (iii) terminate this Agreement by providing City with 180 days' prior written notice.

E. **CalPERS Eligibility Indemnification.**

1. Contractor's employees, agents, or subcontractors providing service under this Agreement shall not: (i) qualify for any compensation and benefit under CalPERS; (ii) be entitled to any benefits under CalPERS; (iii) enroll in CalPERS as an employee of City; (iv) receive any employer contributions paid by City for CalPERS benefits; or, (v) be entitled to any other CalPERS-related benefit by reason of the services provided under this Agreement that would accrue to a City employee. Contractor's employees, agents, or subcontractors waive any claims to benefits or compensation described in this Section. This Section applies to Contractor notwithstanding any other law to the contrary.
2. If Contractor's employees, agents, or subcontractors providing services under this Agreement claim, or are determined by a court of competent jurisdiction or the CalPERS to be eligible for enrollment in CalPERS, Contractor shall indemnify, defend, and hold harmless City for the payment of any employer and employee contributions for CalPERS benefits on behalf of the employee as well as for payment of any penalties and interest on such contributions that would otherwise be the responsibility of City.
3. Contractor's compensation under this Agreement shall be the full and complete compensation to which Contractor and Contractor's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Contractor nor its officers, employees, agents, and subcontractors are entitled to any salary or wages, or retirement, health, leave, or other fringe benefits applicable to City employees. City shall not make any federal or state tax withholdings on behalf of Contractor. City is not required to pay any workers' compensation insurance on behalf of Contractor.
4. Contractor shall defend and indemnify City for any obligation, claim, suit, or demand for tax, retirement contribution including any contribution to CalPERS, social security, salary or wages, overtime payment, or workers' compensation payment that City may be required to make on behalf of Contractor, any employee of Contractor, or any employee of Contractor construed to be an employee of City for work performed under this Agreement.

10.2 Insurance

- A. **Coverages and Requirements.** Contractor shall at all times maintain, at its expense, the following coverages and requirements. The comprehensive general liability insurance shall include broad form property damage insurance and public liability insurance.

1. **Minimum Coverages.** Insurance coverage shall be with limits not less than the following:
 - a. Comprehensive General Liability – \$10,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.
 - b. Automobile Liability – \$10,000,000 combined single limit per accident for bodily injury and property damage (include coverage for Hired and Non-owned vehicles).
 - c. Workers' Compensation – Statutory Limits/Employers' Liability – \$1,000,000/accident for bodily injury or disease.
 - d. Contractor's Pollution Liability – \$10,000,000 per contamination incident and annual aggregate applicable to bodily injury; property damage, including loss of use of damaged property or of property that has not been physically damaged or destroyed; clean-up costs, including first-party cleanup of City's property and third-party cleanup, and bodily injury costs if pollutants impact other properties; and, defense, including costs, fees and expenses incurred in the investigation, defense, or resolution of claims.

Coverage shall include completed operations and shall apply to sudden and non-sudden pollution conditions. Coverage shall apply to acts, errors or omissions arising out of, or in connection with, Contractor's scope of work under this Agreement. Coverage shall also apply to non-owned deposit sites that shall protect against, for example, claims regarding bodily injury, property damage, and/or cleanup costs involving non-owned deposit sites. Coverage is preferred by City to be occurrence based. However, if provided on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the Effective Date and that continuous coverage shall be maintained or an extended discovery period will be exercised through expiration or termination of this Agreement for a minimum of five years. This provision does not limit or alter any rights or remedies to City allowable under this Agreement or applicable law in perpetuity.

2. **Additional Insured.** City, its officers, agents, employees, and volunteers shall be named as additional insured on all but the workers' compensation and coverage via blanket-form endorsement.
 3. Such policies shall remain in force through the term of this Agreement and shall be payable on a "per occurrence" basis unless City's Risk Manager specifically consents in writing to a "claims made" basis. For all "claims made" coverage, if Contractor changes insurance carriers Contractor shall purchase "tail" coverage or otherwise provide for continuous coverage covering the term of this Agreement and not less than three years thereafter, except for the five-year tail of Pollution Liability Coverage as described above. Proof of such "tail" or other continuous coverage shall be required at any time that Contractor changes to a new carrier prior to receipt of any payments due.
 4. The deductibles or self-insured retentions are for the account of Contractor and shall be the sole responsibility of Contractor.
 5. Each insurance policy, except Workers' Compensation/Employer's Liability shall be endorsed via blanket-form endorsement to state that coverage shall not be canceled, non-renewed, or materially changed limits except after 30 calendar days' prior written notice has been given to City (10 calendar days for delinquent insurance premium payments) via e-mail to an e-mail address provided by City.
 6. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A-VII, or with a surplus line carrier with a Best's Key Rating Guide of at least "B."
 7. The policies shall cover all activities of Contractor, its officers, employees, agents, and volunteers arising out of or in connection with this Agreement.
 8. For any claims relating to this Agreement, Contractor's insurance coverage shall be primary, including as respects City, its officers, agents, employees, and volunteers. Any insurance maintained by City shall apply in excess of, and not contribute with, insurance provided by Contractor's liability insurance policy.
 9. Contractor shall waive all rights of subrogation against City, its officers, employees, agents, and volunteers via blanket-form endorsement.
- B. **Certificates of Insurance/Endorsements.** Within five calendar days of the Effective Date, Contractor shall furnish City with an ACORD 25 Certificate of Insurance reflecting coverage required by this Agreement and supplemented with all applicable blanket-form endorsements as required

herein. The certificate and blanket-form endorsements shall be signed by an authorized representative of the insurer.

- C. **Renewals.** Contractor shall furnish City with certificate(s) of insurance reflecting renewals, changes in insurance companies, and any other information affecting. The endorsements shall be signed by an authorized representative of the insurer.
- D. **No Cap on Indemnity.** The minimum amounts of coverage described in this Section shall not constitute any limitations or cap on Contractor's indemnification obligations under this Agreement.
- E. **Workers' Compensation.** Contractor shall provide workers' compensation coverage as required by state law and shall comply with Labor Code Section 3700.

10.3 Faithful Performance Bond or Irrevocable Letter of Credit

- A. Contemporaneously with execution of this Agreement, as security for Contractor's faithful performance of all obligations of this Agreement, Contractor shall provide a surety mechanism ("Surety") as more fully defined below in the amount of \$822,000. The Surety may be comprised of either a performance bond or an irrevocable letter of credit, or a combination of both. If a letter of credit is utilized to satisfy some or all of the Surety requirement it shall be drawn upon a financial institution with an office within 50 miles of the Brea Civic and Cultural Center and otherwise in a form acceptable to the City Attorney. The performance bond, if any, shall be issued by a duly authorized corporate surety company authorized to do business in California, in a form reasonably acceptable to the City Attorney, and in full compliance with the provisions of Code of Civil Procedure Section 995.610 et seq. The cost of the Surety shall be the sole obligation of Contractor. The Surety shall be released within 30 days after both: (i) expiration of this Agreement; and, (ii) Contractor's satisfactory performance of all obligations hereunder.
- B. In the event Contractor shall for any reason become unable to, or fail in any way to, perform as required by this Agreement, City may declare a portion or all of the Surety, as may be necessary to recompense and make whole City, forfeited to City. Upon partial or full forfeiture of the Surety, Contractor shall restore the Surety to its original amount within 30 days of City's notice to do so.
- C. Upon City providing Contractor with written notice of its failure to pay City any amount owing under this Agreement, either the letter of credit or performance bond comprising the Surety may be utilized by City for purposes including:
 - 1. Payment of sums due under this Agreement that Contractor has failed to timely pay to City including liquidated damages.
 - 2. Reimbursement of costs borne by City to correct violations of this Agreement not corrected by Contractor.
- D. City may draw upon the entire letter of credit (if any) utilized to meet Contractor's obligations pertaining to the Surety, and convert it to a cash deposit, if Contractor fails to cause the letter of credit to be extended or replaced with another satisfactory letter of credit no later than 60 days prior to its expiration.

10.4 Performance Security Beyond Service Term

Contractor shall not terminate the performance bond or letter of credit and will renew them to ensure continuous availability to City, until receiving a written release from City. City will provide such a release when City, in its reasonable judgment, is fully satisfied that all requirements have been met; provided,

however, in no event may City require that the Surety continue more than one year after the termination of this Agreement. However, permission from City to discontinue holding these performance securities does not relieve Contractor of payments to City that may be due or may become due.

ARTICLE 11.

CITY'S RIGHT TO PERFORM SERVICE

11.1 General

- A. Subject to events of force majeure, in the event that Contractor fails, refuses, or is unable to collect, recycle, process, transport, or dispose of any or all discarded materials for a period of more than two working days, and if, as a result thereof, discarded materials should accumulate in Brea to such an extent, in such a manner, or for such a time that such accumulation endangers or menaces the public health, safety, or welfare, then City shall have the right, but not the obligation, upon 24 hours' prior written notice to Contractor to perform, or cause to be performed, such services itself with its own or other personnel without liability to Contractor.
- B. Notwithstanding Section 14.13, notice of Contractor's failure, refusal, or neglect to collect, transport, and dispose of or process discarded materials may be given orally by telephone to Contractor at its principal office and shall be effective immediately. Written confirmation of such oral notification shall be sent to Contractor within one working day of the oral notification.

11.2 Billing and Compensation to City During City's Possession

During such time that City is providing discarded materials services, as above provided, Contractor shall bill and collect payment from all users of the above-mentioned services as described in Section 5. In such event, Contractor shall reimburse City for any and all costs and expenses incurred by City beyond that billed and received by City in such manner and to an extent as would otherwise be required of Contractor under this Agreement. Such reimbursement shall be made from time to time after submission by City to Contractor of each statement listing such costs and expenses but in no event later than five working days from and after each such submission.

11.3 Disaster Preparedness Plan

- A. Within 12 months of the Effective Date, Contractor shall, with City assistance, prepare a written plan detailing how discarded materials services will be delivered in a time of emergency or natural disaster. For the plan, City shall provide Contractor with a written list of critical facilities that City deems in need of special consideration in a time of emergency. Contractor's written plan shall contain a protocol for contacting Contractor management in the event of an emergency, an overview of Contractor's resources available for emergency response, a plan for collection, disposal, and recycling of discarded materials generated by critical facilities until the time of emergency passes and a plan for resuming normal operations following an emergency.
- B. In the event of a disaster, City may grant Contractor a waiver of some or all collection requirements under this Agreement and 14 CCR Section 18984 et seq. in the disaster-affected areas for the duration of the waiver. Any resulting changes in collection requirements shall be addressed as a change in scope in accordance with Section 4.6.

ARTICLE 12. DEFAULT AND REMEDIES

12.1 Events of Default

A. The following are Category 1 events of default:

1. **Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or deceit upon City.
2. **Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling to pay its debts, or upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.
3. **False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to City by Contractor in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, that 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. Additionally, a default occurs if any Contractor-provided report contains a misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical typographical and grammatical errors.
4. **Criminal Activity.** Contractor or its officers, managers, or employees are found guilty of criminal activity in connection with the performance of this Agreement or any other contract with City.
5. **Assignment without Approval.** Contractor transfers or assigns this Agreement without the prior written approval of City.

B. The following are Category 2 events of default, however, subject to events of force majeure:

1. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force the workers' compensation and insurance coverage required by this Agreement.
2. **Violations of Regulation.** Contractor violates a regulatory agency order in connection with the performance of this Agreement. If Contractor contests any such order by appropriate proceedings conducted in good faith, and the regulatory agency determines no violation occurred, then no default of this Agreement shall be deemed to have occurred.
3. **Violations of Applicable Law.** Contractor violates applicable law in connection with the performance of this Agreement.
4. **Failure to Perform Direct Services.** Contractor ceases to provide collection, transportation, or processing services as required under this Agreement for a period of two consecutive calendar days or more for any reason within the control of Contractor.
5. **Failure to Pay.** Contractor fails to make a required payment to City by the applicable deadline.
6. **Failure to Report.** Contractor fails to provide City with required information, reports, or records by the applicable deadline.
7. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on some or all of Contractor's equipment or facilities other than standard liens in connection with any bank financing.

8. **Suspension or Termination of Service.** There is any termination or suspension of the transaction of business by Contractor related to this Agreement, including due to labor unrest including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action lasting more than seven calendar days for residential customers and three calendar days for commercial customers.
9. **Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a proposal for new services or changes to services or fails to implement a change in service as requested by City.
10. **Failure to Implement Collection Program.** Contractor fails to implement a collection program that complies with the requirements of Article 5 and Exhibit B.
11. **Failure to Provide Processing Capacity.** Contractor fails to provide processing capacity in accordance with Articles 5 and 6.
12. **Failure to Achieve Processing Standards.** Contractor fails to achieve the processing standards specified in Articles 4 and 5 including achievement of minimum organic waste recovery rates.
13. **Failure to Comply with Other Requirements of SB 1383.** Contractor fails to comply with other SB 1383 requirements including public education, reporting, contamination monitoring, record keeping and reporting, or other obligations of this Agreement that delegate City's responsibility and authority under SB 1383 to Contractor, which results in a final judgment against City pursuant to an enforcement action brought by CalRecycle for failing to achieve SB 1383 compliance pursuant to CCR title 14 § 18997. 5.
14. **Failure to Dispose of Solid Waste at the Designated Disposal Facility.** Contractor fails to dispose of solid waste collected within Brea at the designated disposal facility unless use of facility is no longer required or available.
15. **Acts or Omissions.** Any other act or omission by Contractor that violates this Agreement or applicable law. All provisions of this Agreement are considered material.

12.2 Contractor's Right to Cure; Right to Terminate Upon Event of Default

- A. If City issues a notice of default for a Category 1 event of default, then Contractor shall not be entitled to an opportunity to cure the default. Subject to this Paragraph and Section 12.2.C below, Contractor has a right to cure for Category 2 events of default. City shall afford Contractor 30 days or a reasonable period of time under the circumstances to cure the default unless City reasonably determines the default presents an immediate threat to public health or safety. In such event, Contractor shall not be entitled to an opportunity to cure the default.
- B. If a Category 2 default does not present an immediate threat to public health or safety and cannot reasonably be cured within 30 calendar days, then City may not terminate this Agreement based upon such default if Contractor promptly commences and diligently pursues the cure to completion.
- C. After the initial five years of the term of this Agreement, subject to events of force majeure, Contractor shall not be entitled to an opportunity to cure the default in the instance where Contractor has within a 24-month period twice committed the same item 1, 5, 7, 9, or 11 Category 2 default in Section 12.1 B above. City may determine to allow Contractor to cure the default as set forth in Section 12.2.A above.

12.3 City's Remedies in the Event of Default

Upon Contractor's default, City has the following remedies in the event of Contractor default:

- A. **Waiver of Default.** City may waive any event of default or may waive Contractor's requirement to cure a default event if City determines that such waiver would be in the best interest of City. City's waiver of an event of default is not a waiver of future events of default that may have the same or similar conditions.
- B. **Suspension of Contractor's Obligation.** City may suspend Contractor's performance of its obligations if Contractor fails to cure default in the time frame specified in Section 12.2 until such time Contractor can provide assurance of performance in accordance with Section 12.8.
- C. **Liquidated Damages.** City may assess liquidated damages for Contractor's failure to meet specific performance standards in accordance with Section 12.6.
- D. **Termination.** Subject to the provisions of Section 12.2 above,
 - 1. City may, in its discretion, set a public hearing for the City Council to determine whether to terminate this Agreement.
 - 2. If City terminates this Agreement for default, Contractor shall be given 30 calendar days' notice. Contractor shall thereafter be relieved on a going-forward basis of all liabilities and obligations required by this Agreement, except for Section 10.1 and any other provisions specifically identified to survive termination of this Agreement. Upon expiration of the 30 day notice, City may, in its sole discretion, do any of the following:
 - a. Directly undertake performance of the services.
 - b. Arrange with other persons to perform the services with or without a written agreement.
 - c. Permit Contractor to continue operating under this Agreement including Contractor's compensation until such time that City is able to find substitute services.
 - 3. This right of termination is in addition to any other rights upon a failure of Contractor to perform this Agreement.
 - 4. Contractor shall not be entitled to any further revenues from collection operations after the termination date.

12.4 Possession of Records Upon Termination

In the event of termination for an event of default, Contractor shall furnish City with immediate access to its business records that are required to be maintained pursuant to this Agreement in a format compatible with City's computer systems, including customer information, collection routes, compliance records, and billing of accounts for collection services.

12.5 City's Remedies Cumulative; Specific Performance

- A. City's rights to terminate this Agreement under Section 12.2 and to take possession of the Contractor's records under Section 12.4 are not exclusive, and City's termination of this Agreement or imposition of liquidated damages shall not constitute an election of remedies. Instead, these

rights shall be in addition to any and all other legal and equitable rights and remedies that City may have.

- B. By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-quality service; the lead time required to effect alternative service; and, the rights granted by City to the Contractor, the remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive relief (including specific performance).

12.6 Performance Standards and Liquidated Damages

- A. **General.** The parties acknowledge that it is impractical, if not impossible, to reasonably ascertain the extent of damages that shall be incurred by City as a result of a breach by Contractor of this Agreement. The impracticability of ascertaining damages is due to multiple factors including 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 that are incapable of measurement in precise monetary terms; (iii) exclusive services might be available at substantially lower costs than alternative services and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and, (iv) termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies that make the public whole for past breaches.
- B. **Service Performance Standards; Liquidated Damages for Failure to Meet Standards.**
1. The parties further acknowledge that consistent, reliable collection services are of utmost importance to City and that City has considered and relied on Contractor's representations regarding its quality-of-service commitment in awarding this Agreement. The parties 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 Contractor fails to achieve the performance standards or fails to submit required documents in a timely manner, then City and Brea residents and businesses will suffer damages, and that it is, and will be, impractical and extremely difficult to ascertain and determine the exact amount of damages that City will suffer.
 2. City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representatives or investigation of customer complaints. It is the desire of the parties to work together to avoid the imposition of liquidated damages, and accordingly City will endeavor to timely communicate to Contractor any information that City receives that might give rise to the imposition of liquidated damages in order to facilitate Contractor's ability to correct any deficiency or prevent the recurrence of any conduct for which liquidated damages might eventually be imposed.
 3. Prior to assessing liquidated damages, City shall give Contractor a pre-assessment notice; however, Contractor will not be provided notice for those breaches identified under Sections 12.6.C.1.b, 12.6.C.1.c, 12.6.C.3.a, 12.6.C.3.b, and 12.6.C.3.d because it would not be possible to rectify these breaches in a timely manner after the stated period for correction has passed. Such notice will include a brief description of the incident(s)/non-performance(s) for which liquidated damages are to be assessed. Contractor may review (and make copies at its own expense) all information in the possession of City relating to the identified incident(s)/non-performance(s). Contractor may, within 10 days after receiving the pre-assessment notice,

request a hearing before the City Manager. Contractor may present evidence in writing and through testimony of its employees and others relevant to the incident(s)/non-performance(s). City will provide Contractor with a written explanation of the City Manager's determination on each incident/non-performance prior to assessing liquidated damages. The decision of the City Manager shall be final.

Therefore, without prejudice to City's right to treat such non-performance as an event of default, and Contractor's right to cure outlined above, the parties agree that the liquidated damages amounts established in this Section 12.6 represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the Effective Date, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical.

Contractor

City

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C. Contractor shall pay as liquidated damages, and not as a penalty, the amounts set forth below:

1. Collection Reliability		
a	For each failure to commence service to a new customer account within seven days after order.	\$100 per occurrence
b	For each failure to collect discarded materials, which has been properly set out for collection.	\$100 per occurrence
c	For each failure to correct and collect a missed service within the timeframe set forth in Section 5.8.B.2.	\$100 per occurrence; Each additional 24-hour period: \$50 per occurrence
d	For each failure to comply with the provisions in Section 12.7 Contractor's actions during a work stoppage.	\$1,000 per day
e	For each failure to collect illegally dumped bulky goods within two days of notification by City per Exhibit B4, Item 7.	\$100 per day illegally dumped bulky goods remains uncollected.

2. Collection Quality		
a	For failure to properly return empty containers to avoid pedestrian or vehicular traffic impediments or to place containers upright, which exceeds 10 containers annually.	\$50 per container
b	For each occurrence of excessive noise or discourteous behavior, which exceed 10 occurrences annually.	\$100 per occurrence
c	For each occurrence of collecting discarded materials during unauthorized hours, which exceeds 10 such occurrences annually.	\$100 per occurrence
d	For each occurrence of damage to private property, which exceeds five such occurrences annually.	\$100 per occurrence
e	For each failure to clean up discarded materials spilled from collection containers within 90 minutes that exceeds 10 such failures annually.	\$100 per occurrence

f	For each failure to clean up vehicle leaks or spills within the timeframe required by Section 6.5.E.	\$500 per occurrence
g	For each failure to follow the cleanup procedures included in Section 6.5.E.	\$500 per square foot of affected area
h	For each incidence of commingling of solid waste with recyclable materials and/or green waste/food scraps in collection vehicles except as provided in the event of contamination (when contaminated materials may be placed in truck with solid waste).	\$1,000 per incident

3. Customer Responsiveness

a	For each failure to initially respond to a customer complaint within one working day, and for each additional day in which the complaint is not addressed, which exceed five annually.	\$50 per day
b	For each failure to process customer complaints as required by Article 5, which exceed five annually.	\$50 per occurrence
c	For each failure to record a response to a customer complaint or request within 24 hours of resolution. Each additional 24-hour period.	\$100 per occurrence \$50 per occurrence
d	For each failure to respond to a written inquiry from City's solid waste contract manager regarding service requests or requests for information within two working days, and for each additional day in which the inquiry is not addressed, which exceed five occurrences annually.	\$100 per occurrence
e	For each failure to remove graffiti from containers, or to replace with containers bearing no graffiti, within two working days of request from City or customer. Each additional day problem not resolved.	\$50 per day \$25 per day
f	For each failure to repair or replace a damaged or missing container within two working days of request from City or a customer.	\$50 per day
g	For each failure to process a claim for damages within 30 days from the date submitted to Contractor.	\$100 per occurrence
h	For each failure to issue a warning notice to a container or materials not collected due to improper set-out, which exceeds 10 such occurrences annually.	\$100 per day per occurrence

4. Failure to Submit Reports or Allow Access to Records

For each failure to submit any individual report or provide access to records in compliance with and in the timeframe specified in this Agreement. Incomplete and/or inaccurate reports shall be considered a failure to submit until such time as all information in the report has been provided in a complete and accurate form. In the event City determines a report to be errant or incomplete more than 10 working days after submittal by Contractor, Contractor shall be given 10 working days to complete and correct and any pending liquidated damages shall be tolled during that period.

a	Monthly Reports	\$100 per day
b	Quarterly Reports	\$250 per day
c	Annual Reports	\$500 per day
d	All Other Reports	\$100 per day

5. Accuracy of Billing		
a	Each customer invoice that is not prepared in accordance with the approved rate schedule, which exceeds 10 annually.	\$25 per invoice not to exceed \$2,500 per billing run
b	For each instance or invoice in which Contractor imposes a special service fee not in accordance with the approved rate schedule and not approved in advance in writing by City, or not requested by the service recipient, which exceeds 10 such occurrences annually.	\$50 per occurrence
c	Failure to provide a customer with a response, including an explanation and/or correction, to a billing complaint within seven working days from the complaint. Each additional day response not provided.	\$100 per occurrence \$50

6. Public Education and Outreach		
a	Failure to perform public education and outreach activities:	
	1st violation	\$50
	2nd violation	\$100
	3rd and subsequent violations	\$250 per occurrence

7. Cooperation with Service Provider Transition		
a	For each day routing information requested by City in accordance with Section 14.10 is received after City-established due dates, both for preparation of a request for proposals and for new service provider's implementation of service.	\$1,000 per day
b	For each day delivery of keys, access codes, remote controls, or other means of access to discarded materials containers is delayed beyond one day prior to new service provider servicing customers with access issues, as described in Section 14.10.	\$1,000 per day

8. SB 1383 Requirements		
a	Use of Unauthorized Facilities. For each individual occurrence of delivering discarded materials to a facility other than an approved facility for each discarded material type.	1 st violation - \$50 per ton 2 nd violation - \$100 per ton 3 rd and subsequent violations - \$250 per ton per offense
b	Failure to Implement Three- /Three-plus Container System. For each occurrence of failing to provide customers with the three- /three-plus container system required by with SB 1383 (excluding generators and customers that have been granted waivers or that demonstrate compliance with recycling and organic waste self-hauling requirements). Damages are per generator or customer per occurrence (minor, moderate, and major violations are as defined in 14 CCR Section 18997.3).	\$250 – Minor violation \$500 – Moderate violation \$1,000 – Major violation

8. SB 1383 Requirements		
c	Failure of Approved Facility to Meet Limits on Organic Waste in Materials Sent to Disposal. For each ton of mixed waste, source separate recyclable materials, source separated blue container organic waste, source separated green container organic waste, or organic materials received at the facility in a quarterly reporting period when organic waste in the materials sent to disposal exceeds the thresholds included in SB 1383 if limits on organic waste in materials sent to disposal apply. Liquidated damages are assessed in the quarterly reporting period when the failure occurred.	1 st violation - \$50 per ton per offense 2 nd violation - \$100 per ton per offense 3 rd and subsequent violations - \$250 per ton per offense
d	Failure to Perform Contamination Monitoring Requirements. For each failure to conduct contamination monitoring in accordance with Section 5.11.	1 st violation - \$50 per route per occurrence 2 nd violation - \$100 per route per occurrence 3 rd and subsequent violations - \$250 per route per occurrence
e	Failure to Comply with Container Labeling and Colors. For each occurrence of failure to comply with container labeling and color requirements.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per container
f	Failure to Conduct Compliance Tasks. For each failure to conduct any compliance review, discarded materials evaluations pursuant to SB 1383, and/or other inspection required by this Agreement.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per occurrence
g	Failure to Issue Contamination Processing Fee Notices. For each failure to issue contamination notices and contamination processing fee notices and maintain documentation of issuance as required by Section 5.11.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per route per day
h	Failure to Conduct Follow-Up Inspections. For each failure to conduct a follow-up inspection as required by Section 5.8.C.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per occurrence
i	Failure to Provide non-confidential Customer Information Requested from Contractor's Information Systems within 3 business days.	\$250 per day
9. General Contract Adherence		
a	For each day that Contractor fails to provide services required under this Agreement, or comply with terms of this Agreement,	\$100 per day

	five working days after receipt of written notification from City that such services are not being provided or terms are not being met.	
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- D. **Amount.** City may assess liquidated damages for each calendar day or event, as appropriate, that Contractor is determined to be liable in accordance with this Agreement.
- E. **Timing of Payment.** Contractor shall pay any liquidated damages assessed by City within 30 calendar days of notice of assessment. If payment is not made by the deadline, then City may proceed against the performance bond, find Contractor in default and terminate this Agreement pursuant to Section 12.1, or both.
- F. **Payment.** City may deduct the amount of liquidated damages owed by Contractor from City's monthly payments to Contractor for services rendered pursuant to this Agreement or may invoice Contractor directly.
- G. **City's Right to Recover.** City's right to recover liquidated damages for Contractor's failure to meet the service performance standards shall not preclude City from obtaining equitable relief for persistent failures to meet such standards nor from terminating the Agreement for such persistent failures.

12.7 Excuse from Performance

A. Force Majeure.

1. A party shall be excused from performing its obligations and from any obligation to pay liquidated damages and Contractor shall not be in default under this Agreement if Contractor is prevented from performing the collection, transportation, and/or disposal services for any of the following reasons: riots; wars; sabotage; civil disturbances, pandemics; government restrictions and orders; insurrections; explosion; natural disasters such as floods, earthquakes, landslides and fires; strikes, lockouts, and other labor disturbances by persons other than Contractor's employees; and, other similar catastrophic events that are beyond the control of and not the fault of the party claiming excuse from performance hereunder. The party claiming excuse from performance shall, within two calendar 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. If either party validly exercises its rights under this Section, the parties waive any claim against each other for any damages sustained thereby.
2. The partial or complete interruption or discontinuance of Contractor's services caused by one or more of the events described in this Section shall not constitute a default by Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations for any of the causes listed in this Section for a period of 30 calendar days or more, City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving 10 working days' notice to Contractor, in which case the provisions of Section 12.4 shall apply.
3. In the event of a labor disturbance that interrupts collection, transportation, and/or disposal of discarded materials by Contractor as required under this Agreement, the provisions of Section 12.7.B shall apply.

B. Labor Disputes.

1. **Labor Unrest Directed at Third Party.** In the case of labor unrest or job action directed at a third party over whom Contractor has no control, the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness or failure of the third party to: (i) provide reasonable assurance of the safety of Contractor's employees while providing such services; or, (ii) make reasonable accommodations with respect to container placement and point of delivery, time of collection, or other operating circumstances to minimize any confrontation with pickets or the number of persons necessary to make collections shall, to that limited extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in performing collection services at different times and in different locations.
2. **Contractor Labor Disruptions.**
 - a. Contractor shall advise City in writing at the time any negotiations are undertaken between Contractor and its employees relating to wages and benefits, and Contractor shall regularly report the status of such negotiations from time to time including any pending strike, lock out, walk out, boycott, or other labor dispute to City. Contractor agrees that in the event service is disrupted due to a labor dispute, Contractor shall place a minimum of five 40-yard roll-off boxes or other containers of equivalent capacity at locations designated by City to serve as collection points for customers within two days of such service interruption. Contractor also shall procure and distribute plastic bags for use by customers. City shall specify distribution locations, and may create the schedule for Contractor distribution. Contractor shall notify City within 24 hours of a notice from a labor union of a possible work stoppage. Containers shall be collected by Contractor for no additional charge as necessary to accommodate the waste volume disposed in such containers.
 - b. During labor unrest (including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action) conducted by Contractor's employees or directed at Contractor the following provisions shall apply.
 - i. Contractor shall be excused from performance only to the extent that the following requirements are met:
 - A. Within 90 days of the Effective Date, Contractor provides City a lawful and commercially reasonable contingency plan demonstrating how services will be provided during the period of labor unrest. The contingency plan is subject to City approval and Contractor shall amend the plan until it meets City requirements, including reasonably demonstrating how City's basic collection and sanitary needs will be met to City's satisfaction.
 - B. Contractor shall meet all requirements of the approved contingency plan.
 - ii. Contractor shall reimburse City for direct third-party costs (including attorney's fees) incurred by City as a result of the labor unrest. Payment shall be made within 30 days following Contractor's receipt of an invoice from City for such costs.
 - iii. Contractor shall provide rebates to customers in accordance with the attached Exhibit N.

3. **Collection During Labor Disruption.** Contractor shall prioritize those collection activities it is able to perform during the pendency of the labor disruption, with hospitals, essential services, restaurants, and other six services days per week customers prioritized for collection on the basis of health and sanitation. In the event that a labor strike or disruption to collection services should last longer than seven consecutive days, City may contract with a third party to provide collection services for the period of time limited to the time Contractor is unable to provide such services until the labor strike or disruption has concluded. Contractor shall notify City when the labor disruption has ended and the date Contractor will resume collection services.

12.8 Right to Demand Assurances of Performance

- A. The parties acknowledge that it is of the utmost importance to City and the health and safety of all those members of the public residing or doing business within Brea who will be adversely affected by interrupted waste management service that there be no material interruption in services provided under this Agreement.
- B. If Contractor: (i) appears in the reasonable judgment of City to be unable to regularly pay its bills as they become due; or, (ii) is the subject of a civil or criminal judgment or order entered by a regulatory agency, and City believes in good faith that Contractor's ability to perform under the Agreement has thereby been placed in substantial jeopardy, City may, at its sole option and in addition to all other remedies it may have, demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form and substance as City believes in good faith is reasonably necessary in the circumstances to evidence continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by City, such failure or refusal shall be an event of default for purposes of Section 12.1.

12.9 Dispute Resolution

- A. **Meet and Confer.** In the event of disputes regarding the performance of any obligation under this Agreement that result in a material impact to the Contractor's revenue and/or cost of operations, the parties shall promptly meet and confer to attempt to resolve the matter between themselves.
- B. **Mediation.** If a dispute cannot be resolved satisfactorily through the meet and confer process, the dispute shall be submitted to mandatory, non-binding mediation by a mutually agreed upon independent third party.
- C. **Period of Time.** To the extent permitted by law, the deadline for filing a claim against City shall be tolled during the period of time for which meet and confer or mediation procedures are pending.
- D. **Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s) pursuant to this Section have failed and any necessary claim(s) have been denied.

ARTICLE 13.

REPRESENTATIONS AND WARRANTIES OF THE PARTIES

13.1 Contractor's Status

Contractor represents and warrants that it is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware. It is qualified to transact business in the

State of California and has the power to own its properties and to carry on its business as now owned and operated and as required by this Agreement.

13.2 Contractor's Authorization

Contractor represents and warrants that it has the authority to enter this Agreement and perform its obligations under this Agreement. The Board of Directors of Contractor (or the sole member, if necessary) has taken all actions required by law, its articles of organization, or otherwise, to authorize the execution of this Agreement. The persons signing this Agreement on behalf of Contractor represent and warrant that they have authority to do so. This Agreement constitutes the legal, valid, and binding obligation of Contractor.

13.3 Agreement Will Not Cause Breach

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, the execution or delivery of this Agreement or the performance by either party of its obligations hereunder does not conflict with, violate, or result in a breach of: (i) any applicable law; or, (ii) any term or condition of any judgment, order, or decree of any court, administrative agency, or other governmental authority, or any agreement or instrument executed by such party or by which such party or any of its properties or assets are bound.

13.4 No Litigation

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency, or instrumentality decided, pending, or threatened against it wherein an unfavorable decision, ruling, or finding, in any single case or in the aggregate, would:

- A. Materially adversely affect the performance by such party of its obligations hereunder.
- B. Adversely affect the validity or enforceability of this Agreement.
- C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

13.5 No Adverse Judicial Decisions

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, there is no judicial decision that would prohibit this Agreement or subject this Agreement to legal challenge.

13.6 No Legal Prohibition

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, there is no law on the date that it signed this Agreement that would prohibit the performance of either party's obligations under this Agreement.

13.7 Contractor's Ability to Perform

Contractor represents and warrants that it possesses the business, professional, and technical expertise to perform all services, obligations, and duties as described in and required by this Agreement. Contractor

possesses the ability to secure equipment, facility, and employee resources required to perform its obligations under this Agreement.

ARTICLE 14. MISCELLANEOUS

14.1 Relationship of Parties

Contractor shall perform the services required by this Agreement as an independent contractor engaged by City and not as an officer nor employee of City, nor as a partner or agent of, or joint venture with, City. No employee or agent of Contractor shall be, or shall be deemed to be, an employee or agent of City. Contractor shall have the exclusive control over the manner and means of performing services under this Agreement, except as expressly provided herein. Contractor shall be solely responsible for the acts and omissions of its officers, employees, subcontractors, and agents. Neither Contractor nor its officers, employees, subcontractors, and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits that accrue to City employees by virtue of their employment with City.

14.2 Compliance with Law

Contractor shall at all times, at its sole cost, comply with applicable law in force as of the Effective Date and as may subsequently be enacted.

14.3 Governing Law

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

14.4 Jurisdiction

Any lawsuits between the parties arising out of this Agreement shall be filed exclusively in a court of competent jurisdiction in the County of Orange, California. The parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

14.5 Binding on Successors

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

14.6 Assignment

- A. Contractor shall not assign its rights, nor delegate, subcontract, or otherwise transfer its obligations under this Agreement to any other person without the prior written consent of City. Any such assignment made without City's consent shall be void and the attempted assignment shall constitute a material breach of this Agreement.
- B. For purposes of this Section, "assignment" shall include: (i) a sale, exchange, or other transfer of substantially all of Contractor's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange, or other transfer of outstanding common stock of Contractor to a third party

provided such sale, exchange, or transfer may result in a change of control of Contractor; (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 Contractor; (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 Contractor'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) that has the effect of any such transfer or change of ownership, or change of control of Contractor.

- C. Contractor acknowledges that this Agreement involves rendering a vital service to City's residents and businesses, and that City has selected Contractor to perform the services specified herein based on: (i) Contractor's experience, skill, and reputation for conducting its discarded materials management operations in a safe, effective, and responsible fashion, at all times in keeping with applicable laws pertaining to excluded waste, regulations, and best discarded materials management practices; and, (ii) Contractor's financial resources to maintain the required equipment and to support its indemnity obligations to City under this Agreement. City has relied on each of these factors, among others, in choosing Contractor to perform the services to be rendered by Contractor under this Agreement.
- D. If Contractor requests City's consideration of and consent to an assignment, City may deny or approve such request in its complete discretion. No request by Contractor for consent to an assignment need be considered by City unless and until Contractor has met all of the following requirements:
1. Contractor shall undertake to pay 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.
 2. Contractor shall pay City a transfer fee to cover the cost of all direct and indirect administrative expenses (including consultants and attorneys) necessary for City to analyze the transfer application.
 3. Contractor shall furnish City with audited financial statements of the proposed assignee's operations for the immediately preceding three operating years.
 4. Contractor shall furnish City with a pro forma financial statement (income statement and balance sheet) for the proposed assignee with the projected results of operations assuming that the assignment is completed. Such pro forma financial statement shall reflect any debt to be incurred by the assignee as part of the acquisition of Contractor's operations.
 5. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least 10 years of discarded materials management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five years, the proposed assignee has not suffered any significant citations or other censure from any regulatory agency having jurisdiction over its discarded materials management operations due to any significant failure to comply with applicable laws pertaining to excluded waste and that the assignee has provided 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 discarded materials management practices in accordance with sound discarded materials management practices in full compliance with applicable laws regulating the collection and disposal of discarded materials including hazardous waste; and, (v) of any other information required by City to ensure the proposed assignee can perform this Agreement in a timely, safe, and effective manner.

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

14.7 No Third-Party Beneficiaries

This Agreement is not intended to, and will not be construed to, create any right on the part of any third party to bring an action to enforce any of its terms.

14.8 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 monies 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.

14.9 Affiliated Companies

- A. Contractor's accounting records with respect to this Agreement shall be maintained on a basis showing the results of Contractor's operations under this Agreement separately from operations in other locations, as if Contractor were an independent entity providing service only to City. The financial records of costs and revenues associated with providing service to City shall not be combined, consolidated, or in any other way incorporated with those of other operations conducted by Contractor in other locations or with those of an affiliate.
- B. If Contractor 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 City and in the financial reports submitted to City. In such event, City's rights to inspect records and obtain financial data shall extend to such related party entity or entities.

14.10 Transition to Next Contractor

- A. At expiration or termination of this Agreement, Contractor shall cooperate fully with City and any successor franchisee to assure a smooth transition of discarded materials handling services. Contractor's cooperation shall include providing both City and the successor franchisee with route lists, billing information, lists of gate or other access codes and information needed for entry to service areas, container placement areas by address, levels of service including any special needs or services required by each location, and other operating records needed to service all premises covered by this Agreement. In recognition of the impracticality of customers storing two sets of containers, Contractor shall remove its containers in coordination with the distribution of containers by the successor franchisee. Contractor shall cooperate with City and the successor franchisee on the timing of container removal; if the parties cannot agree on a phase-out schedule and Contractor does not remove containers in a timely manner that avoids customers having to

store two sets of containers, City, the successor franchisee, or another entity may remove Contractor's containers and seek cost reimbursement from Contractor through its performance bond, letter of credit, or other means. 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.

- B. Contractor shall, to the maximum extent feasible, provide the successor franchisee with all keys, security codes, and remote controls used to access garages and bin enclosures. Contractor shall be responsible for coordinating transfer immediately after Contractor's final pick-ups, so as not to disrupt service. Contractor shall provide City with detailed route sheets containing service names and addresses, billing names and addresses, monthly rate, and service levels (quantity, material type, and size of containers and pick-up days) at least 90 days prior to the transition date and provide an updated list two weeks before the transition and a final list of changes the day before the transition. Contractor shall provide means of access to the successor franchisee at least one full working day (excluding Saturday, Sunday, and holidays as defined in Exhibit A) prior to the first day of collection by the successor franchisee and always within sufficient time so as not to impede in any way the successor franchisee from easily servicing all containers.
- C. Contractor shall provide documentation of any customer declining request to provide keys, security codes, and/or remote controls used to access garages and container enclosures.

14.11 Contractor's Investigation

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

14.12 Condemnation

City fully reserves the rights to acquire Contractor'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 11.

14.13 Notice Procedures

Notices, invoices, or other documents related to this Agreement shall be delivered as provided in this Section and shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail after the receiving party's regular business hours; or, (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below, or to such other addresses as the parties may, from time to time, designate in writing. Any notice delivered by e-mail that concerns breach or termination of this Agreement shall concurrently be sent by deposit in the United States mail, postage prepaid, but such notice shall be deemed received on the day of e-mail delivery.

If to City:

City of Brea
Attn: City Manager
1 Civic Center Circle
Brea, California 92821

kristing@ci.brea.ca.us

Copy to:

Richards, Watson & Gershon
1 Civic Center Circle
Post Office Box 1059
Brea, California 92822-1059
Attention: City Attorney
tboga@rwglaw.com

If to Contractor:

General Manager
Republic Services
1131 N. Blue Gum Street
Anaheim, California 92806
E-mail to be sent to the active General Manager at the time of such notice.

Copy to:

Republic Services, Inc.
Attn: Legal Department
18500 N. Allied Way
Phoenix, Arizona 85054

14.14 Compliance with City Code

Contractor shall comply with those applicable provisions of the City Code, and with any and all amendments to such applicable provisions enacted after the Effective Date, that further constitute a change in applicable law within the meaning of this Agreement.

14.15 Compliance with Immigration Laws

Contractor shall be knowledgeable of and comply with applicable laws. Contractor warrants and represents that all of its employees, including any and all prospective employees hired to perform services under this Agreement and the employees of any subcontractor retained by Contractor to perform a portion of the services under this Agreement, are and will be authorized to perform the services contemplated by this Agreement in full compliance with all applicable laws including the Immigration Nationality Act of 1952 (commencing with Section 1101 of Title 8 of the United States Code) and the Immigration Nationality and the Immigration Reform and Control Act of 1986 (commencing with Section 1324a of Title 8 of the United States Code). Contractor shall verify the legal status of all of its employees and provide confirmation of such verification whenever requested by City. If Contractor discovers that any employee it has retained is not in compliance with immigration laws, Contractor shall not allow such employee to provide services under this Agreement.

14.16 Guarantee of Contractor's Performance

Pursuant to a guarantee in substantially the form attached as Exhibit G, Republic Services, Inc., a Delaware corporation that is the sole member of Contractor, has agreed to guarantee Contractor's performance of this Agreement. The guarantee shall be provided within 10 calendar days of the Effective Date.

14.17 Incorporation of Mandatory Language

Each and every provision required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though such provision were included. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon request of either party this Agreement shall promptly be amended to make such insertion or correction.

14.18 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.

14.19 Severability

If any 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.

14.20 Attorney's Fees

If either party is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief that may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and, in addition, a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows that are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

14.21 Non-Discrimination

- A. Contractor shall not discriminate against any employee or applicant for employment because of age, race, religion, creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any mental or physical handicap, unless based upon a bona fide occupational qualification. Contractor shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any mental or physical handicap. Such action shall include to the following: employment upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training.
- B. Contractor understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by City, as provided for in Section 12, and further that Contractor

shall be barred from performing any services for City now or in the future, unless a showing is made satisfactorily to City that discriminatory practices have been terminated and that a recurrence of such action is unlikely.

14.22 Integration

This Agreement is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This Agreement may be amended only by an agreement in writing, signed by each of the parties hereto.

14.23 Counterparts

This Agreement may be executed in counterparts, each of which shall be considered an original.

City of Brea,
A Municipal Corporation

Blair Stewart
Mayor

Terence Boga	Date
City Attorney	

ATTEST:

Lillian Harris-Neal
City Clerk

SECOND AMENDED AND RESTATED FRANCHISE AGREEMENT

BETWEEN

CITY OF BREA

AND

REPUBLIC WASTE SERVICES OF SOUTHERN CALIFORNIA, LLC

DBA BREA DISPOSAL

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- N. Customer Credit for Missed Pick-Ups During a Work Stoppage
- O. City Non-Extension Notice

THIS SECOND AMENDED AND RESTATED FRANCHISE AGREEMENT ("Agreement") is dated March 18, 2025 for reference purposes and is executed by the CITY OF BREA ("City"), a California municipal corporation, and Republic Waste Services of Southern California, LLC ("Contractor"), a Delaware limited liability company (formerly known as Taormina Industries, LLC ("Taormina LLC")), which is a wholly owned subsidiary of Republic Services, Inc. and does business as Brea Disposal.

RECITALS

- A. City and Jaycox Disposal Company ("Jaycox") executed an April 1, 1986 Agreement for the Collection and Disposal of Refuse, Rubbish, Garbage and Waste Materials ("1986 Franchise Agreement"). The 1986 Franchise Agreement granted Jaycox an exclusive franchise for the picking up of trash, garbage, and construction debris.
- B. Taormina Industries Inc. ("Taormina Inc.") purchased Jaycox in 1988 and was assigned the 1986 Franchise Agreement.
- C. City and Taormina Inc. executed a December 19, 1989 Agreement for the Collection and Disposal of Refuse, Rubbish, Garbage and Waste Materials ("1989 Franchise Agreement"). The 1989 Franchise Agreement superseded the 1986 Franchise Agreement and granted Taormina Inc. an exclusive franchise for the collection, transportation, and disposal of refuse, recyclables, and construction debris.
- D. City and Taormina Inc. executed a July 16, 1996 Agreement Between the City of Brea and Taormina Industries Incorporated for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("1996 Franchise Agreement"). The 1996 Franchise Agreement superseded the 1989 Franchise Agreement and granted Taormina Inc. an exclusive franchise for the collection, transportation, and disposal of municipal solid waste, recyclables, green waste, and construction debris.
- E. City and Taormina Inc. executed a March 4, 1997 Amendment to Agreement ("1997 Amendment"). The 1997 Amendment amended the 1996 Franchise Agreement and memorialized City's approval of a sale and transfer of Taormina Inc. to Republic Industries Inc.
- F. Taormina Inc. and Taormina LLC executed a June 22, 1998 Agreement and Plan of Merger ("Merger"). The Merger provided for Taormina Inc.'s merger with and into Taormina LLC.
- G. City and Taormina LLC executed a September 3, 2002 Restated and Amended Agreement Between the City of Brea and Taormina Industries, LLC for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("2002 Franchise Agreement"). The 2002 Franchise Agreement superseded the 1996 Franchise Agreement and granted Taormina LLC an exclusive franchise for the collection, transportation, and disposal of municipal solid waste, recyclables, green waste, and construction debris.
- H. On July 3, 2008, Taormina LLC filed paperwork with the California Secretary of State to change its corporate name to Republic Waste Services of Southern California LLC.
- I. On December 10, 2018, City issued a Non-Extension Notice (a copy of which is set forth in Exhibit P) ending the automatic annual extension of the 2002 Franchise Agreement and setting a December 31, 2038 expiration date for such contract.
- J. City and Contractor executed a November 19, 2019 Commercial Organics Recycling Program Agreement ("2019 CORP Agreement"). The 2019 CORP Agreement supplemented the 2002

Franchise Agreement and provided for Contractor's implementation of a commercial organics recycling program in compliance with AB 1826 (2014).

- K. City and Contractor executed a January 21, 2020 Amendment No. 1 to Restated and Amended Agreement for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("2020 Amendment"). The 2020 Amendment amended the 2002 Franchise Agreement to: (i) increase the residential rate schedule based on green waste disposal cost at an Orange County landfill; (ii) grant City discretion to change the facility used for green waste disposal; and, (iii) provide for a further adjustment of the residential rate schedule in the event City exercises such discretion.
- L. The parties desire to amend and restate the 2002 Franchise Agreement (as amended by the 2020 Amendment), and to incorporate provisions of the 2019 CORP, in order to memorialize their respective rights and obligations in a single document that facilitates implementation of new programs mandated by state law.

NOW, THEREFORE, based upon the foregoing Recitals and for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

ARTICLE 1.

INTRODUCTORY MATTERS

1.1 Definitions

Unless otherwise indicated or apparent from the context, the definitions set forth in the attached Exhibit A shall apply regardless of whether the defined term is capitalized. The meaning of terms not defined in Exhibit A shall be as commonly understood in the solid waste collection services industry.

1.2 Exhibits

The attached Exhibits A through O are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of an Exhibit, the provisions of this Agreement shall prevail.

1.3 Cross-References

Cross-references to "Article __", "Section __", "Paragraph __," or "Page __" refer to an Article, Section, Paragraph, or Page of this Agreement unless otherwise indicated or apparent from the context.

1.4 External References

References to a statutory code or legislative bill refer to California law unless otherwise indicated or apparent from the context. References to a statute, regulation, or ordinance shall be deemed to refer to the then-current version of the statute, regulation, or ordinance.

1.5 Rules of Construction

As the context may require, the singular tense includes the plural tense and vice versa; "shall" is mandatory and "may" is permissive; and "include," "includes," and "including" are illustrative and non-exhaustive.

1.6 City Manager Authority

The administration of this Agreement by City shall be under the supervision and direction of the City Manager. Unless otherwise stated, the City Manager is authorized to issue notices and grant approvals that may be allowed or required from City under this Agreement. City Council approval is required for amendments of this Agreement and for City's exercise of its extension option.

ARTICLE 2. CONTRACT PERIOD

2.1 Base Term

- A. Subject to satisfaction of the conditions precedent specified in Section 2.3 or waiver by City, this Agreement shall commence on April 1, 2025 ("Effective Date") at 12:00 a.m.
- B. Unless extended or earlier terminated, this Agreement shall expire on December 31, 2038 at 11:59 p.m.
- C. **Commercial Organics Recycling Program Termination.** Notwithstanding any other provision of this Agreement, if there are changes to state law (including material amendment or repeal of SB 1383), or if there are technological advances that modify or eliminate the need for a commercial organics recycling program as currently structured, then City may terminate Contractor's SB 1383 commercial organics recycling program services upon 60 days' notice.
- D. **Evergreen Contract Invalidation Ruling.** Notwithstanding any other provision of this Agreement, if there is a binding federal or state published appellate court ruling upholding a constitutional amendment or statute that retroactively declares automatic contract renewal clauses to be invalid for all public agency contracts then in effect with a remaining term longer than 10 years, then City may terminate this Agreement upon 12 month's written notice. For purposes of this Paragraph, "binding" means a decision that is issued by the U.S. Supreme Court, the Ninth Circuit Court of Appeals, the California Supreme Court, or the California Court of Appeal and from which no further appeals may be taken or where further review is denied.

2.2 Extension Option

City shall have one option to extend the term of this Agreement on a month-to-month basis. To exercise this option, City shall give notice to Contractor on or before September 1, 2038. The extension period shall not exceed 36 months and may be terminated by City on 90 days' prior written notice without cause.

2.3 Conditions Precedent

Effectiveness of this Agreement is contingent upon satisfaction of the following conditions precedent unless waived by City.

- A. **Accuracy of Representations.** All representations and warranties made by Contractor set forth in this Agreement shall be accurate, true, and correct on and as of the Effective Date.
- B. **Furnishing of Insurance, Bond, Letter of Credit, and Corporate Guarantee.** Contractor shall have furnished evidence of the insurance and surety required by Sections 10.2 and 10.3, and shall have provided the Corporate Guarantee required by Exhibit G.

- C. **Absence of Litigation.** There is no actual or threatened litigation involving Contractor or Republic Services, Inc. that would do any of the following:
1. Adversely impact Contractor's performance of this Agreement.
 2. Make this Agreement invalid or unenforceable.
 3. Adversely impact the financial condition of Contractor, Republic Services, Inc., or any other entity guaranteeing Contractor's performance under this Agreement.
- D. **Permits Furnished.** Contractor has provided City with copies of permits necessary for operation of approved facilities owned or operated by Contractor or any subcontractor for use under this Agreement.
- E. **Payment of Fees and Costs.** Contractor has paid City all fees, costs, and other payments due as of the Effective Date.

ARTICLE 3. EXCLUSIVE FRANCHISE

3.1 Grant and Acceptance of Franchise

City grants to Contractor, and Contractor accepts, a wholly exclusive franchise for the scope of services specified in this Agreement. Such franchise is subject to the limitations specified in Section 3.2 and applicable law including Public Resources Code Section 49520.

3.2 Limitations to Franchise

- A. This franchise does not preclude the categories of recyclable materials, organic materials, solid waste, or other materials listed below from being delivered to, and collected and transported by, other persons. City may permit such activity without seeking or obtaining approval of Contractor.
1. **Recyclable and Organic Materials.** Other persons may: (1) accept source separated recyclable materials and source separated organic materials; or, (2) sell, in a commercial transaction, source separated recyclable materials and source separated organic materials provided that there is no net payment made by a generator to such a third person.
 2. **Self-Hauled Materials.** Using its own vehicles, equipment, and employees, a commercial business or residential owner may transport recyclable materials and organic materials for processing if those materials are generated in or on its own premises. Self-hauler must deliver any recyclable materials or organic materials to a permitted facility and have proof of transactions, such as weight tickets, to document any self-haul transaction in compliance with the City Code.
 3. **Construction and Demolition Debris (C&D).** Using its own vehicles, equipment, and employees, a duly licensed construction or demolition company may remove construction and demolition debris that is part of a total construction and demolition service offered by it.
 4. **Donated or Sold Materials.** A generator may sell or donate to youth, civic, or charitable organizations items that are source separated at the premises. Materials will not be deemed donated if they are collected by a non-franchised solid waste enterprise that is not a 501(c)(3) organization.

5. **Edible Food.** A food recovery organization, food recovery service, and other persons may collect edible food from a generator for the purposes of food recovery. Additionally, a generator may self-haul edible food to a food recovery organization, food recovery service, or other person for the purposes of food recovery. This category applies regardless of whether the generator donates, sells, or pays a fee to the other person for collection or receipt of the edible food.
6. **Food Scraps.** A generator may separate food scraps for use by the generator or distribution to other persons for animal feed in accordance with 14 CCR Section 18983.1(b)(7). Food scraps intended for animal feed may be self-hauled by a generator or hauled by another person.
7. **Beverage Containers.** Containers delivered for recycling under the California Beverage Container Recycling and Litter Reduction Act (Public Resources Code Section 14500 et seq.).
8. **Incidental Material Removal Services.** A gardener, landscaper, tree-trimming service, construction firm, residential clean-out service, or similar entity may remove recyclable materials, organic materials, solid waste, and bulky goods from a premises as an incidental part of a service being performed at the premises.
9. **On-site or Community Composting.** A generator may compost organic materials at the site where they are generated (e.g., backyard composting or on-site anaerobic digestion) or at a community composting site.
10. **Animal Waste, Grease, and Used Cooking Oil.** Animal waste and remains from slaughterhouses or butcher shops, grease, or used cooking oil.
11. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash, grit, and screenings.
12. **Excluded Waste.** Excluded waste regardless of its source.
13. **Materials Generated by Agency Facilities.** Materials generated by state, county, school district, or other public agency facilities provided that the generator has arranged services with other persons or has arranged services with Contractor through a separate agreement. School district services shall continue consistent with the practice under the 2002 Franchise Agreement. However, nothing in this Agreement will prevent the Brea Olinda Unified School District from contracting with Contractor separate from this Agreement.
14. **Manure.** A generator may contract with other persons for removal of manure from the premises. Contractor may provide customers whose premises are zoned in a manner authorizing equestrian or other large animals to be kept on site, and who so request, with containers for the collection of manure at rates that do not exceed the maximum rates set forth in Exhibit D.
15. **Agricultural or Industrial Sources.** The hauling of byproducts from agricultural or industrial sources in accordance with Public Resources Code Section 40059.4.
16. **Junk Removal.** Solid waste removed by cleanup services whose primary business is the cleanup of solid waste on the property of another person and, incidental to such business, where all of the following apply: (i) the cleanup service hauls only the solid waste that it is contracted to clean up and no other solid waste; (ii) performs onsite cleanup services that includes removing junk from commercial premises, garages, and residential premises as part of the overall cleanup service, but does not remove solid waste or construction and

demolition debris from construction and demolition sites; (iii) uses their own vehicle to haul the solid waste that is contracted for clean up; and, (iv) does not use a bin, roll-off box, or other container to accomplish the cleanup, collection, or transportation of the solid waste.

- B. If a law or court decision after the Effective Date limits City's ability to award a franchise for the scope of services and materials covered by this Agreement, then this Agreement shall be limited to those services and materials that lawfully may be included. City shall not be liable for any lost profits claimed by Contractor to result from new laws or court decisions.

3.3 Obligations of Parties

In addition to the specific performance required under this Agreement, the parties shall:

- A. Provide timely notice to one another of a perceived failure to perform any obligations under this Agreement and access to information demonstrating such failure.
- B. Provide timely access to the City Manager and the Contract Administrator in accordance with the terms of this Agreement.
- C. Provide complete and timely responses to requests of the other party.
- D. Provide timely notice of matters that may affect either party's ability to perform under the Agreement.

3.4 Prior Contracts

- A. Contractor waives any right or claim to serve City or any part of Brea under any prior grant of franchise, contract, license, or permit issued or granted by any governmental entity. This Agreement supersedes the 1986 Franchise Agreement, the 1989 Franchise Agreement, the 1996 Franchise Agreement (as amended by the 1997 Amendment), the 2002 Franchise Agreement (as amended by the 2020 Amendment), and the 2019 CORP Agreement. Subject to Paragraph B below, to the extent not already void all such contracts shall be of no further force or effect as of the Effective Date.
- B. This Section does not excuse any prior breach of, or liability arising under, the 2002 Franchise Agreement or the 2019 CORP Agreement; provided, however, that this Section does not allow either party to pursue a breach or liability claim that is barred by the statute of limitations. Nor does this Section relieve Contractor from such contracts' insurance obligations, indemnity obligations, and obligations that are designated as surviving expiration or termination.

3.5 Mutual Determinations

The parties jointly acknowledge that Public Resources Code Section 40059 authorizes City to determine whether the services covered by this Agreement will be provided by partially exclusive franchise, wholly exclusive franchise, or otherwise. The parties have mutually and independently determined that: (i) the exclusive franchise conferred by this Agreement provides Contractor a specific benefit or privilege that is not provided to other persons; and, (ii) the fees and charges imposed on Contractor by this Agreement do not exceed the reasonable costs to City of conferring such benefit or granting such privilege. The parties also have mutually and independently determined that this Agreement imposes fees and charges on Contractor for the use of City property, negotiated at arm's length.

ARTICLE 4. SCOPE OF AGREEMENT

4.1 Summary Scope of Services

- A. This Agreement applies to recyclable materials, organic materials, and solid waste collected by Contractor within Brea. Contractor shall be responsible for the following:
1. Providing a program for the separate collection of recyclable materials, organic materials, and solid waste generated by and placed for collection by customers.
 2. Transporting collected materials to the appropriate approved facilities or designated disposal facilities.
 3. Processing collected recyclable materials and organic materials at the appropriate approved facilities.
 4. Performing all other services required by this Agreement including commercial customer billing, public education, customer service, contamination monitoring, record keeping, and reporting.
 5. Furnishing all labor, supervision, vehicles, containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement.
 6. Paying all expenses related to provision of the services including taxes, regulatory fees (including City fees and reimbursements), and utilities.
 7. Performing or providing all services necessary to fulfill its obligations in full accordance with this Agreement at all times using best industry practice for comparable operations.
 8. Complying with applicable laws.
- B. The enumeration and specification of particular aspects of service, labor, or equipment requirements shall not relieve Contractor of the duty to perform all other tasks and activities necessary to fulfill its obligations under this Agreement, regardless of whether such requirements are enumerated elsewhere in the Agreement.

4.2 Flow Control Option

- A. **Solid Waste Disposal Flow Control Option.** City shall have the absolute right to choose the location for the delivery and disposal of all solid waste destined for landfill collected pursuant to this Agreement ("Flow Control Option"). Contractor waives the right to challenge City's ability to do so including any rights under the Commerce Clause of the United States Constitution. As used herein, "County Agreement" means that certain waste disposal agreement, as the same may be amended from time to time, entered into among various County municipalities, including specifically City and the County relating to the use of County landfills for the disposal of solid waste collected in such municipalities, and which is on file in the office of City's City Clerk. Exhibit K contains the County waste disposal agreement, which was current as of the Effective Date. As of the Effective Date, City shall be deemed to have exercised its Flow Control Option so as to require delivery of all solid waste to the County landfill system in a manner consistent with its obligations under the County Agreement (including its obligations related to solid waste that is delivered to a processing/transfer facility prior to being delivered to a landfill for disposal), and Contractor has agreed to handle all solid waste in a manner consistent with City's exercise of its Flow Control Option. At any time City

may notify Contractor that City no longer desires to exercise its Flow Control Option. In such event, Contractor shall have the absolute discretion to utilize any disposal facility, transfer station, recycling facility, material recovery facility, landfill, or other facility of its choosing to dispose of solid waste generated within Brea provided that the use of such facility by Contractor enables it to meet all other requirements of this Agreement and applicable law.

B. Organic Materials.

1. Residential Organic Materials.

- a. Contractor will deliver residential source separated organic materials collected from City's residential customers to the approved organic materials processing facilities included in Exhibit L.
- b. City shall retain the right to choose the location for the delivery of residential source separated organic materials, and that the rate paid by the customer will be reduced or increased accordingly if the transfer, transportation, and processing costs of using such facility are lower or higher than the costs of using the approved organic materials processing facilities included in Exhibit L. The parties acknowledge and agree that the designated facilities in Exhibit L are approved at the time of entering into this Agreement and that Contractor's rates are premised on the use of the designated facilities as set forth in Exhibit L.
- c. The current residential contractor rates to divert residential organic materials are based on the organic materials transfer, transportation, and processing cost of \$136.98 per ton as documented in Exhibit M. The total cost of \$136.98 is based on transfer, transportation, and processing costs per ton originating at the approved transfer facility [CVT Facility] for the approved organic materials processing facilities to process residential organic materials as shown in Exhibit L.
- d. Contractor will notify City in connection with Contractor's regular annual rate adjustment effective July 1 of each year if a lower cost option becomes available to divert the residential organic materials to initiate a cost reduction to City's residential customers. Additionally, at any time, City can notify Contractor of the availability of a lower cost option to divert the residential organic materials to initiate a cost reduction to City's residential customers.

2. Commercial Organics Materials. City shall have the absolute right to choose the location for the delivery and processing of source separated organic materials generated at multi-family or commercial premises collected pursuant to this Agreement to the approved organic processing facilities included in Exhibit L. As of the Effective Date, Contractor shall deliver collected multi-family and commercial organic materials to the approved organics materials processing facilities listed in Exhibit L.

- a. Contractor will deliver multi-family or commercial source separated organic materials collected from City's multi-family or commercial customers to the approved organic materials processing facilities included in Exhibit L.
- b. The current multi-family and commercial contractor rates to divert multi-family and commercial organic materials are based on the organic materials transfer, transportation, and processing cost of \$136.98 per ton as documented in Exhibit M. The total cost of \$136.98 is based on transfer, transportation, and processing costs per ton originating at the approved transfer facility [CVT Facility] for the approved organic

materials processing facilities to process multi-family and commercial organic materials as shown in Exhibit L.

- c. Contractor will notify City in connection with Contractor's regular annual rate adjustment effective July 1 of each year if a lower cost option becomes available to divert the multi-family and commercial organic materials to initiate a cost reduction to City's multi-family and commercial customers. Additionally, at any time, City can notify Contractor of the availability of a lower cost option to divert the multi-family and commercial organic materials to initiate a cost reduction to City's multi-family and commercial customers.
- C. **Recyclable Materials.** Contractor shall have the absolute right to choose the location for the delivery and processing of all source separated recyclable materials collected pursuant to this Agreement to the approved recyclable materials processing facilities included in Exhibit L. As of the Effective Date, Contractor shall deliver collected recyclable materials to the approved recyclable materials processing facilities listed in Exhibit L.
- D. **County Agreement.** Contractor expressly acknowledges its awareness of the County Agreement, which has been adopted and entered into by City. Moreover, Contractor acknowledges that it is aware that all solid waste collected within Brea is to be disposed of in the County landfill system. Contractor further acknowledges that the County is an intended third-party beneficiary of Contractor's obligations relating in any way to the disposal of solid waste pursuant to this Agreement and the County Agreement.

4.3 Use of Approved and Designated Facilities

Contractor, without constraint and as a free-market business decision in accepting this Agreement, agrees to use the approved and designated facilities for the purposes of transferring, processing, and disposal of all recyclable materials, organic materials, and other materials collected in Brea.

4.4 Subcontracting

Contractor shall not engage any subcontractors for collection, transportation, or processing of recyclable materials, organic materials, or solid waste services without the prior written consent of City, which consent shall not be unreasonably withheld. If Contractor plans to engage subcontractors in the provision of services, Contractor shall provide City with 30 days' written notification of its plans and provide an explanation of any potential impacts related to the quality, timeliness, or cost of providing services. Contractor shall require that all subcontractors comply with the insurance provisions in this Agreement, file insurance endorsements with City, name City as an additional insured, and comply with all other material terms of this Agreement.

4.5 Responsibility for Materials

- A. Once recyclable materials, organic materials, or solid waste are placed in Contractor's containers and at the collection location, the responsibility for their proper handling shall transfer from the generator to Contractor, with the exception of excluded waste that is identified and responded to pursuant to Section 6.8.B. Once recyclable materials, organic materials, or solid waste are deposited by Contractor at the appropriate approved facility, such materials shall become the responsibility of the owner or operator of the approved facility except for excluded waste pursuant to Section 6.8.C.

- B. Title to and liability for excluded waste shall at no time pass to Contractor. If excluded waste is discovered before it is collected by Contractor, Contractor may refuse to collect the entire container that contains the excluded waste. In such situations, Contractor shall contact City and City shall promptly undertake appropriate action to ensure that such excluded waste is removed and properly disposed of by the depositor or generator of the excluded waste. In the event excluded waste is present but not discovered until after it has been collected by Contractor, Contractor may, in its sole discretion, remove, transport, and dispose of such excluded waste at a facility authorized to accept such excluded waste in accordance with applicable law and charge the depositor or generator of such excluded waste for all direct and indirect costs incurred due to the removal, remediation, handling, transportation, delivery, and disposal of such excluded waste. City shall provide all reasonable assistance to Contractor to conduct an investigation to determine the identity of the depositor or generator of the excluded waste and to collect the costs incurred by Contractor in connection with such excluded waste.

4.6 City-Directed Changes to Scope

- A. City may require a proposal from Contractor to establish the scope of any modification to existing services (which may include use of approved facilities) or additional services to be provided under this Agreement. In such case, Contractor shall present, within 30 calendar days of City's request unless an alternate schedule is mutually agreed-upon, a written proposal to provide such modified or additional services. City shall review Contractor's proposal for the change in scope of services. The parties may meet and confer to negotiate Contractor's proposed revisions and costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-upon changes in scope. If the parties are unable to agree on terms and conditions within 180 calendar days from City's receipt of Contractor's proposal for such services, then City may permit other persons to provide such services. Nothing herein shall prevent City from soliciting cost and operating information from other persons in order to inform the evaluation of Contractor's proposal.
- B. Upon CalRecycle's final adoption of regulations to implement SB 54, the parties shall meet and confer in good faith to negotiate revisions to Contractor's services and costs that are necessary or appropriate to ensure compliance with such regulations. The final adoption of SB 54 regulations by CalRecycle, with approval by the Office of Administrative Law ("OAL"), shall be considered a change in law in this Agreement.

ARTICLE 5. SCOPE OF SERVICES

5.1 Recyclable and Organic Materials

- A. **Collection.** Contractor shall provide recyclable materials and organic materials collection services as described in Exhibit B.
- B. **Transfer.** Contractor shall transport recyclable materials and organic materials to the approved transfer facility where the materials will be unloaded from collection vehicles, loaded into large-capacity vehicles, and transported to the approved processing facilities. Contractor shall keep all permits necessary for use of the approved transfer facility in full regulatory compliance. Upon request, Contractor shall provide City with copies of facility permits and/or notices of violations (obtained from its transfer facility subcontractor if necessary). If Contractor is unable to use the approved transfer facility, then Contractor shall be responsible for making other transportation

arrangements. In such event, Contractor shall not be compensated for any additional costs. Contractor shall obtain written approval from City prior to changing the transfer method.

- C. **Processing.** Contractor shall transport and deliver customer-generated source separated recyclable materials to the approved recyclable materials processing facility. Contractor shall transport and deliver customer-generated source separated organic materials to the approved organic materials processing facility. All tipping fees and other costs associated with transportation and processing of such materials at the approved processing facilities and disposing of the residue shall be paid by Contractor.
- D. **Capacity Guarantee.** Contractor guarantees sufficient capacity at the approved processing facilities to process all source separated recyclable materials and organic materials collected by Contractor under this Agreement throughout the term of the Agreement; provided, however, that Contractor makes no guaranty with respect to the capacity of any County facilities to the extent organic materials are handled at County facilities.
- E. **Notification of Emergency Conditions.** Within 48 hours of discovery, Contractor shall notify City whenever (i) any unforeseen operational restrictions have been imposed upon an approved facility or the designated disposal facility by a regulatory agency; or, (ii) any unforeseen equipment or operational failure temporarily prevents the facility from processing the discarded materials collected under this Agreement.
- F. **Approved Facility Unavailable/Use of Alternative Facility.**
 - 1. If Contractor is unable to use an approved processing facility due to an event specified in Section 12.7, Contractor shall use an alternative processing facility provided that Contractor provides written notice to City. Within 48 hours of an emergency or sudden and unforeseen closure, Contractor shall provide a written description of the reasons the use of the approved processing facility is not feasible and the period of time Contractor proposes to use the alternative processing facility. Such a change in processing facility shall be temporarily permitted until such time as City is able to consider and respond to the use of the proposed alternative processing facility. If the use of the proposed alternative processing facility is anticipated to or actually does exceed 30 days in a consecutive 12-month period, the use of such processing facility shall be subject to approval by City. City may approve, conditionally approve, temporarily approve, or disapprove of the use of the proposed alternative processing facility. If City disapproves the use of the proposed alternative processing facility, the parties shall meet and confer to determine an acceptable processing facility.
 - 2. If the use of an alternative processing facility is for reasons within Contractor's control, then Contractor's compensation shall not be adjusted for any change in transportation and processing costs associated with use of the alternative processing facility. However, if the use of an alternative processing facility is due to an uncontrollable circumstance, including events of force majeure, then Contractor's compensation shall be increased or decreased for changes in transportation and processing costs associated with the use of the alternative processing facility. In the event that the change in the processing facility results in increased costs, City may identify and direct Contractor to an alternative processing facility, at Contractor's expense, that results in less cost than the Contractor-identified alternative.
 - 3. Except for the emergency conditions described in this Section, Contractor shall not change its selection of the approved processing facilities without City's written approval, which may not be unreasonably withheld. If Contractor elects to use a processing facility that is different than the initial approved processing facilities, it shall request written approval from City 30

calendar days prior to use of the site and obtain such approval no later than 10 calendar days prior to use of the site. Failure to meet the requirements of this Section may result in liquidated damages in accordance with Section 12.6 of this Agreement.

4. Contractor shall observe and comply with all regulations in effect at the approved processing facilities and cooperate with respect to delivery of recyclable materials and organic materials. Contractor shall actively work with the approved processing facility operators to ensure that contamination of the recyclable materials and organic materials remains below the limits established by applicable law including SB 1383.
- G. **Marketing.** Contractor shall be responsible for marketing recyclable materials and organic materials that it collects and delivers for processing at the approved processing facilities. Contractor's marketing strategy shall promote the highest and best use of materials presented in the waste management hierarchy in accordance with AB 939. Where practical, the marketing strategy shall include use of local markets for recyclable materials and organic materials.
- H. **Residue Disposal.** Residue from the processing of recyclable materials and organic materials collected under this Agreement at the approved processing facilities that cannot be marketed shall be disposed of by Contractor or the processing facility subcontractor. Residue delivered for disposal shall not include any excluded waste.
- I. **Compostable Plastics.** Contractor may allow customers to place compostable plastics in the organic materials container for collection. Contractor may collect and transport such materials for processing at the approved organic materials processing facility. Within 10 calendar days of the Effective Date, and annually thereafter, Contractor shall provide a written notification to City confirming that the facility has the capability to process and recover the compostable plastics. Contractor shall not revoke this confirmation at any time. If Contractor does not submit such notification, or if at any time the approved organic materials processing facility can no longer accept and process compostable plastics, then City may assess liquidated damages in accordance with Section 12.6. Contractor shall notify City within seven days of the facility's inability to accept the compostable plastics. The notification shall, at a minimum, include: the date and a description of the reasons that the facility is not able to process and recover the compostable plastics; the period of time the facility will not process and recover these materials; and, Contractor's proposed plan to find an alternative facility or arrangement to process the compostable plastics, subject to City approval. Upon execution of this Agreement, City may prohibit or restrict the use of compostable plastics, with a six month notice to Contractor. This shall not constitute a City-directed change in scope or change in law.

5.2 Solid Waste

- A. Contractor shall offer and provide solid waste collection services as described in Exhibit B.
- B. Contractor acknowledges that City is committed to diverting materials from disposal through the implementation of source reduction, reuse, recycling, composting, and other programs, and that City may implement new programs other than discarded materials collection programs. Examples of new programs City may implement include reuse programs, drop-off programs, community composting, and other diversion programs, with or without the involvement of Contractor, that may impact the overall quantity or composition of solid waste to be collected by Contractor. Contractor shall not be entitled to any compensation or other relief resulting from a decline in solid waste volumes or tonnage or from a change in the composition of solid waste.

- C. Contractor shall transport all solid waste to the designated disposal facility. Contractor shall pay all costs associated with transportation and disposal of solid waste including payment of any gate fees charged at the designated disposal facility. Contractor shall observe and comply with all regulations and posted rules in effect at the designated disposal facility and cooperate with respect to delivery of solid waste.

5.3 Miscellaneous Service Provisions

5.3.1 Bin Pullout Service

- A. Upon customer request and approval by the City Manager, Contractor shall provide bin pullout service in accordance with the approved rate schedule, whereby Contractor will access bins using a small vehicle either to move bins to street or other public right-of-way for collection or retrieve a bin when operationally required in order to safely position the bin for collection. Pullout service charge shall only be assessed for bins and not assessed for carts. In the event of a dispute between Contractor and a customer as to whether bin pullout service will be used, City will make the final determination.
- B. Customers requiring bin pushout service shall only be charged for bin pullout service in accordance with the approved rate schedule.
- C. If Contractor must place a container in the public right-of-way to facilitate collection, Contractor shall not permit the bin to remain in the public right-of-way over four hours. City and Contractor will annually review the customer list that identifies areas of high traffic where bins cannot remain in the public right-of-way for more than two hours, and City will make the final determination for removing or placing customers on the list. If the bin is stored under a chute for collection, the customer shall have a spare or standby bin to be in place while the primary bin is being serviced in the event the chute cannot be closed to prevent discarded materials from spilling.
- D. Any changes to the customer bin pullout service list shall be approved by City prior to Contractor adding or removing this service for any customer.

5.3.2 Container Over-Filling

- A. A container may be considered overfilled when discarded materials project above its rim in a manner that impedes the complete closure of the container's lid and/or when discarded materials are placed outside the container or allowed to accumulate, making access to the container unsafe for collection.
- B. In the event that a multi-family premise or bin commercial customer overfills its bin(s), Contractor shall implement the following procedures in an effort to correct the problem, charge customer in accordance with the approved rate schedule, and, if necessary, increase service levels. For any over-fill occurrences, Contractor shall document occurrence with a photograph. Contractor shall send a notification to the customer, including a photograph of the overage, and a statement advising of service alternatives including right-sizing opportunities, as well as notify the customer of an overflow charge and of a possible increase in service level and the related costs. Notification of over-fill can occur via e-mail, invoice statement, or other City approved method. Contractor shall document the location of the encountered overage, a photograph, as well as the outreach material provided to the customer. Contractor shall provide this information to City upon request.

5.4 Bulky Goods and Reusable Materials

Contractor shall offer bulky goods and reusable materials collection services as described in Exhibit B. On-call bulky goods and reusable materials collection services shall be offered to customers within a reasonable time but not longer than seven calendar days of Contractor's receipt of such a request for service. Contractor shall make reasonable efforts to schedule on-call bulky goods and reusable materials collections on a day that is convenient to the customer. Contractor shall transport all bulky goods or reusable materials to the approved reusable materials processing facility. Contractor shall pay all costs associated with transporting and processing bulky goods and reusable materials. Contractor shall observe and comply with all regulations in effect at the approved reusable materials processing facility and cooperate with respect to delivery of bulky goods and reusable materials.

5.5 City Sponsored Events

- A. Contractor shall provide recyclable materials, organic materials, and solid waste collection services to City-sponsored events at no cost to the event organizer or City. City shall provide Contractor with a minimum of 10 business days' notice prior to any City-sponsored event where Contractor is requested to provide collection services. Special event services include all of the following.
1. **Event Collection Stations.** Contractor shall provide and set-up event collection stations for collection of recyclable materials, organic materials, and solid waste at City-sponsored events. Each event collection station shall include a separate collection area for recyclable materials, organic materials, and solid waste, as appropriate. Contractor shall provide a sufficient number of event collection stations of sufficient capacity to meet the needs of the event as determined by Contractor in cooperation with City and the event organizer. Collection stations shall utilize cardboard boxes for solid waste and recyclable materials and shall use carts for organic materials unless alternative containers are approved by City. Contractor shall provide liners/bags for the containers at the collection stations. Collection stations shall include adequate signs and labeling.
 2. **Roll-Off Boxes.** Upon request, Contractor shall provide up to eight containers annually (or monthly) for the aggregation of material removed from event collection stations during the course of the event. Contractor shall provide containers in sufficient number of appropriate types, subject to the cap, for the needs of the event as determined by Contractor in cooperation with City and the event organizer. Contractor shall service containers, as agreed-upon with City and the event organizer, and deliver collected materials to the appropriate approved facility for processing and disposal.
 3. **Public Education Booth.** Upon request of either City or the event organizer, Contractor shall staff a booth or exhibit at the event for the purpose of educating the public about the services and programs provided by Contractor and the benefits of source reduction, reuse, recycling, and composting.
 4. **Reporting.** Within 14 calendar days of the end of the event, Contractor shall submit a report to City and the event organizer. The report shall include: the number of collection stations deployed at the event; the tonnage of each material type (i.e., recyclable materials, organic materials, and solid waste) collected; the landfilled and diverted tonnage from each stream; the name and address of disposal site utilized; and, a description of the public education provided at the event. Weight receipts shall be made available to City upon request.

- B. Contractor may, at its sole discretion and expense, coordinate with local youth, community, or charitable organizations to provide some or all of the required services. Regardless of Contractor's use of such an organization, Contractor shall be responsible for ensuring that service is provided to the customer in a professional and timely manner.
- C. For special events that are not identified in Exhibit B4 or otherwise hosted or sponsored by City, Contractor shall provide the above-described special event services and may negotiate the charges for such services with the event organizer based on the specific needs of the event, or provide the services at its sole expense, at no cost to City or ratepayers.

5.6 Public Education and Outreach

- A. Contractor shall perform the public education and outreach activities specified in Exhibit C.
- B. **Program Objectives.** City's public education and outreach strategy shall focus on improving generator understanding of the benefits of, and opportunities for, source reduction, reuse, and landfill disposal reduction and supporting compliance with applicable laws including AB 939, AB 341, AB 1826, and SB 1383. Examples of goals of the City-provided public education and outreach program include: (i) informing generators about the services that are provided under this Agreement with specific focus on describing the methods and benefits of source reduction, reuse, recycling, and composting; (ii) instructing generators on the proper method for placing materials in containers for collection and setting containers out for collection, with specific focus on minimizing contamination of recyclable materials and organic materials; (iii) clearly defining excluded waste and educating generators about the hazards of such materials and their opportunities for proper handling; (iv) discouraging generators from buying products if the product and its packaging are not readily reusable, recyclable, or compostable; (v) informing generators subject to food recovery requirements under SB 1383 of their obligation to recover edible food and actions they can take to prevent the creation of food waste; (vi) encouraging the use of compost and recovered organic waste products; and, (vii) encouraging generators to purchase products/packaging made with recycled content materials. The cumulative intended effect of these efforts is to reduce generation of solid waste and, ultimately, disposal of solid waste by each generator. Contractor shall support and not undermine or interfere with such efforts.
- C. **Contractor Public Education Requirements.** Contractor shall print, produce, and distribute education materials and conduct outreach detailed in Exhibit C at no additional cost to ratepayers or City. Contractor shall obtain approval from City on all Contractor-provided promotional and service-related materials used within Brea before publication, distribution, or release. City shall have final approval of any materials or content distributed or made available to customers. Upon City's request, Contractor shall include City identification and contact information on such materials.
- D. **Non-English Language Requirements.** Contractor shall make all public education and outreach materials in English, Spanish, Korean, and Traditional Chinese. Contractor may use Quick Response ("QR") codes to assist customers with specific languages and for specific programs. Upon City's request, Contractor shall provide materials in additional languages in response to shifting demographics, changes in applicable law, or any other reason reasonably deemed appropriate by City.

5.7 Billing

5.7.1 General

- A. Contractor shall develop, maintain, and regularly update a customer account information database, which shall include:
 - 1. Customer name.
 - 2. Phone number.
 - 3. Service address.
 - 4. E-mail address.
 - 5. Customer service levels, including:
 - a. Customer service levels exceptions.
 - b. Customer service waivers.
- B. Contractor shall make access to such database available, upon no more than five working days' request from City, in accordance with this Section and Section 7.1. Contractor shall additionally, on an annual basis, reconcile all customer accounts with City's billing information (i.e., via GIS and parcel data). Failure to maintain a database in accordance with this Section shall result in liquidated damages in accordance with Section 12.6.
- C. Contractor shall provide direct-billed customers the option to receive invoices electronically using paperless invoices or by standard mail using standard (paper) invoices. Contractor shall allow customers to pay bills through an electronic check or credit card and shall include the ability for customer billings to be automatically charged on a recurring basis. Contractor shall prepare, mail, and collect bills from customers who decline to use such internet-based billing system. Contractor shall make arrangements to allow such customers to pay bills by check, electronic check, money order, and credit card.
- D. Up to once per month, City may direct Contractor to include a billing note directly onto the customer invoices. Contractor shall provide electronic bill inserts to customers who are billed electronically, and paper bill inserts to customers who receive paper bills. Electronic bill inserts must be readily available for the customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon City request for such attachments, Contractor shall comply with such request during its next billing cycle for the targeted customer group. Contractor shall perform this service with no additional requirement for compensation.
- E. Contractor shall maintain copies of all billings and receipts, each in chronological order for inspection and verification by City.
- F. If Contractor fails to invoice a customer, or otherwise undercharges a customer for services provided for more than six months, Contractor may not subsequently attempt to collect the undercharged amount for more than six months of service. If Contractor overcharges a customer for a period of more than six months, Contractor shall reimburse or credit the customer for six months of the overcharged service. Contractor is not prohibited from reimbursing or crediting a customer for more than six months of overcharges.
- G. If a customer reduces or cancels service during a billing cycle, the customer shall be entitled to a proration of the billing from the date that the service change was requested, in the case of

cancellations or reductions in the customer's bill, or the date the service change was fulfilled, in the case of increases in the customer's bill.

5.7.2 City's Billing Responsibility

- A. Contractor shall accept as full compensation from City for the complete collection and disposal of single-family waste, organic materials, and recyclable materials the amount specified in Exhibit D less the franchise fee specified in Section 8.1 below. City shall bill single-family customers. Such compensation for single-family services shall be based on the number of single-family customers in each residential category reflected in Exhibit D. The number of single-family customers shall be established by City as of the Effective Date and shall be reviewed monthly by the parties. In the event such a review results in an increase or decrease in the number of single-family customers, the subsequent payments to Contractor shall be adjusted accordingly.
- B. City shall pay Contractor for single-family disposal charges on or before the 20th of the month following the close of each month. City shall pay Contractor for single-family collection services on or before the 15th of the month following the close of each month. Separate checks for disposal charges and collection services shall be payable to Brea Disposal and shall be mailed or otherwise delivered as agreed to by City and Contractor to Accounting Manager, 1131 North Blue Gum Street, Anaheim, CA 92806.

5.7.3 Contractor's Billing Responsibility

Contractor shall direct bill customers that are not billed by City pursuant to Section 5.7.2 above (i.e., commercial customers, residential customers with bin service, and residential customers with five or more dwelling units). Contractor's billing shall be on a monthly basis, except as may be otherwise specified, in writing, by City. Contractor may charge the rates specified in Exhibit D for commercial and industrial services, as such rates may be amended from time to time pursuant to the provisions of Article 9 and any AB 939 fees imposed by City.

5.7.4 Vacant Premises

5.7.4.1 City Billed

Contractor shall discontinue service to customers billed by City if instructed to do so by City and will resume service upon instruction from City. Contractor shall not invoice City for periods during which service is not provided to a customer. Contractor shall cooperate with all reasonable requests of City that relate to the collection of accounts receivable. Bad debt from City-billed customers will be assumed by City.

5.7.4.2 Contractor Billed

Contractor shall not provide collection services to a premises, and shall not bill such premises, during any time when Contractor has actual notice such premises is vacant and the customer has provided Contractor written notice of the vacancy. The customer at any such premises shall be responsible for providing reasonable evidence to Contractor, pursuant to such guidelines as Contractor shall develop and City shall approve, demonstrating the premises is vacant. Any customer grievance regarding a claim that a premises was vacant and received no service, and hence should not be billed for a given period, may be appealed by the customer to City. The City Manager's decision, following an opportunity for the parties to present information, shall be final. It is the intent of the parties that Contractor shall not be entitled to charge for services that are not needed or used. Notwithstanding the foregoing, it is the intent of the parties that

premises shall not be deemed vacant due only to a temporary absence of the owner(s) or occupant(s), such as a period during which the owner(s) or occupant(s) are merely on vacation.

5.7.5 Delinquent Accounts

- A. **Customers Billed by City.** Residential customers billed directly by City with delinquent amounts will be handled in accordance with City's internal billing procedures for delinquent accounts.
- B. **Customers Billed by Contractor.**
1. Any service account unpaid by the due date listed on the billing statement shall be deemed delinquent. Except to the extent otherwise provided herein, it shall be the sole responsibility of Contractor to take any authorized measures to collect any delinquent sums owed for commercial customers.
 2. Any delinquent fees or service charges to be imposed in connection with delinquent accounts shall be set by Contractor and be subject to City review.
 3. Contractor may discontinue service to any customer whose account is delinquent in the manner set forth in this Section. Customers who have not remitted required payments within 30 days after the date of billing shall be notified on forms approved by City. Such forms shall contain a statement that services may be discontinued 15 days from the date of notice if payment is not made before that time. If payment is not made by the expiration of such 15-day period, Contractor may discontinue service 48 hours thereafter.
 4. Contractor shall resume collection services on the next regularly scheduled collection day for any customer whose service is discontinued upon receipt of payment of delinquent fees and any related service restart charges, or at such sooner time as directed to do so by City.
 5. A deposit as set forth in the approved rate schedule, as such rates may be amended from time to time, may be required of accounts that have been discontinued for non-payment prior to re-instituting service at such accounts.
 6. Contractor shall make all reasonable efforts to diligently pursue and collect all delinquent sums owed by customers. Following exhaustion of all such reasonable efforts by Contractor, Contractor may request City's assistance in collecting any remaining delinquent sums owed, and City shall endeavor, in good faith, to assist Contractor with its collection efforts. Notwithstanding the foregoing, City shall have no liability to Contractor for failure to collect any such delinquent sums from customers. Contractor shall reimburse City for any and all costs incurred by City in assisting Contractor in the collection of delinquent sums owed.

5.7.6 Collection and Processing of Payments.

- A. **Accounting and Deposit of Funds.** All payments received by Contractor shall be appropriately credited to customer accounts, deposited in a bank account, and accounted for in a businesslike manner utilizing generally accepted accounting principles. To facilitate audits and record keeping, Contractor shall make all withdrawals from its bank accounts by check, ACH debit/credit, or wire, regardless of whether the withdrawal is to provide funds to City, Contractor, or any permissible subcontractor, vendor, or supplier of Contractor.
- B. **Allocation of Funds.** With respect to payments received from each customer, unless a customer specifically directs a different allocation, funds shall be allocated first to outstanding charges for collection services, then to any related delinquency fees or other administrative charges, up to the

amount of any outstanding balance. Any overpayment shall be credited to future bills in the same sequence or returned to customers, as appropriate.

5.8 Customer Service Program

A. Program Requirements.

1. Office Locations.

- a. Customer Service Office. Contractor maintains an office located at 1131 North Blue Gum Street, Anaheim. No change in this location shall occur without City's approval if such change would result in Contractor not having an office within 25 miles of the Brea Civic and Cultural Center. Such office shall be open, at a minimum, from 8:00 a.m. to 5:00 p.m. Monday through Friday, and 8:00 a.m. to 12:00 p.m. Saturday, holidays excepted. At least one responsible and qualified representative of Contractor, capable of communicating in English and Spanish, shall be present and available during office hours, for personal communication with the public. A similarly qualified person(s) capable of communicating in Korean, Traditional Chinese, and other languages by way of translation services shall be available for communication with the public by phone during any times other than office hours when collection is occurring.
- b. Principal Office. In the event that the principal office of Contractor is not maintained in the County of Orange, State of California, City may terminate this Agreement upon the giving of 365 calendar days' notice.

2. Telephone Customer Service Requirements.

- a. Contractor shall maintain either a local or toll-free telephone number that rings at an office within North Orange County at all times during office hours, except during periods of high call volume when calls may be routed to Contractor's available southwest area regional call centers. English and Spanish speaking personnel shall be available during office hours to assist customers with telephone inquiries. All such personnel shall be polite and responsive, and shall be sufficiently knowledgeable, and have the authority to respond and/or advise customers seeking assistance. Contractor's telephone system shall be adequate to handle the volume of calls typically experienced, subject to high call volume events when southwest area regional call centers may be utilized to manage call volume. Contractor shall provide City with a 24-hour emergency number to a live person. Contractor shall provide and maintain a current emergency list of responsible personnel to be contacted in the event of an emergency.
- b. Contractor shall make reasonable attempts to answer all phone calls within five rings. If a call has been placed on hold for three minutes, the caller will either be switched to a message center that shall be responsible to obtain the caller's address and phone number or a customer service representative will obtain the customer's address and a number at which the call can be returned. Contractor shall make at least one attempt within the next 24-hour period to return the call and will leave a voicemail with the customer. If Contractor is unsuccessful in contacting the customer after following this procedure, Contractor shall maintain a record of the unsuccessful attempts.
- c. Contractor shall maintain an emergency telephone number for use outside office hours. Contractor shall have a representative, or an answering service to contact such

representative, available at such emergency telephone number during all hours other than normal office hours.

- d. Contractor shall be able to respond to inquiries in English, Spanish, Korean, Traditional Chinese, and other languages as reasonably directed by City. Customer may subscribe to a telecommunications device for the deaf ("TDD") service for use by persons with hearing or speech difficulties.

3. Complaint Documentation.

- a. Contractor shall retain daily logs of complaints for 24 months.
- b. Contractor shall log all complaints received by telephone, mail, and e-mail, and such log shall include the date and time the complaint was received, name, address, and telephone number of callers, description of complaint, employee recording complaint, and the action taken by Contractor to respond to and remedy complaint. Missed pick-ups shall be included in this log.
- c. Customer complaints and inquiries shall be date-stamped when received and shall be initially responded to within the same day for a customer complaint received before 12:00 p.m. and the following business day for a complaint received after 12:00 p.m. (excluding Saturday, Sunday, and holidays) of receipt. Contractor shall log its actions taken to respond to and remedy the complaint.
- d. All customer service records and logs kept by Contractor shall be available to City upon request and at no cost to City. City shall, at any time during regular business hours, have access to Contractor's City Liaison for purposes that may include monitoring the quality of customer service or researching customer complaints.

4. Resolution of Customer Complaints.

- a. Disputes between Contractor and customers regarding the services may be resolved by City, except for customer claims for personal injury or damages to property. Contractor shall have the right to present evidence in connection with any customer claim. City's decision shall be final and binding. Contractor shall reimburse City's legal and consultant costs for each City intervention in a dispute between Contractor and a customer if City reasonably deems intervention is required and the customer's dispute is valid.
- b. Should Contractor and customers not be able to establish a mutually acceptable fee to be charged for special hauling services, the matter shall also be determined by City, and City's decision shall be final.
- c. Intervention by City is not a condition precedent to any rights or remedies customers or third parties might otherwise have in any dispute with Contractor. Nothing in this Section is intended to affect the remedies of third parties against Contractor or to customer claims for personal injury or property damage.

- 5. **Website and E-mail Access.** Contractor shall develop and maintain a website with Brea specific links that is accessible by the public and solely dedicated to the operations under this Agreement. Contractor's website shall include all public education and outreach materials produced and distributed under this Agreement and provide the public the ability to e-mail Contractor questions, service requests, or complaints. Contractor shall respond within 24

hours to all customers who leave e-mail messages on any given business day. Contractor may respond to customer e-mails via e-mail or phone.

B. Missed Collections.

1. **Missed Collection Complaints.** In the event that a customer has placed its container for collection during the established or designated collection time and reports a missed or incomplete collection directly to the customer service line, Contractor's customer service representative shall not question or contest the customer's claim that the collection was missed or incomplete. In cases where the route driver recorded the container(s) in question as already "collected" or "not out," Contractor shall resolve the complaint as noted in the below subsections.
 2. **Schedule for Resolution.**
 - a. Contractor shall resolve every customer complaint of a missed or incomplete collection by returning to the customer address and completing the collection. For all complaints related to missed collections that are received by 12:00 p.m. on a business day, Contractor shall return to the customer address and collect the missed materials on the same business day on which the missed collection was reported. For those complaints related to missed collections that are received after 12:00 p.m. on a business day, Contractor shall have until the end of the following business day to resolve the complaint. Contractor's failure to comply with this Section may be subject to liquidated damages in accordance with Section 12.6.
 - b. Contractor shall not be required to return and complete a collection in response to a complaint if Contractor's driver has left a non-collection notice in accordance with Section 5.11.A.4.
 3. **Courtesy Collections for Admitted Late Set-Outs.** In the event that a customer: (i) reports that its container(s) were placed for collection after Contractor's collection vehicle had already passed the premises for regularly scheduled collection; (ii) does not claim that Contractor missed the collection; and, (iii) requests that Contractor return and collect the containers, Contractor shall return to the customer's premises and provide a courtesy collection at no charge to the customer. Contractor is not required to provide more than one courtesy collection for admitted late set-outs per customer per calendar year. For residential customers, one courtesy collection represents collection of up to three carts (recyclable materials, organic materials, solid waste) per incident. Contractor shall complete the courtesy collection by the end of the following business day. The provisions of this Section shall only apply if the customer acknowledges during the initial call to the customer service line that the event did not constitute a missed or incomplete collection event by Contractor.
- C. SB 1383 Non-Compliance Complaints.** For complaints received directly by Contractor in which the person alleges that an entity is in violation of SB 1383 requirements, Contractor shall document the information listed in Exhibit F. Contractor shall provide this information in a brief complaint report to City for each SB 1383 non-compliance complaint within seven days of receipt of such complaint and a monthly summary report of SB 1383 non-compliance complaints in accordance with Exhibit F. Upon City request, Contractor shall conduct follow-up inspections and/or outreach to the violating entity and shall document the information in the reports provided pursuant to Exhibit F.

5.9 Access to Customer Service and Billing Systems

Contractor shall provide access to customer contact information (including e-mail addresses) for purposes of City-provided public education and outreach activities. In addition, Contractor shall ensure that the City Manager and any other City staff, as requested by City, have read-only access to all service order, billing, and customer service records in Contractor's internal information systems. Such read-only access is intended to provide City the ability to review notes related to customer service and billing issues.

5.10 Service Exemptions

- A. **General Exemptions.** Upon customer request, and with written approval from City, Contractor shall cease providing and collecting payment for collection services to a premises that is anticipated to be vacant for no less than 30 days based on verified information from the customer. In addition, upon written direction from City, Contractor shall modify or otherwise cease providing collection services to customers requesting other service exemptions, provided that such customers consistently demonstrate the ability to responsibly manage discarded materials generated at the premises in question, in a manner consistent with applicable law.
- B. **Commercial and Multi-Family Customer Waivers.**
1. **General.** City may grant waivers described in this Section 5.10.B to commercial or multi-family generators that impact the scope of Contractor's provision of service for those customers, provided the generator shall continue to subscribe with Contractor for franchised collection services to the extent such services are not waived by City. Waivers issued shall be subject to compliance with SB 1383 requirements, pursuant to 14 CCR Section 18984.11, or other requirements specified by City in compliance with applicable law.
 2. **Types of Generator Waivers.**
 - a. De Minimis Waivers. City may waive a commercial or multi-family generator's obligation to comply with some or all of the recyclable materials and organic materials requirements set forth in this Agreement, SB 1383, and the City Code if the generator provides documentation or City has evidence demonstrating one of the following de minimis conditions:
 - i. The generator's total discarded materials collection service is two cubic yards or more per week, and organic waste subject to collection in a recyclable materials container or organic materials container comprises less than 20 gallons per week, per applicable container, of the commercial business' total waste.
 - ii. The generator's total discarded materials collection service is less than two cubic yards per week, and organic waste subject to collection in a recyclable materials container or organic materials container comprises less than 10 gallons per week, per applicable container, of the generator's total waste.
 - b. Physical Space Waivers. City may waive a commercial or multi-family generator's obligation to comply with some or all of the recyclable materials and organic materials requirements set forth in this Agreement, SB 1383, and the City Code if the generator provides documentation, or City has evidence from its staff, Contractor, licensed architect, engineer, or similarly qualified source demonstrating that the premises lacks

adequate space for recyclable materials containers and/or organic materials containers.

3. **Contractor Review of Waiver Requests.** Generators may submit requests for de minimis waivers and physical space waivers to City or Contractor. Within seven days of being notified by City of a waiver request, Contractor shall inspect the generator's premises to verify the accuracy of the application. Contractor shall provide documentation of the inspection, including the date of the inspection, customer name and address, a description of the premises, evaluation of each criterion of the relevant waiver type, and photographic evidence. Contractor shall send this information and documentation to City within three days after the inspection date. City ultimately retains the right to approve or deny any application, regardless of the information provided by Contractor. Contractor shall report information regarding waivers reviewed within the month, if any, in accordance with this Section and Exhibit F.
4. **Service Level Updates.** When City grants a waiver to a customer, or the customer's waiver status changes after a re-verification determination, City shall notify Contractor within seven days with information on the customer and any changes to service level or collection service requirements for the customer. Contractor shall have seven days to modify the customer's service level, customer account data, and billing statement, as needed.
5. **Waiver Re-verification.** City shall be responsible for re-verification of waivers. Upon request, Contractor shall support City in this re-verification process by providing requested customer information as per customer database requirements in Section 5.7. In the event that a waiver status changes, Contractor shall update the customer's information and service level in accordance with Section 5.10.B.4.

C. **Contractor Service Exemptions.**

1. **Disaster Waivers.** In the event of a disaster, City may grant Contractor a waiver of some or all discarded materials collection requirements under this Agreement and 14 CCR 18984 et seq. in the disaster-affected areas for the duration of the waiver, provided that such waiver has been approved by CalRecycle. Any resulting changes in collection requirements shall be addressed as a change in scope in accordance with Section 4.6.
2. **Quarantined Waste.** If approved by City, Contractor may dispose of, rather than process, specific types of organic materials and/or recyclable materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by City or until City provides notice that the quarantine has been removed and directs Contractor to transport the materials to the approved facilities for such material.

In accordance with Exhibit F, Contractor shall maintain records and submit reports regarding compliance agreements for quarantined organic materials and recyclable materials that are disposed of pursuant to this Section 5.10.C.

5.11 Contamination Monitoring

A. **Annual Route Reviews.**

1. **Methodology.**

- a. Contractor shall conduct route reviews of containers for prohibited container contaminants in a manner that is approved by City and results in all routes being reviewed at least annually.
 - b. Contractor's route review shall include all container types in service (recyclable materials, organic materials, and solid waste containers) for all customer types. The containers shall be selected prior to beginning the route review.
 - c. Contractor shall ensure that a minimum of 1% of accounts or 25 accounts, whichever is larger, on each and every hauler route are inspected annually to ensure the requirements of SB 1383 contamination minimization route reviews are met.
 - d. Contractor shall develop a specific route review methodology to accomplish the above container inspection requirements, and such methodology shall comply with the requirements of 14 CCR Section 18984.5(b). Contractor shall submit its proposed route review methodology for the coming year to City no later than January 15 of each year. Contractor's proposed methodology shall include the schedule for performance of each route's annual review and Contractor's plan for prioritizing the inspection of customers that are more likely to be out of compliance. Contractor may commence with the proposed methodology upon approval by City or CalRecycle.
 - e. If City or CalRecycle notifies Contractor that the methodology is inadequate to meet the requirements of 14 CCR Section 18984.5(b), Contractor shall, at its sole expense, revise the methodology and, after obtaining City or CalRecycle approval, conduct additional route reviews, increased container inspections, or implement other changes using the revised procedure. If Contractor's proposed methodology meets the requirements of 14 CCR Section 18984.5(b), but has been deemed inadequate by City, then Contractor shall, at the expense of City, revise the methodology and implement the necessary changes using the revised procedure.
 - f. City may require modifications to the schedule to permit observation of the route reviews by City. In addition, Contractor shall provide an e-mail notice to City no less than 10 working days prior to each scheduled route review that includes the specific time(s), which shall be within City's normal business hours, and location(s).
2. **Contamination Notification.** Upon identification of prohibited container contaminants in a container, Contractor shall provide the customer with a notice of contamination in the form of either a courtesy pick-up notice or a non-collection notice.
 3. **Courtesy Pick-Up Notice.**
 - a. Upon identification of prohibited container contaminants in a container, Contractor shall provide the customer a courtesy pick-up notice at the customer's door or gate or, subject to City's approval, may deliver the notice by mail, e-mail, or phone. Contractor may also attach courtesy pick-up notices if verified visually while conducting the collection service to the contaminated containers.
 - b. The courtesy pick-up notice shall:
 - i. Inform the customer of the observed presence of prohibited container contaminants.
 - ii. Include the date and time the prohibited container contaminants were observed.

- iii. Include information on the customer's requirement to properly separate materials into the appropriate containers, and the accepted and prohibited materials for collection in each container.
- iv. Inform the customer of the courtesy pick-up of the contaminated materials on this occasion with information that Contractor may assess contamination fees following one instance of contaminated materials for commercial customers (provided that the foregoing shall not apply to excluded waste identified and responded to pursuant to Section 6.8.B).
- v. Include photographic evidence via mail or e-mail.
- c. The format of the courtesy pick-up notice shall be approved by City.
- d. Contractor shall collect the contaminated recyclable materials and organic materials and either transport the material to the appropriate approved facility for processing or Contractor may collect the contaminated materials with solid waste and transport the contaminated materials to the designated disposal facility. A courtesy collection of contaminated recyclable materials or organic materials where the materials are sent to the designated disposal facility may be made with a solid waste collection vehicle, provided that the contaminants may safely and lawfully be collected as solid waste.

4. Non-Collection Notices.

- a. Non-Collection Notice. Upon identification of prohibited container contaminants in a container in excess of 10% or more, by volume, or that contain excluded waste, Contractor shall provide a non-collection notice to the generator.
- b. The non-collection notice shall, at a minimum:
 - i. Inform the customer of the reason(s) for non-collection.
 - ii. Include the date and time the notice was left or issued.
 - iii. Describe the premium (extra pick-up) charge to customer for Contractor to return and collect the container after the customer removes the prohibited container contaminants to the extent safe to do so.
 - iv. Provide a warning statement that a contamination processing fee may be assessed for commercial and multi-family bin customers.
 - v. Document photographic evidence of the violation(s).
- c. Communications with Customer. Whenever a container at the premises of a commercial or multi-family customer is not collected, Contractor shall contact the customer on the scheduled collection day or within 24 hours of the scheduled collection day by telephone, e-mail, text message, or other verbal or electronic message to explain why the container was not collected. Whenever a container is not collected because of prohibited container contaminants, a customer service representative shall contact the customer to discuss and encourage the customer to adopt proper discarded materials preparation and separation procedures.
- d. Contractor Return for Collection. Upon request from a customer, Contractor shall collect containers that received non-collection notices within one working day of the customer's request if the request is made at least two working days prior to the

regularly scheduled collection day. Contractor shall bill the customer for the extra collection service event ("extra pick-up") at the applicable rates only if Contractor notifies the customer of the premium rate for this service at the time the request is made.

5. Assessment of Contamination Processing Fees.

- a. For commercial and multi-family bin customers, if Contractor observes 10% or more, by volume, of prohibited container contaminants on more than one occasion and issues a prior courtesy pick-up notice on that initial instance of contamination, then Contractor may impose a contamination fee for that customer's service level. The intent of commercial contamination fees is to provide a behavioral tool to educate and prevent customers from placing source separated discarded materials into the improper designated container(s), as well as to cover the increased costs to dispose of the contaminated loads. To ensure that the assessment of fees is to be used for the intended purposes and not as a form of revenue generation, contamination fees shall not exceed the following percent of Contractor's gross receipts in any calendar quarter: 1% for the first two years after the Effective Date; 3% for the following three years; and 5% for the remainder of the term of this Agreement. In the event that contamination fees exceed the applicable limit in any calendar quarter, the assessment of contamination fees shall be suspended immediately and indefinitely pending a program assessment by the parties. Upon program suspension or at the request of City, the parties shall meet and confer regarding the application and effectiveness of contamination fees in accomplishing the behavior change. If the program is suspended due to excessive revenue generation, City may require Contractor to either: (i) modify the program parameters; (ii) modify the amount of the contamination fee; or, (iii) return to City any funds generated by the contamination fee that exceed the thresholds noted above of Contractor's gross receipts for a given period of time, with such funds to be used for customer education and outreach and/or related programs to reduce contamination. The foregoing limitations on the contamination fee shall not apply to excluded waste for which the customer (once identified in accordance with this Agreement) shall pay Contractor for all costs and fees associated with the inclusion of such excluded waste.
- b. Failure to comply with the requirements of this Section 5 may be subject to liquated damages in accordance with Section 12.6.
- c. Contractor shall provide a notice of the contamination fee as required by 3.a above prior to assessing the contamination fee.
- d. Contamination Processing Fee Notice. Contamination processing fee notices shall be in a format approved by City. Contractor shall notify City in its monthly report of customers for which contamination processing fees were assessed per this Section. Each contamination processing fee notice shall:
 - i. Describe the specific material(s) of issue.
 - ii. Explain how to correct future set-outs.
 - iii. Indicate that the customer will be charged a contamination processing fee on the next bill.

6. Reporting Requirements.

- a. Container Contaminant Log. The driver or other Contractor representative shall record each event of identification of prohibited container contaminants in a written log or in the on-board computer system including date, time, customer's address, type of container, and photographic evidence. Photographic evidence by the driver or other Contractor representative shall be provided to City if requested by the customer or City for identified occurrences.
- b. Contaminant Fees Assessment Report. Contractor's contract administrator or their designee shall update the customer's account records to note the contaminant event(s) as identified by driver(s) and/or other Contractor personnel upon identification. Contractor shall maintain records and report to City monthly on contamination monitoring activities and actions taken, consistent with the submittal timing and content requirements of Exhibit F. Failure to meet the requirements of this Section may be subject to liquidated damages in accordance with Section 12.6.
- c. Monthly Report. The monthly report shall include: list of customers that were assessed charges; photographic evidence of each contamination event where a fee was assessed if requested by the customer or City for identified occurrences; verification processes to assure accurate fee assessment; date of notification, form(s) of notification given to customer; list of efforts made in educating the customer that was assessed a fee; list of customer complaints in response to fee assessment; Contractor's response and actions taken in response to customer complaints; and, the dollar amount of contamination fees assessed during the reporting period. Failure to meet the requirements of this Section may be subject to liquidated damages in accordance with Section 12.6.

5.12 Route Audit

- A. Upon City's request (but not more than once every four years), Contractor shall conduct an audit of its collection routes in Brea. City may use information from the audit to develop a request for proposals for a new service provider. City may instruct Contractor when to conduct the audit in order for the results to be available for use in preparation of a request for proposals or for other City uses provided that City provides Contractor with reasonable notice of such audit. City may also instruct Contractor to conduct an audit at a time that would produce the most accurate customer service information for a new service provider to use in establishing service with customers. In setting these audit dates, City will reasonably establish deadlines for Contractor to provide routing and account information, and later the report, to City.
- B. The route audit, at minimum, shall consist of an independent physical observation by a City-approved person other than the route driver, or observation by onboard technology, if available, and if approved by City, which approval shall not be unreasonably withheld. The route audit information shall include, as a minimum, the following information for each account:
 1. For cart customers:
 - a. Route number.
 - b. Truck number.
 - c. Number and size of carts by waste stream (solid waste, recyclable materials, and organic materials).
 - d. Cart condition.

2. For bin and roll-off customers:
 - a. Route number.
 - b. Truck number.
 - c. Account name.
 - d. Account number.
 - e. Account service address.
 - f. Account type (residential, commercial, roll-off box).
 - g. Service level per contractor billing system (quantity, size, frequency, waste stream).
 - h. Observed containers (quantity, size, frequency, waste stream).
 - i. Container condition.
 - j. Proper signage.
 - k. Graffiti.
3. Within 30 days after the completion of the route audit, Contractor shall submit to City a report summarizing the results of the audit. This summary shall include:
 - a. Identification of the routes.
 - b. Route map.
 - c. Truck numbers.
 - d. Number of accounts, by route and in total (residential, commercial, and roll-off box).
 - e. Confirmation that all routes are dedicated exclusively to Brea customers.
 - f. Number and type of exceptions observed.
 - g. Name and addresses of customers that do not have source separated recyclable materials collection services and documentation of waivers if any for each account.
 - h. Name and addresses of customers that do not have source separated organic materials collection services and documentation of waivers, if any, for each account.
 - i. Total monthly service charge (residential, commercial, and roll-off box), pre-audit for each customer.
 - j. Total monthly service charge (residential, commercial, and roll-off box), post-audit (subsequent to corrections of identified exceptions) for each customer.
4. The report shall include a description of the procedures followed to complete the route audit. This description shall include the names and titles of those supervising the route audits and the name and titles of those performing the observations. The report shall also include a description of the changes and Contractor's plans to resolve the exceptions. The results of the audit and supporting back-up data shall be available for review by City.

5.13 Preparation of CalRecycle Electronic Annual Report (EAR)

Contractor shall prepare, and submit to City for review and approval, the draft EAR by July 1 of each calendar year. Contractor shall revise the EAR upon receipt of revisions made by City, and City will submit the final draft EAR to CalRecycle.

ARTICLE 6. STANDARD OF PERFORMANCE

6.1 General

Contractor shall at all times comply with applicable law and provide services in a manner that is safe to its employees and the public. Except to the extent that a higher performance standard is specified in this Agreement, Contractor shall perform services in accordance with recyclable materials, organic materials, and solid waste management practices common to the County area.

6.2 Operating Hours and Schedules

A. **Hours of Collection.** Unless otherwise authorized by City, Contractor's days and hours for Collection operations shall be as follows:

1. **Residential Premises.** Collection from residential premises shall only occur between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday, unless otherwise provided for in Chapter 8.28 of the City Code. Collection at residential premises shall not occur on Saturdays; excepting temporary bin services and collection occurring on Saturdays following such holidays as may be approved by City, or as required for special collections or to address a missed collection or failure to set out event. No collection services shall occur on Sundays at residential premises, except in exceptional circumstances for which specific approval is given by City.
2. **Commercial Premises.** Collection from commercial premises in close proximity to residential premises shall only occur between the hours of 7:00 a.m. and 8:00 p.m., Monday through Saturday, unless otherwise provided for in Chapter 8.28 of the City Code. Collection from commercial premises otherwise may occur between the hours of 5:00 a.m. and 8:00 p.m. Collection services may occur at commercial premises on Sundays; provided, however, no such service shall occur on Sundays in connection with any premises at which City determines such service would be contrary to the public interest. City may require Contractor to comply with time frames applicable to residential premises in connection with collection services for customers at commercial premises whose premises are in close proximity to residential premises.
3. **City Facilities.** The collection schedule for City facilities shall be the same as commercial premises.

B. **Changes in Collection Routes.** Contractor shall establish collection routes and a collection schedule that shall be approved by City such that customers at all residential and commercial premises will have not less than one established collection day each week. Contractor shall provide City with route maps identifying at a minimum the type of route (e.g., single-family, multi-family, commercial) and the service day. Contractor may propose changes or additional routes for City approval, which shall not be unreasonably withheld. If a standard collection route change is

approved, Contractor shall notify all affected customers 14 days prior to implementing the new route. Failure to obtain City approval on route changes resulting in service day changes for customers shall be subject to liquidated damages in accordance with Section 12.6 of this Agreement.

C. Commingling of Routes.

1. During its collection process, Contractor shall not commingle solid waste collected within Brea with solid waste collected in other jurisdictions based on Contractor's methodology to account for solid waste collected within Brea, any other jurisdiction, or on behalf of any other entity operating or existing within Brea that is not subject to this Agreement, and Contractor is specifically prohibited from combining collection routes related to services provided pursuant to this Agreement with collection routes for other jurisdictions. Notwithstanding the forgoing, if written consent of CalRecycle and City is obtained, then Contractor may commingle such solid waste collected within Brea in a collection vehicle with solid waste collected from premises in other jurisdictions.
2. City may grant consent for such commingling in its absolute and sole discretion if it determines the methodology used to account for commingled solid waste is reasonably likely to result in City being in compliance with applicable laws. City may withdraw consent if it determines the methodology used to account for commingled solid waste is reasonably likely to result in City not being in compliance with applicable laws. As of the Effective Date, commingling of routes for the collection of recyclable materials and organic materials from customers at commercial premises and multi-family dwellings is approved by City, using a methodology for tracking such types of solid waste generated in Brea and in other jurisdictions that is premised upon container capacity.

- D. Holiday Collection.** Contractor, at its sole discretion, may choose not to provide collection services on a holiday. In such event, Contractor shall provide single-family collection services on the day following the holiday thereby adjusting subsequent work that week with normally scheduled Friday collection services being performed on Saturday; however, customer service days shall be returned to the normal schedule within one week of the holiday. Multi-family, commercial, and City collection services shall be adjusted as agreed between Contractor and the customer but must meet the minimum frequency requirement of one time per week. Contractor shall provide customers notice of holiday-related changes in collection schedules at least two weeks prior to the change.

6.3 Collection Standards

- A. Servicing Containers.** Contractor shall collect and return each container to the approximate location where the occupant placed the container for collection. Contractor shall place the containers upright with lids properly secured. For customers other than single-family residential customers, Contractor may provide scout service, pullout service, accessing container enclosures with a key or access code, or locking bin service as described in Exhibit B3.
- B. Non-Collection, Courtesy Pick-Up Noticing.**
1. Within 30 days of the Effective Date, Contractor shall develop and submit to City for review and approval:
 - a. A template non-collection notice, for use in instances of acceptable non-collection of discarded materials.

- b. A template courtesy pick-up notice, for use in instances of improper set-out of discarded materials, which Contractor, at its sole option, elects to collect as a courtesy to the customer.
2. In the event that Contractor is prevented from collecting discarded materials that have been placed for collection, Contractor shall leave a non-collection notice at the customer premises clearly explaining Contractor's refusal to collect the discarded materials. Contractor shall not be required to collect discarded materials that are reasonably believed to contain excluded waste. Contractor may propose an alternative to a paper non-collection notice left at customer premises (e.g., customer notification via a phone call or e-mail) subject to City approval. Such an alternative must involve pro-active communication with the customer, initiated by Contractor.
3. In the event that Contractor encounters circumstances at a premises that allow for safe collection of discarded materials but do not otherwise reflect proper set-out procedures (including spills not caused by Contractor, carts placed too close together, carts placed in front of one another, and carts placed too close to parked cars), Contractor shall collect the material and leave a courtesy pick-up notice clearly explaining how the customer failed to comply with proper set-out procedures.
4. Contractor may educate the public on proper set-out procedures designed to maximize the efficiency of collection (e.g., carts spaced three feet apart). However, Contractor acknowledges that such procedures are not practical in all circumstances and failure of the customer to follow such procedures does not constitute a reason for non-collection if the discarded materials may be safely and reasonably serviced. Contractor's route drivers shall dismount their collection vehicles and reposition containers as necessary to provide collection service. Contractor may not require a customer to set out the customer's containers in such a manner that would block vehicle access to the customer's driveway. Contractor and customers may mutually agree to uncommon service locations if necessary for collection in specific areas (e.g., setting out all of the carts in a court in a line down the middle of the court as opposed to curbside.)
5. Contractor may refuse to collect recyclable materials or organic materials containers that are contaminated and shall leave an approved non-collection notice informing customer how to properly separate materials.

C. Litter Abatement.

1. Contractor shall use due care to prevent spills or leaks of material placed for collection, fuel, and other vehicle fluids while providing services. If any materials are spilled or leaked during collection and transportation by Contractor, then Contractor shall clean up all spills or leaks before leaving the site of the spill.
2. Contractor shall not transfer loads from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, combustion of material in the truck, or accidental damage to a vehicle.
3. Contractor shall cover all open roll-off boxes at the pick-up location before transporting materials to an approved facility or the designated disposal facility.
4. Contractor shall conduct public outreach and staff training to customers on best management practices for litter abatement at no extra charge. Such best management practices include:

- a. Closing container lids and right-sizing service: Contractor shall tag overfilled containers with courtesy pick-up notices, which will serve as outreach and education to the customer. Photographs of the container shall be taken by drivers, attached to the customer's account, and will be available to outreach and customer service staff in order to demonstrate to the customer where a problem exists.
 - b. Outreach to customers on the importance of bagging lightweight materials such as plastic bags, film plastics, foam peanuts, and other materials that can easily become litter due to their lightweight nature.
 - c. Driver training on litter reduction techniques and litter removal best management practices.
 - d. Affixing to the back of Contractor trucks signage that provides a phone number for residents to report material spills.
- D. **Development and Review of Collection Specifications.** Contractor shall work with City to develop standard specifications for collection container enclosures at commercial and multi-family premises in compliance with the City Code. These specifications shall be developed to ensure that the container enclosures are built to provide adequate space and suitable configuration to allow Contractor to safely and efficiently service the containers. Contractor's operations manager or other appropriately qualified staff shall, upon request by City, provide a review of plans for new multi-family and commercial development or project design drawings. Contractor shall provide comments and recommendations in writing within 10 working days of receipt of the documents for review. In each review report, Contractor shall comment on the acceptability of the proposed enclosure arrangements in terms of the: (i) adequacy of space for recyclable materials, organic materials, and solid waste containers; (ii) accessibility of the containers for collection, including whether additional charges (e.g., pullout or scout service) would apply; and, (iii) ease of use by tenants.
- E. **No Commingling of Materials.** Contractor shall not commingle materials that have been properly source separated with other material types (for example, source separated recyclable materials that have been properly placed for collection shall not be combined with solid waste or source separated organic materials).

6.4 Transfer and Processing Standards

A. Equipment and Supplies.

1. Contractor shall equip and operate the approved processing facilities in a manner to fulfill its obligations under this Agreement. Contractor is solely responsible for the adequacy, safety, and suitability of the approved processing facilities. Contractor shall modify the approved processing facilities as needed to perform this Agreement.
2. Contractor or its approved processing facility subcontractors, as applicable, shall provide all rolling stock, stationary equipment, material storage containers, spare parts, maintenance supplies, transfer, transport, processing equipment, and other consumables as appropriate and necessary to operate the approved processing facilities and provide all services required by this Agreement. Contractor or its approved processing facility subcontractors shall place the equipment in the charge of competent operators and shall repair and maintain all equipment at its own cost and expense.

B. Scales and Weighing.

1. **Accurate Weighing.** Contractor is solely responsible for ensuring accurate weighing of all materials delivered pursuant to this Agreement as they are entering and/or leaving the approved processing facilities.
2. **Facility Scales.** Contractor shall maintain state-certified motor vehicle scales in accordance with applicable law. All scales shall be linked to a centralized computer recording system at the approved processing facilities to record weights for all incoming and outgoing materials. Contractor shall provide back-up generators capable of supplying power to the scales in the event of a power outage. Contractor shall promptly arrange for use of substitute portable scales should its usual scales be unavailable. Pending substitution of portable scales, Contractor shall, as necessary, estimate the tonnages of materials delivered to and transported from the approved processing facilities on the basis of delivery vehicle and transfer trailer volumes, unloaded ("tare") weights, and other available facility weight records. These estimates shall take the place of actual weights while scales are inoperable and shall be identified as estimates in electronic records and reporting. The requirements in this Section shall apply only to scales at facilities owned or operated by Contractor and utilized for disposal or processing pursuant to this Agreement.
3. **Tare Weights.** Within 30 calendar days of the Effective Date, Contractor shall ensure that all vehicles used by Contractor to deliver recyclable materials, organic materials, and solid waste to the approved processing facilities are weighed to determine tare weights. Contractor shall electronically record the tare weight, identify vehicle as Contractor-owned, and provide a distinct vehicle identification number for each vehicle. Contractor shall provide City with a report listing the vehicle tare weight information upon request. Contractor shall promptly weigh additional or replacement vehicles prior to placing them into service. Contractor shall check tare weights annually and within 14 calendar days of a City request. Contractor shall re-tare vehicles immediately after any major maintenance or service event.
4. **Testing.** At any facilities owned or operated by Contractor and utilized for disposal or processing pursuant to this Agreement, Contractor shall test and calibrate all scales in accordance with applicable law but at least one test and recalibration per scale every 12 months or upon City request.
5. **Records.** Contractor shall maintain computerized scale records and reports that provide information including date of receipt, inbound time, inbound and outbound weights of vehicles, and vehicle identification number. Contractor shall also maintain computerized scale records and reports providing historical vehicle tare weights for each vehicle and the date and location for each tare weight recorded.
6. **Upon-Request Reporting.** If vehicles receiving and unloading operations are recorded on video cameras at the approved processing facilities, Contractor shall (to the extent Contractor owns or operates such facilities) make those videos available for City review during the approved processing facility's operating hours, upon request of City, and shall provide the name of the driver of any particular load if available.

6.5 Collection Vehicle Requirements

A. Vehicle Requirements.

1. Contractor shall provide a fleet of collection vehicles sufficient in number and capacity to efficiently perform the work required by this Agreement. Contractor shall have available

sufficient back-up vehicles for each type of collection vehicle used to respond to scheduled and unscheduled maintenance, service requests, complaints, and emergencies.

2. All vehicles used by Contractor shall be of size, weight, nature, and type to be minimally intrusive on the community with respect to noise, emissions, maneuverability, safety, fuel efficiency, and other factors necessary to minimize impacts of Contractor's services. All such vehicles shall have watertight bodies designed to prevent leakage, spillage, or overflow and shall comply with applicable laws. In the event a particular vehicle used by Contractor causes complaints as a result of fluid spills or leakage, Contractor will remove the vehicle immediately (same day) from service and repair the vehicle before returning to service or replace the vehicle in the fleet as necessary. Each piece of equipment used by Contractor shall carry at all times a broom and shovel to be used for the immediate removal of any spilled material. Contractor's vehicles shall utilize recycled motor oil to the extent practicable.
3. Contractor shall annually investigate the ability to procure qualified RNG with its fueling provider and shall implement the use of such fuel to the maximum available extent provided that the premium cost of qualified RNG does not cause Contractor's total fuel expense to increase by more than 10%. Contractor shall make commercially best efforts to seek and utilize RNG that is purchased through a wheeling agreement, provided that the wheeling agreement is for purchase of gas derived from organic waste that has been diverted from a landfill and processed at an in-vessel digestion facility that is permitted to recycle organic waste and meets SB 1383 requirements. Contractor shall maintain records of the amount of RNG purchased and shall report this information in accordance with Exhibit F. Contractor shall allow City to report this RNG usage toward City's fulfillment of its annual recovered organic waste product procurement target.
4. Collection vehicles shall have the capacity to collect and transport loose cardboard overages to ensure that Contractor is capable of complying with Exhibit B.
5. Collection vehicles shall present a clean appearance while providing service. Solid waste collection vehicles shall be washed at least once every seven days.
6. The body of each truck of Contractor shall have a metal cover covering at least 50% of the truck body at all times and the remaining 50% shall be covered by a tight fitting, waterproof tarpaulin, which shall be securely tied in order to cover discarded materials when the vehicle is being used to transport its contents to the place of disposal or otherwise of a design and construction approved by the City Manager.
7. All collection vehicles shall comply at all times with applicable laws including CARB's truck and bus regulation (13 CCR 2025) and advanced clean trucks regulation (13 CCR 1963-1963.5 and 2012-2012.2). The parties acknowledge the requirements of the advanced clean fleets regulation, and Contractor acknowledges that vehicles with a gross vehicle weight rating greater than 8,500 pounds and light-duty package delivery vehicles operated in California may be subject to the advanced clean fleets regulation. Contractor's collection vehicles may therefore be subject to requirements to reduce emissions of air pollutants. All collection vehicles shall meet on-road heavy duty vehicle emissions requirements for model year purchased if newer. Contractor is aware that the advanced clean fleets regulation is a current state law and Contractor's compliance with the advanced clean fleets regulation, as it may be amended, throughout the term shall be eligible to request an extraordinary adjustment pursuant to Section 9.5. The parties agree to meet and confer regarding Contractor's

obligation to transition to zero-emission fleet and to incur costs associated with such transition in order to not burden City disproportionately relative to other jurisdictions or agencies serviced by Contractor or its affiliates. The parties understand and agree that each municipality served by Contractor is a unique service model based on the specific contractual requirements and service requirements of the particular municipality.

- B. **Vehicle Display.** Contractor's name and a vehicle number shall be visibly printed or painted in letters not less than five inches in height on both sides and the rear of each collection vehicle, including vehicles rented from a subcontractor that are being utilized to provide collection services in Brea. Additionally, the words "Serving the City of Brea" shall be displayed on both sides of every residential collection vehicle in letters not less than three inches in height.
- C. **Vehicle Inspection.** Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles that are not operating properly shall be taken out of service until they are repaired and operate properly. Contractor shall repair or arrange for the repair of all 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. City may inspect vehicles at any reasonable time to determine compliance with sanitation requirements.
- D. **Vehicle Operations.** All collection operations shall be conducted as quietly as possible and shall conform to applicable noise level regulations, including the requirement that the noise level during the stationary compaction process not exceed 60 decibels with the exception of 65 decibels for one minute duration. All decibel readings shall be based on a distance of 10 feet from the vehicle. City may request Contractor to check any piece of equipment for conformance with the noise limits in response to complaints and when City deems necessary.
- E. **Leaks and Spill Mitigation.** Contractor shall clean up any leaks or spills from its vehicles per the NPDES permit. Contractor shall notify City of any leaks or spills reported to Contractor or observed by any employee of Contractor. Contractor shall ensure that it initiates remediation of leaks or spills within two hours of notification or observation. Contractor shall notify City immediately upon remediation of leaks or spills. No pollutant that leaks, spills, or otherwise escapes from any Contractor vehicle shall be allowed to enter a storm drain. All NPDES dry-cleaning measures shall be complied with. All collection vehicles shall be equipped with absorbent for such cleanup efforts. Contractor shall provide photographic evidence to City for each clean up. Payment of liquidated damages for failure to clean up leaks or spills within the required timeframe, or for failure to follow the cleanup procedures, does not excuse Contractor from the clean-up requirements.
- F. **Costs of Operation and Damages.** Contractor shall be responsible for any costs incurred in connection with ensuring all collection vehicles comply with applicable laws including laws relating to noise, fuels, emission standards, or weight limits.

6.6 Container Requirements

- A. **Containers Provided to Customers.** Contractor shall provide containers to new customers within three working days of Contractor's first receipt of a service initiation request. Containers shall be new or fully refurbished in as-new condition and shall comply with the container standards set forth in this Section. All containers shall display Contractor's name, logo, telephone number, website, capacity (yards or gallons), and an identifying inventory or serial number.
- B. **Container Standards.**

1. All carts shall be manufactured by injection or rotational molding methods. The cart handles and handle mounts may be an integrally molded part of the cart body or molded as part of the lid. The cart handles shall provide comfortable gripping area for pulling or pushing the cart or lifting the lid. Pinch points are unacceptable. Carts shall have a useful life of 10 or more years as evidenced by a manufacturer's warranty or other documentation acceptable to City.
2. Carts shall meet the following durability requirements: maintain original shape and appearance; be resistant to kicks and blows; require no routine maintenance and essentially be maintenance free; not warp, crack, rust, discolor, or otherwise deteriorate over time in a manner that shall interfere with intended use; resist degradation from ultraviolet radiation; be incapable of penetration by biting or clawing of household pets (i.e., dogs and cats); have bottoms that remain impervious to damage that would interfere with the cart's intended use after repeated contact with gravel, concrete, asphalt, or any other rough and abrasive surface; and, have wheel and axle assemblies to provide continuous maneuverability and mobility as originally designed and intended.
3. Carts shall be resistant to: common household or residential products and chemicals; human and animal urine and feces; and, airborne gases or particulate matter present in the ambient air.
4. All bins with a capacity of one cubic yard or more shall meet applicable safety laws and be covered with attached lids.
5. Contractor shall obtain City's written approval of container material, design, colors, labeling, and other specifications before acquisition, painting, labeling, or distribution occurs.
6. When purchasing plastic collection containers, Contractor shall purchase containers that contain a minimum of 10% post-consumer recycled plastic content, unless such requirement is waived by City.
7. Container lids shall be designed such that the following requirements are met when properly utilized by the customer:
 - a. Prevents the intrusion of rainwater and vectors.
 - b. Prevents the emissions of odors.
 - c. Enables the free and complete flow of material from the container during the dump cycle without interference with the material already deposited in the truck body or the truck body itself and its lifting mechanism.
 - d. Permits users of the cart to conveniently and easily open and shut the lid throughout the serviceable life of the cart.
 - e. Hinges to the cart body in such a manner to enable the lid to be fully opened, free of tension, to a position whereby it may rest against the backside of the cart body.
 - f. Prevents damage to the container body, the lid itself, or any component parts through repeated opening and closing of the lid by generators or in the dumping process.
 - g. Remains closed in 25 miles per hour winds. All lid hinges shall remain fully functional and continually hold the lid in the original designed and intended positions when either opened or closed or any position between the two extremes.

- h. Designed and constructed such that it prevents physical injury to the user while opening and closing the cart.
- 8. Containers shall be stable and self-balancing in the upright position, when either empty or loaded to maximum design capacity with an evenly distributed load, and with the lid in either a closed or an open position. Containers shall be capable of maintaining upright position in 25 miles per hour winds.
- 9. Containers shall be capable of being easily moved and maneuvered, if applicable, with an evenly distributed load equal in weight to its maximum design capacity on a level, sloped or stepped surface.
- 10. Containers shall be recyclable at the end of their useful life.
- 11. Containers shall be designed and constructed to be watertight and prevent the leakage of liquids.

C. Container Colors.

- 1. Contractor shall provide customers with collection containers that comply with the color requirements specified in this Section, or as otherwise specified in 14 CCR Section 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other applicable law. Colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation, and the lids and bodies shall be uniform for each container type, as follows:
 - a. Recyclable materials container lids shall be blue.
 - b. Organic materials container lids shall be green.
 - c. Solid waste container lids shall be black or grey.
 - d. Source separated food waste container lids shall be brown.
- 2. Hardware such as hinges and wheels on the containers may be a different color than specified above. All containers, including split-bins, shall comply with these color requirements. Each section of the split-bin shall be painted in accordance with the color requirements in this Section for the applicable discarded material type intended for that segregated section of the bin (e.g., a split-bin for solid waste and recyclable materials shall be half gray and half blue, respectively).

D. Container Labeling.

- 1. Solid waste, recyclable materials, and organic materials carts shall carry stickers, labels, or other identifying markings indicating the materials that can and cannot be placed in each container.
- 2. All containers that are not currently in Contractor's inventory shall include a label with the following: primary materials accepted; a clear indication of prohibited container contaminants; and, notification forbidding hazardous waste and describing proper disposal thereof. Design for the labels shall be approved by City prior to Contractor's ordering of labels. Lids shall be replaced when current in-mold labels or other container markings become worn but no later than 90 days of request from City or customer. Information on the containers shall include the telephone number to call Contractor for bulky item pick-ups and for general customer service. Contractor may also add to the required label information a QR code that can be scanned by the customer's personal digital devices, including cell phones, to allow the customer to review information including container materials accepted,

prohibited container contaminants, and other information concerning SB 1383 programs that can be updated over time to reflect new information or program changes. All containers shall be labeled in accordance with CalRecycle requirements and applicable law. Labels shall be designed to include English, Spanish, and Korean, and Traditional Chinese. If utilized, container labeling shall be on the top of the lid and/or on the body of the cart and shall be reviewed and approved by City.

E. Repair and Replacement of Containers; Inventory.

1. Contractor shall be responsible for repairing or replacing containers when Contractor determines the container is no longer suitable for service or when City or the customer requests replacement of a container that does not properly function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be responsible for acquiring and providing the replacement containers. Contractor shall repair or replace all damaged or broken containers within three working days of a customer or City request. Minor cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts shall be readily repairable by Contractor personnel. All repairs shall restore the cart to its full functionality.
2. Contractor shall maintain a sufficient inventory of containers to accommodate new customer requests for service, requests for change in service levels (size, type, or number of containers) from current customers, and requests for replacement due to damage. All replacement containers requested by customers and any newly deployed containers for new services shall be new and SB 1383 color compliant.
3. Contractor shall provide to single-family residential customers at least one free cart replacement for the 12-month period July 1 – June 30 of any contract year for any reason, upon customer request. If a customer requests more than one cart replacement during the period July 1 to June 30 of any contract year, then Contractor shall make carts available at the City-approved rate for such services. In addition, single-family residential customers may also request one cart size exchange per rate period at no charge. All such containers shall be provided within three working days of request. Contractor's failure to comply with the container requirements may result in assessment of liquidated damages in accordance with Section 12.6.
4. Bins shall be replaced on Contractor's normal replacement schedule and any new bins placed into service shall comply with the color and labeling requirements of SB 1383. All refuse, source separated recyclable materials, and/or organic materials bins at a customer location shall be uniform in color.

F. Maintenance, Cleaning, Painting.

1. Containers shall be maintained in a safe, serviceable, and functional condition, and present a clean appearance. Contractor shall repair or replace all customer containers damaged by collection operations in accordance with standards specified in this Section unless damage is caused by the customer's gross negligence, in which case, the customer may be billed for repair or replacement of container at the City-approved rate. All containers shall be maintained in a functional condition.
2. Contractor shall steam clean and/or repaint all customer containers as needed to present a clean appearance. Contractor shall offer steam cleaning service (or clean container exchange) to customers requesting such service and may charge customers for such cleaning (or container exchange).

3. Contractor shall remove graffiti from all customer containers within two working days or notification at no additional charge.

G. Monitoring of Container Enclosures.

1. A container may be considered overfilled when discarded materials project above its rim in a manner that impedes the complete closure of a container's lid and/or when discarded materials are placed outside the container and/or allowed to accumulate, making access to the container unsafe for collection.
2. In the event that a multi-family dwelling or bin commercial customer overfills its bin(s), Contractor shall follow the following procedures in an effort to correct the problem, charge customer in accordance with the approved rate schedule, and/or, if necessary, increase service levels. For any over-fill occurrences, Contractor will document occurrence with a photograph. Contractor shall send a notification to the customer, including a photograph of the overage, and a statement advising of service alternatives including right-sizing opportunities, as well as notifying the customer of an overflow charge and of a possible increase in service level and the related costs. Notification of over-fill can occur via e-mail, invoice statement, or other City approved method. Contractor shall document in its records the location of the encountered overage, a photograph, as well as the outreach material provided to the customer. Contractor shall provide this information to City upon request.

6.7 Personnel

- A. **General.** Contractor shall furnish such qualified personnel as may be necessary to perform this Agreement in a safe and efficient manner. Contractor shall assure that its employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall not permit its employees to accept, demand, or solicit, directly or indirectly, any additional compensation, or gratuity from customers or members of the public.
- B. **Driver Qualifications.** Drivers shall have in effect a valid license, of the appropriate class, issued by the DMV. Contractor shall use the DMV's Class II employer "Pull Notice Program" to monitor its drivers for safety.
- C. **Safety Training.** Contractor shall provide suitable operational and safety training for all employees who operate collection vehicles or equipment. Contractor shall train its employees to identify, and not to collect, excluded waste. Upon request, Contractor shall provide City a copy of Contractor's safety policy and safety training program, the name of its safety officer, and the frequency of its trainings.
- D. **Designated Staff.**
 1. **Contractor's Contract Administrator.** Contractor shall designate at least one qualified employee as City's primary point of contact with Contractor who is principally responsible for collection operations and resolution of service requests and complaints. Such individual shall be empowered to negotiate on behalf of and bind Contractor with respect to any changes in scope, dispute resolution, compensation adjustments, and service-related matters. Such individual is defined as Contractor's Contract Administrator. The City Manager shall be made aware of the name, position, e-mail, and telephone number of this individual, and in the event the Contractor's Contract Administrator is changed, Contractor shall notify the City Manager within 48 hours of the change.

2. **Field Supervisor.** Contractor shall designate one qualified full-time employee as supervisor of field operations. At least 50% of the field supervisor's time shall be dedicated to field checking on collection operations, including responding to customer requests, inquiries, and complaints.
3. **Recycling Coordinator/Sustainability Advisors; Route Auditors.** Contractor shall dedicate the equivalent of one full-time recycling coordinator/sustainability advisor and the equivalent of one-half of a full-time route auditor or compliance monitor to City to complete outreach to customers and develop and implement all public education and outreach activities required under this Agreement. The recycling coordinator/sustainability advisor and route auditors shall conduct outreach, promote waste reduction, recycling, diversion programs, provide technical assistance to multi-family and commercial customers, and upon City request, assist with the distribution of City purchased kitchen pails.
 - a. The recycling coordinator/sustainability advisor shall work exclusively on City programs and services and shall not have other non-City responsibilities or other City responsibilities not related to recycling coordinator/sustainability advisor responsibilities in Brea.
 - b. The recycling coordinator/sustainability advisor shall visit each school located within Brea each rate period to discuss environmental issues with students, read books, and facilitate craft activities.
 - c. Contractor shall provide a fully trained and experienced recycling coordinator/sustainability advisor. In the event of a resignation, Contractor shall have 90 calendar days to provide a replacement.
 - d. At any time, City may, for good cause, request that a Recycling Coordinator/Sustainability Advisor be reassigned to no longer perform any work relating to this Agreement and City shall provide a statement describing the specific good cause reason for such request. Contractor shall promptly review the request and meet and confer with City. Upon confirmation of good cause, Contractor shall remove the identified employee(s) from performing any work related to this Agreement as allowed by and subject to the provisions of any applicable collective bargaining agreement. As used herein, "good cause" means: adjudicated criminal conduct following a trial or plea; conduct that is agreed by the parties to be a threat or harm to persons or property; or, that is agreed by the parties to be socially unacceptable.
 - e. Contractor shall afford City a reasonable opportunity to review, request modifications to, and approve all outreach and educational materials including print, radio, television, or internet media before publication, distribution, and/or release. The recycling coordinator/sustainability advisor shall also work cooperatively with any City-appointed outreach and education consultant.

E. Key Personnel.

1. Contractor shall make every reasonable effort to maintain the stability and continuity of its staff assigned to perform this Agreement. Contractor shall notify City of any changes in Contractor's key staff assigned to perform this Agreement.
2. Notwithstanding City's approval of Contractor's personnel, Contractor shall not be relieved from any liability resulting from the work performed under this Agreement, nor shall

Contractor be relieved from its obligation to ensure that its personnel maintain all requisite certifications, licenses, and the like.

3. At any time, City may, for good cause, request that any of Contractor's non-management employees be reassigned such that they no longer perform any work relating to this Agreement and City shall provide a statement describing the specific good cause reason for such request. Contractor shall promptly review the request and meet and confer with City. Upon confirmation of good cause, Contractor shall remove the identified employee(s) from performing any work related to this Agreement as allowed by and subject to the provisions of any applicable collective bargaining agreement. The vacated position(s) shall be filled by Contractor with a suitable replacement within 10 calendar days or as soon thereafter as practicable. As used herein, "good cause" means: adjudicated criminal conduct following a trial or plea; conduct that is agreed by the parties to be a threat or harm to persons or property; or, conduct that is agreed by the parties to be socially unacceptable.

6.8 Hazardous Waste Inspection and Handling

A. Inspection Program and Training.

1. Contractor shall develop a load inspection program that includes the following components: (i) personnel and training; (ii) load checking activities; (iii) management of wastes; and, (iv) record keeping and emergency procedures.
2. Contractor's load checking personnel, including its collection vehicle drivers, shall be trained in: (i) the effects of hazardous substances on human health and the environment; (ii) identification of prohibited materials; and, (iii) emergency notification and response procedures. Collection vehicle drivers shall inspect containers before collection when practical.

B. Response to Excluded Waste Identified During Collection.

1. If Contractor determines that material placed in any container is excluded waste or presents a hazard to Contractor's employees, then Contractor may refuse to accept such material. The generator shall be contacted by Contractor and requested to arrange proper disposal. If the generator cannot be reached immediately, then Contractor shall, before leaving the premises, leave a non-collection notice that indicates the reason for refusing to collect the material and lists the phone number of a facility that accepts the excluded waste or a phone number of an entity that can provide information on proper disposal of the excluded waste. Under no circumstances shall Contractor's employees knowingly collect excluded waste or remove unsafe or poorly containerized excluded waste from a container.
2. If excluded waste is found in a container or collection area that could possibly result in imminent danger to people or property, Contractor shall immediately notify the Brea Fire Department.

- C. Response to Excluded Waste Identified at Processing or Disposal Facility.** Materials collected by Contractor shall be delivered to the approved facilities for purposes of processing or disposal. In the event that load checkers or equipment operators at such facility identify excluded waste in the loads delivered by Contractor, such personnel shall remove these materials for storage in approved, on-site, excluded waste storage container(s). Contractor shall arrange for removal of the excluded wastes at its cost by permitted haulers in accordance with applicable laws. Contractor may at its sole expense attempt to identify and recover the cost of disposal from the generator. If the

generator can be successfully identified, the cost of this effort, as well as the cost of disposal shall be chargeable to the generator.

6.9 Contract Management

- A. Contractor's Contract Administrator shall be responsible for working closely with the City Manager in the monitoring and administration of this Agreement.
- B. Contractor's Contract Administrator shall meet and confer with the City Manager to resolve differences of interpretation and implement and execute the requirements of this Agreement in an efficient and effective manner that is consistent with the stated objectives.
- C. The City Manager and Contractor's Contract Administrator shall hold contract management meetings monthly or at such other frequency as designated by the City Manager. This meeting is intended to review the status of Contractor's implementation of programs and services, coordinate shared efforts, and such other agenda items as are deemed appropriate.
- D. From time to time the City Manager may designate other agents of City to work with Contractor on specific matters. In the event of a dispute between the City Manager's designee and Contractor, the City Manager's determination shall be conclusive.
- E. The City Manager shall have the right to observe and review Contractor operations and Contractor's processing facilities and enter premises for the purposes of such observation and review, including review of Contractor's operations, maintenance, and safety records, during reasonable hours with reasonable notice. In no event shall Contractor prevent access to such premises for a period of more than three calendar days after receiving such a request.

6.10 Minimum Diversion Requirements

A. General.

- 1. Contractor warrants and represents that it is aware of and familiar with City's current Source Reduction and Recycling Element, that it is familiar with City's waste stream, and that it has the ability to provide sufficient programs and services to ensure City will meet or exceed the diversion goals (including amounts of discarded materials to be diverted, time frames for diversion, and any other requirements) set forth in AB 939, AB 341, AB 1826, and SB 1383, and that it shall do so without imposing any costs or fees other than those set forth in the attached Exhibit D, subject to changes in applicable laws. Contractor acknowledges that it is responsible for ensuring that its various programs achieve the applicable CalRecycle 50% per capita diversion requirements at the Effective Date and that in the absence of a change in applicable laws it may be required to modify its programs from time to time, at no additional cost to City or customers, to meet such diversion requirements. Contractor specifically acknowledges that City's current mandated diversion goal upon the Effective Date as set forth pursuant to the applicable laws is 50% of all solid waste (currently set per AB 939) and that this diversion rate is subject to modification by the Legislature. In the event of a change in applicable laws, including that new programs are required to meet a diversion goal in excess of 50% of all solid waste, the parties shall meet and confer in good faith in advance to determine a fair and reasonable adjustment to the maximum rates set forth in Exhibit D in order to compensate Contractor for implementing such new programs.
- 2. Contractor shall divert from landfilling the state-mandated construction and demolition debris diversion percentage of all construction and demolition debris loads. Contractor shall

provide a diversion report for each construction and demolition project performed by Contractor.

- B. **Implementation of Additional Diversion Services.** In the event City does not meet the CalRecycle 50% per capita of all solid waste generated diversion goal, City may direct Contractor to perform additional services (including the implementation of new diversion programs) or modify the manner in which it performs existing services, and Contractor shall do so and may request a compensation adjustment under Section 4.6. Pilot programs and innovative services that may entail new collection methods, and use of new or alternative waste processing and disposal technologies, are included among the kinds of changes that City may direct.

6.11 Customer Participation Compliance Requirements

General. The minimum required level of customer participation that must be achieved by Contractor on or before May 1, 2025 for residential customers and July 1, 2025 for commercial customers and annually thereafter includes the following:

6.11.1 SB 1383 Programs

- A. **Residential Premises.** Contractor shall fully implement a residential organic materials diversion program where all residential premises are provided the required containers to comply with SB 1383.
- B. **Commercial Premises.** Contractor shall implement and maintain an SB 1383 compliant commercial recycling and organic materials diversion program with the goal of providing recycling and organic materials containers to all customers required to have such containers under CalRecycle requirements, unless the customer has been granted a waiver per the City Code or the customer otherwise complies via third-party program, self-haul, or back-haul programs.

6.11.2 Contractor Has Maintained Full Implementation of All AB 341 and AB 1826 Diversion Programs

Contractor shall implement and maintain AB 341 and AB 1826 diversion programs such that all commercial customers required to have such programs are subscribed to the Contractor-provided program, unless the customer has been granted a waiver per the City Code or the customer otherwise complies via third-party program, self-haul, or back-haul programs.

6.11.3 Non-Compliant Customers

Contractor shall document any customers that are not in compliance with the required mandatory programs per AB 341, AB 1826, and SB 1383, and forward the list of non-compliant customers to City.

ARTICLE 7. RECORD KEEPING AND REPORTING

7.1 Record Keeping

- A. Contractor shall maintain customer contact data, customer service, accounting, statistical, operational, programmatic, and other records, and associated documentation, related to its performance as shall be necessary to provide detailed and accurate reports under this Agreement and to demonstrate compliance with this Agreement and applicable law. Unless otherwise required in this Article, Contractor shall retain all such records and data for four years after expiration or

termination of this Agreement or such longer period as required by applicable law. Records and data shall be in chronological and organized form that is readily and easily interpreted to facilitate the flexible use of data to structure reports. Contractor's records shall be stored in one on site central location, physical or electronic, or at such off-site storage location that can be readily accessed by Contractor. Upon request, and subject to limitations on non-disclosure of confidential and proprietary customer information of Contractor, any such non-confidential records shall be made available to City within five working days for City to review at Contractor's office. As used herein, "confidential and proprietary information" means customer identifying information and service or credit history and other customer financial information that is subject to state or federal privacy laws protecting customers.

- B. Contractor shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an earthquake. Electronically maintained data and records shall be protected and backed-up. City may require Contractor to maintain customer service and compliance records using a City-approved web-based software platform, at Contractor's expense. To the extent that Contractor utilizes its computer systems to comply with record keeping and reporting requirements, Contractor shall, on a monthly basis, save all system-generated reports supporting those record keeping and reporting requirements in a static format in order to provide an audit trail for all data required by City.
- C. At a mutually agreed upon time during normal business hours, but within five working days of a request from City, Contractor shall provide access to City at its offices its data and records with respect to the matters covered by this Agreement and applicable law. Contractor shall permit City to audit, examine, and make excerpts or transcripts from such data and records and make copies of all data relating to all matters covered by this Agreement and applicable law, all at City's expense.
- D. If City receives a CPRA request seeking disclosure of information Contractor has designated as confidential and proprietary, then City shall promptly notify Contractor of the request and provide Contractor a reasonable opportunity to comment on the pending request before City acts upon it. Contractor may seek a court order to limit or enjoin disclosure of such records. In the event City is subject to an action seeking to enforce the CPRA for any Contractor information designated confidential and proprietary and withheld from disclosure, Contractor shall defend and indemnify City in such litigation, which indemnity shall cover all of City's costs and expenses including attorney's fees.
- E. City views its ability to defend itself against CERCLA and related litigation as a matter of great importance. Contractor shall maintain records that can establish where recyclable materials, organic materials, and solid waste collected were transferred, processed, or disposed. This provision shall survive the expiration or termination of this Agreement. Contractor shall maintain these records for a minimum of five years beyond expiration or termination of this Agreement or such longer period as required by applicable law. Contractor shall provide these records to City (upon request or at the end of the record retention period) in an organized and indexed manner rather than destroying or disposing of them.

7.2 Report Submittal Requirements

- A. The parties acknowledge that City will require reporting by Contractor at various intervals by which information important to City can be compiled and analyzed. The parties shall work together to address City's needs with respect to the information to be contained in reports prepared by Contractor. The following is intended as a starting point to have established an objective baseline for reporting, but the frequency and content of the reports may be changed by consensus of the

parties, which shall be memorialized in a writing signed by the City Manager and Contractor's Contract Administrator. Records related to performance of this Agreement shall be maintained by Contractor in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. The format of each report shall be approved by City. Contractor shall submit all reports in an electronic format compatible with City's software/computers at no charge to City. Monthly reports shall be submitted within 20 calendar days after the end of the report month. Quarterly reports shall be submitted within 20 calendar days after the end of the calendar quarter. Annual reports shall be submitted within 45 calendar days after the end of the calendar year.

- B. Monthly, quarterly, and annual reports shall include all data and information described in Exhibit F, unless otherwise specified under this Agreement.
- C. Contractor may propose report formats that are responsive to the objectives and audiences for each report. The format of each report shall be approved by City in its sole discretion. City may review and request changes to Contractor's report formats and content and Contractor shall not unreasonably deny such requests.
- D. Contractor shall submit all reports to City electronically via e-mail using software acceptable to City. City may require Contractor to maintain records and submit the reports through use of a City-selected web-based software platform, at Contractor's expense.
- E. City reserves the right to require Contractor to provide additional reports or documents as required for the administration of this Agreement or compliance with applicable law.
- F. Upon request of either of the parties, but no more than two times per year, City and Contractor will meet and confer about the current reporting requirements and templates utilized for the prior calendar year to discuss updates or modifications to the formatting or additional information as required by applicable law.

7.3 System and Services Review

- A. **Hearing.** City may hold an administrative hearing each year at which Contractor shall be present and shall participate to review the solid waste collection, processing, and recycling system and services. It is City's intent to conduct any system and services review concurrently with any performance review.
- B. **Contractor Report.** Sixty days after receiving notice from City, Contractor shall submit a report to City regarding the solid waste collection, processing, and recycling system.
- C. **Review; Scope.** Topics for discussion and review at the system and services review hearing shall include services provided, Contractor's performance, cost and economic and technological feasibility of providing new services, application of new technologies, customer complaints, rights of privacy, amendments to this Agreement, developments in the law, new initiatives for meeting or exceeding AB 939 and SB 1383, or goals and regulatory constraints of other applicable law.
- D. **Additional Topics.** Each party may select additional topics for discussion at any systems and services review hearing.
- E. **City Report.** Not later than 60 days after the conclusion of each system and service review hearing, City shall issue a report. The report shall include a listing of any solid waste, processing, and recycling services not then being provided to City that are considered technically and economically

feasible by City, together with the anticipated costs associated with such services and proposals for generating program revenue to pay for such services in alignment with Sections 4.6 and 9.3.

7.4 Biennial Audit

A. General.

1. Contractor shall fund biennial audits as described below. The scope of the audit, and auditing party, will be determined by City and the scope may include:
 - a. Compliance with this Agreement.
 - b. Customer service levels and billing.
 - c. Fee payments.
 - d. Receipts.
 - e. Tonnage.
 - f. Complaint log.
 - g. Compliance with mandatory commercial recycling, mandatory commercial organics recycling, and SB 1383.
 - h. Verification of diversion rate.
2. The first audit is to be performed during the fourth quarter of 2025, and every two years thereafter. Contractor shall reimburse City the cost of such audits up to \$50,000 for the first audit and up to \$50,000 for each subsequent biennial audit. The up to \$50,000 amount in subsequent years shall be adjusted annually by 3% per year.
3. Should an audit by City disclose that franchise or other fees payable by Contractor were underpaid by 3% or more, or that more than 2% of customers were inaccurately billed, Contractor shall reimburse City for the actual cost of the audit to the extent it exceeded \$50,000.

- B. Payments and Refunds.** Should an audit by City disclose that the franchise fees payable by Contractor were underpaid or that customers were overcharged for the period under review, Contractor shall pay to City any underpayment of franchise fees and/or refund to customers any overcharges within 30 calendar days following the date of the audit. In the event customers were undercharged, single-family customers may be billed for up to 12 months of services not previously billed and all other customers may be billed for up to 24 months of services not previously billed. In the event customers were overcharged, Contractor shall provide a refund for up to 24 months of overcharged services.

7.5 SB 1383 Record Keeping Software

Contractor shall utilize the City provided SB 1383 software that allows access to both parties, to integrate outreach efforts to customers within Brea, store certain reports required by this Article and Exhibit F, and monitor additional data required to be made available to CalRecycle. City shall provide Contractor on-line access to the database for real-time uploading and monitoring of data.

ARTICLE 8.

CONTRACTOR'S CONSIDERATION

8.1 Franchise Fee

- A. **General.** Contractor acknowledges that it, and not customers, is to pay a 10% franchise fee to City as consideration for this Agreement. Accordingly, neither Contractor's bills nor City's bills shall include separate itemization of a "franchise fee" or other similar designation. Finally, Contractor acknowledges the franchise fee is a cost paid solely by Contractor from its profits.
- B. **Contractor Franchise Fee.** Contractor shall pay City an amount equal to 10% of all gross receipts, excluding compactor rental charges, as and for a franchise fee for services directly billed by Contractor pursuant to Section 5.7.3 above. The payment of a franchise fee by an end user shall not be considered payment for franchised services. Contractor shall remit the franchise fee to City pursuant to the provisions of Exhibit D, and without invoice from City. For the avoidance of doubt, the franchise fee shall be based on Contractor's actual receipts from Contractor's billings to its Customers.
- C. **Contractor Billed Fee Remittance.** The franchise fee for customers billed directly by Contractor shall be paid to City monthly on or before the 20th day of each month. Should any such due date fall on a weekend or holiday in which City's business offices are closed, payment shall be due on the first day thereafter in which City's business offices are open.
- D. **City Billed Fee Retention.** City will deduct the 10% franchise fee from its payments to Contractor for customers billed directly by City pursuant to Section 5.7.2 above.
- E. **Fee Remittance After Term.** The franchise fee shall apply to gross receipts of Contractor actually collected after expiration or termination of this Agreement and relating to Contractor's performance of this Agreement. Franchise fee payments shall be accompanied by a statement certified by an officer of Contractor attesting to the accuracy of the amounts paid and setting forth the basis for their calculation in a manner acceptable to City.

8.2 AB 939 Administrative Fees

Pursuant to Public Resources Code Section 41902, Contractor shall pay or collect, as the case may be, an AB 939 administrative fee as may be established by City Council resolution. Following 30 days' prior written notice by City to Contractor, any fee established pursuant to this Section shall be payable by Contractor to City concurrent with the payment of franchise fees.

8.3 Recyclable Materials Revenues

Contractor shall provide to City residential customers 50% of the Contractor revenues from the sales of recovered residential recyclable materials by calculating a residential customer rebate as shown in Exhibit E, Page 5, together with supporting data. This rebate shall be applied annually to the rate adjustment calculations as shown in Exhibit E, Page 1.

8.4 Edible Food Recovery Funding

On or before June 30, 2025, and annually thereafter during the term, Contractor shall provide City with funding (the "Edible Food Recovery Payment") to assist City with contracting with third parties that will facilitate compliance with City's obligations under 14 CCR Chapter 12, Article 10. The Edible Food Recovery

Payment due on or before June 30, 2025, shall be \$45,000. Thereafter, the amount of the Edible Food Recovery Payment shall be increased based on the percentage change in the applicable published index as specifically set forth in Exhibit E herein for commercial rate adjustments.

8.5 Payment Schedule and Late Fees

- A. Checks for franchise fee and recyclable revenue shall be payable to the City of Brea and shall be mailed or otherwise delivered to City's Finance Department.
- B. Contractor payments are due on the 20th day of the month and shall be considered late if they are received after the 25th day of any month. In the event Contractor fails to timely make any of the payments required by this Agreement by the 25th day of any month, Contractor shall pay to City an additional sum of money equal to 5% of the amount due. This amount is required to defray those additional expenses and costs incurred by City by reason of the late payment including the cost of administering, accounting for, and collecting the late payment and the cost to City of postponing services and projects necessitated by the delay in receiving the revenue. In addition to any other remedy provided by law, any amounts not paid to City by Contractor within 60 days of the due date shall be subject to interest in the amount of 10% per annum, calculated on a daily basis for each day such sums remain past due.

8.6 Other Fees

City shall reserve the right to establish other fees, or negotiate changes to fees beyond the regular annual adjustments described above as it deems necessary, to the extent that such further adjustments are also included in the adjustments to the approved rates.

ARTICLE 9.

CONTRACTOR'S COMPENSATION AND RATE SETTING

9.1 General

Contractor shall perform the responsibilities and duties described in this Agreement in consideration of the right to receive compensation for services. Compensation provided for in this Article shall be the complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and supplies, taxes, insurance, bonds, overhead, disposal, recycling, processing, transfer, profit, and all other things necessary to perform all the services required by this Agreement.

9.2 Initial Rates

The rates for the rate period ending June 30, 2026, shall not exceed those set forth in Exhibit D. Contractor has reviewed these maximum rates and agrees they are reasonably expected to generate sufficient revenues to provide adequate compensation. Unless and until the maximum rates set forth in Exhibit D are adjusted, Contractor will provide the services required by this Agreement, charging no more than the maximum rates authorized by Exhibit D, except as provided herein in this Article.

9.3 Schedule of Future Adjustments

Beginning with rate period two (July 1, 2026 to June 30, 2027) and for all subsequent rate periods, either party may request an annual adjustment to the maximum rates shown in Exhibit D, excepting that

Contractor shall be entitled to those adjustments in rates as provided in Section 9.4. For all inflationary adjustments, Contractor shall submit notice in writing by March 1 of the same year based on the method of adjustment described in Section 9.4. Failure to submit a written request by March 1 shall be conclusive as to Contractor's decision not to proceed with an increase for the subsequent year. If any rates would decline based upon Section 9.4 calculations and a rate decrease is not implemented, the subsequent rate adjustment shall be based upon the changes in indices since the previous rate adjustment instead of the change over the prior year.

9.4 Method of Adjustments

9.4.1 General

Pursuant to Section 9.3, the Contractor may request an adjustment to the maximum rates according to the method described below and the formulas shown in Exhibit E, subject to review and approval of City. All future adjustments are to be effective July 1. The rate adjustment calculations shall be separately performed for all rates (Exhibit E).

9.4.2 Cost Component and Rate Adjustment Indexes

The approved rates consist of the following cost components, followed by the initial weightings of each component. Each cost component may be adjusted by the change in the corresponding index as provided below. See Section 9.4.3 for detailed rate adjustment procedures and Exhibit E for examples of rate adjustment calculations.

RESIDENTIAL AND COMMERCIAL/INDUSTRIAL SERVICES COST COMPONENTS				
	Cost Component	% of Costs		Rate Adjustment Index
		Residential	Commercial/ Industrial	
A.	Collection	85.0%	85.0%	Stair step collection component from CPI to GTCI as shown in Exhibit E, Page 3.
B.	Disposal	15.0%	15.0%	Gate rate at the County landfills as of July 1 (as established under the County Waste and Recycling WDA).
	Total	100.0%	100.0%	

Annual Adjustments to Landfill Disposal Component of Rates

It is the intention of the parties that the landfill disposal component associated with any of the maximum rates as set forth in Exhibit D shall be a pass-through component included in the rates subject to City and Contractor agreeing on the allocation of the landfill disposal component of the rate across residential, commercial, industrial, and multifamily sectors. After the effective date of this Agreement, rates shall be adjusted annually on each adjustment date as adjusted by the County pursuant to the County Agreement or any successor agreement then in effect to reflect the direct increase or decrease in the actual landfill disposal (tipping) fees incurred by Contractor for disposal of solid waste collected pursuant to this Agreement. On the effective date of this Agreement, the County Agreement rate is \$42.55 per ton

delivered to the County system. In the event an increase occurs in applicable landfill tipping fees at a time other than an annual adjustment date, Contractor shall receive an adjustment to the maximum rates applicable to the landfill disposal component pursuant to this section.

9.4.3 Rate Adjustment Calculations

- A. Residential services rates and commercial/industrial services rates will be adjusted using the same method but will be calculated separately due to the differences in the weightings of the collection and disposal components, as well as the collection component stair step for each customer type, as listed in Section 9.4.2 and Exhibit E, Page 3.

1. **Step One.** Calculate the percentage increase or decrease in collection and disposal component indices listed in Section 9.4.2. The increase or decrease in the collection indices will be for the change in the average annual published indices as shown in Exhibit E, Pages 3 and 4. The average annual change for the CPI or GTCI (as shown in Exhibit E, Pages 3 and 4) will be calculated based on the 12 months ended December prior to the rate adjustment date, and the 12 months ended the prior December.

The disposal component will be based on the actual percentage change in the gate rate at the County landfills.

2. **Step Two.** For the first-rate adjustment, cost components are weighted as listed in Section 9.4.2. For subsequent rate adjustments, the relative weights of the collection and disposal cost components will be determined in Step Four of the prior year's rate adjustment.

Multiply the percentage changes for the collection and disposal cost components, as determined in Step One, by that component's weighting as a percentage of total cost.

3. **Step Three.** Multiply the total weighted percent change from Step Two by the existing maximum residential services rates and commercial/industrial services rates to determine the increase or decrease in maximum rates. Then add (subtract) the changes in rates to (from) the existing maximum rates to determine the new maximum rates.

Apply any City maintenance service costs and the residential recycling rebate per Section 8.3.

4. **Step Four.** Recalculate weightings for the following year based on these changes.

9.5 Extraordinary Adjustments

- A. Either party may request an adjustment to maximum rates at reasonable times other than that allowed under Section 9.3 in the event of extraordinary changes in the cost of providing service under this Agreement, including requests related to change in law. Such changes shall not include changes in recyclable materials or organic waste processing costs, changes in the market value of recyclable materials, inaccurate estimates by Contractor of its proposed cost of operations, unionization of Contractor's work force, or change in wage rates or employee benefits. Extraordinary rate adjustments may not be applied retroactively.
- B. For each request for an adjustment to the maximum rates Contractor shall prepare a schedule documenting the extraordinary costs. Such request shall be prepared in a form acceptable to City with support for assumptions made by Contractor in preparing the estimate. Contractor shall also submit a schedule showing how its total costs and total revenues have changed over the past three years for the services provided under this Agreement.

- C. Contractor shall provide to City a report of its annual revenues and expenses for the services provided in Brea, and City shall have right to audit this information in connection with City's review of Contractor's rate adjustment request. City may consider increases or decreases in the Contractor's total revenues and total cost of services when reviewing an extraordinary rate adjustment request and City's determination will be final. A rate adjustment request made in response to a new service requested by City will be determined in accordance with Section 4.6.

9.6 Limitations on Rate Adjustments

At least 45 days prior to adjusting any rate(s) charged to customers, Contractor shall provide written notice to City of its intent to adjust such rate(s) and the amount of such adjustment. Contractor shall be entitled to implement the intended adjustment to such rate(s) unless City determines that the adjusted rates will exceed the maximum rates established pursuant to the Proposition 218 Notice for the applicable rate year.

ARTICLE 10.

INDEMNITY, INSURANCE, AND PERFORMANCE BOND

10.1 Indemnification

- A. **General.** To the maximum extent permitted by law, Contractor shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, volunteers, and agents from and against any and all claims, liability, loss, injuries, damage, expense, and costs (including costs and fees of litigation, including reasonable attorney's and expert witness fees) (collectively, "Damages") of every nature arising out of or in connection with Contractor's performance, and the performance of any subcontractor or agent of Contractor, under this Agreement or Contractor's failure to comply with any of its obligations contained in the Agreement, except to the extent such loss or damage was caused by the negligence or willful misconduct of City. This Section shall survive the expiration or termination of this Agreement and shall not be construed as a waiver of City's legal and/or equitable rights.
- B. **Excluded Waste.**
1. Contractor acknowledges that it is responsible for compliance with applicable law. Contractor shall not knowingly store, transport, use, or dispose of any excluded waste except in strict compliance with applicable law.
 2. If Contractor negligently or willfully mishandles excluded waste, Contractor shall at its sole expense promptly take all investigatory and/or remedial action reasonably required for the remediation of such environmental contamination. Prior to undertaking any investigatory or remedial action, however, Contractor shall first obtain City's approval of any proposed investigatory or remedial action. Should Contractor fail at any time to promptly take such action, City may undertake such action at Contractor's sole cost and expense, and Contractor shall reimburse City for all such expenses within 30 calendar days of being billed for those expenses. These obligations are in addition to Contractor's indemnity, defense, and hold harmless obligations.
 3. Notwithstanding the foregoing, Contractor's duties under this Paragraph shall not extend to any claims arising from the disposal of solid waste at the designated disposal facility, including claims arising under CERCLA, unless such claim is a direct result of Contractor's negligence or willful misconduct.

- C. **Related to AB 939, AB 341, and SB 1383.** Contractor's duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle, if the requirements of AB 939, AB 341, AB 1826, and/or SB 1383 are not met by Contractor with respect to Contractor's obligations under this Agreement, and such failure is: (i) solely due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) solely due to Contractor delays in providing information that prevents Contractor or City from submitting reports to regulators in a timely manner. This indemnity is subject to the provisions of Public Resources Code Section 40059.1.
- D. **Related to Proposition 218.**
1. Should there be a change in law or a new judicial interpretation of applicable law, including California Constitution Articles XIII C and XIII D, that impacts the rates for the collection services, the parties shall meet to discuss the impact of such change in law on this Agreement.
 2. If a rate adjustment determined by the parties to be appropriate to compensate Contractor for increases in costs as described in this Agreement cannot be implemented for any reason, then Contractor shall be granted the option to negotiate with City, in good faith, a reduction of services equal to the value of the rate adjustment that cannot be implemented. If the parties are unable to reach agreement about such a reduction in services, then Contractor may terminate this Agreement upon one year's prior written notice to City. In such event the parties shall each be entitled to payment of amounts due for contract performance through the date of termination but otherwise will have no further obligation to one another unless this Agreement specifically states otherwise, after the date of such termination. Should a court of competent jurisdiction determine that Contractor cannot charge and/or increase its rates for charges related to franchise fees and governmental fees and charges, Contractor shall reduce the rates it charges customers a corresponding amount, providing such fees, reimbursements, rates and/or charges disallowed by the court are not related to the cost of providing service hereunder and had been incorporated in the rates charged by Contractor.
 3. Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D, apply to the rates established for services provided under this Agreement. Rather this Section 10.1.D is provided merely to allocate risk of an adverse judicial interpretation between the parties.
 4. The cost of all printing, copying, and mailing notices related to such procedural requirements shall be Contractor's sole responsibility.
 5. In the event that any rate adjustments provided for in Section 9.3, 9.4, or 9.5 are not implemented by City solely by reason of a 50% protest lawfully lodged with City in accordance with the requirements of Proposition 218, Contractor may, in its sole discretion, either: (i) accept that the rates will remain at the rates in effect prior to the scheduled adjustment or the requested rate increase; (ii) request in writing that City negotiate in good faith regarding reductions in programs, services, or fees under this Agreement to accommodate any materially adverse financial impact on Contractor's ability to provide any collection services under the Agreement that has been caused by the failure to approve the adjustment; or, (iii) terminate this Agreement by providing City with 180 days' prior written notice.
- E. **CalPERS Eligibility Indemnification.**
1. Contractor's employees, agents, or subcontractors providing service under this Agreement shall not: (i) qualify for any compensation and benefit under CalPERS; (ii) be entitled to any

benefits under CalPERS; (iii) enroll in CalPERS as an employee of City; (iv) receive any employer contributions paid by City for CalPERS benefits; or, (v) be entitled to any other CalPERS-related benefit by reason of the services provided under this Agreement that would accrue to a City employee. Contractor's employees, agents, or subcontractors waive any claims to benefits or compensation described in this Section. This Section applies to Contractor notwithstanding any other law to the contrary.

2. If Contractor's employees, agents, or subcontractors providing services under this Agreement claim, or are determined by a court of competent jurisdiction or the CalPERS to be eligible for enrollment in CalPERS, Contractor shall indemnify, defend, and hold harmless City for the payment of any employer and employee contributions for CalPERS benefits on behalf of the employee as well as for payment of any penalties and interest on such contributions that would otherwise be the responsibility of City.
3. Contractor's compensation under this Agreement shall be the full and complete compensation to which Contractor and Contractor's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Contractor nor its officers, employees, agents, and subcontractors are entitled to any salary or wages, or retirement, health, leave, or other fringe benefits applicable to City employees. City shall not make any federal or state tax withholdings on behalf of Contractor. City is not required to pay any workers' compensation insurance on behalf of Contractor.
4. Contractor shall defend and indemnify City for any obligation, claim, suit, or demand for tax, retirement contribution including any contribution to CalPERS, social security, salary or wages, overtime payment, or workers' compensation payment that City may be required to make on behalf of Contractor, any employee of Contractor, or any employee of Contractor construed to be an employee of City for work performed under this Agreement.

10.2 Insurance

- A. **Coverages and Requirements.** Contractor shall at all times maintain, at its expense, the following coverages and requirements. The comprehensive general liability insurance shall include broad form property damage insurance and public liability insurance.

1. **Minimum Coverages.** Insurance coverage shall be with limits not less than the following:
 - a. Comprehensive General Liability – \$10,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.
 - b. Automobile Liability – \$10,000,000 combined single limit per accident for bodily injury and property damage (include coverage for Hired and Non-owned vehicles).
 - c. Workers' Compensation – Statutory Limits/Employers' Liability – \$1,000,000/accident for bodily injury or disease.
 - d. Contractor's Pollution Liability – \$10,000,000 per contamination incident and annual aggregate applicable to bodily injury; property damage, including loss of use of damaged property or of property that has not been physically damaged or destroyed; clean-up costs, including first-party cleanup of City's property and third-party cleanup, and bodily injury costs if pollutants impact other properties; and, defense, including costs, fees and expenses incurred in the investigation, defense, or resolution of claims. Coverage shall include completed operations and shall apply to sudden and non-sudden pollution conditions. Coverage shall apply to acts, errors or omissions arising

out of, or in connection with, Contractor's scope of work under this Agreement. Coverage shall also apply to non-owned deposit sites that shall protect against, for example, claims regarding bodily injury, property damage, and/or cleanup costs involving non-owned deposit sites. Coverage is preferred by City to be occurrence based. However, if provided on a claims-made basis, Contractor warrants that any retroactive date applicable to coverage under the policy precedes the Effective Date and that continuous coverage shall be maintained or an extended discovery period will be exercised through expiration or termination of this Agreement for a minimum of five years. This provision does not limit or alter any rights or remedies to City allowable under this Agreement or applicable law in perpetuity.

2. **Additional Insured.** City, its officers, agents, employees, and volunteers shall be named as additional insured on all but the workers' compensation and coverage via blanket-form endorsement.
 3. Such policies shall remain in force through the term of this Agreement and shall be payable on a "per occurrence" basis unless City's Risk Manager specifically consents in writing to a "claims made" basis. For all "claims made" coverage, if Contractor changes insurance carriers Contractor shall purchase "tail" coverage or otherwise provide for continuous coverage covering the term of this Agreement and not less than three years thereafter, except for the five-year tail of Pollution Liability Coverage as described above. Proof of such "tail" or other continuous coverage shall be required at any time that Contractor changes to a new carrier prior to receipt of any payments due.
 4. The deductibles or self-insured retentions are for the account of Contractor and shall be the sole responsibility of Contractor.
 5. Each insurance policy, except Workers' Compensation/Employer's Liability shall be endorsed via blanket-form endorsement to state that coverage shall not be canceled, non-renewed, or materially changed limits except after 30 calendar days' prior written notice has been given to City (10 calendar days for delinquent insurance premium payments) via e-mail to an e-mail address provided by City.
 6. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A-VII, or with a surplus line carrier with a Best's Key Rating Guide of at least "B."
 7. The policies shall cover all activities of Contractor, its officers, employees, agents, and volunteers arising out of or in connection with this Agreement.
 8. For any claims relating to this Agreement, Contractor's insurance coverage shall be primary, including as respects City, its officers, agents, employees, and volunteers. Any insurance maintained by City shall apply in excess of, and not contribute with, insurance provided by Contractor's liability insurance policy.
 9. Contractor shall waive all rights of subrogation against City, its officers, employees, agents, and volunteers via blanket-form endorsement.
- B. **Certificates of Insurance/Endorsements.** Within five calendar days of the Effective Date, Contractor shall furnish City with an ACORD 25 Certificate of Insurance reflecting coverage required by this Agreement and supplemented with all applicable blanket-form endorsements as required herein. The certificate and blanket-form endorsements shall be signed by an authorized representative of the insurer.

- C. **Renewals.** Contractor shall furnish City with certificate(s) of insurance reflecting renewals, changes in insurance companies, and any other information affecting. The endorsements shall be signed by an authorized representative of the insurer.
- D. **No Cap on Indemnity.** The minimum amounts of coverage described in this Section shall not constitute any limitations or cap on Contractor's indemnification obligations under this Agreement.
- E. **Workers' Compensation.** Contractor shall provide workers' compensation coverage as required by state law and shall comply with Labor Code Section 3700.

10.3 Faithful Performance Bond or Irrevocable Letter of Credit

- A. Contemporaneously with execution of this Agreement, as security for Contractor's faithful performance of all obligations of this Agreement, Contractor shall provide a surety mechanism ("Surety") as more fully defined below in the amount of \$822,000. The Surety may be comprised of either a performance bond or an irrevocable letter of credit, or a combination of both. If a letter of credit is utilized to satisfy some or all of the Surety requirement it shall be drawn upon a financial institution with an office within 50 miles of the Brea Civic and Cultural Center and otherwise in a form acceptable to the City Attorney. The performance bond, if any, shall be issued by a duly authorized corporate surety company authorized to do business in California, in a form reasonably acceptable to the City Attorney, and in full compliance with the provisions of Code of Civil Procedure Section 995.610 et seq. The cost of the Surety shall be the sole obligation of Contractor. The Surety shall be released within 30 days after both: (i) expiration of this Agreement; and, (ii) Contractor's satisfactory performance of all obligations hereunder.
- B. In the event Contractor shall for any reason become unable to, or fail in any way to, perform as required by this Agreement, City may declare a portion or all of the Surety, as may be necessary to recompense and make whole City, forfeited to City. Upon partial or full forfeiture of the Surety, Contractor shall restore the Surety to its original amount within 30 days of City's notice to do so.
- C. Upon City providing Contractor with written notice of its failure to pay City any amount owing under this Agreement, either the letter of credit or performance bond comprising the Surety may be utilized by City for purposes including:
 - 1. Payment of sums due under this Agreement that Contractor has failed to timely pay to City including liquidated damages.
 - 2. Reimbursement of costs borne by City to correct violations of this Agreement not corrected by Contractor.
- D. City may draw upon the entire letter of credit (if any) utilized to meet Contractor's obligations pertaining to the Surety, and convert it to a cash deposit, if Contractor fails to cause the letter of credit to be extended or replaced with another satisfactory letter of credit no later than 60 days prior to its expiration.

10.4 Performance Security Beyond Service Term

Contractor shall not terminate the performance bond or letter of credit and will renew them to ensure continuous availability to City, until receiving a written release from City. City will provide such a release when City, in its reasonable judgment, is fully satisfied that all requirements have been met; provided, however, in no event may City require that the Surety continue more than one year after the termination of this Agreement. However, permission from City to discontinue holding these performance securities does not relieve Contractor of payments to City that may be due or may become due.

ARTICLE 11.

CITY'S RIGHT TO PERFORM SERVICE

11.1 General

- A. Subject to events of force majeure, in the event that Contractor fails, refuses, or is unable to collect, recycle, process, transport, or dispose of any or all discarded materials for a period of more than two working days, and if, as a result thereof, discarded materials should accumulate in Brea to such an extent, in such a manner, or for such a time that such accumulation endangers or menaces the public health, safety, or welfare, then City shall have the right, but not the obligation, upon 24 hours' prior written notice to Contractor to perform, or cause to be performed, such services itself with its own or other personnel without liability to Contractor.
- B. Notwithstanding Section 14.13, notice of Contractor's failure, refusal, or neglect to collect, transport, and dispose of or process discarded materials may be given orally by telephone to Contractor at its principal office and shall be effective immediately. Written confirmation of such oral notification shall be sent to Contractor within one working day of the oral notification.

11.2 Billing and Compensation to City During City's Possession

During such time that City is providing discarded materials services, as above provided, Contractor shall bill and collect payment from all users of the above-mentioned services as described in Section 5. In such event, Contractor shall reimburse City for any and all costs and expenses incurred by City beyond that billed and received by City in such manner and to an extent as would otherwise be required of Contractor under this Agreement. Such reimbursement shall be made from time to time after submission by City to Contractor of each statement listing such costs and expenses but in no event later than five working days from and after each such submission.

11.3 Disaster Preparedness Plan

- A. Within 12 months of the Effective Date, Contractor shall, with City assistance, prepare a written plan detailing how discarded materials services will be delivered in a time of emergency or natural disaster. For the plan, City shall provide Contractor with a written list of critical facilities that City deems in need of special consideration in a time of emergency. Contractor's written plan shall contain a protocol for contacting Contractor management in the event of an emergency, an overview of Contractor's resources available for emergency response, a plan for collection, disposal, and recycling of discarded materials generated by critical facilities until the time of emergency passes and a plan for resuming normal operations following an emergency.
- B. In the event of a disaster, City may grant Contractor a waiver of some or all collection requirements under this Agreement and 14 CCR Section 18984 et seq. in the disaster-affected areas for the duration of the waiver. Any resulting changes in collection requirements shall be addressed as a change in scope in accordance with Section 4.6.

ARTICLE 12. DEFAULT AND REMEDIES

12.1 Events of Default

A. The following are Category 1 events of default:

1. **Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or deceit upon City.
2. **Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling to pay its debts, or upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.
3. **False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to City by Contractor in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, that 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. Additionally, a default occurs if any Contractor-provided report contains a misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical typographical and grammatical errors.
4. **Criminal Activity.** Contractor or its officers, managers, or employees are found guilty of criminal activity in connection with the performance of this Agreement or any other contract with City.
5. **Assignment without Approval.** Contractor transfers or assigns this Agreement without the prior written approval of City.

B. The following are Category 2 events of default, however, subject to events of force majeure:

1. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force the workers' compensation and insurance coverage required by this Agreement.
2. **Violations of Regulation.** Contractor violates a regulatory agency order in connection with the performance of this Agreement. If Contractor contests any such order by appropriate proceedings conducted in good faith, and the regulatory agency determines no violation occurred, then no default of this Agreement shall be deemed to have occurred.
3. **Violations of Applicable Law.** Contractor violates applicable law in connection with the performance of this Agreement.
4. **Failure to Perform Direct Services.** Contractor ceases to provide collection, transportation, or processing services as required under this Agreement for a period of two consecutive calendar days or more for any reason within the control of Contractor.
5. **Failure to Pay.** Contractor fails to make a required payment to City by the applicable deadline.
6. **Failure to Report.** Contractor fails to provide City with required information, reports, or records by the applicable deadline.
7. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on some or all of Contractor's equipment or facilities other than standard liens in connection with any bank financing.

8. **Suspension or Termination of Service.** There is any termination or suspension of the transaction of business by Contractor related to this Agreement, including due to labor unrest including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action lasting more than seven calendar days for residential customers and three calendar days for commercial customers.
9. **Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a proposal for new services or changes to services or fails to implement a change in service as requested by City.
10. **Failure to Implement Collection Program.** Contractor fails to implement a collection program that complies with the requirements of Article 5 and Exhibit B.
11. **Failure to Provide Processing Capacity.** Contractor fails to provide processing capacity in accordance with Articles 5 and 6.
12. **Failure to Achieve Processing Standards.** Contractor fails to achieve the processing standards specified in Articles 4 and 5 including achievement of minimum organic waste recovery rates.
13. **Failure to Comply with Other Requirements of SB 1383.** Contractor fails to comply with other SB 1383 requirements including public education, reporting, contamination monitoring, record keeping and reporting, or other obligations of this Agreement that delegate City's responsibility and authority under SB 1383 to Contractor, which results in a final judgment against City pursuant to an enforcement action brought by CalRecycle for failing to achieve SB 1383 compliance pursuant to CCR title 14 § 18997. 5.
14. **Failure to Dispose of Solid Waste at the Designated Disposal Facility.** Contractor fails to dispose of solid waste collected within Brea at the designated disposal facility unless use of facility is no longer required or available.
15. **Acts or Omissions.** Any other act or omission by Contractor that violates this Agreement or applicable law. All provisions of this Agreement are considered material.

12.2 Contractor's Right to Cure; Right to Terminate Upon Event of Default

- A. If City issues a notice of default for a Category 1 event of default, then Contractor shall not be entitled to an opportunity to cure the default. Subject to this Paragraph and Section 12.2.C below, Contractor has a right to cure for Category 2 events of default. City shall afford Contractor 30 days or a reasonable period of time under the circumstances to cure the default unless City reasonably determines the default presents an immediate threat to public health or safety. In such event, Contractor shall not be entitled to an opportunity to cure the default.
- B. If a Category 2 default does not present an immediate threat to public health or safety and cannot reasonably be cured within 30 calendar days, then City may not terminate this Agreement based upon such default if Contractor promptly commences and diligently pursues the cure to completion.
- C. After the initial five years of the term of this Agreement, subject to events of force majeure, Contractor shall not be entitled to an opportunity to cure the default in the instance where Contractor has within a 24-month period twice committed the same item 1, 5, 7, 9, or 11 Category 2 default in Section 12.1 B above. City may determine to allow Contractor to cure the default as set forth in Section 12.2.A above.

12.3 City's Remedies in the Event of Default

Upon Contractor's default, City has the following remedies in the event of Contractor default:

- A. **Waiver of Default.** City may waive any event of default or may waive Contractor's requirement to cure a default event if City determines that such waiver would be in the best interest of City. City's waiver of an event of default is not a waiver of future events of default that may have the same or similar conditions.
- B. **Suspension of Contractor's Obligation.** City may suspend Contractor's performance of its obligations if Contractor fails to cure default in the time frame specified in Section 12.2 until such time Contractor can provide assurance of performance in accordance with Section 12.8.
- C. **Liquidated Damages.** City may assess liquidated damages for Contractor's failure to meet specific performance standards in accordance with Section 12.6.
- D. **Termination.** Subject to the provisions of Section 12.2 above,
 - 1. City may, in its discretion, set a public hearing for the City Council to determine whether to terminate this Agreement.
 - 2. If City terminates this Agreement for default, Contractor shall be given 30 calendar days' notice. Contractor shall thereafter be relieved on a going-forward basis of all liabilities and obligations required by this Agreement, except for Section 10.1 and any other provisions specifically identified to survive termination of this Agreement. Upon expiration of the 30 day notice, City may, in its sole discretion, do any of the following:
 - a. Directly undertake performance of the services.
 - b. Arrange with other persons to perform the services with or without a written agreement.
 - c. Permit Contractor to continue operating under this Agreement including Contractor's compensation until such time that City is able to find substitute services.
 - 3. This right of termination is in addition to any other rights upon a failure of Contractor to perform this Agreement.
 - 4. Contractor shall not be entitled to any further revenues from collection operations after the termination date.

12.4 Possession of Records Upon Termination

In the event of termination for an event of default, Contractor shall furnish City with immediate access to its business records that are required to be maintained pursuant to this Agreement in a format compatible with City's computer systems, including customer information, collection routes, compliance records, and billing of accounts for collection services.

12.5 City's Remedies Cumulative; Specific Performance

- A. City's rights to terminate this Agreement under Section 12.2 and to take possession of the Contractor's records under Section 12.4 are not exclusive, and City's termination of this Agreement or imposition of liquidated damages shall not constitute an election of remedies. Instead, these

rights shall be in addition to any and all other legal and equitable rights and remedies that City may have.

- B. By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-quality service; the lead time required to effect alternative service; and, the rights granted by City to the Contractor, the remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive relief (including specific performance).

12.6 Performance Standards and Liquidated Damages

- A. **General.** The parties acknowledge that it is impractical, if not impossible, to reasonably ascertain the extent of damages that shall be incurred by City as a result of a breach by Contractor of this Agreement. The impracticability of ascertaining damages is due to multiple factors including 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 that are incapable of measurement in precise monetary terms; (iii) exclusive services might be available at substantially lower costs than alternative services and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and, (iv) termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies that make the public whole for past breaches.
- B. **Service Performance Standards; Liquidated Damages for Failure to Meet Standards.**
1. The parties further acknowledge that consistent, reliable collection services are of utmost importance to City and that City has considered and relied on Contractor's representations regarding its quality-of-service commitment in awarding this Agreement. The parties 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 Contractor fails to achieve the performance standards or fails to submit required documents in a timely manner, then City and Brea residents and businesses will suffer damages, and that it is, and will be, impractical and extremely difficult to ascertain and determine the exact amount of damages that City will suffer.
 2. City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representatives or investigation of customer complaints. It is the desire of the parties to work together to avoid the imposition of liquidated damages, and accordingly City will endeavor to timely communicate to Contractor any information that City receives that might give rise to the imposition of liquidated damages in order to facilitate Contractor's ability to correct any deficiency or prevent the recurrence of any conduct for which liquidated damages might eventually be imposed.
 3. Prior to assessing liquidated damages, City shall give Contractor a pre-assessment notice; however, Contractor will not be provided notice for those breaches identified under Sections 12.6.C.1.b, 12.6.C.1.c, 12.6.C.3.a, 12.6.C.3.b, and 12.6.C.3.d because it would not be possible to rectify these breaches in a timely manner after the stated period for correction has passed. Such notice will include a brief description of the incident(s)/non-performance(s) for which liquidated damages are to be assessed. Contractor may review (and make copies at its own expense) all information in the possession of City relating to the identified incident(s)/non-performance(s). Contractor may, within 10 days after receiving the pre-assessment notice,

request a hearing before the City Manager. Contractor may present evidence in writing and through testimony of its employees and others relevant to the incident(s)/non-performance(s). City will provide Contractor with a written explanation of the City Manager's determination on each incident/non-performance prior to assessing liquidated damages. The decision of the City Manager shall be final.

Therefore, without prejudice to City's right to treat such non-performance as an event of default, and Contractor's right to cure outlined above, the parties agree that the liquidated damages amounts established in this Section 12.6 represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the Effective Date, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical.

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C. Contractor shall pay as liquidated damages, and not as a penalty, the amounts set forth below:

1. Collection Reliability		
a	For each failure to commence service to a new customer account within seven days after order.	\$100 per occurrence
b	For each failure to collect discarded materials, which has been properly set out for collection.	\$100 per occurrence
c	For each failure to correct and collect a missed service within the timeframe set forth in Section 5.8.B.2.	\$100 per occurrence; Each additional 24-hour period: \$50 per occurrence
d	For each failure to comply with the provisions in Section 12.7 Contractor's actions during a work stoppage.	\$1,000 per day
e	For each failure to collect illegally dumped bulky goods within two days of notification by City per Exhibit B4, Item 7.	\$100 per day illegally dumped bulky goods remains uncollected.

2. Collection Quality		
a	For failure to properly return empty containers to avoid pedestrian or vehicular traffic impediments or to place containers upright, which exceeds 10 containers annually.	\$50 per container
b	For each occurrence of excessive noise or discourteous behavior, which exceed 10 occurrences annually.	\$100 per occurrence
c	For each occurrence of collecting discarded materials during unauthorized hours, which exceeds 10 such occurrences annually.	\$100 per occurrence
d	For each occurrence of damage to private property, which exceeds five such occurrences annually.	\$100 per occurrence
e	For each failure to clean up discarded materials spilled from collection containers within 90 minutes that exceeds 10 such failures annually.	\$100 per occurrence

f	For each failure to clean up vehicle leaks or spills within the timeframe required by Section 6.5.E.	\$500 per occurrence
g	For each failure to follow the cleanup procedures included in Section 6.5.E.	\$500 per square foot of affected area
h	For each incidence of commingling of solid waste with recyclable materials and/or green waste/food scraps in collection vehicles except as provided in the event of contamination (when contaminated materials may be placed in truck with solid waste).	\$1,000 per incident

3. Customer Responsiveness

a	For each failure to initially respond to a customer complaint within one working day, and for each additional day in which the complaint is not addressed, which exceed five annually.	\$50 per day
b	For each failure to process customer complaints as required by Article 5, which exceed five annually.	\$50 per occurrence
c	For each failure to record a response to a customer complaint or request within 24 hours of resolution. Each additional 24-hour period.	\$100 per occurrence \$50 per occurrence
d	For each failure to respond to a written inquiry from City's solid waste contract manager regarding service requests or requests for information within two working days, and for each additional day in which the inquiry is not addressed, which exceed five occurrences annually.	\$100 per occurrence
e	For each failure to remove graffiti from containers, or to replace with containers bearing no graffiti, within two working days of request from City or customer. Each additional day problem not resolved.	\$50 per day \$25 per day
f	For each failure to repair or replace a damaged or missing container within two working days of request from City or a customer.	\$50 per day
g	For each failure to process a claim for damages within 30 days from the date submitted to Contractor.	\$100 per occurrence
h	For each failure to issue a warning notice to a container or materials not collected due to improper set-out, which exceeds 10 such occurrences annually.	\$100 per day per occurrence

4. Failure to Submit Reports or Allow Access to Records

For each failure to submit any individual report or provide access to records in compliance with and in the timeframe specified in this Agreement. Incomplete and/or inaccurate reports shall be considered a failure to submit until such time as all information in the report has been provided in a complete and accurate form. In the event City determines a report to be errant or incomplete more than 10 working days after submittal by Contractor, Contractor shall be given 10 working days to complete and correct and any pending liquidated damages shall be tolled during that period.

a	Monthly Reports	\$100 per day
b	Quarterly Reports	\$250 per day
c	Annual Reports	\$500 per day
d	All Other Reports	\$100 per day

5. Accuracy of Billing		
a	Each customer invoice that is not prepared in accordance with the approved rate schedule, which exceeds 10 annually.	\$25 per invoice not to exceed \$2,500 per billing run
b	For each instance or invoice in which Contractor imposes a special service fee not in accordance with the approved rate schedule and not approved in advance in writing by City, or not requested by the service recipient, which exceeds 10 such occurrences annually.	\$50 per occurrence
c	Failure to provide a customer with a response, including an explanation and/or correction, to a billing complaint within seven working days from the complaint. Each additional day response not provided.	\$100 per occurrence \$50

6. Public Education and Outreach		
a	Failure to perform public education and outreach activities:	
	1st violation	\$50
	2nd violation	\$100
	3rd and subsequent violations	\$250 per occurrence

7. Cooperation with Service Provider Transition		
a	For each day routing information requested by City in accordance with Section 14.10 is received after City-established due dates, both for preparation of a request for proposals and for new service provider's implementation of service.	\$1,000 per day
b	For each day delivery of keys, access codes, remote controls, or other means of access to discarded materials containers is delayed beyond one day prior to new service provider servicing customers with access issues, as described in Section 14.10.	\$1,000 per day

8. SB 1383 Requirements		
a	Use of Unauthorized Facilities. For each individual occurrence of delivering discarded materials to a facility other than an approved facility for each discarded material type.	1 st violation - \$50 per ton 2 nd violation - \$100 per ton 3 rd and subsequent violations - \$250 per ton per offense
b	Failure to Implement Three- /Three-plus Container System. For each occurrence of failing to provide customers with the three- /three-plus container system required by with SB 1383 (excluding generators and customers that have been granted waivers or that demonstrate compliance with recycling and organic waste self-hauling requirements). Damages are per generator or customer per occurrence (minor, moderate, and major violations are as defined in 14 CCR Section 18997.3).	\$250 – Minor violation \$500 – Moderate violation \$1,000 – Major violation

8. SB 1383 Requirements		
c	Failure of Approved Facility to Meet Limits on Organic Waste in Materials Sent to Disposal. For each ton of mixed waste, source separate recyclable materials, source separated blue container organic waste, source separated green container organic waste, or organic materials received at the facility in a quarterly reporting period when organic waste in the materials sent to disposal exceeds the thresholds included in SB 1383 if limits on organic waste in materials sent to disposal apply. Liquidated damages are assessed in the quarterly reporting period when the failure occurred.	1 st violation - \$50 per ton per offense 2 nd violation - \$100 per ton per offense 3 rd and subsequent violations - \$250 per ton per offense
d	Failure to Perform Contamination Monitoring Requirements. For each failure to conduct contamination monitoring in accordance with Section 5.11.	1 st violation - \$50 per route per occurrence 2 nd violation - \$100 per route per occurrence 3 rd and subsequent violations - \$250 per route per occurrence
e	Failure to Comply with Container Labeling and Colors. For each occurrence of failure to comply with container labeling and color requirements.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per container
f	Failure to Conduct Compliance Tasks. For each failure to conduct any compliance review, discarded materials evaluations pursuant to SB 1383, and/or other inspection required by this Agreement.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per occurrence
g	Failure to Issue Contamination Processing Fee Notices. For each failure to issue contamination notices and contamination processing fee notices and maintain documentation of issuance as required by Section 5.11.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per route per day
h	Failure to Conduct Follow-Up Inspections. For each failure to conduct a follow-up inspection as required by Section 5.8.C.	1 st violation - \$50 2 nd violation - \$100 3 rd and subsequent violations - \$250 per occurrence
i	Failure to Provide non-confidential Customer Information Requested from Contractor's Information Systems within 3 business days.	\$250 per day
9. General Contract Adherence		
a	For each day that Contractor fails to provide services required under this Agreement, or comply with terms of this Agreement,	\$100 per day

	five working days after receipt of written notification from City that such services are not being provided or terms are not being met.	
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- D. **Amount.** City may assess liquidated damages for each calendar day or event, as appropriate, that Contractor is determined to be liable in accordance with this Agreement.
- E. **Timing of Payment.** Contractor shall pay any liquidated damages assessed by City within 30 calendar days of notice of assessment. If payment is not made by the deadline, then City may proceed against the performance bond, find Contractor in default and terminate this Agreement pursuant to Section 12.1, or both.
- F. **Payment.** City may deduct the amount of liquidated damages owed by Contractor from City's monthly payments to Contractor for services rendered pursuant to this Agreement or may invoice Contractor directly.
- G. **City's Right to Recover.** City's right to recover liquidated damages for Contractor's failure to meet the service performance standards shall not preclude City from obtaining equitable relief for persistent failures to meet such standards nor from terminating the Agreement for such persistent failures.

12.7 Excuse from Performance

A. Force Majeure.

1. A party shall be excused from performing its obligations and from any obligation to pay liquidated damages and Contractor shall not be in default under this Agreement if Contractor is prevented from performing the collection, transportation, and/or disposal services for any of the following reasons: riots; wars; sabotage; civil disturbances, pandemics; government restrictions and orders; insurrections; explosion; natural disasters such as floods, earthquakes, landslides and fires; strikes, lockouts, and other labor disturbances by persons other than Contractor's employees; and, other similar catastrophic events that are beyond the control of and not the fault of the party claiming excuse from performance hereunder. The party claiming excuse from performance shall, within two calendar 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. If either party validly exercises its rights under this Section, the parties waive any claim against each other for any damages sustained thereby.
2. The partial or complete interruption or discontinuance of Contractor's services caused by one or more of the events described in this Section shall not constitute a default by Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations for any of the causes listed in this Section for a period of 30 calendar days or more, City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving 10 working days' notice to Contractor, in which case the provisions of Section 12.4 shall apply.
3. In the event of a labor disturbance that interrupts collection, transportation, and/or disposal of discarded materials by Contractor as required under this Agreement, the provisions of Section 12.7.B shall apply.

B. Labor Disputes.

1. **Labor Unrest Directed at Third Party.** In the case of labor unrest or job action directed at a third party over whom Contractor has no control, the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness or failure of the third party to: (i) provide reasonable assurance of the safety of Contractor's employees while providing such services; or, (ii) make reasonable accommodations with respect to container placement and point of delivery, time of collection, or other operating circumstances to minimize any confrontation with pickets or the number of persons necessary to make collections shall, to that limited extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in performing collection services at different times and in different locations.
2. **Contractor Labor Disruptions.**
 - a. Contractor shall advise City in writing at the time any negotiations are undertaken between Contractor and its employees relating to wages and benefits, and Contractor shall regularly report the status of such negotiations from time to time including any pending strike, lock out, walk out, boycott, or other labor dispute to City. Contractor agrees that in the event service is disrupted due to a labor dispute, Contractor shall place a minimum of five 40-yard roll-off boxes or other containers of equivalent capacity at locations designated by City to serve as collection points for customers within two days of such service interruption. Contractor also shall procure and distribute plastic bags for use by customers. City shall specify distribution locations, and may create the schedule for Contractor distribution. Contractor shall notify City within 24 hours of a notice from a labor union of a possible work stoppage. Containers shall be collected by Contractor for no additional charge as necessary to accommodate the waste volume disposed in such containers.
 - b. During labor unrest (including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action) conducted by Contractor's employees or directed at Contractor the following provisions shall apply.
 - i. Contractor shall be excused from performance only to the extent that the following requirements are met:
 - A. Within 90 days of the Effective Date, Contractor provides City a lawful and commercially reasonable contingency plan demonstrating how services will be provided during the period of labor unrest. The contingency plan is subject to City approval and Contractor shall amend the plan until it meets City requirements, including reasonably demonstrating how City's basic collection and sanitary needs will be met to City's satisfaction.
 - B. Contractor shall meet all requirements of the approved contingency plan.
 - ii. Contractor shall reimburse City for direct third-party costs (including attorney's fees) incurred by City as a result of the labor unrest. Payment shall be made within 30 days following Contractor's receipt of an invoice from City for such costs.
 - iii. Contractor shall provide rebates to customers in accordance with the attached Exhibit N.

3. **Collection During Labor Disruption.** Contractor shall prioritize those collection activities it is able to perform during the pendency of the labor disruption, with hospitals, essential services, restaurants, and other six services days per week customers prioritized for collection on the basis of health and sanitation. In the event that a labor strike or disruption to collection services should last longer than seven consecutive days, City may contract with a third party to provide collection services for the period of time limited to the time Contractor is unable to provide such services until the labor strike or disruption has concluded. Contractor shall notify City when the labor disruption has ended and the date Contractor will resume collection services.

12.8 Right to Demand Assurances of Performance

- A. The parties acknowledge that it is of the utmost importance to City and the health and safety of all those members of the public residing or doing business within Brea who will be adversely affected by interrupted waste management service that there be no material interruption in services provided under this Agreement.
- B. If Contractor: (i) appears in the reasonable judgment of City to be unable to regularly pay its bills as they become due; or, (ii) is the subject of a civil or criminal judgment or order entered by a regulatory agency, and City believes in good faith that Contractor's ability to perform under the Agreement has thereby been placed in substantial jeopardy, City may, at its sole option and in addition to all other remedies it may have, demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form and substance as City believes in good faith is reasonably necessary in the circumstances to evidence continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by City, such failure or refusal shall be an event of default for purposes of Section 12.1.

12.9 Dispute Resolution

- A. **Meet and Confer.** In the event of disputes regarding the performance of any obligation under this Agreement that result in a material impact to the Contractor's revenue and/or cost of operations, the parties shall promptly meet and confer to attempt to resolve the matter between themselves.
- B. **Mediation.** If a dispute cannot be resolved satisfactorily through the meet and confer process, the dispute shall be submitted to mandatory, non-binding mediation by a mutually agreed upon independent third party.
- C. **Period of Time.** To the extent permitted by law, the deadline for filing a claim against City shall be tolled during the period of time for which meet and confer or mediation procedures are pending.
- D. **Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s) pursuant to this Section have failed and any necessary claim(s) have been denied.

ARTICLE 13.

REPRESENTATIONS AND WARRANTIES OF THE PARTIES

13.1 Contractor's Status

Contractor represents and warrants that it is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware. It is qualified to transact business in the

State of California and has the power to own its properties and to carry on its business as now owned and operated and as required by this Agreement.

13.2 Contractor's Authorization

Contractor represents and warrants that it has the authority to enter this Agreement and perform its obligations under this Agreement. The Board of Directors of Contractor (or the sole member, if necessary) has taken all actions required by law, its articles of organization, or otherwise, to authorize the execution of this Agreement. The persons signing this Agreement on behalf of Contractor represent and warrant that they have authority to do so. This Agreement constitutes the legal, valid, and binding obligation of Contractor.

13.3 Agreement Will Not Cause Breach

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, the execution or delivery of this Agreement or the performance by either party of its obligations hereunder does not conflict with, violate, or result in a breach of: (i) any applicable law; or, (ii) any term or condition of any judgment, order, or decree of any court, administrative agency, or other governmental authority, or any agreement or instrument executed by such party or by which such party or any of its properties or assets are bound.

13.4 No Litigation

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency, or instrumentality decided, pending, or threatened against it wherein an unfavorable decision, ruling, or finding, in any single case or in the aggregate, would:

- A. Materially adversely affect the performance by such party of its obligations hereunder.
- B. Adversely affect the validity or enforceability of this Agreement.
- C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

13.5 No Adverse Judicial Decisions

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, there is no judicial decision that would prohibit this Agreement or subject this Agreement to legal challenge.

13.6 No Legal Prohibition

Each party represents and warrants that, to the best of its knowledge after reasonable investigation, there is no law on the date that it signed this Agreement that would prohibit the performance of either party's obligations under this Agreement.

13.7 Contractor's Ability to Perform

Contractor represents and warrants that it possesses the business, professional, and technical expertise to perform all services, obligations, and duties as described in and required by this Agreement. Contractor

possesses the ability to secure equipment, facility, and employee resources required to perform its obligations under this Agreement.

ARTICLE 14. MISCELLANEOUS

14.1 Relationship of Parties

Contractor shall perform the services required by this Agreement as an independent contractor engaged by City and not as an officer nor employee of City, nor as a partner or agent of, or joint venture with, City. No employee or agent of Contractor shall be, or shall be deemed to be, an employee or agent of City. Contractor shall have the exclusive control over the manner and means of performing services under this Agreement, except as expressly provided herein. Contractor shall be solely responsible for the acts and omissions of its officers, employees, subcontractors, and agents. Neither Contractor nor its officers, employees, subcontractors, and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits that accrue to City employees by virtue of their employment with City.

14.2 Compliance with Law

Contractor shall at all times, at its sole cost, comply with applicable law in force as of the Effective Date and as may subsequently be enacted.

14.3 Governing Law

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

14.4 Jurisdiction

Any lawsuits between the parties arising out of this Agreement shall be filed exclusively in a court of competent jurisdiction in the County of Orange, California. The parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

14.5 Binding on Successors

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

14.6 Assignment

- A. Contractor shall not assign its rights, nor delegate, subcontract, or otherwise transfer its obligations under this Agreement to any other person without the prior written consent of City. Any such assignment made without City's consent shall be void and the attempted assignment shall constitute a material breach of this Agreement.
- B. For purposes of this Section, "assignment" shall include: (i) a sale, exchange, or other transfer of substantially all of Contractor's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange, or other transfer of outstanding common stock of Contractor to a third party

provided such sale, exchange, or transfer may result in a change of control of Contractor; (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 Contractor; (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 Contractor'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) that has the effect of any such transfer or change of ownership, or change of control of Contractor.

- C. Contractor acknowledges that this Agreement involves rendering a vital service to City's residents and businesses, and that City has selected Contractor to perform the services specified herein based on: (i) Contractor's experience, skill, and reputation for conducting its discarded materials management operations in a safe, effective, and responsible fashion, at all times in keeping with applicable laws pertaining to excluded waste, regulations, and best discarded materials management practices; and, (ii) Contractor's financial resources to maintain the required equipment and to support its indemnity obligations to City under this Agreement. City has relied on each of these factors, among others, in choosing Contractor to perform the services to be rendered by Contractor under this Agreement.
- D. If Contractor requests City's consideration of and consent to an assignment, City may deny or approve such request in its complete discretion. No request by Contractor for consent to an assignment need be considered by City unless and until Contractor has met all of the following requirements:
1. Contractor shall undertake to pay 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.
 2. Contractor shall pay City a transfer fee to cover the cost of all direct and indirect administrative expenses (including consultants and attorneys) necessary for City to analyze the transfer application.
 3. Contractor shall furnish City with audited financial statements of the proposed assignee's operations for the immediately preceding three operating years.
 4. Contractor shall furnish City with a pro forma financial statement (income statement and balance sheet) for the proposed assignee with the projected results of operations assuming that the assignment is completed. Such pro forma financial statement shall reflect any debt to be incurred by the assignee as part of the acquisition of Contractor's operations.
 5. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least 10 years of discarded materials management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five years, the proposed assignee has not suffered any significant citations or other censure from any regulatory agency having jurisdiction over its discarded materials management operations due to any significant failure to comply with applicable laws pertaining to excluded waste and that the assignee has provided 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 discarded materials management practices in accordance with sound discarded materials management practices in full compliance with applicable laws regulating the collection and disposal of discarded materials including hazardous waste; and, (v) of any other information required by City to ensure the proposed assignee can perform this Agreement in a timely, safe, and effective manner.

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

14.7 No Third-Party Beneficiaries

This Agreement is not intended to, and will not be construed to, create any right on the part of any third party to bring an action to enforce any of its terms.

14.8 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 monies 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.

14.9 Affiliated Companies

- A. Contractor's accounting records with respect to this Agreement shall be maintained on a basis showing the results of Contractor's operations under this Agreement separately from operations in other locations, as if Contractor were an independent entity providing service only to City. The financial records of costs and revenues associated with providing service to City shall not be combined, consolidated, or in any other way incorporated with those of other operations conducted by Contractor in other locations or with those of an affiliate.
- B. If Contractor 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 City and in the financial reports submitted to City. In such event, City's rights to inspect records and obtain financial data shall extend to such related party entity or entities.

14.10 Transition to Next Contractor

- A. At expiration or termination of this Agreement, Contractor shall cooperate fully with City and any successor franchisee to assure a smooth transition of discarded materials handling services. Contractor's cooperation shall include providing both City and the successor franchisee with route lists, billing information, lists of gate or other access codes and information needed for entry to service areas, container placement areas by address, levels of service including any special needs or services required by each location, and other operating records needed to service all premises covered by this Agreement. In recognition of the impracticality of customers storing two sets of containers, Contractor shall remove its containers in coordination with the distribution of containers by the successor franchisee. Contractor shall cooperate with City and the successor franchisee on the timing of container removal; if the parties cannot agree on a phase-out schedule and Contractor does not remove containers in a timely manner that avoids customers having to

store two sets of containers, City, the successor franchisee, or another entity may remove Contractor's containers and seek cost reimbursement from Contractor through its performance bond, letter of credit, or other means. 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.

- B. Contractor shall, to the maximum extent feasible, provide the successor franchisee with all keys, security codes, and remote controls used to access garages and bin enclosures. Contractor shall be responsible for coordinating transfer immediately after Contractor's final pick-ups, so as not to disrupt service. Contractor shall provide City with detailed route sheets containing service names and addresses, billing names and addresses, monthly rate, and service levels (quantity, material type, and size of containers and pick-up days) at least 90 days prior to the transition date and provide an updated list two weeks before the transition and a final list of changes the day before the transition. Contractor shall provide means of access to the successor franchisee at least one full working day (excluding Saturday, Sunday, and holidays as defined in Exhibit A) prior to the first day of collection by the successor franchisee and always within sufficient time so as not to impede in any way the successor franchisee from easily servicing all containers.
- C. Contractor shall provide documentation of any customer declining request to provide keys, security codes, and/or remote controls used to access garages and container enclosures.

14.11 Contractor's Investigation

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

14.12 Condemnation

City fully reserves the rights to acquire Contractor'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 11.

14.13 Notice Procedures

Notices, invoices, or other documents related to this Agreement shall be delivered as provided in this Section and shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail after the receiving party's regular business hours; or, (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below, or to such other addresses as the parties may, from time to time, designate in writing. Any notice delivered by e-mail that concerns breach or termination of this Agreement shall concurrently be sent by deposit in the United States mail, postage prepaid, but such notice shall be deemed received on the day of e-mail delivery.

If to City:

City of Brea
Attn: City Manager
1 Civic Center Circle
Brea, California 92821

kristing@ci.brea.ca.us

Copy to:

Richards, Watson & Gershon
1 Civic Center Circle
Post Office Box 1059
Brea, California 92822-1059
Attention: City Attorney
tboga@rwglaw.com

If to Contractor:

General Manager
Republic Services
1131 N. Blue Gum Street
Anaheim, California 92806
E-mail to be sent to the active General Manager at the time of such notice.

Copy to:

Republic Services, Inc.
Attn: Legal Department
18500 N. Allied Way
Phoenix, Arizona 85054

14.14 Compliance with City Code

Contractor shall comply with those applicable provisions of the City Code, and with any and all amendments to such applicable provisions enacted after the Effective Date, that further constitute a change in applicable law within the meaning of this Agreement.

14.15 Compliance with Immigration Laws

Contractor shall be knowledgeable of and comply with applicable laws. Contractor warrants and represents that all of its employees, including any and all prospective employees hired to perform services under this Agreement and the employees of any subcontractor retained by Contractor to perform a portion of the services under this Agreement, are and will be authorized to perform the services contemplated by this Agreement in full compliance with all applicable laws including the Immigration Nationality Act of 1952 (commencing with Section 1101 of Title 8 of the United States Code) and the Immigration Nationality and the Immigration Reform and Control Act of 1986 (commencing with Section 1324a of Title 8 of the United States Code). Contractor shall verify the legal status of all of its employees and provide confirmation of such verification whenever requested by City. If Contractor discovers that any employee it has retained is not in compliance with immigration laws, Contractor shall not allow such employee to provide services under this Agreement.

14.16 Guarantee of Contractor's Performance

Pursuant to a guarantee in substantially the form attached as Exhibit G, Republic Services, Inc., a Delaware corporation that is the sole member of Contractor, has agreed to guarantee Contractor's performance of this Agreement. The guarantee shall be provided within 10 calendar days of the Effective Date.

14.17 Incorporation of Mandatory Language

Each and every provision required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though such provision were included. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon request of either party this Agreement shall promptly be amended to make such insertion or correction.

14.18 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.

14.19 Severability

If any 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.

14.20 Attorney's Fees

If either party is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief that may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and, in addition, a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows that are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

14.21 Non-Discrimination

- A. Contractor shall not discriminate against any employee or applicant for employment because of age, race, religion, creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any mental or physical handicap, unless based upon a bona fide occupational qualification. Contractor shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any mental or physical handicap. Such action shall include to the following: employment upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training.
- B. Contractor understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by City, as provided for in Section 12, and further that Contractor

shall be barred from performing any services for City now or in the future, unless a showing is made satisfactorily to City that discriminatory practices have been terminated and that a recurrence of such action is unlikely.

14.22 Integration

This Agreement is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This Agreement may be amended only by an agreement in writing, signed by each of the parties hereto.

14.23 Counterparts

This Agreement may be executed in counterparts, each of which shall be considered an original.

IN WITNESS WHEREOF, this Agreement is entered by the Parties hereto in the County of Orange, California on the day and year first above written.

City of Brea,
A Municipal Corporation

Blair Stewart
Mayor

Date

Republic Waste Services of Southern
California, LLC

Signature

3/12/2025
Date

Peter Besada

Print Name of Signatory

General Manager

Title of Signatory

Signature

Date

Print Name of Signatory

Title of Signatory

APPROVED AS TO FORM:

Terence Boga
City Attorney

Date

ATTEST:

Lillian Harris-Neal
City Clerk

Date

08830181

City Business License #

CERTIFICATE OF SECRETARY
RELATING TO THE SECOND AMENDED AND RESTATED
FRANCHISE AGREEMENT WITH
THE CITY OF BREA
IN THE STATE OF CALIFORNIA

The undersigned, Assistant Secretary of **REPUBLIC WASTE SERVICES OF SOUTHERN CALIFORNIA, LLC**, a Delaware limited liability company (the "Company"), hereby certifies that the following is a true and correct copy of the resolution which was duly adopted by **REPUBLIC SERVICES, INC.**, a Delaware corporation, the sole member of the Company (the "Member") by written consent of the Member on August 23, 2021, that such resolution has not been rescinded, amended or modified in any respect, and is in full force and effect on the date hereof:

RESOLVED, that (i) any individual at the time holding the position of General Manager or Area Director, Finance; and in connection with environmental solutions transactions only, General Manager; Division President; or Division Vice President Finance be, and each of them hereby is, appointed as an Authorized Agent, to act in the name and on behalf of the Company and to include the execution of related documents, in connection with the day-to-day business activities of the Company, and further, that (ii) in addition to any one of the foregoing positions, any individual at the time holding the position of Area Director, Business Development; Area Director, Operations; Market Vice President; Vice President, Environmental Services be, and each of them hereby is, appointed as an Authorized Agent to execute any bid and proposal, and if awarded, any related contract for services to be performed by the Company and any bond required by such bid, proposal or contract, all in accordance with the existing Levels of Authority and other relevant policies and procedures.

I further certify that **PETER BESADA** holds the title of General Manager and in such capacity has full authority to act in the name and on behalf of the Company as set forth in the foregoing resolution.

WITNESS MY HAND, this 10th day of March, 2025.

Adrienne Wilhoit

Adrienne W. Wilhoit
Assistant Secretary

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of

ORANGE

On March 12, 2025

Date

before me,

M. MCDERMOTT, Notary public

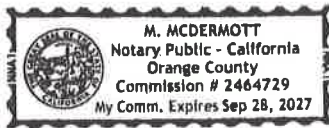
Here Insert Name and Title of the Officer

personally appeared

Peter Basada

Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.

Signature

M. MCDERMOTT

Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended 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(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner – ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer is Representing: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____

☐ Partner – ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer is Representing: _____

EXHIBIT A: DEFINITIONS

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EXHIBIT A DEFINITIONS

For purposes of this Agreement, unless a different meaning is clearly required, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit (which words may not be capitalized but still have the meanings set forth below). In the event of a material discrepancy between a definition in this Exhibit and a definition specified in an applicable state statute or regulation, the definition in the state statute or regulation shall control.

"AB 341" means Assembly Bill 341 (2011).

"AB 1826" means Assembly Bill 1826 (2014).

"AB 2176" means Assembly Bill 2176 (2004).

"Abandoned Waste" means recyclable materials, organic materials, solid waste, C&D, excluded waste, bulky goods, or other materials that have been abandoned, littered, or illegally dumped in the public right-of-way or on public property.

"Advanced Clean Fleets Regulation" means 13 CCR Sections 2013, 2013.1, 2013.2, 2013.3, 2013.4, 2014, 2014.1, 2014.2, 2014.3, 2015, 2015.1, 2015.2, 2015.3, 2015.4, 2015.5, 2015.6, and 2016.

"Agreement" means this Second Amended and Restated Franchise Agreement.

"Approved C&D Facility" means a C&D facility identified in Exhibit L.

"Approved Facility" means (as appropriate for the context) any one of or any combination of: approved recyclable materials processing facility; approved organic materials processing facility; approved transfer facility; approved C&D facility; and, approved reusable materials processing facility.

"Approved Organic Materials Processing Facility" means an organic materials processing facility identified in Exhibit L.

"Approved Processing Facility" means (as appropriate for the context) any one of or any combination of: approved recyclable materials processing facility; approved organic materials processing facility; approved C&D facility; and, approved reusable materials processing facility.

"Approved Recyclable Materials Processing Facility" means a recyclable materials processing facility identified in Exhibit L.

"Approved Reusable Materials Processing Facility" means a reusable materials processing facility identified in Exhibit L.

"Approved Transfer Facility" means a transfer facility identified in Exhibit L.

"Bin" means a container with capacity of approximately one to eight cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading collection vehicle, including bins with compactors attached to increase the capacity of the bin.

EXHIBIT A DEFINITIONS

"Blue Container" means a container where either: (a) the lid of the container is blue in color, or (b) the body of the container is blue in color and the lid is either blue, gray, or black in color. Hardware such as hinges and wheels on a blue container may be any color. Blue containers shall be used for the purpose of storage and collection of source separated recyclable materials, which includes non-putrescible and non-hazardous recyclable wastes such as cans, metals, plastics, and glass, or as otherwise defined in 14 CCR Section 18982(a)(43).

"Brown Container" means a container for the purpose of storage and collection of source separated food waste and has the same meaning as in 14 CCR Section 18982.2(a).

"Bulky Goods" means discarded appliances (including non-industrial refrigerators that can be handled by two people), furniture, tires, rolled and secured rugs and carpets less than six feet long, mattresses, e-waste, bundled and tied yard trimmings and/or wood waste exceeding 18 inches in diameter or four feet in length, and similar large items that can be handled by two people, and require special collection due to their size or nature but can be collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky goods must have been generated at the service address where they are collected. Bulky goods do not include abandoned automobiles, large auto parts, trees, construction and demolition debris, or items herein defined as excluded waste.

"Business Days" mean days during which City offices are open to do business with the public.

"CalPERS" means California Public Employee Retirement System.

"CalRecycle" means California Department of Resources Recycling and Recovery.

"CARB" means California Air Resources Board.

"Cardboard" means corrugated fiberboard consisting of a fluted corrugated sheet and one or two flat linerboards, as is often used in the manufacture of shipping containers and corrugated boxes. Cardboard is a subset of recyclable materials.

"Cart" means a plastic container with a hinged lid and wheels that is serviced by an automated or semi-automated collection vehicle. A cart has capacity of 20, 35, 64 or 96 gallons (or similar volumes).

"CCR" means California Code of Regulations.

"CERCLA" means Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9600 et seq.).

"Change in Law" means any of the following events or conditions that occurs after the Effective Date and has a material and adverse effect on the performance of this Agreement except for payment obligations:

- A. The enactment, adoption, promulgation, issuance, modification, or change in administrative or judicial interpretation of any applicable law.

EXHIBIT A DEFINITIONS

B. The order or judgment of any public agency, to the extent such order or judgment is not the result of willful or negligent action, error or omission, or lack of reasonable diligence of the party asserting the occurrence of a change in law.

"City" means the City of Brea, a California municipal corporation.

"City Code" means the Brea City Code.

"City Council" means the Brea City Council.

"City Fees" means all fees payable to City.

"City Manager" means the Brea City Manager or such person's designee.

"Collect" or "Collection" means the act of taking possession of recyclable materials, organic materials, solid waste, bulky goods, and other material at the place of generation.

"Commercial Business," "Commercial Customer," "Commercial Subscriber," or "Commercial" shall mean a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or a multi-family dwelling. A multi-family dwelling that consists of fewer than five units is not a commercial business.

"Commercial Edible Food Generator" includes tier one commercial edible food generators and tier two commercial edible food generators, or as otherwise defined in 14 CCR Section 18982(a)(7). For the purposes of this definition, food recovery organizations and food recovery services are not commercial edible food generators.

"Commercial Premises" includes premises upon which business activity is conducted including retail sales, services, wholesale operations, manufacturing and industrial operations, and multi-family residential facilities, but excluding residential premises upon which business activities are conducted when such activities are permitted under applicable zoning regulations and are not the primary use of the property. Premises upon which multi-family facilities, hotels, and motels are operated shall be deemed to be commercial premises.

"Community Composting" means any activity that composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and compost on-site at any one time does not exceed 100 cubic yards and 750 square feet.

"Compactor" means a mechanical apparatus that compresses materials together with the container that holds the compressed materials or the container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include two to eight cubic yard bin compactors serviced by front-end loader collection vehicles and 10 to 40 cubic yard roll-off box compactors serviced by roll-off collection vehicles.

"Complaint" shall mean each written or orally communicated statement made to City or Contractor alleging: (1) non-performance or deficiencies in Contractor's performance of this Agreement; (2) a violation by Contractor of this Agreement; or, (3) a non-compliance with SB 1383.

EXHIBIT A DEFINITIONS

“Compostable Plastics” or “Compostable Plastic” means plastic materials that meet the ASTM D6400 standard for compostability.

“Composting” or “Compost” means a controlled biological decomposition of organic materials yielding a safe and nuisance free compost product.

“Construction and Demolition Debris (C&D)” includes discarded building materials, packaging, debris, and rubble resulting from construction, alteration, remodeling, repair, or demolition operations on any pavements, excavation projects, houses, commercial buildings, or other structures, excluding excluded waste. Construction and demolition debris includes rocks, soils, tree remains, and other yard trimmings that result from land clearing or land development operations in preparation for construction.

“Consumer Price Index” or “CPI” means the Consumer Price Index for all Urban Consumers (CPI-U) CUURS49ASA0, Los Angeles-Long Beach-Anaheim, All Items.

“Containers” mean bins, carts, compactors, and roll-off boxes.

“Contractor” means Republic Waste Services of Southern California, LLC, a Delaware limited liability company (formerly known as Taormina Industries, LLC), which is a wholly owned subsidiary of Republic Services, Inc. and does business as Brea Disposal.

“County” means the County of Orange, a political subdivision of the State of California.

“County Agreement” means the Waste Disposal Agreement set forth in Exhibit K.

“CPRA” means California Public Records Act (Government Code Section 7920.000 et seq.).

“Curb” or “Curbside” means the cornered edging between the street and sidewalk. Curb or curbside also means and describes the location of a collection container for pick-up, where such container is placed on the street or alley against the face of the curb, or where no curb exists, the container is placed not more than five feet from the outside edge of the street or alley nearest the property’s entrance.

“Customer” means the person whom Contractor or City submits its billing invoice to and collects payment from for collection services provided to a premises. The customer may be either the occupant or owner of the premises.

“Customer Type” means the customer’s sector category. Customer type includes single-family, multi-family, commercial, roll-off box, and City.

“Designated Disposal Facility” means a landfill disposal facility owned and operated by the County.

“Designated Waste” means either of the following:

- A. Hazardous waste that has been granted a variance from hazardous waste management requirements pursuant to Health and Safety Code Section 25143.
- B. Nonhazardous waste that consists of, or contains, pollutants that, under ambient environmental conditions at a waste management unit, could be released in concentrations exceeding applicable

EXHIBIT A DEFINITIONS

water quality objectives or that could reasonably be expected to affect beneficial uses of the waters of the state as contained in the appropriate state water quality control plan.

"Director" means the Brea Director of Maintenance Services or such person's designee.

"Discarded Materials" means recyclable materials, organic materials, and solid waste placed by a generator in a receptacle and/or at a location for the purposes of collection by Contractor, excluding excluded waste.

"Disposal" or "Dispose" means the final disposition of solid waste or processing residue at a disposal facility.

"Disposal Facility" means a landfill or other facility for ultimate disposal of solid waste.

"Divert" or "Diversion" means to prevent discarded materials from disposal at landfill or transformation facilities (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through source reduction, reuse, recycling, composting, anaerobic digestion, or other method of processing. Diversion is a broad concept that is to be inclusive of material handling and processing changes that may occur during the term of this Agreement including changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology that reduce disposal risk, decrease costs, and/or are for other reasons deemed desirable by City.

"DMV" means California Department of Motor Vehicles.

"Dwelling Unit" means any individual living unit in a single-family dwelling or multi-family dwelling structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, residential living other than a hotel or motel.

"Edible Food" means food intended for human consumption. Edible food is not solid waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes the recovery of edible food that does not meet the food safety requirements of the California Retail Food Code (Health & Safety Code § 11700 et seq.).

"E-Waste" means discarded electronic equipment including televisions, computer monitors, CPUs, laptop computers, computer peripherals (including external hard drives, keyboards, scanners, and mice), printers, copiers, facsimile machines, radios, stereos, stereo speakers, VCRs, DVDs, camcorders, microwaves, telephones, cellular telephones, and other electronic devices. Some e-waste or components thereof may be hazardous waste or include hazardous substances and thus require special handling, processing, or disposal.

"Excluded Waste" means hazardous substance, hazardous waste, infectious waste, designated waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material; waste that Contractor reasonably believes would, as a result of or upon disposal, be a violation of applicable law, including land use restrictions or conditions; waste that cannot be disposed of in Class III landfills; and, waste that in Contractor's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance, or otherwise expose Contractor or City to potential liability. Excluded waste does not include de minimis volumes or concentrations of waste of a type and amount normally

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found in residential solid waste after implementation of programs for the safe collection, recycling, treatment, and disposal of batteries and paint in compliance with Public Resources Code Sections 41500 and 41802. Excluded Waste also does not include used motor oil and filters or household batteries when properly placed for collection by Contractor.

“Flow Control” means City’s right to direct discarded materials to a facility of its choosing.

“Food Recovery” means actions to collect and distribute food for human consumption that otherwise would be disposed.

“Food Recovery Organization” means an entity that primarily engages in the collection or receipt of edible food from commercial edible food generators and distributes that edible food to the public for food recovery either directly or through other entities. Food recovery organization includes:

- A. A food bank as defined in Health and Safety Code Section 113783.
- B. A nonprofit charitable organization as defined in Health and Safety Code Section 113841.
- C. A nonprofit charitable temporary food facility as defined in Health and Safety Code Section 113842.

“Food Recovery Service” means a person or entity that collects and transports edible food from a commercial edible food generator to a food recovery organization or other entities for food recovery.

“Food Scraps” means those discarded materials that will decompose and/or putrefy including: (i) all kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking, or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (iv) vegetable trimmings, houseplant trimmings, and other compostable organic waste common to the occupancy of residential dwellings. Food scraps are a subset of food waste.

“Food-Soiled Paper” means compostable paper material that has come in contact with food scraps or liquid. Food-soiled paper includes compostable paper plates, paper coffee cups, napkins, pizza boxes, and milk cartons.

“Food Waste” means source separated food scraps, food-soiled paper, and compostable plastics. Food waste is a subset of organic materials.

“Generator” means any person whose act or process produces discarded materials, or whose act first causes discarded materials to become subject to regulation.

“Gray Container” means a container where either: (a) the lid of the container is gray or black in color; or, (b) the body of the container is entirely gray or black in color and the lid is gray or black in color. Hardware such as hinges and wheels on a gray container may be any color. Gray containers shall be used for the purpose of storage and collection of gray container waste.

“Gray Container Waste” means solid waste that is collected in a gray container that is part of a three- or four-container organic waste collection service that prohibits the placement of organic waste in the gray container.

EXHIBIT A DEFINITIONS

"Green Container" means a container where either: (a) the lid of the container is green in color; or, (b) the body of the container is green in color and the lid is green, gray, or black in color. Hardware such as hinges and wheels on a green container may be any color. Green containers shall be used for the purpose of storage and collection of source separated green container organic waste, which includes green waste and organic waste.

"Gross Receipts" shall mean and include all monies, fees, charges, consideration, and revenue received by Contractor in connection with the performance of this Agreement except as noted below. Except as provided in the following sentences, in calculating the total amount of gross receipts, no deductions or subtractions of any kind shall be made by Contractor in determining gross receipts pursuant to this Agreement such as: fines, penalties, claims, settlements, and judgments; or, any other cost of doing business. Gross receipts do not include the City residential maintenance fee or revenue received from the sale of recyclables

"GTCL" means the Consumer Price Index for Garbage and Trash Collection in U.S. city average, all urban consumers, not seasonally adjusted (CUUR0000SEHG02).

"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) 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) Health and Safety Code Sections 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act (42 USC § 7901 et seq.); and, (vii) Water Code Section 13050; and, (b) any other hazardous or toxic substance, material, chemical, waste, or pollutant identified as hazardous or toxic or regulated under any other applicable law including friable asbestos, PCBs, petroleum, natural gas, and synthetic fuel products, and by-products.

"Hazardous Waste" means all substances defined as hazardous waste, acutely hazardous waste, or extremely hazardous waste by Health and Safety Code Sections 25110.02, 25115, and 25117 or identified and listed as hazardous waste by the U.S. Environmental Protection Agency. Hazardous waste includes household hazardous waste and medical waste. Where there is a conflict in the definitions employed by two or more agencies having jurisdiction over hazardous or solid waste, the term "hazardous waste" shall be construed to have the broader, more encompassing definition.

"Holiday" means any of the following: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and, Christmas Day.

"Household Hazardous Waste" or "HHW" means hazardous waste generated at residential premises. HHW includes paint, stain, varnish, thinner, adhesives, auto products (such as old fuel, used motor oil and filter), batteries, household batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

"Infectious Waste" means biomedical waste generated at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities, and other similar establishments that are identified in Health and Safety Code Section 25117.5.

EXHIBIT A DEFINITIONS

“Mulch” means a layer of material that is applied on top of soil and that satisfies all of the following criteria:

- A. Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3).
- B. Was produced at one or more of the following types of facilities:
 - 1. A compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10). This criteria disallows mulch produced from chipping and grinding operations to count toward fulfillment of City’s annual organic waste product procurement target.
 - 2. A transfer/processing facility or transfer/processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12.
 - 3. A solid waste landfill as defined in Public Resources Code Section 40195.1 that is permitted under 27 CCR, Division 2.

“Multi-Family,” “Multi-Family Dwelling,” or “MFD” means any residential premises, other than a single-family premises, with five or more dwelling units used for residential purposes (regardless of whether residence therein is temporary or permanent), including such premises when combined in the same building with commercial establishments, that receive centralized, shared, collection service for all units on the premises that are billed to one customer at one address. Customers residing in townhouses, mobile homes, condominiums, or other structures with five or more dwelling units who receive curbside cart service for refuse, recycling, and organic materials shall not be considered multi-family.

“OAL” means California Office of Administrative Law.

“Occupant” means a person who lawfully occupies a premises.

“Organic Material” or “Organics” means yard trimmings and food waste. No discarded material shall be considered to be organic material, however, unless it is separated from recyclable material and solid waste. Organic material is a subset of organic waste.

“Organic Waste” means wastes containing material originated from living organisms and their metabolic waste products including food, yard trimmings, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46).

“Owner” means the person(s) holding legal title to real property. Owner includes the person(s) listed on the latest equalized assessment roll of the County Assessor.

“Party” or “Parties” means the City and Contractor, individually or together.

“Person” means an individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, commercial entity, public agency, or other legal entity.

EXHIBIT A DEFINITIONS

“Premises” means any land or building where recyclable material, organic material, or solid waste is generated or accumulated.

“Processing” or “Process” means to prepare, treat, or convert through some special method.

“Processing Facility” means any plant or site used for the purpose of sorting, cleansing, treating, or reconstituting recyclable material or reusable material for the purpose of making such material available for recycling or reuse or the facility for the processing and/or composting of organic material.

“Prohibited Container Contaminants” means the following: (i) discarded materials placed in the blue container that are not identified as acceptable recyclable material for City’s collection program; (ii) discarded materials placed in the green container or brown container that are not identified as acceptable organic materials for City’s collection program; (iii) discarded materials placed in the gray container that are acceptable recyclable material and/or organic materials to be placed in the blue container, green container, or brown containers or otherwise managed under City’s collection program; and, (iv) special waste and excluded waste placed in any container.

“Proprietary Information” or “Proprietary” or “Confidential” means that information provided by Contractor to City that is exempt from disclosure under the CPRA as a trade secret. Proprietary information does not include Contractor’s customer lists or information required for reporting purposes to be submitted to City in any report specified in this Agreement.

“Public Street” means all City-owned and maintained paved areas between the normal curb line of a roadway, including public parking lots, roadway dividers, and medians.

“Putrescible Waste” means material capable of being decomposed by micro-organisms with sufficient rapidity as to cause nuisances because of odors, gasses, or other offensive conditions, and include materials such as food wastes and offal.

“Rate” means the maximum amount, expressed as a dollar unit, approved by City that Contractor may bill a customer for providing services under this Agreement. A rate has been established for each individual service level and the initial rates for Rate Period Zero and Rate Period One are set forth in Exhibit D.

“Rate Period” means a 12-month period commencing July 1 and concluding the following June 30.

“Recyclable Material” or “Recyclables” means those discarded materials that the generators set out in recyclables containers for collection for the purpose of recycling by Contractor and that exclude excluded waste. Discarded materials shall not be considered recyclable material unless such material is separated from organic material and solid waste. Recyclable material includes: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-lined paper and cartons, and Tyvex non-tearing paper envelopes); chipboard; corrugated cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers and small pieces of scrap metal); steel, tin, or

EXHIBIT A DEFINITIONS

bi-metal cans; mixed plastics such as plastic containers (numbers one to seven), plastic six and EPS; bottles including containers made of HDPE, LDPE, or PET; and, those materials added by Contractor from time to time.

“Recycle” or “Recycling” means the process of sorting, cleansing, treating, and reconstituting at a recyclable materials processing facility, materials that would otherwise be disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products. Recycling includes processes deemed to constitute a reduction of landfill disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

“Related-Party Entity” means all businesses (including corporations, limited and general partnerships, and sole proprietorships) that are related to Contractor by virtue of ownership interests or common management. Related-party entities shall be limited to those businesses that are directly or indirectly involved in the Contractor’s performance of this Agreement. Related-party entity includes a business in which Contractor has an ownership interest, a business that has an ownership interest in Contractor, and a business that is also owned, controlled, or managed by any person that has an ownership interest in Contractor. For purposes of determining whether an indirect ownership interest exists, the constructive ownership provisions of 26 U.S.C. Section 318(a) shall apply; provided, however, (i) “ten percent” shall be substituted for “fifty percent” in Section 318(a)(2)(C) and in Section 318(a)(3)(C); 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 10% shall be disregarded, and percentage interests shall be determined on the basis of the percentage of voting interest or value that the ownership interest represents, whichever is greater.

“Renewable Natural Gas” or “RNG” means gas derived from organic waste that has been diverted from a landfill and processed at an in-vessel digestion facility that is permitted or otherwise authorized by 14 CCR to recover organic waste, or as otherwise defined in 14 CCR Section 18982(a)(62).

“Residential” means of, from, or pertaining to a single-family premises or multi-family premises including single-family homes, apartments, condominiums, townhouse complexes, mobile home parks, and cooperative apartments.

“Residue” means those materials that, after processing, are disposed rather than recycled due to either the lack of markets for materials or the inability of the processing facility to capture and recover the materials.

“Reusable Material” means items that are capable of being used again after minimal processing. Reusable material may be collected, source separated, or recovered through a processing facility.

“Roll-Off Box” means an open-top container with a capacity of 10 to 40 cubic yards that is serviced by a roll-off collection vehicle.

“SB 54” means Senate Bill 54 (2022).

“SB 1383” means Senate Bill 1383 (2016).

EXHIBIT A DEFINITIONS

“Self-Hauler” or “Self-Haul” means a person who hauls discarded materials, recovered material, or any other material that such person generates at its own premises to another person. Self-Hauler also includes a person who back-hauls waste from premises it owns and operates.

“Service Level” refers to the size of a customer’s container(s) and the frequency of collection service.

“Sharps” means hypodermic needles, pen needles, intravenous needles, lancets, and other devices that are used to penetrate the skin for the delivery of medications.

“Single-Family” or “SFD” means any detached or attached house or residence designed or used for occupancy by one family, provided that collection service feasibly can be provided to such premises as an independent unit. Single-family includes mobile homes, townhouses, and each independent unit of duplex, tri-plex, or four-plex residential structures, regardless of whether each unit is separately billed for its specific service level. Customers residing in townhouses, mobile homes, condominiums, or other structures with five or more dwelling units who receive curbside cart service for refuse, recycling, and organic materials shall not be considered single-family.

“Solid Waste” means solid waste as defined in Public Resources Code Section 40191. Solid waste does not include excluded waste, C&D, source separated recyclable material, source separated organic material, and radioactive waste. Solid waste may include de minimis volumes or concentrations of waste of a type and amount normally found in residential solid waste after implementation of programs for the safe collection, recycling, treatment, and disposal of household hazardous waste in compliance with Public Resources Code Sections 41500 and 41802. Solid waste includes salvageable materials only when such materials are included for collection in a solid waste container not source separated from solid waste at the site of generation.

“Source Separated” means the segregation, by the generator, of materials designated for separate collection for some form of recycling, composting, recovery, or reuse.

“Special Waste” shall mean solid waste that does not fit the collection criteria and specifications stated in this Agreement.

“Split-Bin” means a bin that is split or divided into two sections in order to segregate two source separated discarded material types in one container.

“State” means the State of California.

“Subcontractor” means a person who has entered into a contract with Contractor for the performance of an act that is necessary for Contractor’s fulfillment of its obligations under this Agreement. Subcontractor does not include vendors providing materials and supplies to Contractor.

“Tier One Commercial Edible Food Generator” means a commercial edible food generator that is one of the following:

- A. Supermarket.
- B. Grocery store with a total facility size equal to or greater than 10,000 square feet.

EXHIBIT A DEFINITIONS

- C. Food service provider.
- D. Food distributor.
- E. Wholesale food vendor.

“Tier Two Commercial Edible Food Generator” means a commercial edible food generator that is one of the following:

- A. Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
- B. Hotel with an on-site food facility and 200 or more rooms.
- C. Health facility with an on-site food facility and 100 or more beds.
- D. Large venue.
- E. Large event.
- F. A state agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.
- G. A local education agency with an on-site food facility.

“Ton” or “Tonnage” means a unit of measure for weight equivalent to 2,000 standard pounds where each pound contains 16 ounces.

“Townhouse” means an attached or semi-attached single-family premises within a group of attached or semi-attached single-family premises, regardless of whether the premises is billed individually or through a central account (e.g., homeowner association, property manager), wherein each unit maintains an individual collection service subscription, as determined in writing by the City Manager.

“Transfer” means the act of transferring the materials collected by Contractor in its route vehicles into larger vehicles for transport to other facilities for the purpose of recycling or disposing of such materials.

“Transportation” or “Transport” means the act of conveying collected materials from one location to another.

“Universal Waste” or “U-Waste” means all wastes as defined by Title 22 CCR Sections 66273.1 through 66273.9. Universal waste includes batteries, fluorescent light bulbs, mercury switches, and e-waste.

“Working Days” means days that Contractor is required to provide regularly scheduled collection services under this Agreement.

“Yard Trimmings” means green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of organic material resulting from normal yard and landscaping maintenance. Yard trimmings does not include excluded waste. Yard trimmings are a subset of organic material. Yard trimmings placed for collection may not exceed six inches in diameter and three feet in length and must fit within the Contractor-provided container.

EXHIBIT B:
DIRECT SERVICES

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EXHIBIT B: DIRECT SERVICES

The following Exhibits (B1 through B4) describe the programs that, in aggregate, represent the direct services to be performed under this Agreement by Contractor.

Each of the following Exhibits (B1 through B4) present the programs to be provided to each customer type by Contractor. Within each program description are specific requirements for the:

- Type and size of containers or service level to be offered by Contractor under each program.
- Frequency of service to be offered by Contractor to customers.
- Location of service, including an indication of whether or not additional charges may apply if a customer selects a location that is more costly to serve (e.g., back-yard service).
- Materials that are acceptable or prohibited within the program.
- Provision of additional services to the customer if the standard service levels are inadequate, either on a regular or periodic basis, and an indication of whether or not additional charges may apply.
- Other requirements and considerations of the program.

Contractor shall provide the services for each program described in accordance with the specific program requirements detailed in Exhibits B1 through B4 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.

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EXHIBIT B1:
SINGLE-FAMILY RESIDENTIAL SERVICES

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EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall collect recyclable materials placed in Contractor-provided containers one time per week from single-family customers and transport all recyclable materials to the approved recyclable materials processing facility for processing.

Containers:	Carts
Container Sizes:	64- and 96-gallons (or comparable sizes approved by City). Standard container size is 96-gallon. 64-gallon service shall be made available for no reduction in charge, upon request by customer.
Service Frequency:	One time per week on the same day as organic materials and solid waste collection services
Service Location:	Curbside or alley
Acceptable Materials:	Recyclable materials
Prohibited Materials:	Solid waste, organic materials, special waste, and excluded waste
Additional Service:	Single-family customers shall receive one recyclable materials cart standard and may request an unlimited number of additional recyclable materials carts at no additional charge.
Other Requirements:	Contractor may refuse to collect a recyclable materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

2. Organic Materials Collection

Contractor shall collect organic materials placed in Contractor-provided carts one time per week from single-family customers and transport all organic materials to the approved organic materials processing facility for processing.

Containers:	Carts
Container Sizes:	32-, 64-, and 96-gallons (or comparable size approved by City). Standard container size is 96-gallon. 64- or 32-gallon service shall be made available for no reduction in charge, upon request by customer.
Service Frequency:	One time per week on the same day as recyclable materials and solid waste collection services
Service Location:	Curbside
Acceptable Materials:	Organic materials (including yard trimmings and food waste)
Prohibited Materials:	Recyclable materials, solid waste, special waste, and excluded waste
Additional Service:	Single-family customers shall receive one organic materials cart standard. Contractor shall provide additional organic materials carts to single-family customers upon request and may charge the appropriate rate approved by City.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Other Requirements: Contractor shall make available, to all single-family customers, kitchen pails for customer purchase at the rate in the approved rate schedule. City shall approve kitchen pail specifications prior to ordering and distribution. Upon City request, Contractor will make available pails that are provided by City at Contractor's facilities located in Anaheim for pick-up by customers. Contractor may request identification to confirm City residency.

If the approved organic materials processing facility accepts compostable plastic bags, single-family customers may place organic materials in compostable plastic bags and then place the bagged organic materials into their organic materials carts for collection. Such bags must be labeled as "compostable" by the manufacturer and certified by BPI. Contractor shall submit the required compostable plastic processing notifications in accordance with Section 5.1.I and Exhibit F.

Contractor may refuse to collect an organic materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to Customers, recording at a minimum the date, customer address, and material type of the container in question.

3. Solid Waste Collection

Contractor shall collect solid waste placed in Contractor-provided carts one time per week from single-family customers and transport all solid waste to the designated disposal facility for disposal.

Containers: Carts

Container Sizes: 32-, 64-, and 96-gallons (or comparable sizes approved by City). Standard Container size is 96-gallon. 64- or 32-gallon service shall be made available for no reduction in charge, upon request by customer.

Service Frequency: One time per week on the same day as recyclable materials and organic materials collection services

Service Location: Curbside

Acceptable Materials: Solid waste

Prohibited Materials: Recyclable materials, organic materials, special waste, and excluded waste

Additional Service: Contractor shall provide additional solid waste carts to single-family customers upon request and may charge the appropriate rate approved by City.

Other Requirements: None

4. On-Call Bulky Goods/Reusable Materials Collection

Contractor shall collect bulky goods, reusable materials, and other materials described herein from single-family customers. Contractor shall transport all collected materials to the appropriate approved facility or designated disposal facility for reuse, processing, or disposal.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Containers:	Not applicable
Service Level:	Up to 20 bulky goods/reusable materials
Service Frequency:	Three pick-ups per year per household. A customer is allowed up to three bulky item pick-up requests in a calendar year. Any request after a third pick-up is subject to additional pick-up charges outlined in Exhibit D.
Service Location:	Curbside
Acceptable Materials:	Reusable materials, bulky goods, recyclable materials, yard trimmings, e-waste, and solid waste
Prohibited Materials:	Food scraps, hazardous substances, abandoned automobiles, trees, excluded waste, electronic waste, construction and demolition waste including roofing, lumber, concrete, masonry, stucco, tile, carpet cuts, or any single item (e.g., large auto parts, etc.) that two people cannot safely handle.
Additional Service:	Contractor shall collect additional acceptable materials (as described herein) that exceed the required service level (as requested by customer) and may charge the appropriate rates approved by City for such additional service.
Other Requirements:	Contractor shall provide the service to the customer within a reasonable time but not longer than seven days of the customer's requested service date, as mutually agreed upon by the customer and Contractor. Contractor shall not dispose of materials collected through the on-call bulky goods/reusable materials collection program unless the materials cannot be reused or recycled. Contractor shall process and dispose of bulky goods and reusable materials collected from customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or recycling; (3) recycle or compost; and if none of the other options are practicable; then, (4) dispose.

5. Holiday Tree Collection

Annually, commencing the day after December 25 and three weeks thereafter, Contractor shall collect holiday trees from single-family customers. Customers are required to place the holiday trees curbside on the customer's regularly scheduled collection day. Holiday trees must be removed from stands; cut into lengths no longer than four feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. Contractor shall not be required to collect holiday trees that do not meet such criteria. Contractor shall affix a non-collection notice to any non-collected tree informing the customer of the reason(s) for non-collection. Contractor may charge City-approved rates to return and collect a previously non-collected holiday tree that has been corrected and set out. Contractor shall deliver all collected holiday trees to the approved organic materials processing facility for processing.

Holiday tree collection services shall be provided at no additional cost to City or the customer.

6. Alternative Service Location for Disabled Single-Family Customers

Contractor shall allow for persons that have a disability as defined by the Americans with Disabilities Act (42 U.S.C. §§ 12101-12213 and 27 U.S.C. §§ 225 and 611, and all regulations relating thereto) that are occupants of single-family premises to receive collection services at a location other than curbside at no extra charge to the customer. Contractor shall review all applications (which shall include statements from

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

physicians) made by customers to determine conformance with this exemption provision and shall grant exemptions, if applicable. Contractor shall make reasonable accommodations with regard to provision of and servicing of containers (e.g., container size and type, placement of containers for collection) at no additional cost to the customer. In the event of a dispute as to whether or not a customer is entitled to this service, City shall make the final determination. Upon customer request, Contractor may make such alternative service locations available to single-family customers that do not have a disability (as defined herein) for an additional, City-approved rate.

7. Sharps Collection Program

Contractor shall assist City in promoting the County's Sharps Collection Program, including advertising the event on Contractor's website.

8. Temporary Bin Service

Contractor shall provide exclusive temporary bin service to customers upon request for collection of solid waste, recyclable materials, and organic materials. Contractor shall deliver a temporary bin to a customer by the following business day, if requested by 12:00 p.m.; otherwise, delivery shall be no later than the second business day. Rates for temporary bin service are listed separately in the approved rate schedule.

9. Curbside Grease Collection Program

If ever required by the applicable sanitation district or other regulatory agency, Contractor shall design a program for the collection of grease, fat, oils, and similar waste generated from household cooking activities (the "Curbside Grease Collection Program") that the City Manager approves. Contractor shall be responsible to ensure the Curbside Grease Collection Program complies with all applicable laws. At such time as a Curbside Grease Collection Program is implemented and in order to ensure that Contractor is fairly compensated for any additional costs incurred in implementing such a program, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum rates set forth on Exhibit D in order to compensate Contractor for implementing such a program.

10. Residential Non-Controlled Medication Collection Program

Contractor shall assist City in increasing awareness of medication takeback programs provided by local pharmacies or programs offered by other government entities, including the Brea Police Department's annual medication take-back day. Promotional activities shall include posting on Contractor's website, inclusion in the annual brochures/mailings mailed to each residential premises customer, and press releases to local news outlets.

11. Household Hazardous Contaminant Program

Contractor shall assist City in increasing awareness of the County's drop-off locations for HHW, including drop-off at Contractor's Anaheim (CVT) and Huntington Beach facilities. Promotional activities shall include posting on Contractor's website, inclusion in the annual brochures/mailings mailed to each residential premises customer, billing inserts, social media targeted outreach, and press releases to local news outlets.

12. Solid Waste Extra Collection

Upon customer request and prepayment of the rate included in the rate schedule, Contractor shall return to service and collect all three residential carts (organics materials, recycling, and refuse carts).

EXHIBIT B2:
MULTI-FAMILY RESIDENTIAL SERVICES

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EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall collect recyclable materials placed in Contractor-provided containers from multi-family customers receiving solid waste bin service in accordance with the approved rate schedule and shall transport all recyclable materials to the approved recyclable materials processing facility for processing. Recyclable materials collection services shall be provided to multi-family customers in accordance with the approved rate schedule.

- Containers:** Container sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer, subject to Contractor confirmation of the service location for safe collection operations at the multi-family premises.
- Acceptable Materials:** Recyclable materials
- Prohibited Materials:** Organic materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.
- Other Requirements:** Contractor shall contact each multi-family customer to determine appropriate container sizes and service frequency. Contractor shall deliver recyclable materials containers to each multi-family customer at the same time that Contractor delivers solid waste containers.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and service containers (additional charge may apply).
- Contractor may refuse to collect a recyclable materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

2. Organic Materials Collection

Contractor shall collect organic materials in Contractor-provided containers not less than one time per week (unless a customer has a City-approved organic materials waiver) from multi-family customers and transport all organic materials to the approved organic materials processing facility for processing. Organic materials collection services shall be provided to multi-family customers receiving solid waste bin service in accordance with the approved rate schedule.

- Containers:** Container sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the multi-family premises

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

- Acceptable Materials:** Organic materials (including yard trimmings and food waste)
- Prohibited Materials:** Recyclable materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than their regularly scheduled collection day, will be available at an approved additional charge.
- Other Requirements:** Contractor shall make available for purchase kitchen pails designed to contain food scraps prior to placement in the customer's organic materials container to all multi-family dwelling units at rates in the approved rate schedule. City shall approve kitchen pail specifications prior to ordering and distribution.
- Upon City or customer request, Contractor shall contact each multi-family customer to determine appropriate container sizes and service frequency. Contractor shall deliver organic materials containers to each multi-family customer at the same time that Contractor delivers solid waste containers.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply).
- Contractor may refuse to collect an organic materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

3. Solid Waste Collection

Contractor shall collect solid waste placed in Contractor-provided containers not less than one time per week from multi-family customers and transport all solid waste to the designated disposal facility for disposal.

- Containers:** Container sizes and service frequencies as defined in Exhibit D.
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the multi-family premises.
- Acceptable Materials:** Solid waste
- Prohibited Materials:** Recyclable materials, organic materials, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than their regularly scheduled collection day, will be available at an approved additional charge.
- Other Requirements:** Contractor shall contact each multi-family customer to determine appropriate container sizes and service frequency.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and service containers (additional charge may apply).

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

4. Bulky Good/Reusable Materials Collection

Contractor shall collect bulky goods, reusable materials, and other materials described herein from multi-family customers. Contractor shall transport all collected materials to the appropriate approved facility for reuse, processing, or disposal.

Containers:	Not applicable
Service Level:	Multi-family premises with cart service receive the same service level as single-family, see Exhibit B1.4. Multi-family premises with bin service may request bulky good pick-ups at the rates identified in Exhibit D, see Exhibit B3.5.
Service Frequency:	Multi-family premises with cart services – same as single-family. Multi-family with bin service – by request at rates identified in Exhibit D. Twenty item limit per collection based on rates identified in Exhibit D.
Service Location:	Curbside for multi-family premises with cart services. For multi-family premises with bin service, after a confirmed acknowledgment by Contractor of the bulky item pick-up request by the customer, the item(s) to be removed shall be set out near the actively serviced location of the customers container(s) or enclosure. The item(s) placed near the container(s) or enclosure shall be set out in a manner that is unobstructed from objects unrelated to the bulky item requested to be removed and shall be placed in a manner that can safely be extracted from the set-out location by hand. Any bulky items set out that are obstructed or cannot be safely extracted may not be removed from the setout location.
Acceptable Materials:	Reusable materials, bulky goods, recyclable materials, yard trimmings, electronic waste, and solid waste
Prohibited Materials:	Food scraps, hazardous substances, abandoned automobiles, trees, excluded waste, electronic waste, construction and demolition waste including roofing, lumber, concrete, masonry, stucco, tile, carpet cuts, or any single item (e.g., large auto parts, etc.) that two people cannot safely handle.
Additional Service:	N/A
Other Requirements:	Contractor shall provide the service to the customer within seven working days of the customer's requested service date, as mutually agreed upon by the customer and Contractor. Customer may request pick-up of a maximum of 20 bulky goods at each pick-up. Contractor shall not dispose of materials collected through the on-call bulky goods/reusable materials collection program unless the materials cannot be reused or recycled. Contractor shall process and dispose of bulky goods and reusable materials collected from customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or recycling; (3) recycle or compost; and, if none of the other options are practicable, (4) dispose.

5. Holiday Tree Collection

Annually, commencing the day after December 25 and three weeks thereafter, or as otherwise approved by the City Manager, Contractor shall provide collection services as needed to collect holiday trees from multi-family customers at a mutually agreed upon time, date, and designated collection location, as

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

arranged by the Contractor and each multi-family property owner or manager. Contractor shall offer each multi-family property owner or manager the option to receive holiday tree collection service in bins or roll-off boxes, which Contractor shall provide for such service.

Holiday trees must be removed from stands; cut into lengths no longer than four feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. Contractor shall not be required to collect holiday trees that do not meet the aforementioned criteria and/or are not placed at the agreed upon collection location, container, and time period. Contractor shall affix a non-collection notice to any non-collected holiday tree informing the customer of the reason(s) for non-collection.

EXHIBIT B3:
COMMERCIAL SERVICES

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EXHIBIT B3

COMMERCIAL SERVICES

1. Recyclable Materials Collection

Contractor shall collect recyclable materials placed in Contractor-provided containers from commercial customers subscribing to recyclable materials collection service and transport all recyclable materials to the approved recyclable materials processing facility for processing. Recyclable materials collection services shall be provided to commercial customers in accordance with the approved rate schedule.

- Containers:** Carts, bins, roll-off boxes, and compactors sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the commercial premises
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.
- Other Requirements:** Upon City or customer request, Contractor shall contact each commercial customer to determine appropriate container sizes and service frequency. Contractor shall deliver recyclable materials containers to each commercial customer at the same time that Contractor delivers solid waste containers, unless that commercial customer is exempted from recyclable materials services by City or has demonstrated to City that it is diverting recyclable materials through subscription with another City-approved hauler, or other City-approved method.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply as determined in Exhibit D).
- Contractor may refuse to collect a recyclable materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

2. Organic Materials Collection

Contractor shall collect organic materials placed in Contractor-provided containers not less than one time per week from commercial customers and transport all organic materials to the approved organic materials processing facility for processing. Organic materials collection services shall be provided to commercial customers in accordance with the approved rate schedule.

- Containers:** Carts, bins, roll-off boxes, and compactors sizes and service frequencies as defined in Exhibit D

EXHIBIT B3

COMMERCIAL SERVICES

- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the commercial premises.
- Acceptable Materials:** Organic materials (including yard trimmings and food scraps)
- Prohibited Materials:** Recyclable materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.
- Other Requirements:** Contractor shall contact each commercial customer to determine appropriate container sizes and service frequency. Contractor shall deliver organic materials containers to each commercial customer at the same time that Contractor delivers solid waste containers, unless that commercial customer is exempted from organic materials services by City or has demonstrated to City that it is diverting organic materials through subscription with another City-approved hauler, or other City-approved method.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply as determined in Exhibit D).
- Contractor may refuse to collect an organic materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

3. Solid Waste Collection

Contractor shall collect solid waste placed in Contractor-provided containers not less than one time per week from commercial customers and transport all solid waste to the designated disposal facility for disposal. Solid waste collection services shall be provided to commercial customers in accordance with the approved rate schedule.

- Containers:** Carts, bins, roll-off boxes, and compactors sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the commercial premises.
- Acceptable Materials:** Solid waste
- Prohibited Materials:** Recyclable materials, organic materials, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.

EXHIBIT B3

COMMERCIAL SERVICES

Other Requirements: Contractor shall contact each commercial customer to determine appropriate container sizes and service frequency.

Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply).

4. Temporary Bin Service

Contractor shall provide exclusive temporary bin service to customers upon request for collection of solid waste, recyclable materials, and organic materials. Contractor shall deliver a temporary bin to a customer by the following business day, if requested by 12:00 pm; otherwise, delivery shall be no later than the second business day. Rates for temporary bin service are listed separately in the approved rate schedule.

5. Bulky Good/Reusable Materials Collection

Contractor shall collect bulky goods, reusable materials, and other materials described herein from commercial customers at the rates included in Exhibit D. Contractor shall transport all collected materials to the appropriate approved facility for reuse, processing, or disposal.

Containers: Not applicable

Service Level: Commercial premises may request bulky good pick-ups at the rates identified in Exhibit D. Twenty item limit, per collection, based on rates identified in Exhibit D.

Service Frequency: There is no limit on the amount of requests with collection provided at rates identified in Exhibit D.

Service Location: Default is curbside for commercial premises, or if curbside is not applicable or causes safety concerns location will be at mutually agreed upon location by customer and Contractor.

Acceptable Materials: Reusable materials, bulky goods, recyclable materials, yard trimmings, electronic waste, and solid waste

Prohibited Materials: Food scraps, hazardous waste, abandoned automobiles, trees, excluded waste, special waste, or any single item (e.g., large auto parts) that exceeds 200 pounds in weight

Additional Service: N/A

Other Requirements: Contractor shall provide the service to the customer within seven working days of the customer's requested service date, as mutually agreed upon by the customer and Contractor. Customer may request pick-up of a maximum of 20 bulky goods at each pick-up charged at rates in Exhibit D. Contractor shall not dispose of materials collected through the on-call bulky goods/reusable materials collection program unless the materials cannot be reused or recycled. Contractor shall process and dispose of bulky goods and reusable materials collected from customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or recycling; (3) recycle or compost; and, if none of the other options are practicable, (4) dispose.

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EXHIBIT B4:
CITY AND COMMUNITY SERVICES AND DATA

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EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

1. Services to City Facilities

Contractor shall collect recyclable materials, organic materials, bulky goods, and solid waste from City facilities, including collection of street sweeping solid waste, in the same manner as those services are provided to commercial customers and shall provide designated personnel in accordance with Section 6.7.D. Contractor shall provide service to all existing City facilities identified in Exhibit B4 as well as any future City facilities established after the Effective Date. Contractor shall provide these services at no additional cost to City. City facility service as described by this Section shall include unlimited roll-off box collection service, including construction and demolition roll-off boxes to support City construction and demolition projects, and periodic bulky goods collection. Contractor shall deliver roll-off boxes within 24 hours of City request. Contractor shall collect, empty, and return roll-off boxes within 24 hours of City request. Contractor shall remove and not return roll-off boxes within 24 hour of City request.

2. Emergency Services

Contractor shall provide and maintain a current emergency list of responsible personnel to be contacted in the event of an emergency. Contractor shall provide emergency services (i.e., special collections, transport, processing, and disposal) at the request of the City Manager in the event of major accidents, disruptions, or natural calamities. Contractor shall be capable of providing emergency services within 24 hours of notification by the City Manager or as soon thereafter as is reasonably practical in light of the circumstances. For any services that exceed the scope of services under this Agreement, Contractor shall be entitled to compensation at the emergency service rates approved under this Agreement. City shall have discretion in the method of such compensation between direct payments by City and allowing such costs to be considered in the adjustment of rates for the following rate period.

3. Shredding Event(s)

Contractor shall provide an on-site mobile shredding service for use by City residents (a "Shredding Event") one time per calendar year at no additional charge. The Shredding Event shall be provided at a date, time, and location designated and approved by the City Manager and shall be for a minimum of three hours in duration. In the event inclement weather prevents a Shredding Event from occurring, Contractor shall reschedule the Shredding Event to a date, time, and location designated and approved by the City Manager. The Shredding Event shall be conducted at Contractor's sole cost and expense, utilizing equipment, personnel, and methods appropriate for such event, as approved by the City Manager. Prior to each Shredding Event, Contractor shall coordinate with City staff and/or public safety personnel to make arrangements for safe, convenient, and effective access to and participation by City residents in the Shredding Event and shall procure all necessary insurance coverage. Contractor shall provide staff to assist with verifying residency, distributing educational materials, assisting with traffic control, and providing other opportunities of outreach/education to the community as determined by City staff. Each Shredding Event shall be designed to accommodate up to a maximum of five "Bankers" boxes of paper or other media suitable for shredding from each residential and multi-family premises customer that is participating in the Shredding Event. Participants are allowed to observe the shredding of their materials during the Shredding Event. Contractor shall publicize each Shredding Event through methods, and using materials, approved by the City Manager, at no cost to City.

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CITY AND COMMUNITY SERVICES AND DATA

4. Procurement of Organic Waste Products

- A. **Annual Requirements.** Contractor shall assist City to procure sufficient California derived compost, mulch, and/or renewable natural gas to meet City's requirement for recovered organic waste products of 0.08 tons per capita per year as specified in SB 1383.

Contractor shall annually perform the following activities:

1. **Compost/Mulch Give-Away Events.** Contractor shall distribute an annual total of at least 20 tons (or a higher amount, if requested by the City) of compost and/or mulch to Brea residents at no additional cost to City or customers at one public compost/mulch give-away event per contract year (such that Contractor shall provide at least 500 bags per event). The location, date, and time of such events shall be mutually agreed upon by Contractor and the City Manager and may be held in conjunction with other City-approved events. Contractor shall deliver the loose or bagged compost/mulch to the agreed-upon event location at no cost to City. Contractor shall provide at least one attendant for at least six hours per event. Any compost and or mulch given away to the community through this program shall count towards Contractor's obligations to provide City with the amount of organic waste products required under SB 1383.
 2. **Use of RNG.** Contractor shall use reasonable business efforts to use California-derived renewable natural gas in collection vehicles and provide City the necessary SB 1383 implementation record documentation if RNG is utilized.
- B. **Other Requirements.** City will notify Contractor by January 1 of each calendar year if any further assistance will be requested by the Contractor to support the City in achieving the City's SB 1383 organic waste procurement requirements in addition to the annual requirements in Section 4.A of this Exhibit B4 above. Possible support includes, but is not limited to the following:
1. **Bulk Compost and/or Mulch.** If requested by City, Contractor shall provide bulk compost, mulch, or both to assist City to achieve City's recovered organic waste product purchasing requirements. City will notify Contractor of City's needs for delivery of compost, mulch, or both, each calendar year by January 1 or with a minimum of two weeks' notice for sudden requests to allow Contractor time to make the necessary arrangements. City requests shall include the desired tonnage of each material type and location for delivery. Contractor shall deliver compost, mulch, or both, at an agreed upon date and time by the City Manager to any mutually agreed upon location within City limits. City will review the quality specifications provided by Contractor of the selected material type for any given application. Contractor shall be entitled to compensation for actual costs of providing compost and mulch. Contractor shall provide City with copies of supporting documentation, such as invoices from compost/mulch producers, for the purchase of compost/mulch, and transportation invoices from providers that deliver the compost/mulch. City shall remit compensation directly to Contractor through payment of monthly invoices submitted by Contractor.
 2. **Other SB 1383 Compliant Methods.** If requested by the City, Contractor, as part of the City's annual procurement support request, may utilize other methods approved by CalRecycle or applicable law to assist the City to achieve the procurement requirements including provision of organic material to third parties through direct service provider agreements, purchase of

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

procurement compliance attributes, or other methods of compliance that are approved by CalRecycle. Contractor shall provide City with copies of supporting documentation, such as invoices from third parties, for these arrangements, and any other information required for inclusion in the City's SB 1383 implementation record. City shall remit compensation directly to Contractor through payment of monthly invoices submitted by Contractor.

- C. **SB 1383 Procurement.** All RNG, compost, mulch, or both, provided through this Agreement shall comply with the municipal procurement requirements of SB 1383, including being generated from California organic waste products, as defined by SB 1383 for each applicable material type.
- D. **Contractor Warranty of Recovered Organic Waste Products.** Contractor shall provide assurance through the execution of a liability waiver stating that all recovered organic waste products provided by Contractor and used within Brea are free from pathogens and inorganic waste material that may be harmful to the health and welfare of City and its constituents and also meet standards of CalRecycle and the United States Composting Council guidelines requiring testing demonstrating that fecal coliform levels of less than 1,000 MPN per gram of dry compost or Salmonella less than three MPN per four grams of dry compost. Contractor shall indemnify and hold harmless the City against any claims arising from contaminated recovered organic waste products provided by Contractor, as set forth in Article 10.

5. News Media Relations

Contractor shall notify City by e-mail of requests for news media interviews specifically related to the City's collection services program within 24 hours of Contractor's receipt of the request. Whenever reasonably possible given time constraints and conditions, before responding to any media inquiries involving controversial City issues or any issues regarding City's services, Contractor shall contact City to discuss its proposed response with the City.

If reasonable and feasible under the circumstances, copies of draft news releases or proposed newspaper articles related to the provision of collection services under this Agreement shall be submitted to City for prior review and approval, except where Contractor is required by any law to submit materials to any regulatory agency in a shorter period of time, in which case Contractor shall submit such materials to City simultaneously with Contractor's submittal to such regulatory agency.

Copies of articles resulting from media interviews or news releases shall be provided to City within five business days after publication.

6. Waste Generation, Characterization, and Pilot Studies.

Contractor acknowledges that City, CalRecycle, or other governmental agencies may wish to perform generation and characterization studies periodically with respect to materials covered under this Agreement. Contractor shall participate and cooperate with City and its agents and shall perform studies and data collection exercises on mutually agreeable terms and time frames, as needed, to determine weights, volumes, and composition of materials generated, disposed, diverted, or otherwise processed.

Contractor acknowledges that the County, in coordination with City, is required by SB 1383 to conduct organic waste and edible food capacity planning studies. Contractor shall provide information to City, as needed, for City's participation in such capacity planning studies. This information and/or participation

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

may include: conducting or supporting waste characterization studies; providing information regarding existing and potential new or expanded capacity in Contractor's operations for the collection, transport, or processing of recyclable and organic materials; and, any other information deemed necessary by City or the County for purposes of the study. Contractor shall respond to any request for information from City within 30 days, unless another timeframe is otherwise specified or authorized by City.

Contractor acknowledges that City may wish to conduct and/or participate in pilot studies related to the customers and materials that are the subject of this Agreement. If City requires Contractor to participate in any such pilot study, Contractor and City shall mutually agree on the scope of services to be provided by Contractor and the amount of compensation, if any, that City will pay to Contractor for such participation. In any event, Contractor shall permit and in no way interfere with the collection and handling of the subject materials by other persons for such purposes.

7. Illegally Dumped Bulky Goods.

Contractor shall, at no additional charge, provide on-demand collection of illegally dumped bulky goods within two working days of City's request. The residential bulky goods collection vehicle may be used to collect illegally dumped bulky goods and the tonnage collected may be co-mingled with residential tonnage and charged to City at City's approved residential tonnage rate.

8. Large Venue and Event Assistance, Event Recycling

Contractor shall assist City planners of large venue events with reporting and planning needs to provide recycling and organics materials diversion, as may be useful in meeting the requirements of AB 2176 and SB 1383, and in lowering disposal quantities generated at such events at no additional charge.

9. Neighborhood and Other Community Cleanups

Contractor shall supply the equivalent container capacity of up to seven 40-yard roll-off boxes and containers in additional sizes once per contract year for the collection of solid waste, recyclable materials, and organic waste for City-sponsored neighborhood cleanups, such as Love Brea cleanups or special cleanup details, at no additional charge to City or customers. Dates and locations of events shall be determined and approved by City. City staff shall inform Contractor of the date and location for each event. Additionally, Contractor shall supply two three-yard bins and cardboard event boxes for events throughout the year.

All material collected must be transferred, processed, and/or disposed of in accordance with SB 1383.

10. City Sponsored Events

Contractor shall provide solid waste, source separated recyclable materials, and source separated organic waste collection and disposal/processing service for City-sponsored events including the City-sponsored events included in this Exhibit B4 at no additional charge to City or customers. This shall include providing discarded material containers (carts, bins, roll-off boxes, and cardboard waste boxes with liners) to collect and dispose of, or process, all solid waste. Contractor shall provide containers for the collection of source separated recyclable materials, and source separated organic materials.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

11. Bus Stop Public Litter Container Collection

City collects discarded material from all public litter containers located at bus stops throughout Brea and delivers it to the City Yard. Contractor shall dispose of all discarded materials in the City Yard containers. Public litter containers are provided by City.

12. Edible Food Recovery Programs

A. Food Recovery Assistance.

1. Contractor shall assist City in identification of all commercial customers that meet the definition of tier one and tier two commercial edible food generators and provide a list of such customers to City, which shall include: customer name; service address; contact information; tier one or tier two classification; and, type of business (as it relates to the tier one and tier two commercial edible food generator definitions).
2. At least annually, Contractor shall provide commercial edible food generators with the following information:
 - a. Information about Contractor's and City's edible food recovery program.
 - b. Information about the commercial edible food generator requirements under 14 CCR Chapter 12 Article 10.
 - c. Information about food recovery organizations and food recovery services operating within Brea, and where a list of those food recovery organizations and food recovery services can be found.
 - d. Information about actions that commercial edible food generators can take to prevent the creation of food waste.
3. Contractor may provide the education information required by this Section by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to commercial businesses.
4. Contractor shall cooperate with the implementation, expansion, or operation of food recovery efforts in Brea, food recovery organizations, and/or food recovery services.
5. Contractor shall provide collection and processing of organic materials at no additional cost to food recovery organizations.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

Current City Facilities

Row	City Facility	Address
1	Brea Civic & Cultural Center	1 Civic Center Circle
2	Brea Community Center	695 E. Madison Way
3	Brea Museum and Heritage Center	495 S. Brea Blvd
4	Brea Plunge/City Hall Park	440 S. Walnut/401 S Brea Blvd
5	Brea Lions Scout Center	401 S. Brea Blvd
6	Fire Station #1	555 North Berry St
7	Fire Station #2	200 North Brea Blvd
8	Fire Station #3	2600 Santa Fe Rd
9	Fire Station #4	198 Olinda Pl
10	City Service Center	545 N Berry St
11	Olinda Oil Museum and Trail	4025 E Santa Fe Rd
12	Parking Structure #1	101 S Brea Blvd
13	Parking Structure #2	175 N Madrona Ave
14	Parking Structure #3	235 S Orange
15	Pioneer Hall	304 W Elm
16	Senior Center	500 Sievers Ave
17	Founders Park	777 Skyler Way
18	Arovista Park	500 W Imperial Hwy and 500 Sievers Ave
19	Greenbriar Park	Greenbriar Ln and S Associated Rd
20	Brea Sports Park	3333 E Birch St
21	Lagos de Moreno Park	322 E Birch St
22	Olinda Ranch Park	4001 Carbon Canyon Rd
23	Wildcatters Park	3301 E Santa Fe Rd
24	Wildcatters Dog Park	3450 E Santa Fe Rd
25	Tamarack Park	520 Tamarack Ave
26	Junior High Park	400 N Brea Blvd
27	City Hall Park	401 S Brea Blvd
28	Country Hills Park	180 N Associated
29	Birch Hills Golf Course	2250 E Birch St
30	Brea Creek Golf Course	501 W Fir St

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

City Events List

Event Name	Attendance (People)	Frequency
Nutcracker	Approximately 5,000	Annually, two consecutive days
Spring Craft Boutique	Approximately 3,000	Annually, two consecutive days
Public Works Open House	Approximately 1,000	Annually
Country Fair (4 th of July)	Approximately 5,000	Annually
Brea Fest	Approximately 5,000-7,000	Annually
Pet Expo	Approximately 2,000	Annually
Family Films	Approximately 1,000 between six films	Six / Year
Veterans Day	Approximately 700	Annually
Tree Lighting	Approximately 1,000	Annually
Love Brea/Go. Serve. Brea	Approximately 500	Annually
National Night Out	Approximately 2,000	Annually

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EXHIBIT C:
PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

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EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

1. General Administration

City has placed the utmost importance on effective public outreach and education in helping residents and businesses fully understand options for, and benefits of, source reduction, reuse, recycling, and composting. General provisions for public education and outreach are as follows:

- A. Within 30 days of the Effective Date and by December 15 of each following year during the term of this Agreement, Contractor shall develop and submit an annual public education plan to promote the programs designed by City and performed by Contractor under this Agreement. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, and identify program objectives, individual tasks, public education materials to be distributed, opportunities for expanded partnerships, and a timeline for implementation. The City Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the City Manager. Contractor shall meet with the City Manager to present and discuss the plan, review the prior year's activities (including sponsorships and services provided to City-sponsored events) and determine whether community activities and the provision of services to City reflect the needs of City staff and the City Council. The City Manager shall be allowed up to 60 calendar days after receipt to review and request modifications. The City Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan. Contractor shall have up to 15 business days to revise the plan in response to any requested changes by the City Manager. Any further delays may result in liquidated damages for failure to perform education and outreach activities as identified in this Exhibit C. Each business day that the plan is late shall count as a single occurrence.
- B. Upon request from the City Manager, the City Manager and the Contract Administrator shall meet at least one time per month to discuss services, outreach, and educational campaigns and request changes or adaptations to the annual public education plan.
- C. Contractor shall distribute instructional information, public education, and promotional materials in advance of, and following, commencement of new or modified services. This shall entail, at a minimum, distributing program literature to all customers at the Effective Date as well as to any new customers. Contractor shall use multiple media sources including print, radio television, electronic/social media, and events to notify customers of the change in their service provider, if applicable, and to highlight new program offerings. Transition and ongoing sector-specific collateral materials shall be distributed. Contractor shall submit all draft materials to the City Manager for review and approval. Contractor will supply all collateral or outreach to City upon request and for events where Contractor participation is requested for no additional charge.
- D. All City facilities shall receive any and all public education and outreach materials and services provided to the commercial sector. Contractor shall provide all printed public education materials to City offices and facilities to have available for the public that visits those facilities and shall replenish the materials as requested by the City Manager.
- E. City or Contractor may design bill inserts. Bill inserts designed by Contractor shall be provided to the City Manager a minimum of 60 days prior to publication. The City Manager shall review bill inserts designed by Contractor, and Contractor shall be responsible for printing and distributing the billing inserts to all customers. Contractor shall provide electronic bill inserts (or separate email

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

attachments) to customers who are billed electronically and paper bill inserts to customers who receive paper bills. For customers receiving electronic bills, Contractor shall distribute brochures, newsletters, or other information as attachments to customer invoices. Electronic bill inserts/attachments must be readily available for the customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon City request for billing inserts, Contractor shall comply with such request during its next billing cycle for the targeted customer group, if specified. Contractor shall perform this service with no additional requirement for compensation.

- F. Contractor has developed and shall maintain a website specific to its operations in Brea, with a section specific to City programs and customers, that will be used to post educational materials for download, highlight program successes, and provide diversion statistics, which can be located at <https://www.republicservices.com/municipality/brea-ca>. Contractor's Brea specific website shall also include links to relevant web pages of City's website where further information can be found. Content for the website shall be approved by the City Manager. Contractor shall review the website at a minimum annually to update information contained on website.

2. Sector-Specific Activities

The following tables present the public education and outreach activities to be performed by Contractor each rate period as minimum requirements under this Agreement. Each customer faces unique discarded materials management opportunities and challenges; therefore, Contractor shall develop targeted, sector-specific educational materials and perform outreach activities as described for each customer type.

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | All Sectors

All printed materials also shall be posted to Contractor's website. All education and outreach materials shall be Brea-specific and available in English, Spanish, Korean, and Traditional Chinese languages.

The following general public education and outreach materials shall each be produced for the benefit of all customer types.

Activity	Description	Distribution/Frequency
Newspaper Advertisement	Distribute a newspaper advertisement that explains all programs that will be offered under the new Agreement. Contractor shall also provide articles on recycling for local newsletters.	Within 30 days of the Effective Date Annually thereafter
Direct Community Outreach	Contractor shall conduct school assemblies and promote recycling through presentations and educational materials to the Chamber of Commerce, homeowner associations, construction contractors, and other civic groups.	Annually
Website	Contractor to prepare a section of its website where it will present customers with educational and diversion programs, upcoming outreach events, services, and resources specific to City. Website shall include Contractor's customer service contact, material on source reduction of household solid waste, and relevant legislative requirements.	Updated as mutually agreed
Corrective Action Notices – "Contamination Tag"	Produce and distribute a notice for use in instances where the customer includes prohibited materials in a container or fails to properly prepare containers. This form shall also be printed and made available in Spanish, Korean, and Traditional Chinese languages.	As needed

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Single-Family Education and Outreach Activities

All printed materials also shall be posted to Contractor's website.

Activity	Description	Distribution/Frequency
Initial Mailing	Produce and distribute a City-designed initial mailing to single-family customers, which may include content such as: explaining the program changes in this Agreement; changes from the existing collection programs to new programs; regulatory requirements, including SB 1383; and, the commencement of the change. Contractor shall include its holiday schedule and the residential recycling and expanded services guide.	Within 60 days of the Effective Date via direct mail
Annual Notice	Contractor shall prepare and distribute to each customer a brochure providing relevant information about Contractor's services, including: information regarding access to and use of available services; collection schedules; holiday collection schedules; customer service numbers; procedures to begin and terminate services; and, information promoting and explaining available programs, such as recycling, organic materials, holiday tree and bulky good collections, the availability of household hazardous waste, u-waste and e-waste collection, and the proper handling and disposal of such wastes. This brochure shall also be printed and made available in Spanish, Korean and Traditional Chinese languages.	Annually
Recycling Guide	Produce and distribute a "recycling guide" specific to single-family customers. This guide shall include information on collection methodologies, set out instructions, set out schedule, contact information, and acceptability and necessary preparation of materials for all single-family programs described in Exhibit B1. A section of the guide will specifically address proper methods of handling and disposal of hazardous wastes.	Affixed (inside plastic bag, zip-tied to handle) to every single-family recyclable materials cart delivered prior to the Effective Date, and thereafter to all new customers By direct mail annually thereafter to each single-family customer

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PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Neighborhood Group & HOA Visits	Upon City or customer request, visit homeowner associations and other neighborhood groups and associations to promote and explain the recycling programs included in this Agreement.	At City or customer request
Quarterly Newsletter	Not less than four times per year during each rate period, Contractor shall be responsible for all costs incurred for the production and mailing of City's Quarterly Newsletter. City reserves the right to direct the production of the Quarterly Newsletter to a firm of its choosing. The Quarterly Newsletter will include information on current regulations and any additional regulations adopted during the term of this Agreement. Contractor shall be required to coordinate distribution via U.S. Mail of the Quarterly Newsletter with a local mailing house, including furnishing customer mailing addresses.	Quarterly
Corrective Action Notices	Produce and distribute a single-family customer oriented non-collection notice and courtesy pick-up notices for use in instances where the customer includes prohibited container contaminants in a container or fails to properly prepare or set-out containers.	As needed
Seasonal Program Notifications	Contractor shall prepare a brochure or postcard informing all single-family customers advertising holiday tree collections pursuant to Exhibit B1.5 and any other seasonal or periodic program(s). The notification shall inform customers of the schedule, acceptable and prohibited materials, and set-out requirements for the program. Contractor shall submit a draft of the brochure or postcard to City for review and approval by October 1 each year.	At least 14 calendar days prior to event via direct mail
Website	Contractor shall prepare a "single-family customer" section of its website where it will present customers with "how-to" information for participating in Contractor-provided programs, including proper container setouts, and provide single-family customers with links to click on for additional resources. All other single-family educational materials specified in this Section shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current rates charged to single-family customers within Brea.	Within 60 calendar days of the Effective Date Updated quarterly

EXHIBIT C
PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Mandatory Recycling and Organics Outreach Activities	Produce and distribute outreach materials containing information to assist City with outreach compliance for applicable laws related to mandatory recycling and organics including SB 1383. Can be combined with annual notice requirements and quarterly newsletters.	Annually

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Multi-Family Education and Outreach Activities

All printed materials also shall be posted to Contractor's website.

Activity	Description	Distribution/Frequency
New Programs Mailing	Produce and distribute an initial mailing to all multi-family dwelling units explaining the program changes in this Agreement, changes from the existing collection programs to new programs, new regulatory requirements, including SB 1383, and the commencement of the change.	Within 60 days of Effective Date via direct mail
Annual Notice	Contractor shall prepare and distribute to each customer a brochure providing relevant information about Contractor's services including: information regarding access to and use of available services; collection schedules; holiday collection schedules; customer service numbers; procedures to begin and terminate services; and, information promoting and explaining available programs, such as recycling, organic materials, holiday tree and bulky good collections, the availability of household hazardous waste, u-waste and e-waste collection, and the proper handling and disposal of such wastes. This brochure shall also be printed and made available in Spanish, Korean, and Traditional Chinese languages.	Annually
Recycling Guide	Produce and distribute a "Recycling Guide" specific to multi-family customers and updated versions of the guide as needed. This guide shall include information such as collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all multi-family programs described in Exhibit B2. A section of the guide will specifically address proper methods of handling and disposal of hazardous wastes.	Within 30 days of the Effective Date and as needed via direct mail
Technical Assistance: Diversion Opportunity Assessments	Provide diversion opportunity assessments to each multi-family customer to meet with the property manager or owner of multi-family premises to promote recyclable and organic materials collection.	Annually plus follow-up meetings with individual customers, as needed

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Workshops	Offer and respond to requests for on-site meetings and workshops. Contractor shall conduct workshops for customers (when requested) that will show property managers and residents, in a hands-on interactive format, how to use the recycling and organics program and will provide resources for additional information and support.	At Customer's request
Website	Contractor shall prepare a "multi-family customer" section of its website where it will present "how-to" information for participating in Contractor-provided programs, including proper container setouts, and provide multi-family customers with links to click on for additional resources. All other multi-family educational materials specified in this Exhibit C shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current rates charged to multi-family customers. The website shall also provide property managers of multi-family premises with an opportunity to request "diversion opportunity assessments" or additional education materials to provide to tenants.	Within 60 days of the Effective Date Updated quarterly <u>Quarterly</u>
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials containing information to assist City with outreach compliance for applicable laws related to mandatory recycling and organics including AB 341, AB 1826, and SB 1383.	Annually
Educational Materials for Employees/Tenants	Contractor shall provide commercial and multi-family property managers/owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and customers of the property or business. The public education materials shall include information about organic waste recovery requirements and proper sorting of discarded materials. Multi-family property managers/owners may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within 14 days of occupancy.	Annually; or more frequently upon Customer request

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Commercial Education and Outreach Activities

All printed materials also shall be posted to Contractor's website.

Activity	Description	Distribution/Frequency
New Programs Mailing	Prepare and distribute an initial mailing to all commercial customers explaining the program changes in this Agreement, changes from the existing collection programs to new programs, and the commencement date of the change.	Within 60 days of the Effective Date via direct mail
Annual Notice	Contractor shall prepare and distribute to each customer a brochure providing relevant information about Contractor's services, including: information regarding access to and use of available services; collection schedules; holiday collection schedules; customer service numbers; procedures to begin and terminate services; and, information promoting and explaining available programs, such as recycling, organic materials, holiday tree and bulky good collections, the availability of household hazardous waste, u-waste and e-waste collection, and the proper handling and disposal of such wastes. This brochure shall also be printed and made available in Spanish, Korean, and Traditional Chinese languages.	Annually
Newsletters (Three times per year)	Not less than three times per year during each rate period, Contractor shall be responsible for all costs incurred for the production and mailing of City's newsletter. City reserves the right to direct the production of the newsletter to a firm of its choosing. The newsletter will include information on current regulations and any additional regulations adopted during the term of this Agreement. Contractor shall be required to coordinate distribution via U.S. Mail of the newsletter with a local mailing house, including furnishing customer mailing addresses. The commercial newsletter may be combined with residential newsletter so long as all generator types receive the information, and the information is relevant to all generators. City must approve combining newsletters in advance.	Three times per year distributed to all commercial and multi-family customers

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Recycling Guide	Contractor shall produce a “recycling guide” specific to commercial customers and update the guide as needed. This guide shall include information on collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all commercial programs described in Exhibit B3. A section of the guide will specifically address proper methods of handling and disposal of hazardous wastes.	Within 30 days of the Effective Date and as needed via direct mail Distributed during diversion opportunity assessments
“How-to” Flyer: Recyclable Materials	Prepare and distribute a “how-to” brochure explaining the recycling materials collection programs for each general business type (restaurants, office/commercial buildings, strip malls, and large commercial businesses).	Within 30 days of the Effective Date via direct mail Distributed during diversion opportunity assessments
“How-to” Flyer: Organic Materials	Prepare and distribute a flyer describing the organic materials collection services available and how to prepare organic materials for collection for each general business type (restaurants, office/commercial buildings, strip malls, and large commercial businesses).	Within 30 days of the Effective Date via direct mail Distributed during diversion opportunity assessments
Technical Assistance: Diversion Opportunity Waste Assessments	Provide diversion opportunity assessments at least one time annually to each and every commercial customer to promote recyclable and organic materials collection and replenish recycling guides and recycling and organics posters as needed by each customer.	Annually plus follow-up meetings with individual customers, as required
Recycling and Organics Posters	Produce and distribute (during diversion opportunity assessments) laminated recycling and organics posters that provide graphic illustrations of acceptable and prohibited materials within each program.	Distributed during diversion opportunity assessments

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Quarterly Bill Inserts	Prepare and distribute quarterly bill inserts that creatively inform commercial customers about such topics as: cost savings available from source reduction, reuse, and recycling; tips for overcoming common operational challenges businesses have with recycling and organics programs; the environmental benefits of buying recycled-content products; and, statistics, trends, and facts about programs performed under this Agreement (e.g., collected, tonnage, year over year increase/decrease, markets for material collected, what each material is recycled into) as appropriate. Contractor's annual public education plan shall define a theme for each quarterly insert.	Quarterly via direct mail
Corrective Action Notices	Produce a commercial and multi-family customer oriented corrective action notice for use in instances where the customer includes prohibited container contaminants in a container or fails to properly prepare or set-out containers.	As needed
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials related to the mandatory nature of recyclable materials and organic materials collection services, upon request from City. Such outreach shall be designed to assist City in complying with the outreach requirements of applicable laws related to the mandatory provision of recyclable materials and organic materials collection and diversion services.	Annually
Educational Materials for Employees/Tenants	Contractor shall provide commercial and multi-family property managers owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and customers of the property or business. The public education materials shall include information about organic waste recovery requirements and proper sorting of discarded materials. Commercial customers may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within 14 days of occupancy.	Annually; or more frequently upon Customer request Can be provided electronically to property or business

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Commercial Edible Food Generator Education	<p>Contractor shall provide customers that are commercial edible food generators with the following:</p> <ol style="list-style-type: none">1. Information about City's edible food recovery program.2. Information about the commercial edible food generator requirements under 14 CCR, Division 7, Chapter 12, Article 10.3. Information about food recovery organizations and food recovery services operating within Brea and where a list of those food recovery organizations and food recovery services can be found.4. Information about actions that commercial edible food generators can take to prevent the creation of food waste.	Annually

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Special Events

All printed materials also shall be posted to Contractor's website as well as links to teacher resources.

Activity	Description	Distribution/Frequency
Event Exhibit	Contractor shall staff an exhibit booth and distribute promotional and educational materials at special events. Contractor shall provide visual displays, copies of educational materials (including all guides, flyers, and brochures produced for this Agreement), and recycling education activities appropriate to a variety of age groups. Display components will be professionally designed and created and shall be scalable to be appropriate for a variety of booth or display configurations. Materials will include those pertaining to the programs provided under this Agreement as well as general information on “green” and/or sustainable behaviors.	All special events listed in Exhibit B4 Other events at City’s request

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EXHIBIT D:
INITIAL MAXIMUM RATES

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EXHIBIT D: INITIAL MAXIMUM RATES

Following are the current rates for July 1, 2024 through June 30, 2025 and the initial maximum rates as posted in the Proposition 218 Notice. In the table below, the Proposed Adjusted Rate column sets forth the initial maximum rates as posted in the Proposition 218 Notice.

CITY OF BREA PROPOSED SOLID WASTE & RECYCLING SERVICE RATES

(Rates may escalate on July 1, 2025; July 1, 2026; July 1, 2027; and July 1, 2028)

SINGLE FAMILY RESIDENTIAL SERVICES*	Current Rate	¹ City Utility Billing	¹ Collection Component (85%)	¹ Disposal Component (15%)	¹ Proposed Adjusted Rate
*Residential premises with 4 or less dwelling units MONTHLY RESIDENTIAL RATE (Includes 3 carts: 1 Trash, 1 Recycle, 1 Organic Waste 1x/week PICK-UP)	\$27.80	\$3.14	\$25.03	\$4.42	\$32.59
ADDITIONAL RESIDENTIAL					
TRASH CONTAINER	\$13.15		\$12.95	\$2.28	\$15.23
ORGANIC WASTE CONTAINER	\$6.04		\$5.95	\$1.05	\$7.00
RECYCLE CONTAINER	\$0.00		\$0.00	\$0.00	\$0.00
MOBILE HOME RESIDENTIAL RATE	\$27.80	\$3.14	\$2.67	\$0.47	\$32.59
TEMPORARY 3 YARD RES. BIN	\$105.89		\$104.26	\$18.40	\$122.66
3 DAYS (Del - Fill - PICK-UP & Disposal)					
Non Profit TEMPORARY 3 YARD RES. BIN	\$99.35		\$97.82	\$17.26	\$115.08
EACH ADDITIONAL DAY - Temp Bin	\$7.36		\$7.25	\$1.28	\$8.53
EACH ADDITIONAL EMPTY (Cycle Starts Again)	\$105.89		\$104.26	\$18.40	\$122.66
RESIDENTIAL ROLL-OUT SERVICES (Service is for customers that want back door, garage, walk in service)	\$14.01		\$13.79	\$2.43	\$16.22
RESIDENTIAL EXTRA DUMP - ALL 3 CONTAINERS	\$29.74		\$29.28	\$5.17	\$34.45
RESIDENTIAL EXCHANGE OF ALL 3 CONTAINERS	\$45.98		\$45.27	\$7.99	\$53.26
RESIDENTIAL CONTAINER REPLACEMENT - MISUSE (Each)	\$81.36		\$80.11	\$14.14	\$94.25
RESIDENTIAL BULKY-ITEM COLLECTION					
Additional Pick-ups Over 3x Pick-up/Year	\$57.55		\$56.67	\$10.00	\$66.67
Charge for Each Item Over 20 per Collection	\$8.22		\$8.09	\$1.43	\$9.52
Additional Fee Required for Gas Recovery	\$78.12		\$76.92	\$13.57	\$90.49
RESIDENTIAL KITCHEN PAIL FOR PURCHASE (unbranded)	New Rate				\$12.15

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL/MULTI-FAMILY/INDUSTRIAL BIN SERVICE	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
(Absent a waiver, trash, recycle, and organic waste service is required. Typical service includes 1 trash, 1 recycle, and 1 organic waste container)				
COMMERCIAL BARREL RATE (96 GALLON TRASH)	\$41.26	\$37.26	\$6.58	\$43.84
MONTHLY COMMERCIAL TRASH BIN RATES				
1.5 YARD TRASH BIN 1x/week PICK-UP	\$111.93	\$101.09	\$17.84	\$118.93
1.5 YARD TRASH BIN 2x/week PICK-UP	\$194.06	\$175.26	\$30.93	\$206.19
1.5 YARD TRASH BIN 3x/week PICK-UP	\$276.19	\$249.43	\$44.02	\$293.45
1.5 YARD TRASH BIN 4x/week PICK-UP	\$358.32	\$323.61	\$57.11	\$380.72
1.5 YARD TRASH BIN 5x/week PICK-UP	\$440.45	\$397.78	\$70.20	\$467.98
1.5 YARD TRASH BIN 6x/week PICK-UP	\$522.58	\$471.96	\$83.29	\$555.25
1.5 YARD TRASH BIN 7x/week PICK-UP	\$619.01	\$559.04	\$98.65	\$657.69
1ST EXTRA PICK-UP	\$84.79	\$76.58	\$13.51	\$90.09
2ND EXTRA PICK-UP @ SAME TIME	\$46.66	\$42.14	\$7.44	\$49.58
1.5 YARD MANURE BIN 1x/week PICK-UP	\$123.43	\$111.47	\$19.67	\$131.14
1.5 YARD MANURE BIN 2x/week PICK-UP	\$217.06	\$196.03	\$34.59	\$230.62
1.5 YARD MANURE BIN 3x/week PICK-UP	\$310.69	\$280.59	\$49.52	\$330.11
1.5 YARD MANURE BIN 4x/week PICK-UP	\$404.32	\$365.15	\$64.44	\$429.59
1.5 YARD MANURE BIN 5x/week PICK-UP	\$497.95	\$449.71	\$79.36	\$529.07
1.5 YARD MANURE BIN 6x/week PICK-UP	\$591.58	\$534.27	\$94.28	\$628.55
1.5 YARD MANURE BIN 7x/week PICK-UP	\$699.51	\$631.74	\$111.48	\$743.22
1ST EXTRA PICK-UP	\$96.99	\$87.59	\$15.46	\$103.05
2ND EXTRA PICK-UP @ SAME TIME	\$96.99	\$87.59	\$15.46	\$103.05
2 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$139.04	\$24.54	\$163.58
2 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$232.28	\$40.99	\$273.27
2 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$325.52	\$57.44	\$382.96
2 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$418.76	\$73.90	\$492.66
2 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$512.00	\$90.35	\$602.35
2 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$605.24	\$106.81	\$712.05
2 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$709.45	\$125.20	\$834.65
1ST EXTRA PICK-UP	New Rate	\$76.58	\$13.51	\$90.09
2ND EXTRA PICK-UP @ SAME TIME	New Rate	\$42.14	\$7.44	\$49.58
3 YARD TRASH BIN 1x/week PICK-UP	\$181.12	\$163.57	\$28.87	\$192.44
3 YARD TRASH BIN 2x/week PICK-UP	\$302.58	\$273.27	\$48.22	\$321.49
3 YARD TRASH BIN 3x/week PICK-UP	\$424.04	\$382.96	\$67.58	\$450.54
3 YARD TRASH BIN 4x/week PICK-UP	\$545.50	\$492.65	\$86.94	\$579.59
3 YARD TRASH BIN 5x/week PICK-UP	\$666.96	\$602.35	\$106.30	\$708.65
3 YARD TRASH BIN 6x/week PICK-UP	\$788.42	\$712.04	\$125.65	\$837.69
3 YARD TRASH BIN 7x/week PICK-UP	\$924.18	\$834.65	\$147.29	\$981.94
1ST EXTRA PICK-UP	\$84.79	\$76.58	\$13.51	\$90.09
2ND EXTRA PICK-UP @ SAME TIME	\$46.66	\$42.14	\$7.44	\$49.58
3 YARD MANURE BIN 1x/week PICK-UP	\$195.79	\$176.82	\$31.20	\$208.02
3 YARD MANURE BIN 2x/week PICK-UP	\$331.92	\$299.77	\$52.90	\$352.67
3 YARD MANURE BIN 3x/week PICK-UP	\$468.05	\$422.71	\$74.60	\$497.31
3 YARD MANURE BIN 4x/week PICK-UP	\$604.18	\$545.65	\$96.29	\$641.94
3 YARD MANURE BIN 5x/week PICK-UP	\$740.31	\$668.59	\$117.99	\$786.58
3 YARD MANURE BIN 6x/week PICK-UP	\$876.44	\$791.53	\$139.68	\$931.21

EXHIBIT D: INITIAL MAXIMUM RATES

3 YARD TEMP CONSTRUCTION BIN 1x/week PICK-UP	\$232.94	\$210.37	\$37.12	\$247.49
3 YARD TEMP CONSTRUCTION BIN 2x/week PICK-UP	\$360.11	\$325.22	\$57.39	\$382.61
3 YARD TEMP CONSTRUCTION BIN 3x/week PICK-UP	\$487.28	\$440.07	\$77.66	\$517.73
3 YARD TEMP CONSTRUCTION BIN 4x/week PICK-UP	\$614.45	\$554.93	\$97.93	\$652.86
3 YARD TEMP CONSTRUCTION BIN 5x/week PICK-UP	\$741.62	\$669.78	\$118.20	\$787.98
3 YARD TEMP CONSTRUCTION BIN 6x/week PICK-UP	\$868.79	\$784.63	\$138.46	\$923.09
3 YARD TEMP CONSTRUCTION BIN 7x/week PICK-UP	\$1,010.26	\$912.39	\$161.01	\$1,073.40
1ST EXTRA PICK-UP	\$127.17	\$114.85	\$20.27	\$135.12
2ND EXTRA PICK-UP @ SAME TIME	\$127.17	\$114.85	\$20.27	\$135.12
3 YARD COMPACTED BIN 1x/week PICK-UP	\$266.27	\$240.48	\$42.44	\$282.92
3 YARD COMPACTED BIN 2x/week PICK-UP	\$481.71	\$435.04	\$76.77	\$511.81
3 YARD COMPACTED BIN 3x/week PICK-UP	\$697.15	\$629.61	\$111.11	\$740.72
3 YARD COMPACTED BIN 4x/week PICK-UP	\$912.59	\$824.18	\$145.44	\$969.62
3 YARD COMPACTED BIN 5x/week PICK-UP	\$1,128.03	\$1,018.75	\$179.78	\$1,198.53
3 YARD COMPACTED BIN 6x/week PICK-UP	\$1,343.47	\$1,213.32	\$214.12	\$1,427.44
3 YARD COMPACTED BIN 7x/week PICK-UP	\$1,573.21	\$1,420.81	\$250.73	\$1,671.54
1ST EXTRA PICK-UP	\$142.89	\$129.05	\$22.77	\$151.82
2ND EXTRA PICK-UP @ SAME TIME	\$142.89	\$129.05	\$22.77	\$151.82
4 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$188.11	\$33.20	\$221.31
4 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$314.26	\$55.46	\$369.72
4 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$440.41	\$77.72	\$518.13
4 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$566.55	\$99.98	\$666.53
4 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$692.70	\$122.24	\$814.94
4 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$818.85	\$144.50	\$963.35
4 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$959.85	\$169.38	\$1,129.23
6 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$327.15	\$57.73	\$384.88
6 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$546.54	\$96.45	\$642.99
6 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$765.92	\$135.16	\$901.08
6 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$985.31	\$173.88	\$1,159.19
6 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,204.70	\$212.59	\$1,417.29
6 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$1,424.08	\$251.31	\$1,675.39
6 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$1,669.30	\$294.58	\$1,963.88
8 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$376.22	\$66.39	\$442.61
8 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$628.52	\$110.91	\$739.43
8 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$880.81	\$155.44	\$1,036.25
8 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$1,133.11	\$199.96	\$1,333.07
8 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,385.40	\$244.48	\$1,629.88
8 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$1,637.70	\$289.01	\$1,926.71
8 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$1,919.70	\$338.77	\$2,258.47

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL/MULTI-FAMILY/INDUSTRIAL RECYCLE RATES	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
65 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
Additional per tip frequency	New Rate	\$51.00	\$9.00	\$60.00
96 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
Additional per tip frequency	New Rate	\$51.00	\$9.00	\$60.00
2 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$95.14	\$16.79	\$111.93
Additional per tip frequency	New Rate	\$95.14	\$16.79	\$111.93
3 YARD RECYCLE BIN 1x/week PICK-UP	\$152.81	\$136.38	\$24.07	\$160.45
Additional per tip frequency	\$152.81	\$136.38	\$24.07	\$160.45
4 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$159.89	\$28.22	\$188.11
Additional per tip frequency	New Rate	\$159.89	\$28.22	\$188.11
3 YARD SPLIT BIN (no additional lock fee or installation)	New Rate	\$206.93	\$36.52	\$243.45
Additional per tip frequency	New Rate	\$206.93	\$36.52	\$243.45
COMMERCIAL RECYCLE BIN CONTAMINATION FEE per occurrence	New Rate	\$98.85	\$17.44	\$116.29
COMMERCIAL RECYCLE CART CONTAMINATION FEE per occurrence	New Rate	\$49.44	\$8.72	\$58.16
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL ORGANIC WASTE RATES	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
35 Gallon Cart 1x/week PICK-UP	\$41.26	\$35.07	\$6.19	\$41.26
35 Gallon Cart 2x/week PICK-UP	\$82.52	\$70.14	\$12.38	\$82.52
35 Gallon Cart 3x/week PICK-UP	\$123.78	\$105.21	\$18.57	\$123.78
65 Gallon Cart 1x/week PICK-UP	\$65.19	\$55.41	\$9.78	\$65.19
65 Gallon Cart 2x/week PICK-UP	\$130.37	\$110.81	\$19.55	\$130.36
65 Gallon Cart 3x/week PICK-UP	\$195.56	\$166.23	\$29.33	\$195.56
2 YARD BIN 1x/week PICK-UP	\$348.61	\$296.32	\$52.29	\$348.61
2 YARD BIN 2x/week PICK-UP	\$697.21	\$592.63	\$104.58	\$697.21
2 YARD BIN 3x/week PICK-UP	\$1,045.82	\$888.95	\$156.87	\$1,045.82
ORGANIC BIN NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$296.32	\$52.29	\$348.61
ORGANIC CART NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$35.07	\$6.19	\$41.26
ORGANIC BIN CONTAMINATION FEE per occurrence	\$116.29	\$98.85	\$17.44	\$116.29
ORGANIC CART CONTAMINATION FEE per occurrence	\$58.16	\$49.44	\$8.72	\$58.16

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL/MULTI-FAMILY/INDUSTRIAL SPECIAL SERVICES	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
Pull out service (charge applicable when container must be moved more than 25ft)	\$71.94	\$64.97	\$11.47	\$76.44
Additional per tip frequency	\$71.94	\$64.97	\$11.47	\$76.44
Lock latch (For any bin with lockbar other than split bin)	\$2.71	\$2.45	\$0.43	\$2.88
Additional per tip frequency	\$2.71	\$2.45	\$0.43	\$2.88
Redeliver Bin (due to non-payment)	\$101.78	\$91.92	\$16.22	\$108.14
Lock latch Bin one-time installation fee (For all lock latch except split Bin)	\$120.81	\$109.10	\$19.25	\$128.35
SUR-CHARGE FOR 7x/week (Sunday Service)	\$14.75	\$13.32	\$2.35	\$15.67
SUR-CHARGE FOR LESS THAN 7x/week (Sunday Service)	\$41.52	\$37.50	\$6.62	\$44.12
NON-SCHEDULE ADDITIONAL PICK-UPS				
1st BIN PICK-UP (1.5 & 3 YARD BIN)	\$84.79	\$76.58	\$13.51	\$90.09
EACH ADDITIONAL @ SAME TIME	\$46.66	\$42.14	\$7.44	\$49.58
ALL ADDITIONAL MANURE BIN PICK-UPS	\$96.99	\$87.59	\$15.46	\$103.05
ALL ADDITIONAL COMPACTED BIN PICK-UPS	\$142.89	\$129.05	\$22.77	\$151.82
BIN OVERAGE "OVER THE TOP" - Each Occurrence	\$47.31	\$55.25	\$9.75	\$65.00
BIN EXCHANGE - IN EXCESS OF 1 PER/YEAR	\$101.37	\$91.55	\$16.16	\$107.71
SPECIAL ACCESS REQUIRED - CODE OR KEY	\$13.51	\$12.20	\$2.15	\$14.35
(Rate x Weekly Tip Frequency - Billed Monthly)				
COMMERCIAL CONTAINER STEAM CLEANING (container exchanged)	\$135.14	\$122.05	\$21.54	\$143.59
COMMERCIAL BULKY-ITEM COLLECTION				
Bulky item pickups (no limit); max 20 items per collection	\$61.06	\$55.14	\$9.73	\$64.87
Charge for Each Item Over 20 per Collection	\$8.12	\$7.33	\$1.29	\$8.62
Additional Fee Required for Gas Recovery	\$78.12	\$70.55	\$12.45	\$83.00

EXHIBIT D: INITIAL MAXIMUM RATES

INDUSTRIAL SPECIAL SERVICES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
PERMANENT 30 YARD ROLL-OFF - Min 4 PICK-UPS per/Month	\$2,646.69	\$2,390.29	\$421.82	\$2,812.11
ADDITIONAL PICK-UP - PERM 30 YARD ROLL-OFF	\$661.67	\$597.57	\$105.45	\$703.02
PERMANENT 15 YARD DEMO BOX - Min 4 PICK-UPS per/Month	\$2,819.48	\$2,546.34	\$449.35	\$2,995.69
ADDITIONAL PICK-UP - PERM 15 YARD DEMO	\$704.87	\$636.59	\$112.34	\$748.93
PERMANENT 40 YARD PACKER - Each PICK-UP	\$825.04	\$745.11	\$131.49	\$876.60
TEMPORARY 30 YARD ROLL-OFF BOX THREE DAYS - 1 EMPTY	\$663.40	\$599.13	\$105.73	\$704.86
TEMPORARY 30 YARD ROLL-OFF BOX - Yardwaste	\$625.25	\$564.68	\$99.65	\$664.33
TEMPORARY 15 YARD DEMO BOX THREE DAYS - 1 EMPTY	\$766.18	\$691.96	\$122.11	\$814.07
SURCHARGE OVER 8 TONS PER LOAD	\$62.46	\$56.41	\$9.95	\$66.36
CONTAINER MONTHLY RENTALS				
THREE (3) YARD BIN	\$67.58	\$61.03	\$10.77	\$71.80
TILT HOPPER	\$52.72	\$47.61	\$8.40	\$56.01
STORAGE CONTAINER	\$106.76	\$96.42	\$17.01	\$113.43
STORAGE BOX DELIVERY	No Charge			No Charge
STORAGE BOX RETURN - (RATE + \$1.00 P/MILE)	\$13.76	\$12.43	\$2.19	\$14.62
PACKER UNIT - "TURN-A-ROUND" REQUIRED (Surcharge per Pull)	\$13.76	\$12.43	\$2.19	\$14.62
RELOCATION FEE / TRIP CHARGE "DEAD RUN"	\$65.21	\$58.89	\$10.39	\$69.28
SATURDAY SERVICE - PER LOAD	\$40.74	\$36.79	\$6.49	\$43.28
TEMP ROLL-OFF CONTAINER RENTAL (In Excess of Seven (7) Days w/o an Exchange)	\$16.35	\$14.77	\$2.61	\$17.38
DRIVER & TRUCK STAND-BY HOURLY RATE (Two (2) Hour Minimum Charge)	\$102.79	\$92.83	\$16.38	\$109.21
HEAVY-DUTY ROLL-OFF TRUCK - PER LOAD (Surcharge in Excess of Standard Rates - Overweight)	\$473.07	\$427.24	\$75.40	\$502.64
MANDATORY SIGNATURE REQUIREMENT (Surcharge per Roll-Off or Packer Exchange)	\$6.74	\$6.09	\$1.07	\$7.16
BREA OLINDA SCHOOL DISTRICT	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
MONTHLY COMMERCIAL RATES				
3 YARD BIN 1x/week PICK-UP	\$117.46	\$106.08	\$18.72	\$124.80
ADDITIONAL PICK-UP 3 YARD BIN	\$85.56	\$77.27	\$13.64	\$90.91

EXHIBIT D: INITIAL MAXIMUM RATES

- 1 City Utility, Collection Component, and Disposal Component make up the Proposed Adjusted Rate for Single Family Residential.
- 2 Collection Component and Disposal Component make up the Proposed Adjusted Rate for Commercial/Multi-Family/Industrial.

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EXHIBIT E:
EXAMPLE RATE ADJUSTMENT FORMULA

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EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Example Residential Rate Adjustment Calculation

All percentages are rounded to four (4) decimal places and all currency is rounded to nearest \$0.01.

Step One: Calculate percentage change in indices.

Row	Adjustment Factor	Index	A	B	C
			Old Index Value	New Index Value	Percent Change in Index ((Column B ÷ Column A) - 1)
1	Collection	(1)			3.65%
2	Disposal	(2)	\$41.31	\$42.65	3.24%

Step Two: Determine weighted percentage change in rates.

Row	Adjustment Factor		D	E	F
			Cost Factor Category Weighted as a % of Component Total (3)	Percent Change in Index (From Column C)	Total Weighted Change (Column D x Column E)
3	Collection	(1)	85.00%	3.65%	3.11%
4	Disposal	(2)	15.00%	3.24%	0.49%
5	Total		100.00%		3.60%

Step Three: Apply percentage change to rates.

Row	Example Residential Contractor Rate Category (4)	G	H	I	J1	J2	J3	J4
		Example Republic Rates based on July 1, 2024 Rates before City Maintenance Service Costs and Recycling Rebate	Total Weighted Percentage Change (From Column F, Row 5)	Rate Increase or (Decrease) (Column G x Column H)	Adjusted Rate before City Maintenance Service Costs and Recycling Rebate (Column G + Column I)	City Maintenance Service Cost*	Residential Recycling Revenue Rebate	Total Customer Rate with City Maintenance Service Cost and Recycling Rebate (Column J1 + J2 + J3)
6	Standard cart service (3 material streams)**	\$26.13	3.60%	\$0.94	\$27.07	\$1.96	(\$0.29)	\$28.74
7	Additional refuse cart(s) - Each	\$13.15	3.60%	\$0.47	\$13.62			\$13.62
8	Additional organic materials Cart(s) - Each	\$6.04	3.60%	\$0.22	\$6.26			\$6.26
9	Roll-out service	\$14.01	3.60%	\$0.50	\$14.51			\$14.51
10	Cart exchange	\$45.98	3.60%	\$1.66	\$47.64			\$47.64
11	Cart replacement (customer mis-use)	\$81.36	3.60%	\$2.93	\$84.29			\$84.29
12	Extra dump - All 3 material streams	\$29.74	3.60%	\$1.07	\$30.81			\$30.81
13	Additional bulky good pickup - after limit exceeded	\$57.55	3.60%	\$2.07	\$59.62			\$59.62

Step Four: Recalculate cost component weightings for next rate adjustment.

Row	Adjustment Factor	K	L	M	N	O
		Cost Component (From Column D)	Percent Change in Index (From Column E)	Change in Cost Component Weightings (Column K x Column L)	Adjusted Cost Component Weightings (Column K + Column M)	Cost Components Reweighted to Equal 100% (Column N Row ÷ Column N Total)
14	Collection	85.00%	3.65%	3.11%	88.11%	85.05%
15	Disposal	15.00%	3.24%	0.49%	15.49%	14.95%
16	Total	100.00%			103.6%	100.00%

*Rate to include City Maintenance Service Costs per home per month. City to provide to Contractor on annual basis.

**Insert current residential rate including prior recycling rebate from prior year calculations Column J3. Example based on July 1, 2024 Contractor rate of \$25.84+\$0.29 = \$26.13.

(1) The increase or decrease will be for the change in the weighted average annual change per Exhibit E-3 for agreement years 2 through 5 and thereafter will be calculated using the average annual change in the GTCI. The percentage change will be based on the average annual published GTCI (CUUR0000SEHG02), between the twelve (12) months ended December prior to the rate adjustment date, and the twelve (12) months ended the prior December.

(2) Actual change based on Waste Disposal Agreement with Orange County Waste and Recycling for July 1.

(3) The first year weightings are based on percentages included in Section 9.4.2. When the first adjustment is calculated, the resulting re-weightings in column "O" will be used as the new weightings for the following year adjustments.

(4) The example rate categories shown are not all inclusive.

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Example Commercial Rate Adjustment Calculation

All percentages are rounded to four (4) decimal places and all currency is rounded to nearest \$0.01.

Step One: Calculate percentage change in indices.

Row	Adjustment Factor	Index	A	B	C
			Old Index Value	New Index Value	Percent Change In Index ((Column B ÷ Column A) - 1)
1	Collection	(1)			4.48%
2	Disposal	(2)	\$41.31	\$42.65	3.24%

Step Two: Determine weighted percentage change in rates.

Row	Adjustment Factor		D	E	F
			Cost Factor Category Weighted as a % of Component Total (3)	Percent Change in Index (From Column C)	Total Weighted Change (Column D x Column E)
3	Collection	(1)	85.00%	4.48%	3.81%
4	Disposal	(2)	15.00%	3.24%	0.49%
5	Total		100.00%		4.30%

Step Three: Apply percentage change to rates.

Row	Example Commercial/ Industrial Contractor Rate Category (4)	G	H	I	J
		Example Republic Rates based on July 1, 2024 Rates	Total Weighted Percentage Change (From Column F, Row 5)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
6	Commercial 96-gallon recycling cart 1x/wk*	\$80.00	4.30%	\$2.58	\$82.58
7	Commercial 96-gallon trash cart - per cart	\$41.28	4.30%	\$1.77	\$43.03
8	Commercial trash 3 CY bin 1x/wk	\$181.12	4.30%	\$7.79	\$188.91
9	Commercial trash 3 CY bin - additional pickup	\$121.48	4.30%	\$5.22	\$126.68
10	Commercial recycling 3 CY bin - additional frequency	\$152.81	4.30%	\$6.57	\$159.38
11	Commercial 64-gallon organic materials cart 1x/wk	\$65.19	4.30%	\$2.80	\$67.99
12	Loading latch - per tip frequency	\$2.71	4.30%	\$0.12	\$2.83
13	Industrial - permanent 30 yard roll-off (8 ton limit)	\$2,646.69	4.30%	\$113.81	\$2,760.50

Step Four: Recalculate cost component weightings for next rate adjustment.

Row	Adjustment Factor	K	L	M	N	O
		Cost Component (From Column D)	Percent Change in Index (From Column E)	Change in Cost Component Weightings (Column K x Column L)	Adjusted Cost Component Weightings (Column K + Column M)	Cost Components Reweighted to Equal 100% (Column N Row ÷ Column N Total)
14	Collection	85.00%	4.48%	3.81%	88.81%	85.15%
15	Disposal	15.00%	3.24%	0.49%	15.49%	14.85%
16	Total	100.00%			104.3%	100.00%

*New agreement service rate included for example purposes only.

(1) The increase or decrease will be for the change in the weighted average annual change per Exhibit E-3 and year 2 will be calculated using the average annual change in the GTCI. The percentage change will be based on the average annual published GTCI (CUUR0000SEHG02), between the twelve (12) months ended December prior to the rate adjustment date, and the twelve (12) months ended the prior December.

(2) Actual change based on Waste Disposal Agreement with Orange County Waste and Recycling for July 1.

(3) The first year weightings are based on percentages included in Section 9.4.2. When the first adjustment is calculated, the resulting re-weightings in column "O" will be used as the new weightings for the following year adjustments.

(4) The rate categories shown are not all inclusive.

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Collection Component Stair Step

Provided for Example Purposes Only. Calculations will need to be performed annually.

 :Included for Example Calculations Only

Residential Collection Component Stair Step					
Year	CPI Weights	GTCI Weight	CPI Change (From E-4)	GTCI Change (From E-4)	Weighted Change* (1)
2	70%	30%	3.30%	4.48%	3.65%
3	50%	50%	3.30%	4.48%	3.89%
4	30%	70%	3.30%	4.48%	4.13%
5, Through Term	0%	100%	3.30%	4.48%	4.48%

Commercial/Industrial Collection Component Stair Step					
Year	CPI Weights	GTCI Weight	CPI Change (From E-4)	GTCI Change (From E-4)	Weighted Change** (1)
2, Through Term	0%	100%	3.30%	4.48%	4.48%

*Residential weighted change to be utilized in Step 1 on Exhibit E-1.

**Commercial/Industrial weighted change to be utilized in Step 1 on Exhibit E-2.

(1) Calculation: (CPI Weight X CPI Change) + (GTCI Weight X GTCI Change)

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Collection Indices

CPI for All Urban Consumers

Original Data Value

Pulled from BLS website.

Series Id: CUURS49ASA0

Not Seasonally Adjusted

Series Title: All items in Los Angeles-Long Beach-Anaheim, CA,
all urban consumers, not seasonally adjusted

Area: Los Angeles-Long Beach-Anaheim, CA

Item: All items

Base Period: 1982-

Years: 2007 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014	239.857	241.059	242.491	242.437	243.362	243.528	243.727	243.556	243.623	243.341	241.753	240.475	242.434	242.122	242.746
2015	239.724	241.297	243.738	243.569	246.093	245.459	247.066	246.328	245.431	245.812	245.711	245.357	244.632	243.313	245.951
2016	247.155	247.113	247.873	248.368	249.554	249.789	249.784	249.700	250.145	251.098	250.185	250.189	249.246	248.309	250.184
2017	252.373	253.815	254.525	254.971	255.674	255.275	256.023	256.739	257.890	258.883	259.135	259.220	256.210	254.439	257.982
2018	261.235	263.012	264.158	265.095	266.148	265.522	266.007	266.665	268.032	269.482	268.560	267.631	265.962	264.195	267.730
2019	269.468	269.608	271.311	273.945	274.479	274.380	274.682	274.579	276.054	278.075	277.239	275.553	274.114	272.199	276.030
2020	277.755	278.657	276.589	275.853	276.842	278.121	279.899	280.116	279.366	279.947	280.102	279.580	278.567	277.303	279.832
2021	280.178	281.347	282.648	285.808	287.620	289.218	290.890	291.333	292.209	294.961	296.790	297.925	289.244	284.470	294.018
2022	301.209	302.164	306.679	308.302	310.649	314.072	313.415	313.606	315.033	317.014	314.633	312.601	310.782	307.179	314.384
2023	318.591	317.571	317.873	320.089	320.514	322.055	321.931	324.050	324.984	324.545	323.341	323.456	321.583	319.449	323.718
2024	326.640	328.232	330.671	332.572	332.956	332.357	332.928	333.359	334.123	334.242	333.718	334.531	332.194	330.571	333.817

Year 1 Annual Average 321.583

Year 2 Annual Average 332.194

Percent Change Calculation 3.30%

GTCI - Consumer Price Index for Garbage and Trash Collection

Original Data Value

Pulled from BLS website.

Series Id: CUUR0000SEHG02, CUUS0000SEHG02

Not Seasonally Adjusted

Series Title: Garbage and trash collection in U.S. city average, all
urban consumers, not seasonally adjusted

Area: U.S. city average

Item: Garbage and trash collection

Base Period: DECEMBER 1983=100

Years: 2010 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2010	380.036	382.490	383.362	383.615	383.405	383.749	383.832	385.010	385.920	385.909	387.216	387.884	384.369		
2011	389.727	391.854	391.855	392.754	395.477	395.329	395.723	396.605	397.028	397.106	398.910	398.720	395.091		
2012	398.880	400.381	401.692	400.913	401.067	402.793	406.243	406.823	407.594	409.495	410.155	410.416	404.704		
2013	411.126	411.805	412.305	413.675	414.511	414.802	416.505	417.760	418.357	419.687	421.427	422.237	416.183		
2014	422.440	422.483	423.413	425.393	425.242	425.930	426.562	426.771	427.327	427.995	427.808	428.187	425.796		
2015	427.734	429.248	429.235	429.807	431.234	430.813	431.229	432.967	433.843	434.829	436.428	436.996	432.030		
2016	437.205	438.296	437.699	437.676	438.317	437.858	438.607	439.358	439.707	440.311	443.343	444.745	439.427		
2017	446.266	447.699	446.987	447.129	447.272	448.046	448.328	448.717	449.008	452.196	453.820	453.596	449.089		
2018	453.354	454.915	455.230	458.722	462.887	465.041	465.579	470.457	471.026	472.535	486.650	485.935	466.861	458.358	475.364
2019	475.687	477.474	478.569	479.448	480.865	480.984	482.138	483.987	484.346	486.133	488.485	486.708	481.902	478.838	484.966
2020	491.003	494.429	495.268	494.432	494.946	496.679	498.564	500.882	501.756	503.315	504.970	508.190	498.705	494.463	502.946
2021	512.722	517.270	518.505	518.579	516.440	517.202	521.185	524.408	529.934	530.114	529.053	532.538	522.329	516.786	527.872
2022	533.078	536.313	540.719	542.564	544.546	547.554	548.187	548.706	558.254	561.090	563.816	565.185	549.334	541.129	557.540
2023	570.412	575.697	576.773	580.124	587.431	589.812	596.167	597.347	596.997	597.569	601.631	602.164	589.344	580.042	598.646
2024	606.773	610.551	610.015	611.073	609.538	611.946	614.089	615.88	619.64	621.632	627.807	629.803	615.729	609.983	621.029

Year 1 Annual Average 589.344

Year 2 Annual Average 615.729

Percent Change Calculation 4.48%

Disposal Index

Gate rate for Orange County Waste and Recycling WDA as of July 1st.

Year 1 \$ 41.31 Effective 7/1/2023

Year 2 \$ 42.65 Effective 7/1/2024

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Example based on July 1, 2024 Residential Recycling Revenue Sharing Calculation submitted by Contractor.

Guidance Note: Each year a new 5-year average will need to be calculated to determine the residential recycling revenue credit based on the average of the most recent 5 years.

Insert Calendar Year for
Calculations: 2023

Table 1: Historical Data for Residential Recycling Credit			
Row	Year	Historical Recycling Credit Annual Calculation	Note
1	2000	\$0.919	Historical data from 7/1/2024 rate adjustment.
2	2001	\$1.054	Historical data from 7/1/2024 rate adjustment.
3	2002	\$0.766	Historical data from 7/1/2024 rate adjustment.
4	2003	\$0.982	Historical data from 7/1/2024 rate adjustment.
5	2004	\$1.114	Historical data from 7/1/2024 rate adjustment.
6	2005	\$1.142	Historical data from 7/1/2024 rate adjustment.
7	2006	\$1.097	Historical data from 7/1/2024 rate adjustment.
8	2007	\$1.054	Historical data from 7/1/2024 rate adjustment.
9	2008	\$1.643	Historical data from 7/1/2024 rate adjustment.
10	2009	\$1.343	Historical data from 7/1/2024 rate adjustment.
11	2010	\$0.681	Historical data from 7/1/2024 rate adjustment.
12	2011	\$1.132	Historical data from 7/1/2024 rate adjustment.
13	2012	\$1.406	Historical data from 7/1/2024 rate adjustment.
14	2013	\$0.966	Historical data from 7/1/2024 rate adjustment.
15	2014	\$0.877	Historical data from 7/1/2024 rate adjustment.
16	2015	\$0.708	Historical data from 7/1/2024 rate adjustment.
17	2016	\$0.217	Historical data from 7/1/2024 rate adjustment.
18	2017	\$0.249	Historical data from 7/1/2024 rate adjustment.
19	2018	-\$0.009	Historical data from 7/1/2024 rate adjustment.
20	2019	\$0.171	Historical data from 7/1/2024 rate adjustment.
21	2020	\$0.642	Historical data from 7/1/2024 rate adjustment.
22	2021	\$0.613	Historical data from 7/1/2024 rate adjustment.
23	2022	\$0.026	Historical data from 7/1/2024 rate adjustment.
24	2023	\$0.000	Historical data from 7/1/2024 rate adjustment.
25	5 Year Average for Calendar Years 2019 through 2023	\$0.29	Calculation: Sum most recent 5 years divided by 5. Amount carries forward as credit to Exhibit E-1.

Table 2: Recycling Income for Residential Recycling Rebate Calculation				
Month	50% of Republic Recycling Income for the Month	Number of Residential Units	Recycling Income/Unit	Notes
January	\$0.00	11,246	\$0.000	
February	\$0.00	11,244	\$0.000	
March	\$0.00	11,217	\$0.000	
April	\$0.00	11,231	\$0.000	
May	\$0.00	11,270	\$0.000	
June	\$0.00	11,256	\$0.000	
July	\$0.00	11,340	\$0.000	
August	\$0.00	11,270	\$0.000	
September	\$0.00	11,234	\$0.000	
October	\$0.00	11,272	\$0.000	
November	\$0.00	11,231	\$0.000	
December	\$0.00	11,257	\$0.000	
Annual Average	\$0.00	11,256	\$0.000	Amount to be added annually by inserting row to Table 1.

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EXHIBIT F:
REPORTING REQUIREMENTS

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EXHIBIT F

REPORTING REQUIREMENTS

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~~ are agreed to by both the Contractor and the City. The objectives of reports should be to :

1. Determine and set rates and evaluate the financial efficacy of operations.
2. Evaluate past and expected progress towards achieving Contractor's diversion goals and objectives.
3. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under applicable law.
4. Determine needs for adjustment to programs.
5. Evaluate customer service and complaints.
6. Determine customer compliance with AB 341, SB 1383, and any subsequent state-mandated recycling requirements.

1. Monthly Report Content

Monthly reports ~~shall to~~ be submitted by Contractor to City and ~~shall~~ include the following information pertaining to the most recently completed calendar month. ~~In addition, each monthly report shall include a year-to-date summary page that includes the data submitted from the monthly report(s) submitted in the calendar year prior to the submittal of the current monthly report.~~ Contractor shall report the information included in the following subsections.

A. Tonnage Report.

1. Tonnage delivered to each approved facility by customer type, subtotalling and clearly identifying those tons that are diverted and those that are disposed.
2. Bulky goods collected by customer type.
3. Solid waste tonnage disposed.
- ~~4. Recyclable materials tonnage marketed.~~
5. Bulky goods marketed and tonnage disposed from non-divertible materials and processing residue.
6. Monthly diversion rate by customer type and in aggregate for all customer types.

B. **Diversion Report.** Contractor ~~shall to~~ report the diversion level for each month and the cumulative year-to-date diversion level, where diversion level shall be calculated as: (Discarded Materials Collected – Solid Waste Collected – Processing Residue Disposed) / Discarded Materials Collected.

C. **Revenue Report.** Provide a statement detailing gross receipts from all operations conducted or permitted pursuant to this Agreement.

D. Customer Subscription and Collection Report.

1. ~~Summary of customer subscription data, including the number of accounts; the number of customers subscribing to each service level listed separately by customer type and discarded material~~

EXHIBIT F

REPORTING REQUIREMENTS

~~type.~~ Summary of customer subscription data for Residential, Commercial, and Multi-Family customer types , shall include the following:

- a. Customer number
- b. Customer name
- c. Street address
- d. Billing address
- e. All service information, including
 - i. Line of service (i. e. MSW, Organics, Recyclable Materials)
 - ii. quantity of Containers on site, with
 - iii. Day(s) of service by line of service
 - iv. Container size
- f. Service Contact Address, if available
- g. Service Contact Number if available
- h. Billing Contact Information if available
 - i. Name
 - ii. Address
 - iii. Phone Number

- ~~2. Number of containers at each service level by customer type and program. Summarizing the total gallons of cart service, cubic yards of bin service, and pulls and cubic yards or tons of roll-off box and compactor service by customer type. Report shall calculate the average volume of service received per: single-family dwelling unit (separately identifying dwelling units in a duplex, triplex, or fourplex); multi family dwelling unit; and, commercial customer.~~
- ~~3. List of all commercial and multi-family customers with solid waste service. Such list shall include each such customer's service address and subscribed solid waste, recyclable materials, and organic materials service levels and other information as required by the Agreement. The list shall include all information in one line for each customer illustrating the service level for each material type and the total service level for all material types the customer has subscribed to.~~
- 4.2. Number of bulky good/reusable materials collection events by customer type.
- 5.3. —Number of customers subscribing to each City approved service exemption by customer type, including the total number of de minimis waivers and physical space constraint waivers

EXHIBIT F

REPORTING REQUIREMENTS

granted in the month in accordance with Section 5.10 including the customer name and address for each waiver.

~~6. Number of waivers reviewed, and number of reverification inspections performed, by Contractor pursuant to Section 5.10.B in the month, if any, including a copy of documentation for each waiver review and reverification inspection.~~

~~E. City Services Report.~~

- ~~1. City facility diversion rate report (i.e., volume of service by service type received by each City facility).~~
- ~~2. Summary report on the programs offered to City as described in Exhibit B4 focused on when each service was provided and any issues/concerns identified.~~

F. Customer Service Report.

- ~~1. Number of events of discarded materials being tagged for non-collection summarized by the reason for tagging (e.g., inclusion of non-recyclable or non-compostable materials, improper set-out, hazardous waste).~~
- ~~2. Number of courtesy pick-up collections summarized by the reason for leaving a courtesy pick-up notice (e.g., inclusion of non-recyclable or non-compostable materials, improper set-out, hazardous waste).~~
13. List of customers for which Contractor has performed a courtesy pick-up collection, including the customer address and material type for which the courtesy pick-up collection was performed.
42. Record of general customer service complaints ~~and SB 1383 non-compliance complaints~~ received, including the following information:
 - a. Total number of complaints received ~~and total number of complaints investigated.~~
 - b. ~~Copies of documentation recorded for each complaint received, which shall include the following information: (i) the complaint as received; (ii) the name and contact information of the complainant, if the complaint is not submitted anonymously; (iii) the identity of the alleged violator, if known; (iv) a description of the alleged violation, including location(s) and all other relevant facts known to the complainant; (v) any relevant photographic or documentary evidence submitted to support the allegations in the complaint; and, (vi) the identity of any witnesses, if known. When available, the information in the report should include: (i) a brief description of the complaint as received; (ii) the name and contact information of the complainant, if the complaint is not submitted anonymously; (iii) if complaint is regarding an SB 1383 violation and if the information is provided, the address of the alleged violator~~
 - c. Copies of all complaint reports submitted to City, pursuant to Article 7.
 - d. Documentation of any follow-up inspections and/or outreach, if any, conducted upon City request pursuant to Section 5.8.C, which shall include: (i) the date Contractor investigated the complaint; (ii) documentation of the findings of the investigation; and, (iii) any photographic or other evidence collected during the investigation.

EXHIBIT F

REPORTING REQUIREMENTS

G. Contamination Monitoring Report.

1. The number of route reviews conducted pursuant to Section 5.11.
2. Description of Contractor's process for determining the level of contamination or bin overfilling during route reviews. Contractor shall document the contamination and/or overfilling through use of film or digital photography.
3. A record of each inspection and contamination fee assessed, which shall include:
 - a. Name and address of the customer.
 - b. The date the contaminated container was observed.
 - c. The staff who conducted the inspection.
 - d. The total number of violations found and a description of what action was taken for each.
 - e. Copies of all notices to customers with prohibited container contaminants.
 - f. Photographic documentation.
4. Documentation of the total number of containers disposed of due to observation of prohibited container contaminants.
- ~~5. Summary report of courtesy pick-up notices, non-collection notices, and/or contamination processing fee notices issued, which for each notice shall include the date of issuance, customer name, and service address.~~
65. A list of all customers assessed contamination processing fees, reported separately by customer type, and including: the customer name, customer address, and reason for the assessment; the total number of instances contamination processing fees were assessed in the month; and, the total amount of fees collected in the month.
76. If performed, results of any waste characterization studies conducted pursuant to Exhibit B4, Section 6.
- ~~8. Any other information reasonably requested by City or specified in contamination monitoring provisions of this Agreement.~~

2. Quarterly Report Content

A. Education and Outreach.

1. A copy of all education and outreach materials provided to generators, or otherwise used for education and outreach efforts in accordance with Section 5.6 and Exhibit C, including flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
2. A record of the date and to whom the information was disseminated, or direct contact made, in the form of a list that includes the generator's name or account name, the type of education or outreach received; the distribution date, and the method of distribution.
3. For any mass distribution through mailings or bill inserts, provide a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.

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REPORTING REQUIREMENTS

4. A copy of all electronic media, including the dates posted or sent of social media posts, e-mail communications, or other electronic messages. A summary report shall be provided for electronic marketing that itemizes each communication and reports performance metrics for each that are relevant to that type of communication (e.g., open and click-through rates for email marketing, engagement numbers for social media).
5. Summary of the results of the diversion opportunity assessments—, such as site visits and waste audits, provided to customers (reporting multi-family separate from commercial) by identifying the number of diversion opportunity assessments conducted each month in the most recently completed quarter and contact information including address, contact names, telephone number of persons contacted, number of dwelling units (for multi-family), and the recyclable materials, organic materials, and solid waste service level for each complex. Include any service level changes resulting from such visits.
6. Summary of the public education materials and activities provided to schools in the month, if any, including results from diversion opportunity assessments, as described in Exhibit C.
7. Dates, times, and group or event names of any site visits, meetings, and events attended in the month.

3. Annual Report Content

The annual report shall be the final monthly report, including annual totals, summary pages, and a compilation of any materials required by the monthly reports, plus the following additional information.

~~A. **Summary Assessment.** Provide a summary assessment of the programs performed under this Agreement from Contractor's perspective relative to the financial and physical status of the program. The physical status assessment shall reflect how well the program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and objectives of this Agreement, particularly Contractor's diversion goals. Provide recommendations and plans to improve and highlight significant accomplishments and problems. Results shall be compared to other similar size communities served by Contactor in California.~~ Provide a brief summary assessment of the programs performed under this Agreement from the Contractor's perspective. The assessment should include how well the program is operating in terms of efficiency and effectiveness in meeting the goals and objectives of this Agreement as they relate to SB 1383 compliance, particularly Contractor's diversion goals. Provide recommendations and plans to improve and highlight significant accomplishments and problems as they relate to this assessment.

B. Collection and Processing Report.

- ~~1. The total tonnage of discarded materials removed from homeless encampments and illegal disposal sites as part of an abatement activity, listing each collection event separately by date, location, and tonnage collected, pursuant to Exhibit B4.~~
- ~~2. A record of all compliance agreements for quarantined organic waste that are disposed of, including the name of generator, date issued, location of final disposition, and the amount of quarantined organic waste that was required to be disposed at a landfill, pursuant to Section 5.10.C.2.~~

EXHIBIT F

REPORTING REQUIREMENTS

3. Written notification that the approved organic materials processing facility has and will continue to have the capabilities to process and recover the compostable plastics, in accordance with Section 5.1.I.

C. Education and Outreach Report.

1. A summary of the status of the annual education plan of the reporting year, including activities conducted and the quantitative and/or qualitative results of those activities.
2. The annual public education plan required by Section 5.6 and Exhibit C for the upcoming then-current calendar year. For example, Contractor submittal of a 2023 annual report in February 2024 shall include Contractor submittal of the annual public education plan for calendar year 2024.

D. Commercial Edible Food Generator Report. Commercial customer list including contact information requested by the City Manager and designation of each commercial customer as either “tier 1,” “tier 2,” or “non-covered” edible food generator.

E. City Services Report.

1. City facility volume report which reports on the cumulative volume by cubic yards for each service received at each City facility.

EE. Vehicle Inventory.

1. A list of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage as of December 31.
2. The total amount of RNG procured by Contractor for use in Contractor vehicles, in diesel gallon equivalents, including copies of any receipts, invoices, or other similar documentation evidencing procurement. In addition to the amount procured, Contractor shall include the total amount actually used in Contractor vehicles in the calendar year, if these values are different.
3. The name, physical location, and contact information of each entity, operation, or facility from whom Contractor procured RNG for collection vehicles.

FG. AB 341/AB 1826 Compliance. Provide a listing of commercial customers subscribing to four or more cubic yards of solid waste service per week who do not currently subscribe to recyclable materials collection service from Contractor.

Provide a listing of commercial customers subscribing to two or more cubic yards of solid waste service per week who do not currently subscribe to organic materials collection service from Contractor.

GH. Other Reports.

1. A revenue statement, setting forth quarterly AB 939 administrative fees, if any, and the basis for the calculation thereof, certified for accuracy by an officer of Contractor.
2. A list of Contractor’s officers and members of its board of directors.

EXHIBIT F

REPORTING REQUIREMENTS

3. A list of stockholders or other equity investors holding 5% or more of the voting interest in Contractor and any subsidiaries.

4. Additional Reports

- A. ~~Ad Hoc Reports.~~ Contractor shall provide up to six reports of varying detail and format, as specifically requested by City, to meet unforeseeable information queries of the CalRecycle, or other public agencies, including City. **Ad Hoc Reports.** Contractor shall provide up to six reports, in which each report shall be provided in a single format, of which the format type maybe either PDF a word processing format such as Microsoft Word; or a spreadsheet format such as Microsoft Excel.
- B. **Upon Incident Reporting.** ~~City reserves may the right to request additional reports or documents in the case of unforeseen events or additional requirements imposed upon City. Contractor shall should provide the requested reports, documents, or information within 10 business days upon receipt of the request or within a timeframe determined agreed to by the City Manager and the Contractor, which shall not to exceed 10 days.~~ City may request additional reports or documents in the case of unforeseen events or additional requirements imposed upon City. Contractor should provide the requested reports, documents, or information within a timeframe agreed to between the City Manager and the Contractor.
- C. **AB 901 Reporting.** City may require that Contractor provide City copies of Contractor's AB 901 reports on a regular basis (such as monthly, quarterly, or annually) or within 10 business days of the request.
- D. ~~**Customized Reports.** City may request Contractor to prepare and provide customized reports from records Contractor is required to maintain.~~

EXHIBIT G:
CORPORATE GUARANTY

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EXHIBIT G

CORPORATE GUARANTY

THIS GUARANTY ("Guaranty") is made as of _____, 2025, by **Republic Services, Inc.**, a Delaware corporation ("Guarantor"), located at 18500 N. Allied Way Phoenix, AZ 85054, for the benefit of the **CITY OF BREA**, a California municipal corporation ("City"), located at 1 Civic Center Circle, Brea, California, 92821. The purpose of this Guaranty is to assure performance of the obligations of Guarantor's wholly-owned subsidiary, Republic Waste Services of Southern California, LLC, a Delaware limited liability company ("Subsidiary"), under that certain Second Amended and Restated Franchise Agreement dated _____, 2025 ("Agreement"), by and between City and Subsidiary. Capitalized terms used herein without definition shall have the meanings given such terms in the Agreement.

1. **Guaranty.** Guarantor hereby unconditionally and irrevocably guarantees to City the full, prompt and faithful performance of the covenants and indemnities of Subsidiary under the Agreement and the full and timely payment of all amounts due or owing, now or in the future, by Subsidiary under the Agreement.

2. **Term.** This Guaranty shall continue in full force and effect throughout the term of the Agreement and until all covenants and indemnities of Subsidiary under the Agreement are fully performed, including any that survive termination or expiration of the term of the Agreement, and all amounts due or owing by Subsidiary under the Agreement are paid in full. Any termination of this Guaranty shall not affect nor apply to performance of any covenant or indemnity of Subsidiary performance of which is due prior to the effective date of such termination or which becomes due after the effective date of such termination based upon an act, omission, event or occurrence prior to the effective date of such termination.

3. **Rights Independent.** Guarantor agrees that the obligations under this Guaranty are independent of the obligations of Subsidiary under the Agreement and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought and prosecuted against Subsidiary or any other person, or any other guarantor, or whether any other person is joined in any such action or actions.

4. **Modification of Obligations.** Guarantor authorizes City without notice or demand to Guarantor and without affecting Guarantor's liability hereunder, from time to time to: (a) enter into with Subsidiary or, with the joinder or prior written approval of Subsidiary, to, amend, alter, modify, renew, extend, accelerate or otherwise change the Agreement or any provision thereof or otherwise change the terms of any documents, instruments or agreements to which Subsidiary is a party; (b) take and hold security or additional guaranties for the performance of this Guaranty or the obligations guaranteed hereunder, and amend, alter, exchange, substitute, transfer, enforce, waive, subordinate, terminate, modify and release in any manner any such security or guaranties; (c) apply such security and direct the order or manner of sale thereof as City in its discretion may determine; (d) release or substitute any other guarantor; and (e) settle, release on terms satisfactory to Subsidiary by operation of law or otherwise, compound, compromise, collect or otherwise liquidate any indebtedness or security in any manner, consent to the transfer of security and bid and purchase at any sale, without affecting or impairing the obligations of Guarantor hereunder.

5. **Waiver of Defenses.** Guarantor waives any right to require City to proceed against Subsidiary or any person other than Guarantor or to pursue any other remedy in City's powers whatsoever, except that, prior to proceeding against Guarantor under this Guaranty, (i) City shall first demand in writing performance or payment by Subsidiary and any cure period applicable to such performance or payment as set forth in the Agreement shall have expired without cure by Subsidiary, except that if Subsidiary shall decline or refuse such demand or shall be prevented by bankruptcy, insolvency, operation of law, legal

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CORPORATE GUARANTY

process or legal incapacity from performing or paying, no such demand for performance or payment or expiration of such cure period shall be necessary prior to City proceeding against Guarantor under this Guaranty, and (ii) City shall give written notice, in the manner provided in the Agreement, to Guarantor of the non-performance or non-payment by Subsidiary, which notice requirement may be satisfied by City transmitting to Guarantor a copy of any written notice or demand given to Subsidiary in the manner provided in the Agreement. Guarantor waives any defense arising by reason of (a) any disability or other defense of Subsidiary or any other person; (b) the cessation from any cause whatsoever of the liability of Subsidiary; (c) any act or omission of Subsidiary or others that directly or indirectly results in or aids the discharge of any of the obligations guaranteed hereunder by operation of law or otherwise; (d) the amendment, modification, renewal, extension or other change in any of the obligations guaranteed hereunder; (e) the forbearance by the City from the strict and timely enforcement of any of City's rights under this Agreement; or (f) any defense to liability under this Guaranty based upon Guarantor's inability to exercise any right of subrogation to the rights of City against Subsidiary. Guarantor waives any right to enforce any remedy that Subsidiary now has or may hereafter have against any person, and waives any benefit of, and any right to participate in, any security, now or hereafter held by Subsidiary or City. Guarantor's obligations hereunder shall not be affected by any right or setoff or any counterclaim, and, except as provided in the first sentence of this Section 5, Guarantor waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty and of the existence, creation, or incurring of new or additional obligations, and all other notices and demands of any kind and description now or hereafter provided for by any statute or rule of law. Guarantor specifically agrees that Guarantor shall not be released from liability hereunder by any action taken by Subsidiary or City. Guarantor further expressly waives all rights and benefits which might otherwise be available to Guarantor under California Civil Code Sections 2810, 2819, 2839, 2845, 2846, 2849, 2850, 2899 and 3433.

6. **Attorneys' Fees.** Guarantor shall pay to City, without demand, any and all costs and/or expenses, including, without limitation, reasonable attorneys' fees and costs and court costs that City expends or incurs in collecting or compromising the obligations guaranteed hereunder or in enforcing this Guaranty against Guarantor, whether or not suit is filed, expressly including all court costs and attorneys' fees incurred by City in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceedings involving Guarantor as the insolvent or bankrupt party that in any way affects the exercise by City of any of its rights or remedies hereunder.

7. **Guarantor's Representations and Warranties.** Guarantor represents and warrants to City that (a) the Agreement confers substantial and material benefits to Guarantor; (b) there are no actions, suits or proceedings pending, or to the knowledge of Guarantor threatened, against or affecting Guarantor which could have a material adverse effect on the ability of Guarantor to honor the obligations guaranteed hereunder, or involving the validity or enforceability of this Guaranty, at law or in equity, and Guarantor, to the best of its knowledge after due investigation, is not in default or in violation with respect to, or operating under or subject to, any order, writ, injunction, decree or demand of any court or any governmental authority; (c) the consummation of the transactions hereby contemplated and performance of this Guaranty will not result in any breach of, or constitute a default under, any mortgage, deed of trust, lease, bank loan or credit agreement, partnership agreement, corporate charter, bylaws or other agreement or instrument to which Guarantor is a party or by which Guarantor or any of its assets may be bound or affected; (d) Guarantor is not insolvent (as such term is defined in the Bankruptcy Code of 1978, 11 U.S.C. Section 101, et seq., as amended) and will not be rendered insolvent by execution of this

EXHIBIT G

CORPORATE GUARANTY

Guaranty or the consummation of the transactions contemplated hereby; and (d) Guarantor has no counterclaims, offsets or defenses with respect to the Guaranty.

8. **Subordination of Rights.** Guarantor hereby agrees that any claim it may have or may hereafter acquire against Subsidiary shall be subordinate to any claims that City may have against Guarantor and/or Subsidiary.

9. **Effect of Waivers.** Guarantor warrants and agrees that each of the waivers set forth in this Guaranty is made with Guarantor's full knowledge of its significance and consequences, and that under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any of such waivers are determined to be contrary to any applicable law or public policy, such waivers shall be effective only to the maximum extent permitted by law.

10. **Successors and Assigns.** This Guaranty shall bind the heirs, executors, legal representatives, successors and assigns of Guarantor, and shall inure to the benefit of City and its successors and assigns.

11. **Governing Law.** Guarantor acknowledges and agrees that the parties and transactions referred to herein have significant contacts with the State of California, and that therefore this Guaranty shall be governed by, and construed in accordance with, the laws of the State of California.

12. **Amendments.** Neither this Guaranty nor any provision hereof may be amended, modified, waived, discharged or terminated except by an instrument in writing duly signed by or on behalf of City and Guarantor.

13. **Delay Not a Defense; Rights Cumulative.** No delay or failure by City to exercise any right or remedy against Guarantor or any other person shall be construed as a waiver thereof. All of the City's respective rights under this Guaranty are cumulative and not exclusive.

14. **Severability.** In case any right of City under this Guaranty shall be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other right granted hereby.

15. **Miscellaneous.** All words used in this Guaranty in the singular shall be deemed to have been used in the plural and all words used in this Guaranty in the plural shall be deemed to have been used in the singular where the context and construction so require. The word "person" as used herein shall include any individual, company, firm, association, partnership, corporation, trust or other legal entity of any kind whatsoever. The term "or" is not exclusive. The section headings in this Guaranty are for convenience of reference only and shall not limit or otherwise affect the provisions of this Guaranty.

16. **Assignment of Guaranty.** This Guaranty is assignable without notice by City, in whole or in part, to an affiliate of City or to any reorganized entity as to which an affiliate of City was changed into whether by merger, sale or other method of reorganization, where such affiliate or reorganized entity assumes the obligations that this Guaranty guarantees, and when so assigned, Guarantor shall be bound as above to such affiliate of City or to such reorganized entity as to which City or an affiliate of City was changed into whether by merger, sale or other method of reorganization. Guarantor agrees that nothing herein shall be deemed to in any manner negate or limit City's right to enforce this Guaranty in the absence of any such assignment.

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CORPORATE GUARANTY

17. **Further Assurances.** Guarantor agrees, at its expense and without expense to City, to do such further acts, to execute and deliver such additional documents as City from time to time reasonably requires to assure and confirm all the rights of City created hereby or intended now or hereafter, or to carry out the intention of or facilitate the performance of the terms of this Guaranty.

18. **Complete Agreement.** Except as provided in any other written agreement now or at any time hereafter in force between City and Guarantor, this Guaranty shall constitute the entire agreement of Guarantor with City with respect to the subject matter hereof, and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon City unless expressed in this Guaranty.

19. **Notices.** All notices that may be required or otherwise contemplated under the terms of this Guaranty shall be in writing and shall be addressed to Guarantor and to City as set forth above. Such addresses may be changed from time to time by written notice to the other party at such address.

IN WITNESS WHEREOF, Guarantor has duly executed and delivered this Guaranty as of the date and year stated above.

GUARANTOR:

Republic Services, Inc.

☐ Chairman ☐ President ☐ Vice President

☐ Secretary ☐ Asst. Secretary
☐ Chief Finance Officer ☐ Asst. Treasurer

[Pursuant to Corporations Code Section 313, both signature lines must be executed unless the signatory holds at least one of the offices designated on each line.]

EXHIBIT H:
CONTRACTOR'S FAITHFUL PERFORMANCE BOND

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EXHIBIT H

CONTRACTOR'S FAITHFUL PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Brea ("Brea"), has awarded to Republic Waste Services of Southern California, LLC, a Delaware limited liability company doing business as Brea Disposal and located at 2242 N. Blue Gum Street, Anaheim, California 92806 ("Principal"), a Second Amended and Restated Franchise Agreement ("Agreement") for the collection, transportation, processing, recycling, composting, and disposal of solid waste, organic material, and recyclable material ("Franchise").

WHEREAS, Principal is required under the terms of the Agreement to furnish a bond for the faithful performance of the Agreement.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City in the penal sum of Eight Hundred and Twenty-Two Thousand dollars (\$822,000), in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors executors and administrators, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Franchise and any alteration thereof made as therein provided, on Principal's part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by Authority in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered. Surety hereby waives any statute of limitations as it applies to an action on this bond.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or of the Franchise to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations under 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 Franchise or to the specifications. Surety hereby waives the provisions of California Civil Code Sections 2845 and 2849. City is the principal beneficiary of this bond and has all rights of a party hereto.

IN WITNESS WHEREOF, two identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth

EXHIBIT H

CONTRACTOR'S FAITHFUL PERFORMANCE BOND

below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

"Principal"

"Surety"

Republic Waste Services of Southern California,
LLC

By: _____
Its

By: _____
Its

By: _____
Its

By: _____
Its

(Seal)

(Seal)

Note: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. DATE OF BOND MUST NOT BE BEFORE DATE OF CONTRACT. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in California.

EXHIBIT I:
NOTARY CERTIFICATION

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EXHIBIT J:
CONTRACTOR'S SB 1383 IMPLEMENTATION PLAN AND SCHEDULE

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EXHIBIT J

CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE


<div style="display: flex; justify-content: space-between; align-items: center;">  <div> Exhibit J. SB 1383 / Intital Implementation Plan * City of Brea Timelines based to be determined in conjunction with the City at the start of the Implementation </div> </div>						
Task #		Owner	Target Start Date	Target End Date	Completion Status	Notes/ Results
	Residential Customers - Outreach					
1	City Letter					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Mail	RS			0%	
2	Recycling Guide (Residential)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Distribution	RS			0%	
3	Organics Cart Label					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Mail	RS			0%	
4	Quarterly Newsletter (4x per year distribution)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print once per quarter	RS			0%	
5	Container Procurement (Commercial Carts)					
	Order containers with SB 1383 requirements for customers enrolling in organics and recycling	RS			0%	
	Commercial Customers & Multi-Family Dwellings - Outreach					
6	Auto-Enrollment - Pilot					
	Identify 30 customers for auto enrollment (food generators)	RS			0%	
	Send information postcard about the program (including contamination fees reminder)	RS			0%	
	Call 30 identified customers the week of delivery	RS			0%	
	Deliver cart with tag attached	RS			0%	
	Evaluate pilot auto enrollment with city to determine/plan for city wide rollout	RS			0%	
7	Postcard (for Auto-Enrollment Pilot & Citywide Rollout)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Mail	RS			0%	

EXHIBIT J

CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE



<div style="display: flex; justify-content: space-between; align-items: center;">  <div> Exhibit J. SB 1383 / Intital Implementation Plan * City of Brea Timelines based to be determined in conjunction with the City at the start of the Implementation </div> </div>						
Task #		Owner	Target Start Date	Target End Date	Completion Status	Notes/ Results
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
9	How To Flyers - Recyclable Materials & Organic Materials (Flyers & Posters)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Additional Outreach					
10	Websites (City & RS)					
	Update and upload new SB 1383 materials & information	RS / Brea			0%	
	Include sections for Single Family, Commerical & Multi-Family Customers	RS / Brea			0%	
11	Robo Calls (Residential)					
	Develop Script	RS			0%	
	Finalize with City approval	Brea			0%	
	Aquire customer call list from City	Brea			0%	
	Deploy	RS			0%	
12	Contamination Tag, Non-Collection & Courtesy Pick Up Notices (Residential & Commercial)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
13	City Facilities					
	Conduct Site Visits of City Facilities (defined in Exhibit B4)	RS			0%	
	Make Recommendations for Compliance	RS			0%	
	Containers Delivered	RS			0%	

EXHIBIT J

CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

<div style="display: flex; justify-content: space-between; align-items: center;">  <div> Exhibit J. SB 1383 / Intital Implementation Plan * City of Brea Timelines based to be determined in conjunction with the City at the start of the Implementation </div> </div>						
Task #		Owner	Target Start Date	Target End Date	Completion Status	Notes/ Results
14	Food Recovery Assistance					
	Identify all commercial customers that meet the definition of Tier One and Tier Two	RS / Brea			0%	
	Tier 1 Inspections	RS			0%	
	Tier 2 Inspections	RS			0%	
	Provide information and assistance to all edible food generators	RS			0%	
15	City Record Keeping Software					
	Provide initial customer data	RS			0%	
	Train all Contractor staff on software use for SB 1383 data collection & compliance reporting	RS			0%	
16	Kitchen Pails Available for Purchase Only					
	Order pails to keep in inventory	RS			0%	
	Make pails available to customers at request for purchase	RS			0%	
17	Annual Route Reviews					
	Propose route review methodology and schedule for performance	RS			0%	
	Conduct route review as scoped	RS			0%	
18	Actions upon Identification of Prohibited Container Contaminants					
	Provide a Courtesy Pick-Up Notice or Non-Collection Notice at door or gate	RS		Ongoing	0%	
	Collect the contaminated Recyclable Materials and/or Organic Materials Containers <u>OR</u>	RS		Ongoing	0%	
	Inform the customer of Non-Collection	RS		Ongoing	0%	
	Corrective action taken to address contaminated materials	RS		Ongoing	0%	
	Assess contamination fee after courtesy notice (Applicable only to Commercial/MF)	RS		Ongoing	0%	
	Track occurrences of contamination for reporting purposes	RS		Ongoing	0%	
19	Records, Reports, and Information Requirements					
	Monthly Reports	RS	Monthly	Ongoing	0%	
	Quarterly Reports	RS	Quarterly	Ongoing	0%	
	Annual Report	RS	Annually	Ongoing	0%	

**This exhibit is meant to serve as a general outline and does not include all requirements noted in the Second Amended and Restated Agreement and Exhibits.*

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EXHIBIT K:
COUNTY WASTE DISPOSAL AGREEMENT

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****Current Waste Disposal Agreement to be superseded by future Orange County Waste & Recycling Agreement. ****

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WASTE DISPOSAL AGREEMENT

Between

THE COUNTY OF ORANGE, CALIFORNIA

and
the

CITY OF BREA

Dated 7/23 June 16, 2009

County Authorization Date:

March 24, 2009

County Notice Address:

Director
OC Waste & Recycling
300 N. Flower Street, Suite 400
Santa Ana, CA 92703

City Authorization Date:

June 16, 2009

City Notice Address:

Director
Maintenance Services Department
1 Civic Center Circle
Brea, CA 92821

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APPENDIX 3

CUMULATIVE CAPITAL COSTS

APPENDIX 4

FORM OF HAULER ACKNOWLEDGEMENT

WASTE DISPOSAL AGREEMENT

THIS WASTE DISPOSAL AGREEMENT is made and dated as of the date indicated on the cover page hereof between the County of Orange, a political subdivision of the State of California (the "County"), and the City designated on the cover page of this Agreement, a general law or charter city and political subdivision of the State of California (the "City").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the County (the "Disposal System"). The Disposal System includes three active landfills and four regional household hazardous waste collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act").

The City, in the exercise of its police power and its powers under the Act, has entered into a franchise or other agreement with or issued permits or licenses to one or more private haulers for the collection and disposal of municipal solid waste generated within the City.

A significant portion of municipal solid waste generated within the City historically has been and currently is delivered by such hauler or haulers to the County for disposal in the Disposal System.

In 1997, the City and the County entered in a waste disposal agreement (the "Original WDA"), pursuant to which the County agreed to provide disposal capacity for waste generated in the City, and the City agreed to deliver or cause the delivery of waste generated in the City to the Disposal System, as more specifically set forth in, and subject to the terms and conditions of, the Original WDA.

The Original WDA, as amended, will expire by its terms on June 30, 2010, unless the City and the County agree to renew the Original WDA.

The City and the County desire to enter into this agreement to extend, amend and restate the Original WDA, on the terms and conditions set forth herein. The County and City acknowledge that the Original WDA shall remain in full force and effect until the Commencement Date.

The City has determined that the execution of this Agreement by the City will serve the public health, safety and welfare of the City by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and the continuation of sound environmental management.

The County has determined that the execution by the County of this Agreement will serve the public health, safety and welfare by providing a more stable, predictable and reliable supply of municipal solid waste and the resulting service payment revenue to the Disposal System, thereby enabling the County to plan, manage, operate and finance improvements to the Disposal System on a more prudent and sound long term, businesslike basis consistent with its obligations to the State and the holders of obligations secured by its Disposal System.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the City on the City authorization date indicated on the cover page hereof.

It is, therefore, agreed as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

SECTION 1.1 DEFINITIONS. As used in this Agreement, the following terms shall have the meanings set forth below.

“Acceptable Waste” means all garbage, refuse, rubbish and other materials and substances discarded or rejected as being spent, useless, worthless or in excess to the owners at the time of such discard or rejection and which are normally disposed of by or collected from residential (single family and multi-family), commercial, industrial, governmental and institutional establishments and which are acceptable at Class III landfills under Applicable Law.

“Act” means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), as amended, supplemented, superseded and replaced from time to time.

“Agreement” means this Waste Disposal Agreement between the County and the City as the same may be amended or modified from time to time in accordance herewith.

“Appendix” means an appendix to this Agreement, as the same may be amended or modified from time to time in accordance with the terms hereof

“Applicable Law” means the Act, the Orange County Code, CERCLA, RCRA, CEQA, any Legal Entitlement and any federal or state rule, regulation, requirement, guideline, permit, action, determination or order of any Governmental Body having jurisdiction, applicable from time to time to the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System, the transfer, handling, transportation and disposal of Acceptable Waste, Unacceptable Waste, or any other transaction or matter contemplated hereby (including any of the foregoing which concern health, safety, fire, environmental protection, mitigation monitoring plans and building codes).

“Board” means the California Integrated Waste Management Board.

“Capital Costs” means all costs of the Disposal System that are classified as capital costs for purposes of the budget of the Department in accordance with procedures established by the County of Orange Auditor-Controller in compliance with the California State Controller’s Manual, including but not limited to all of the categories of costs of the Disposal System reported as “Buildings and Improvements, and Infrastructure” (Object Code 4200) or “Equipment” (Object Code 4000) in the County of Orange – Chart of Accounts, or any successor accounting or reporting system utilized by the County.

“CEQA” means the California Environmental Quality Act, codified at Cal. Pub. Res. Code Section 21000 *et seq.* as amended or superseded, and the regulations promulgated thereunder.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. Section 9601 *et seq.*, as amended or superseded, and the regulations promulgated thereunder.

“Change in Law” means any of the following events or conditions which has a material and adverse effect on the performance by the parties of their respective obligations under this Agreement (except for payment obligations), or on the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System or other matters to which Applicable Law applies:

(1) the enactment, adoption, promulgation, issuance, material modification or written change in administrative or judicial interpretation on or after the Commencement Date of any Applicable Law (other than Applicable Law enacted by the County);

(2) the order or judgment of any Governmental Body (other than the County), on or after the Commencement Date, to the extent such order or judgment is not the result of willful or negligent action, error or

omission or lack of reasonable diligence of the County or of the City, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence; or

(3) the denial of an application for, delay in the review, issuance or renewal of, or suspension, termination, interruption, imposition of a new or more stringent condition in connection with the issuance, renewal or failure of issuance or renewal on or after the Commencement Date of any Legal Entitlement to the extent that such denial, delay, suspension, termination, interruption, imposition or failure materially and adversely interferes with the performance of this Agreement, if and to the extent that such denial, delay, suspension, termination, interruption, imposition or failure is not the result of willful or negligent action, error or omission or a lack of reasonable diligence of the County or of the City, whichever is asserting the occurrence of a Change in Law; provided, however that the contesting in good faith or the failure in good faith to contest any such denial, delay, suspension, termination, interruption, imposition or failure shall not be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

A "Change in Law" shall include but not be limited to any new or revised requirements relating to the funding or provision of disposal services, including but not limited to any regulations for disposal operations or activities associated with the remediation, closure, funding or monitoring of closed sites with respect to facilities comprising the Disposal System, or facilities which the County previously utilized to provide waste disposal, transfer, recycling, processing or other waste related activities.

"City" means, as applicable, the city or Sanitary District designated on the cover page of this Agreement and party to this Agreement.

"City Acceptable Waste" means all Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the City, and Residue from the foregoing wherever produced, whether within or outside the City (or Tonnage equivalencies of such Residues, as and to the extent provided in subsection 3.1(C) hereof).

"Commencement Date" means the date on which the obligations of the parties hereto commence, established as provided in Section 6.2(B) hereof.

"Contract Date" means the first date on which this Agreement has been executed by both parties hereto.

"Contract Rate" has the meaning specified in Section 4.2 hereof.

"Contract Year" means the fiscal year commencing on July 1 in any year and ending on June 30 of the following year.

"Controllable Waste" means all City Acceptable Waste with respect to which the City has the legal or contractual ability to determine the disposal location therefor and which is:

- (1) Non-Recycled City Acceptable Waste;
- (2) not generated from the operations of the Governmental Bodies which, under Applicable Law, have the independent power to arrange for the disposal of the waste they generate; and
- (3) collected and hauled by Franchise Haulers.

"County" means the County of Orange, a political subdivision of the State of California and party to this Agreement.

"County Plan" means the integrated waste management plan of the County approved by the Board pursuant to the Act as in effect from time to time.

“County Acceptable Waste” means Acceptable Waste generated in the County.

“County OC Waste & Recycling Enterprise Fund” means the waste management enterprise fund established and managed by the County pursuant to Section 25261 of the Government Code separate from its other funds and accounts for receipts and disbursements in connection with the Disposal System.

“County-wide Recycling Services” has the meaning set forth in subsection 3.7(A) hereof.

“Cumulative Tonnage Target” for any given Contract Year means the amount specified in Appendix 2 hereto with respect to such Contract Year.

“Department” means OC Waste & Recycling, and any agency, department or other Governmental Body which succeeds to the duties and powers thereof.

“Disposal Agreements” means each of the waste disposal agreements entered into between the County and any city within the County, Sanitary District or operator of any Transfer Station located in the County in accordance herewith.

“Disposal Services” means the solid waste disposal services to be provided by the County pursuant to the Service Covenant and otherwise hereunder.

“Disposal System” means the Orange County Waste Disposal System which includes solid waste disposal operations at three active landfills (Olinda Alpha, Frank R. Bowerman and Prima Deshecha); four regional Household Hazardous Waste Collection Centers; as well as services, such as monitoring and other activities, at closed refuse stations formerly operated by the County, as appropriate under Applicable Law.

“Environmental Fund” means the fund or funds held by the County to pay unanticipated costs of environmental mitigation, remediation or liability.

“Franchise Hauler” means any hauler or collector who provides Acceptable Waste collection services within the City pursuant to, or under authority granted by, a permit, contract, franchise or other agreement with the City. The term Franchise Hauler includes the City itself if Acceptable Waste collection and transportation services are provided directly by City operated municipal collection service.

“Governmental Body” means any federal, State, county, city or regional legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any officer thereof acting within the scope of his or her authority.

“Hazardous Substance” has the meaning given such term in CERCLA, the Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health and Safety Code Section 25300 *et seq.*), and Titles 22 and 26 of the California Code of Regulations and other regulations promulgated thereunder.

“Hazardous Waste” means (a) any waste which by reason of its quality, concentration, composition or physical, chemical or infectious characteristics may do either of the following: cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness, or pose a substantial threat or potential hazard to human health or the environment, or any waste which is defined or regulated as a hazardous waste, toxic substance, hazardous chemical substance or mixture, or asbestos under Applicable Law, as amended from time to time including, but not limited to: (1) the Resource Conservation and Recovery Act and the regulations contained in 40 CFR Parts 260-281; (2) the Toxic Substances Control Act (15 U.S.C. Sections 2601 *et seq.*) and the regulations contained in 40 CFR Parts 761-766; (3) the California Health and Safety Code, Section 25117 (West 1992 & Supp. 1996); (4) the California Public Resources Code, Section 40141 (West 1996); and (5) future additional or substitute Applicable Law pertaining to the identification, treatment, storage or disposal of toxic substances or hazardous wastes; or (b) radioactive materials which are source, special nuclear or by-product material as defined by the Atomic Energy Act of 1954 (42 U.S.C. Section 2011 *et seq.*) and the regulations contained in 10 CFR Part 40.

"Imported Acceptable Waste" means Acceptable Waste that is generated outside of the geographical boundaries of the County and delivered to the Disposal System.

"Independent Haulers" means those waste collection/hauler companies primarily engaged as a principal business in the collection and transportation of municipal solid waste generated in the County of Orange which are not obligated to deliver County Acceptable Waste to the Disposal System pursuant to a franchise, contract, permit or other authorization with a city in the County.

"Initial Term" has the meaning specified in Section 6.1(A) hereof.

"Legal Entitlement" means all permits, licenses, approvals, authorizations, consents and entitlements of whatever kind and however described which are required under Applicable Law to be obtained or maintained by any person with respect to the Disposal System or the performance of any obligation under this Agreement or the matters covered hereby.

"Legal Proceeding" means every action, suit, litigation, arbitration, administrative proceeding, and other legal or equitable proceeding having a bearing upon this Agreement.

"Loss-and-Expense" means any and all loss, liability, obligation, damage, delay, penalty, judgment, deposit, cost, expense, claim, demand, charge, tax, or expense, including all fees and costs.

"Net Import Revenues" has the meaning ascribed thereto in Section 3.6(E).

"Non-Recycled City Acceptable Waste" means all City Acceptable Waste other than Recycled City Acceptable Waste.

"Overdue Rate" means the maximum rate of interest permitted by the laws of the State, if applicable, or the prime rate established from time to time by the Bank of America, N.A. or its successors and assigns, plus 2%, whichever is lower.

"Participating City" means any city or Sanitary District executing a Disposal Agreement in accordance with Section 3.6(A) hereof and meeting all requisite conditions to the Commencement Date thereof.

"Plan of Adjustment" means the County's Modified Second Amended Plan of Adjustment, confirmed by the United States Bankruptcy Court Central District of California in that Conformed Order Confirming Modified Second Amended Plan of Adjustment, filed May 17, 1996.

"Posted Disposal Rate" means the per ton tipping fee charged by the County for the disposal of solid waste at the Disposal System by parties which are not entitled to disposal service at the Contract Rate pursuant to this Agreement.

"Prohibited Medical Waste" means any medical or infectious waste prohibited or restricted under Applicable Law from being received by or disposed at the Disposal System.

"Qualified Household Hazardous Waste" means waste materials determined by the Board, the Department of Health Services, the State Water Resources Control Board, or the Air Resources Board to be:

- (1) Of a nature that they must be listed as hazardous in State statutes and regulations;
- (2) Toxic/ignitable/corrosive/reactive; and
- (3) Carcinogenic/mutagenic/teratogenic;

which are discarded from households as opposed to businesses. Qualified Household Hazardous Waste shall not include Unacceptable Waste.

"Recycled City Acceptable Waste" means any otherwise Controllable Waste which is separated from Acceptable Waste by the generator thereof or by processing and which is "recycled" within the meaning of Section 40180 of the Public Resources Code.

"Renewal Term" has the meaning specified in Subsection 6.1(B) hereof.

"Residue" means any material remaining from the processing, by any means and to any extent, of City Acceptable Waste or Recycled City Acceptable Waste; provided, however, that Residue shall not include minimal amounts of material remaining after such processing (which minimal amounts shall in no event exceed 10% of the amount of such City Acceptable Waste or Recycled City Acceptable Waste prior to processing).

"Resource Conservation and Recovery Act" or "RCRA" means the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901 *et seq.*, as amended and superseded.

"Restricted Reserves" has the meaning specified in Section 4.5.

"Sanitary Districts" means the sanitary districts in the County formed pursuant to the Sanitary District Act of 1923, codified at Cal. Ann. Health & Safety Code Section 6400 *et seq.*, as amended, supplemented, superseded and replaced from time to time.

"Self-Hauled Waste" means City Acceptable Waste collected and hauled by Self-Haulers.

"Self-Hauler" means any person not engaged commercially in waste haulage who collects and hauls Acceptable Waste generated from residential or business activities conducted by such person.

"Service Coordinator" means the service coordinator for either party designated pursuant to subsection 3.5(C) hereof.

"Service Covenant" means the covenants and agreements of the County set forth in Sections 3.2 and 3.3 hereof.

"Source-Separated Household Hazardous Waste" means Qualified Household Hazardous Waste which has been segregated from Acceptable Waste originating or generated within the geographical jurisdiction of the City at the source or location of generation.

"Source-Separated Household Hazardous Waste Disposal System" means the collection centers, facilities, contracts and other arrangements owned or administered by the County for the receipt, handling and disposal of Source-Separated Household Hazardous Waste.

"State" means the State of California.

"Term" shall mean the Term of this Agreement.

"Ton" means a "short ton" of 2,000 pounds.

"Transfer Station" means any materials recovery facility, composting facility, intermediate processing facility, recycling center, transfer station or other waste handling or management facility to which solid waste collected for the City is delivered for processing before disposal in the Disposal System.

"Unacceptable Waste" means Hazardous Waste; Hazardous Substances; Prohibited Medical Waste; Qualified Household Hazardous Waste separated from Acceptable Waste; explosives, ordnance, highly flammable substances, and noxious materials and lead-acid batteries (except if delivered in minimal quantities); drums and closed containers; liquid waste, oil, human wastes; machinery and equipment from commercial or industrial sources, such as hardened gears, shafts, motor vehicles or major components thereof, agricultural equipment, trailers, marine

vessels and steel cable; hot loads; and any waste which the Disposal System is prohibited from receiving under Applicable Law.

“Uncontrollable Circumstance” means any act, event or condition affecting the Disposal System, the County, the City, or any of their Franchise Haulers, contractors or suppliers to the extent that it materially and adversely affects the ability of either party to perform any obligation under the Agreement (except for payment obligations), if such act, event or condition is beyond the reasonable control of and is not also the result of the willful or negligent act, error or omission or failure to exercise reasonable diligence on the part of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under the Agreement; provided, however, that the contesting in good faith or the failure in good faith to contest such action or inaction shall not be construed as willful or negligent action or a lack of reasonable diligence of either party. Examples of Uncontrollable Circumstances are:

- (1) an act of God, landslide, lightning, earthquake, fire, explosion, flood, sabotage or similar occurrence, acts of a public enemy, extortion, war, blockade or insurrection, riot or civil disturbance; and
- (2) a Change in Law.

“Unincorporated Area” means those portions of the County which are not contained within the jurisdictional boundaries of incorporated cities.

“Unincorporated Area Acceptable Waste” means Acceptable Waste originating from or generated within the Unincorporated Area.

“Unrestricted Reserves” means cash and other reserves of the Disposal System which are not Restricted Reserves.

“Waste Disposal Covenant” means the covenants and agreements of the City set forth in Section 3.1 hereof.

SECTION 1.2 INTERPRETATION. In this Agreement, unless the context otherwise requires:

(A) References Hereto. The terms “hereby”, “hereof”, “herein”, “hereunder” and any similar terms refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the Contract Date.

(B) Gender and Plurality. Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(C) Persons. Words importing persons include firms, companies, associations, general partnerships, limited partnerships, trusts, business trusts, corporations and other legal entities, including public bodies, as well as individuals.

(D) Headings. The table of contents and any headings preceding the text of the Articles, Sections and subsections of this Agreement shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(E) No Third Party Beneficiaries. Nothing in this Agreement is intended to confer on haulers or any other person other than the parties hereto and their respective permitted successors and assigns hereunder any rights or remedies under or by reason of this Agreement.

(F) Counterparts. This Agreement may be executed in any number of original counterparts. All such counterparts shall constitute but one and the same Agreement.

(G) Applicable Law. This Agreement shall be governed by and construed in accordance with the Applicable Laws of the State of California.

(H) Severability. If any clause, provision, subsection, Section or Article of this Agreement shall be ruled invalid by any court of jurisdiction, then the parties shall: (1) promptly meet and negotiate a substitute for such clause, provision, subsection, Section or Article which shall, to the greatest extent legally permissible, effect the intent of the parties therein; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with items (1) and (2) above to effect the intent of the parties in the invalid provision. The invalidity of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist, unless such invalidity frustrates the underlying primary purpose of the Agreement.

(I) Integration; Preservation of Certain Agreements. This Agreement contains the entire agreement between the parties with respect to the transactions contemplated hereby. This Agreement shall completely and fully supersede all prior understandings and agreements between the Parties with respect to such transactions; provided, however, that this Agreement shall not supersede the following agreements:

1) MOU, dated March 10, 1992, between the City of Brea and the County of Orange regarding the Olinda Alpha Landfill as amended on April 6, 1993 and November 29, 1994;

2) MOU, dated May 11, 1995, between the City of Brea and the County of Orange regarding importation of out-of-County waste to the Olinda Alpha Landfill;

3) Settlement Agreement, dated August 1, 1984, between the City of Irvine and the County of Orange regarding the Bee Canyon Landfill (currently called Frank R. Bowerman Landfill);

4) MOU, dated May 16, 1995, between the City of Irvine and the County of Orange regarding importation of out-of-County waste to the Frank R. Bowerman Landfill;

5) MOU, dated September 12, 1995, and amended November 21, 1995, between the City of San Juan Capistrano and the County of Orange regarding importation of out-of-County waste to the Prima Deshecha Landfill;

6) MOU, dated July 1, 1997, between the City of San Clemente[, the Orange County Flood Control District] and the County of Orange regarding the Prima Deshecha Landfill; and

7) Cooperative Agreement, dated August 15, 2006, between the County and the City of Irvine.

(J) Recitals. The recitals to this Agreement are not intended to bind the parties hereto. In the event of a conflict between the recitals and the operative provisions of this Agreement, the operative provisions shall prevail. The recitals shall not be used to interpret the provisions of the Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES

SECTION 2.1 REPRESENTATIONS AND WARRANTIES OF THE CITY. The City represents and warrants that:

(A) Existence. The City is a general law or charter city validly existing under the Constitution and laws of the State.

(B) Due Authorization. The City has duly authorized the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the City.

SECTION 2.2 REPRESENTATIONS AND WARRANTIES OF THE COUNTY. The County represents and warrants that:

(A) Existence. The County is a political subdivision of the State of California validly existing under the Constitution and laws of the State.

(B) Due Authorization. The County has duly authorized the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the County.

ARTICLE III
DELIVERY AND ACCEPTANCE OF WASTE
AND PROVISION OF DISPOSAL SERVICE

SECTION 3.1 DELIVERY OF WASTE.

(A) Waste Disposal Covenant. Subject to the occurrence of the Commencement Date and throughout the Term of this Agreement, the City shall exercise all legal and contractual power and authority which it may possess from time to time to deliver or cause the delivery of all Controllable Waste to the Disposal System in accordance herewith.

(B) Recycled City Acceptable Waste. The parties hereto acknowledge the responsibility of the City to meet the recycling and landfill diversion goals contained in the Act. Nothing in this Agreement is intended or shall be interpreted to prohibit or impair the ability of the City to meet such responsibilities, or to restrict the right of the residents, businesses or organizations in the City to practice source separation, recycling, composting or other materials recovery activities, or to restrict the right of the City to conduct, sponsor, encourage or require such activities in any form. No reduction in the amount of Controllable Waste generated in the City and delivered to the Disposal System by or on behalf of the City which may result from any such source separation or recycling program shall cause the City any liability hereunder (other than potential adjustment to the Contract Rate to the extent provided in Article IV hereof) and shall not constitute a breach of this Agreement.

(C) Waste Delivered to Transfer Station. All Residue from any processing of Controllable Waste by materials recovery, composting, recycling or other means, wherever performed, shall constitute Controllable Waste and be subject to the Waste Disposal Covenant. Where City Acceptable Waste is processed at a facility which concurrently processes other Acceptable Waste in a manner which produces commingled residue which cannot be traced to a geographic source, generic residues from such facility in Tonnage equal to the residues that would have been produced had City Acceptable Waste only been processed at the facility shall constitute Controllable Waste and be subject to the Waste Disposal Covenant. Any City Acceptable Waste or material derived or segregated therefrom which is held in storage and asserted by the possessor thereof to constitute Recycled City Acceptable Waste awaiting sale or distribution to the secondary materials markets shall constitute Controllable Waste if, when and to the extent that the storage or diversion thereof can be reasonably deemed to constitute an evasion of the Waste Disposal Covenant rather than generally recognized, accepted and prevailing practice in the Southern California materials recovery and recycling industry conducted in accordance with Applicable Law. In order for the owner and/or operator of a transfer station to be entitled to deliver Acceptable Waste from a Participating City to the Disposal System for the Contract Rate as provided in Article IV, such owner and/or operator must execute a direct agreement with the County, acknowledging and agreeing to comply with the obligation of the Participating City to cause the delivery of all Controllable Waste to the Disposal System pursuant to this Agreement. In addition, the County shall be authorized to implement procedures to determine if Acceptable Waste delivered by the owners or operators of Transfer Stations is entitled to utilize the Disposal System for the Contract Rate. Such procedures may include requiring Transfer Stations to certify, under penalty of perjury, the source of any such Acceptable Waste. If necessary, the County may require that, in order to qualify for use of the Disposal System for the Contract Rate, Transfer Stations must deliver Controllable Waste in loads containing only Controllable Waste, and not commingled with Acceptable Waste from entities which are not Participating Cities or Participating Independent Haulers.

(D) Power to Obligate Waste Disposal and Comply with this Agreement. On or before the Commencement Date, (i) any City franchise, contract, lease, or other agreement which is lawfully in effect relating to or affecting Controllable Waste shall provide, or shall have been amended to provide, that the City shall have the right without material restriction on and after the Commencement Date to direct the delivery of all Controllable Waste to a disposal location selected by the City (whether or not such Controllable Waste is delivered to a transfer station as an intermediate step prior to landfill disposal) and otherwise to comply with its obligations under this Agreement with respect to Controllable Waste and Franchise Haulers, and (ii) the City shall designate the Disposal System as the disposal location pursuant to such franchise, contract, lease or other agreement. On and after the Commencement Date and throughout the Term of this Agreement the City (a) shall not enter into any franchise, contract, lease, agreement or obligation, issue any permit, license or approval, or adopt any ordinance, resolution or law which is materially inconsistent with the requirements of the Waste Disposal Covenant, and (b) shall maintain non-exclusive or exclusive franchises or other contractual arrangements over any City Acceptable Waste which, as of the Contract Date, is subject to non-exclusive or exclusive franchise or other contractual arrangements. The City agrees that the County shall be a third party beneficiary of the obligation of Franchise Haulers to deliver Controllable Waste to the Disposal System, and may directly enforce such obligation through any legal means available. The City shall notify in writing each Franchise Hauler of the County's third party beneficiary rights.

(E) Waste Flow Enforcement. (1) The City, in cooperation with the Department, shall establish, implement, carry out and enforce a waste flow enforcement program which is sufficient to assure the delivery of all Controllable Waste to the Disposal System pursuant to and in accordance with the Waste Disposal Covenant for disposal at the times and in the manner provided herein. The waste flow enforcement program shall consist of amending City franchises, permits or authorizations with all Franchise Haulers, to the extent required by this Section and to the extent allowed by law, and shall include in addition, to the extent necessary and appropriate in the circumstances to assure compliance with the Waste Disposal Covenant, but shall not be limited to: (i) licensing or permitting Franchise Haulers, upon the condition of compliance with the Waste Disposal Covenant, (ii) providing for and taking appropriate enforcement action under any such franchise, license, or permit, such as but not limited to the suspension, revocation and termination of collection rights and privileges, the imposition of fines or collection of damages, and the exercise of injunctive relief against non-complying Franchise Haulers and (iii) causing any Transfer Station to which Controllable Waste is delivered for processing to deliver certification, under the penalty of perjury, of the amounts of Controllable Waste received and Residue remaining from processing at such Transfer Station.

(2) The City acknowledges and agrees that in the event of a breach of the Waste Disposal Covenant by the City, the City shall pay the County an amount equal to the amount that the City would have been required to pay to the County had the Waste Disposal Covenant not been breached, which shall be calculated by (x) subtracting the number of tons actually delivered during the month(s) of the breach from the number of tons that were delivered during the same month(s) closest in time when there was no such breach, even if such month(s) closest in time was prior to the Term, and (y) multiplying such amount by the Contract Rate in effect at the time of such breach (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2). In the event that the County terminates the Waste Disposal Agreement as a result of such breach, the damages due as a result of such termination shall be equal to (aa) the average monthly deliveries by the City for the twelve months prior to the commencement of the breach multiplied by (bb) the Contract Rate in effect at the time of such breach (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2), multiplied by (cc) the number of months that would have remained in the Term of the Agreement had the termination not occurred. The parties recognize that if the City fails to meet its obligations hereunder, the County will suffer damages and that it is and will be impracticable and extremely difficult to ascertain and determine the exact amount of such damages. Therefore, the parties agree that the damages specified above represent a reasonable estimate of the amount of such damages, considering all of the circumstances existing on the date hereto, including the relationship of the sums to the range of harm to the County that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient. In signing this Agreement, each party specifically confirms the accuracy of the statements made above and the fact that each party had ample opportunity to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this Agreement was made.

(F) Legal Challenges to Franchise System. The City shall use its best efforts to preserve, protect and defend its right to exercise and comply with the Waste Disposal Covenant against any challenge thereto, legal or otherwise (including any lawsuits against the City or the County, whether as plaintiff or defendant), by a

Franchise Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. The City shall bear the cost and expense of any such Legal Proceeding or other challenge. In the event any such Legal Proceeding relating to the Waste Disposal Covenant or the City's exercise thereof establishes in a final determination that such covenant or exercise thereof is void, unlawful or unenforceable, or if any Franchise Hauler fails to deliver Controllable Waste to the Disposal System in breach of its franchise with the City on the grounds that a judicial determination made by any court or other Applicable Law has rendered its obligation to deliver Controllable Waste to the Disposal System void, unlawful or unenforceable on any legal grounds, with the result that actual waste deliveries to the Disposal System fall below the Cumulative Tonnage Targets, the County shall be entitled to avail itself of the remedies described in Section 4.2(B) hereof.

(G) Franchise Haulers. The City shall compile and provide the Department with the following information concerning all Franchise Haulers: name, address and phone number; identification number; area of collection and transportation; and franchise and permit terms.

(H) Waste Information System. The City shall cooperate with the Department in collecting information and otherwise monitoring Franchise Haulers in order to assure compliance with this Agreement. Such information may include, to the extent practicable, data pertaining to Controllable Waste collected, transported, stored, processed and disposed of, Recycled City Acceptable Waste collected, transported, stored, processed and marketed or disposed of, Franchise Haulers' franchise, permit or license terms, collection areas, transportation routes and compliance with Applicable Law; and all other information which may reasonably be required by the Department in connection with this Agreement. The City agrees to include in any revised franchise, contract, license or permit or other authorization granted to Franchise Haulers an obligation of the Franchise Hauler to provide to the County information relating to the Controllable Waste collected by such Franchise Hauler, including origins from which such Controllable Waste was collected, tonnage by type of load (residential, commercial, roll-off box), customer service levels, tonnage delivered by transfer station or material recovery facility utilized, and other related information.

(I) City Actions Affecting County. The City agrees to carry out and fulfill its responsibilities under this Agreement and Applicable Law so as to permit full and timely compliance by the County with its covenants and agreements with the State. In particular, the City agrees not to conduct, authorize or permit any disposal services for Controllable Waste to be provided in competition with the Disposal Services provided by the County hereunder, and not to take or omit to take any action with respect to Controllable Waste or its collection, transportation, transfer, storage, treatment or disposal that may materially and adversely affect the County's ability to achieve such timely compliance. Notwithstanding the foregoing, the City shall not be required to deny any permit or license or refuse to grant any approval while exercising its police powers.

(J) No Right of Waste Substitution. Nothing in this Agreement shall authorize or entitle the City to deliver or cause the delivery to the Disposal System of Acceptable Waste originating from or generated outside the jurisdiction of the City, nor obligate the County to receive or dispose of any such Acceptable Waste. The City shall not assign in whole or in part its right to deliver or cause to be delivered Controllable Waste to the County hereunder, and shall not permit any Acceptable Waste originating from or generated outside the jurisdiction of the City to be substituted for Controllable Waste for any purpose hereunder.

(K) Annexations and Restructuring. It is the intention of the parties that this Agreement and the obligations and rights of the City hereunder, including particularly the Waste Disposal Covenant and the Contract Rate, shall, to the extent permitted by Applicable Law, extend to any territory annexed by the City (or any territory with respect to which the City assumes, after March 30, 2008, solid waste management responsibility from a Sanitary District or other public entity) and shall bind any successor or restructured Governmental Body which shall assume or succeed to the rights of the City under Applicable Law.

SECTION 3.2 PROVISION OF DISPOSAL SERVICES BY THE COUNTY.

(A) Service Covenant. Commencing on the Commencement Date, the County shall provide or cause the provision of the service of (1) receiving and disposing of all Controllable Waste at the Disposal System (or such other facilities, including transfer stations, as the County may determine to use), (2) disposing in accordance with subsection 3.2(C) hereof of Controllable Waste which, at any time and for any reason, is in excess

of the disposal capacity of the Disposal System, and (3) in accordance with subsection 3.3(C) hereof, disposing of Unacceptable Waste inadvertently accepted at the Disposal System. The County, to the maximum extent permitted under Applicable Law, shall use its best efforts to keep the Olinda Alpha, Prima Deshecha and Frank R. Bowerman Landfills open for the receipt of waste for disposal or transfer of Controllable Waste pursuant to this Agreement. The County shall do and perform all acts and things which may be necessary or desirable in connection with its covenants in this subsection, including without limitation all planning, development, administration, implementation, construction, operation, maintenance, management, financing and contract work related thereto or undertaken in connection therewith. The County shall exercise all reasonable efforts to minimize the costs incurred in complying with the Service Covenant consistent with its responsibilities hereunder and under this Agreement, Applicable Law and prudent solid waste management practice and environmental considerations.

(B) Particular Facilities. The Department and the City shall consult and cooperate in determining whether and to what extent from time to time other landfills other than that primarily used by the City shall be utilized to receive Controllable Waste. The Department shall immediately advise the City by telephone of any situation, event or circumstance which results in the partial or complete inability of the County to receive Controllable Waste at any particular landfill within the Disposal System, its effect on the County's ability to perform its obligations hereunder, and the County's best estimate of the probable duration. The Department shall confirm such advice in writing within 24 hours of the occurrence of any such inability. The County shall use its best efforts to resume normal operation of the landfill primarily used by the City as soon as possible. In the event of a temporary material increase in average daily deliveries of Controllable Waste from the City which the County reasonably believes could result in the permitted daily disposal capacity limit to be exceeded with respect to a particular landfill within the Disposal System, the County shall have the right to redirect the increased Controllable Waste to another landfill within the Disposal System for the duration of the increase in average daily deliveries; provided, however, that in such circumstances the County shall utilize reasonable efforts to first redirect waste which is not Controllable Waste.

(C) Compliance with Service Covenant Not Excused for any Reason. Commencing on the Commencement Date, the obligations of the County to duly observe and comply with the Service Covenant shall apply continuously and without interruption for the Term of this Agreement. In the event that any Change in Law or other Uncontrollable Circumstance impairs or precludes compliance with the Service Covenant by the means or methods then being employed by the County, the County shall implement alternative or substitute means and methods to enable it to satisfy the terms and conditions of the Service Covenant. In the event that a Change in Law precludes the County from complying with such covenants with the means or methods then being employed and from utilizing any alternate or substitute means or methods of compliance, the County shall continuously use all reasonable efforts to effectuate executive, legislative or judicial change in or relief from the applicability of such law so as to enable the County lawfully to resume compliance with such covenants as soon as possible following the Change in Law.

SECTION 3.3 COUNTY RIGHT TO REFUSE WASTE.

(A) Right of Refusal. Notwithstanding any other provision hereof, the County may refuse delivery of:

- (1) Hazardous Waste;
- (2) Controllable Waste delivered at hours other than those provided in Section 3.5 hereof;
- (3) Waste that does not constitute Acceptable Waste;
- (4) Waste that is delivered by any party which has not executed a Waste Disposal Agreement; and
- (5) Controllable Waste consisting primarily of construction and demolition debris or inerts which may cause a particular facility's daily tonnage limit to be exceeded.

(B) Identification of Unacceptable Waste. The Department shall have the right (but not the duty or the obligation) to inspect the vehicles of all Franchise Haulers delivering material to the Disposal System, and may require that the Franchise Hauler remove any Unacceptable Waste from such vehicle before it is unloaded. If the Department determines that it is impractical to separate Controllable Waste from Unacceptable Waste in any vehicle, or if the Franchise Hauler delivering such waste is unwilling to make such separation, or if any vehicle is carrying waste which may spill or leak, then the Department may reject the entire vehicle, and the City shall forthwith remove or cause the removal of the entire delivery from the Disposal System. The Department may take all reasonable measures to prevent waste from being blown or scattered before and during unloading. The City shall cause the Franchise Haulers to observe and comply with Applicable Law, the operating rules and regulations of the Department, and the provisions of this Agreement prohibiting the delivery of Unacceptable Waste to the Disposal System.

(C) Hazardous Waste and Hazardous Substances. The parties acknowledge that the Disposal System has not been designed or permitted, and is not intended to be used in any manner or to any extent, for the handling, transportation, storage or disposal of Hazardous Waste or Hazardous Substances. Neither the County nor the City shall countenance or knowingly permit the delivery of Hazardous Waste or Hazardous Substances to the Disposal System.

(D) Disposal of Unacceptable Waste and Hazardous Waste. If Unacceptable Waste or Hazardous Waste is discovered in a vehicle at any landfill within the Disposal System, the driver of the vehicle will not be permitted to discharge the load. If a vehicle is observed unloading Unacceptable Waste or Hazardous Waste in the tipping area of a landfill within the Disposal System Department personnel will use reasonable efforts to assure that such material has been characterized, properly secured and its disposition resolved. The return or reloading onto the delivery vehicle of any Hazardous Waste, Prohibited Medical Waste or other waste requiring handling or transportation shall be conducted in accordance with Applicable Law. Whenever Hazardous Waste is detected at any landfill within the Disposal System, the Department shall take immediate action in accordance with Applicable Law.

(E) Source-Separated Household Hazardous Waste. The County shall maintain, as part of the Disposal System, a Source-Separated Household Hazardous Waste Disposal System for the disposal of Source-Separated Household Hazardous Waste. The disposal service provided by such system shall constitute part of the Disposal Services, and shall be available to Participating Cities as part of the Contract Rate. The County may impose additional fees and charges for services relating to Source-Separated Household Hazardous Waste with respect to cities which are not parties to a Disposal Agreement. The County may provide for the expansion, contraction or modification of the Source-Separated Household Hazardous Waste Disposal System and its services to the extent necessary to ensure the Disposal System's viability; provided, however, if the County chooses to reduce services, the County shall nonetheless continue to expend funds for the Source-Separated Household Hazardous Waste Disposal System each year during the term of this Agreement in an amount at least equal to the amount of funds expended for the Source-Separated Household Hazardous Waste Disposal System during fiscal year 2006-07 as adjusted by changes in the Producer Price Index.

SECTION 3.4 UNINCORPORATED AREA ACCEPTABLE WASTE. Commencing on the Commencement Date, the County in accordance with Applicable Law shall provide or cause to be provided the service of disposing of non-recycled Acceptable Waste originating or generated within the Unincorporated Area and, with respect to such waste, shall comply with the Waste Disposal Covenant as if the County constituted a City subject to the Waste Disposal Covenant hereunder. Rates charged by the County for the disposal of each class of non-recycled Acceptable Waste generated in the Unincorporated Area shall be the same as the Contract Fee charged for the disposal of each class of Controllable Waste. The County shall use its best efforts to preserve, protect and defend its right to exercise and comply with the Waste Disposal Covenant (with respect to non-recycled Acceptable Waste generated in the Unincorporated Area) against any challenge thereto, legal or otherwise, by a Franchise Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. The County shall bear the cost and expense of any such Legal Proceeding or other challenge (with respect to non-recycled Acceptable Waste generated in the Unincorporated Area).

SECTION 3.5 MISCELLANEOUS OPERATIONAL MATTERS.

(A) Operating Hours. The County shall keep the Disposal System open for the receiving of Controllable Waste during such regular operating hours as may be established by the Department in the operating rules and regulations applicable to the Disposal System. The County shall utilize best efforts to maintain substantially similar hours, as were in effect on January 2, 2009, for the receipt of waste through the term of this Agreement (subject to Applicable Law).

(B) Scales and Weighing. The Department shall operate and maintain permanent scales at the Disposal System. The Department shall weigh all vehicles delivering waste by or on behalf of the City (whether or not the County accepts such waste) and prepare a daily weight record with regard to such delivery.

(C) Service Coordinator. The County and the City each shall designate in writing thirty days prior to the expected Commencement Date a person to transmit instructions, receive information and otherwise coordinate service matters arising pursuant to this Agreement (each a "Service Coordinator"). Either party may designate a successor or substitute Service Coordinator at any time by notice to the other party.

(D) Review of Records. Each party may review the other party's books and records with respect to matters relevant to the performance by either party under this Agreement or otherwise related to the operation of the Disposal System to the extent allowed under the California Public Records Act (interpreted as if the parties to this Agreement were natural persons for purposes of the Public Records Act).

SECTION 3.6 OTHER USERS OF THE DISPOSAL SYSTEM.

(A) On or Before July 23, 2009, the County shall have the right to enter into waste disposal agreements with Orange County entities with respect to Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the County, including other cities in the County, Sanitary Districts, Transfer Stations and Independent Haulers, which waste disposal agreements shall have terms and provisions substantially identical to the terms and provisions of this Agreement; provided, however, that in no event shall such agreements have terms and provisions more favorable than the terms and provisions of this Agreement (including but not limited to the Contract Rate and availability of disposal capacity).

(B) After July 23, 2009, the County shall have the right to enter into waste disposal agreements with Orange County entities, including any city, Sanitary District, Transfer Station and Independent Hauler, or otherwise accept Acceptable Waste from such parties, but only within the limitations contained in this Section. Any such agreement or waste acceptance agreement must provide that the party delivering waste shall pay a Posted Disposal Rate at least 10% higher than the Contract Rate unless the County determines it is in the best interest of the Disposal System to establish a Posted Disposal Rate less than 10% higher than the Contract Rate. In no event shall the Posted Disposal Rate be equal to or less than the Contract Rate. In addition, the County shall reserve the right in any such waste disposal agreement at any time, to the extent permitted by Applicable Law, to refuse to receive and dispose of Acceptable Waste from any city, County Sanitary District, Transfer Station and Independent Hauler if and to the extent that such receipt and disposal may materially and adversely affect the ability of the County to comply with its obligations to the Participating Cities under the Disposal Agreements to which each is a party.

(C) Receipt of Imported Acceptable Waste on a Contract Basis. The County shall have the right to enter into a contract or other agreement with any municipal or private non-County entity for the delivery of Imported Acceptable Waste on terms and conditions that the County determines to be necessary to ensure and enhance the viability of the Disposal System for the benefit of the County and the Participating Cities and to generate Net Import Revenues. The County certifies that in its good faith judgment the contract or other agreement for the delivery of such waste will not materially and adversely affect the ability of the County to receive and dispose of Acceptable Waste from the Participating Cities in accordance with the applicable Disposal Agreements throughout the Term thereof. The term of any such agreement for the disposal of Imported Acceptable Waste shall end by the later to occur of (i) December 31, 2015 or (ii) the date on which County general purpose revenues are no longer expended to pay debt service on the Orange County Public

Financing Authority Lease Revenue Refunding Bonds Series 2005, but in no event later than the last day of the fiscal year commencing July 1, 2015.

(D) Self Haulers. The City and the County acknowledge that Self-Haulers shall be entitled to deliver Self-Hauled Waste to the Disposal System, on a non-contract basis, at the Posted Disposal Rate. Such Self-Haulers shall not be entitled to dispose of Acceptable Waste for the Contract Rate.

(E) Application and Use of Revenues From Other Users. All revenues received by the County from the disposal of County Acceptable Waste by the Disposal System, and all revenues received by the County from the disposal of Imported Acceptable Waste by the Disposal System, shall be deposited by the County in the County OC Waste & Recycling Enterprise Fund and shall constitute revenues of the Disposal System. Pursuant to the County's Plan of Adjustment, the County is entitled to receive net revenues (after payment of all costs attributable to the acceptance of such Imported Acceptable Waste at the Disposal System) ("Net Import Revenues") from the disposal of Imported Acceptable Waste by the Disposal System, and such Net Import Revenues may be used for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment. Costs attributable to the disposal of Imported Acceptable Waste include deposits to the Environmental Fund, deposits to closure and postclosure reserves, City host fees (if applicable), incremental operating costs (such as manpower expenditures, equipment, services and supplies expenditures), state surcharges, and a pro rata share of capital project costs. The parties acknowledge that their intention in determining to allow the importation of Imported Acceptable Waste for disposal by the Disposal System is to stabilize the Contract Rate at rates below those which would otherwise prevail in the absence of such importation.

SECTION 3.7 COUNTY PROVISION OF WASTE DIVERSION SERVICES.

(A) County-Wide Recycling Services. This Agreement does not require the County to provide for any source reduction, materials recovery, recycling, composting, or other waste diversion services by the County nor any payment therefor by the City, by Franchise Haulers or by ratepayers; provided, however, any County-Wide Recycling Services may be funded through the County OC Waste & Recycling Enterprise Fund. Any such recycling services may be expanded, contracted or modified by the County at any time in its sole discretion.

(B) Separate City-County Diversion Service Agreements. Nothing in this Agreement is intended to limit the right of the County to enter into a separate agreement with the City or any other person to provide source reduction, materials recovery, recycling, composting or other waste diversion services. Any such program conducted by the County, whether in participation with the City, any other of the Participating Cities, other Cities, Sanitary Districts, Transfer Stations, Independent Haulers, Unincorporated Area or non-County entity, shall be operated, managed and accounted for as a program separate and distinct from the Disposal Services program contemplated by the Disposal Agreements and shall not be funded through the general revenues of the Disposal System.

ARTICLE IV CONTRACT RATE

SECTION 4.1 CHARGING AND SECURING PAYMENT OF CONTRACT RATE. The City acknowledges that the County shall have the right to charge and collect a Contract Rate for the acceptance and disposal of Controllable Waste delivered to the System by any Franchise Hauler. The Contract Rate shall be calculated and established, and may be modified, as provided in Section 4.2 hereof. In addition, the City acknowledges that the County shall have the right to establish as part of the operating rules and regulations reasonable measures to secure the payment of all Contract Rates.

SECTION 4.2 CONTRACT RATE.

(A) Establishment of Contract Rate. The Contract Rate payable by each Franchise Hauler shall be (x) \$22.00 per ton from the Commencement Date through June 30, 2010, and (y) \$29.95 per ton on and after July 1, 2010, in both cases contingent on the delivery to the Disposal System of an amount of Acceptable Waste at

least equal to the Cumulative Tonnage Targets identified in Appendix 2, and subject to adjustment necessary to reflect the circumstances set forth in this Section 4.2:

(i) increased costs incurred by the County (in excess of available insurance proceeds) due to the occurrence of one or more Uncontrollable Circumstances, other than Changes in Law;

(ii) costs incurred by the County (in excess of available insurance proceeds and amounts available in the Environmental Fund for such purposes) remediating environmental conditions at the Disposal System or inactive or closed disposal sites in the County, which, if uncorrected, could give rise to potential claims under CERCLA or related federal or state statutes, including costs incurred providing indemnification to any Participating City pursuant to subsection 7.3; or

(iii) tonnage shortfalls to the extent permitted by Sections 4.2(B);

(iv) average annual inflation prior to July 1, 2010 in excess of the levels set forth in Section 4.2(H) and escalation pursuant to Section 4.2(F) ;

(v) increased costs incurred by the County (in excess of available insurance proceeds) due to the occurrence of one or more Changes in Law; or

(vi) Capital Costs in excess of the Capital Costs at any point in time during the term hereof exceeding the Cumulative Capital Costs set forth in Appendix 3.

Prior to adjusting the Contract Rate as a result of any of the circumstances described in clauses (i), (ii) or (iii) above, the County shall utilize the following remedies in the following order of priority:

(x) reduce the costs of operating the Disposal System to the extent practicable; and

(y) utilize Unrestricted Reserves to pay costs of the Disposal System.

The County will not be required to utilize such remedies prior to adjusting the Contract Rate as a result of any of the circumstances described in clauses (iv), (v) or (vi) above.

Any adjustments to the Contract Rate permitted by this Section shall be calculated by the County to reflect the actual costs or expenses of addressing the circumstance or circumstances pursuant to which the adjustment is authorized. The County agrees that it will evaluate the feasibility of long term financing for significant capital costs where appropriate.

(B) County Acceptable Waste Shortfall. In the event that the actual amount of County Acceptable Waste delivered to the Disposal System at the end of any Contract Year is less than the Cumulative Tonnage Target for such Contract Year for County Acceptable Waste, as specified in Appendix 2, the County shall utilize the following options, in the following order of priority, in order to remedy any adverse effects of such tonnage shortfall:

(i) reduce the costs of operating the Disposal System to the extent practicable;

(ii) utilize Restricted Reserves described in clause (iii) of Section 4.5 to pay costs of the Disposal System;

(iii) utilize Unrestricted Reserves to pay costs of the Disposal System; and

(iv) adjust the Contract Rate.

In the event that implementation of the steps described above does not result in sufficient revenues to satisfactorily address the shortfall in tonnage, the County shall have the right to terminate the Agreement on 60 days written

notice to the City. In addition, in the event that actual deliveries to the Disposal System exceed the Cumulative Tonnage Target as of the end of any Contract Year, the City acknowledges the County shall have the right to establish reserves intended to reflect the potential for lower than expected annual waste deliveries in subsequent years, and that any such reserves shall constitute "Restricted Reserves".

(C) [RESERVED]

(D) Interim Use of Remedies. In the event that, during any Contract Year, waste deliveries to the Disposal System are 25% or more below delivery projections for such Contract Year with the result that the County determines it is unlikely that the Cumulative Tonnage Target will be achieved as of the end of such Contract Year, the County may utilize the remedies described in Section 4.2(B) prior to the end of such Contract Year; provided, however, that if at the end of such Contract Year, the Cumulative Tonnage Target is actually met, the County shall reimburse any adjustments to the Contract Rate made pursuant to this Section to Participating Cities. Such reimbursement may be given as a credit or adjustment to the Contract Rate for future deliveries, rather than a lump sum payment.

(E) Special Charges. Notwithstanding Section 4.2(A), the County shall have the right to impose special charges for the receipt of hard to handle materials, such as bulky materials, construction and demolition debris, tree stumps and sludge. Such special charges shall be calculated to reflect the reasonable incremental costs to the County of accepting such hard to handle materials. In addition, in the event that the Board of Supervisors of the County makes a determination to implement a facility (including but not limited to a transfer station, landfill, conversion technology facility, or a materials recovery or processing facility), which facility would be intended to provide for disposal alternatives after the closure of one or more of the landfills currently operating within the Disposal System, the County may impose an additional charge of \$0.50 per ton of Acceptable Waste in order to pay the costs of the study, development, planning, construction and/or operation of such facility.

Adjustments pursuant to this Section 4.2(E) shall not require compliance with the provisions of Section 4.2(I).

(F) Escalation. The Contract Rate shall be adjusted each July 1, beginning July 1, 2011. The change will be equal to the positive percentage change in the Consumer Price Index – All Urban Consumers, U.S. city average, All items, Not Seasonally Adjusted, Series ID CUUR0000SA0 ("CPI") as measured from the October 21 months prior to the rate adjustment to the October immediately preceding the rate adjustment. For example: The July 1, 2011 rate adjustment shall be based upon the index change from October 2009, to October 2010, referred to as year 1 and year 2 respectively in the following example .

Formula to calculate percentage change in the Contract Rate:

Step 1:

$$\left[\frac{\text{October Year 2 CPI}}{\text{October Year 1 CPI}} \right] - 1 = \% \text{ increase in Contract Rate}$$

Step 2: Current Contract Rate x (1 + % increase in Contract Rate) = Contract Rate as of July 1 Year 2

On each April 1, commencing April 1, 2011, the County shall provide the City with notice of the adjustment to the Contract Rate to be effective the following July 1. Such notice shall contain the calculation of the adjustment set forth above. The County will calculate the new Contract Rate each year.

In the event that the change in the CPI is negative, no rate adjustment will be made for that year. No adjustment under this Section 4.2(F) will take place until the October CPI index surpasses the index level as of the October immediately preceding the last annual rate adjustment pursuant to this Section 4.1(F), which will be considered "year 1" in calculating the change in the Contract Rate.

For example, if the CPI is measured as follows: October 2009 = 205, October 2010 = 204, October 2011 = 201, October 2012 = 208, then there would be no adjustment in July 2011, or July 2012, and an adjustment equal to the change from 205 to 208 would be implemented on July 1, 2013.

Adjustments pursuant to this Section 4.2(F) shall not require compliance with the provisions of Section 4.2(I).

(G) Adjustment Resulting from Increased Fees. In addition to the other adjustments specified herein, the Contract Rate shall be adjusted to reflect the imposition of new fees or increase in existing fees relating to the disposal of Controllable Waste imposed by state, federal or other agencies (i.e., the State's Integrated Waste Management fee, which is currently \$1.40 per ton). The adjustment shall be equal to the amount of any new or increased fee, and the adjustment shall take effect so as to coincide with the imposition of the new or increased fee. The County shall provide notice of any increase pursuant to this Section 4.2(G) as soon as practicable after becoming aware of the imposition of any fees described above.

Adjustments pursuant to this Section 4.2(G) shall not require compliance with the provisions of Section 4.2(I).

(H) Calculation of Cumulative Inflation Rate. For purposes of Section 4.2(A)(iv) for adjustments prior to July 1, 2011, the inflation shall be calculated as the change in the CPI between July of the year of calculation and July 1, 2008. Inflation shall be deemed to exceed the levels set forth below if the ratio between the CPI for July for the year of calculation (calculated in accordance with the formula below) and July 2008 exceeds the ratio corresponding to such year of calculation on the table below. The ratio shall be calculated in accordance with the following formula:

(July CPI of calculation year / CPI for July 2008)

<i>Year of Calculation</i>	<i>Ratio</i>
July 1, 2008	1.0000
July 1, 2009	1.0356
July 1, 2010	1.0723

In the event the CPI is no longer published during the term of this Agreement, such other index identified by the Bureau of Labor Statistics or otherwise generally accepted as a replacement for CPI shall be used for purposes of this Agreement. In the event of an adjustment to the Contract Rate pursuant to this section 4.2(H), such adjustment shall be applied to the Contract Rate effective until June 30, 2010, and the Contract Rate effective July 1, 2010.

Adjustments pursuant to this Section 4.2(H) shall not require compliance with the provisions of Section 4.2(I).

(I) Procedure for Rate Adjustments. In the event the County determines that it is entitled to an adjustment of the Contract Rate pursuant to Section 4.2(A) (other than 4.2(A)(iv)) or Section 4.2(B), it shall utilize the procedures described in this Section 4.2(I). The County shall be required to provide the City with at least 90 days prior written notice of the adjustment, which notice shall identify the specific event(s) or circumstances which require the adjustment. The notice shall also specify the earliest date on which the County Board of Supervisors shall consider the proposed adjustment. At least 45 days prior to such meeting of the Board of Supervisors, the County shall provide the City with a report which shall contain the following information: a description of the specific event(s) or circumstances which require the adjustment; a description (including cost estimates) of any activities (which may include, but not be limited to capital improvements to the Disposal System) required in order to remedy such event or circumstance; certification by the County that it has implemented the remedies described in Section 4.2(A) or (B) prior to requiring the rate adjustment; and a description of the methodology used by the County to calculate the adjustment to the Contract Rate (hereinafter the "County Report"). In the event the City disputes the adjustment, it shall provide the County with a written description of the reason for the dispute at least 10 days prior to the meeting of the Board of Supervisors identified in the initial notice of the County (hereinafter the "City Report"). The City Report shall be provided to the Board of Supervisors for

consideration at such meeting in connection with the proposed rate adjustment. At any time from and after the date that the County provides the City with the County Report, upon the request of either party, the City and County shall meet and confer in good faith to resolve any dispute that may arise regarding the proposed adjustment to the Contract Rate. In any such meeting, the County shall be represented by the Director of the Department or his or her designee. In the event the Board of Supervisors approves all or a portion of the proposed rate adjustment, such rate adjustment shall become effective on the date identified in the initial notice sent by the County regardless of whether or not the procedures in Section 4.2(J) are utilized, but subject to potential reimbursement pursuant to clause (11) of Section 4.2(J).

(J) Procedure for Expedited Judicial Review of Contested Rate Adjustment. In the event that, within 30 days after the effective date of any Contract Rate adjustment made pursuant to Section 4.2(I), Participating Cities which, in the aggregate, accounted for more than 50% of the County Acceptable Waste delivered to the County System in the twelve months preceding the Contract Rate adjustment, provide notice to the County of their election to utilize the procedures described in this Section 4.2(J), then the provisions of this Section 4.2(J) shall be utilized by such Participating Cities and the County to resolve the dispute over the Contract Rate Adjustment. In the event that Participating Cities which have delivered the amount of waste contemplated in the preceding sentence do not provide notice to the County of such election, the County shall have no obligation to participate in or cooperate in the implementation of the procedures described below in this Section 4.2(J).

(1) In order to pursue the expedited judicial determination described in this Section (the "Expedited Rate Determination"), the Participating Cities which have made the election described in the paragraph above (the "Challenging Cities") must commence a civil action for breach of contract (the "Action") in the Orange County Superior Court within 45 days of the date on which the Board of Supervisors approves the challenged adjustment to the Contract Rate.

(2) Within two (2) days of filing the Action, the Challenging Cities shall personally serve on the County Counsel both the summons and complaint, and a stipulation and request for the entering of an order incorporating all of the procedural provisions relating to the Expedited Rate Determination as set forth in this Section 4.2(J) (such stipulation and request for order is hereinafter referred to as the "Expedited Rate Determination Stipulation"). The Expedited Rate Determination Stipulation shall be signed by each of the Challenging Cities.

(3) Within fifteen (15) days of the date of service upon the County of the summons and complaint, and Expedited Rate Determination Stipulation, the County Counsel shall execute the Expedited Rate Determination Stipulation and personally serve upon the Challenging Cities through their counsel of record the Expedited Rate Determination Stipulation and its answer to the complaint in the Action. The Stipulation shall also include a waiver by each of the parties of their right to a jury trial of the issues raised in the Action. The City and the County mutually agree that the duty to execute the Expedited Rate Determination Stipulation and comply with the procedures set forth for Expedited Rate Determination in this Section 4.2(J) shall be, and are hereby deemed to be, ministerial duties which the law specifically enjoins upon each of them, and shall be subject to enforcement by the parties herein pursuant to Code of Civil Procedure Section 1085, *et seq.*, or by means of a complaint for specific performance.

(4) Within three (3) days of the date of service by the County upon the Challenging Cities of the fully signed Expedited Rate Determination Stipulation, the County and the Challenging Cities shall jointly make *ex parte* application to the Orange County Superior Court in the Action for the issuance of the order contained in the Expedited Rate Determination Stipulation. At such *ex parte* application, the County and the Challenging Cities shall also seek to confirm with the Orange County Superior Court the briefing schedule, and request a hearing date in accordance with the procedures set forth in this Section 4.2(J).

(5) Within ten (10) days of the date of service by the County upon the Challenging Cities of the answer in the Expedited Rate Determination, the Challenging Cities shall file with the court and personally serve upon the County the Challenging Cities' opening brief and the Record in the Expedited Rate Determination. The opening brief shall not exceed 15 pages in length. The Record shall consist of, and be limited to, the record of the proceedings before the Board of Supervisors with respect to the adjustment of the Contract Rate, including but not limited to the County Report and the City Report prepared by each or any of the Challenging Cities pursuant to Section 4.2(I), any materials filed or lodged with the Board of Supervisors and the Orange County

Waste Commission, the transcript of the proceedings of the Board of Supervisors meeting and the Orange County Waste Commission, the minutes of the Board of Supervisors and the Orange County Waste Commission meeting, and the resolution and/or other documentation evidencing action by the Board of Supervisors and the Orange County Waste Commission to adjust the Contract Rate pursuant to Section 4.2(A) or (B). The record shall also include the most recent reports prepared pursuant to Sections 4.6 and 4.7. The Expedited Rate Determination shall be decided solely on the evidence in the Record, and no extrinsic evidence shall be submitted to or considered by the court.

(6) Within ten (10) days of service by the Challenging Cities of their opening brief and the Record, the County shall file and personally serve upon the Challenging Cities the County's opposition brief. The opposition brief shall not exceed 15 pages in length.

(7) Within five (5) days of service by the County upon the Challenging Cities of the opposition brief, the Challenging Cities may file and personally serve upon the County a rebuttal brief, which shall not exceed 10 pages in length.

(8) The trial of the Expedited Rate Determination shall be conducted as a hearing which shall be conducted at the date set by the court in the *ex parte* hearing conducted pursuant to Section 4.2(J)(4), or such other date and time ordered by the court. If the court requests the parties to prepare supplemental briefs in response to any question or issue raised by the court, the parties may do so.

(9) The standard of review for the Expedited Rate Determination shall be the preponderance of the evidence based upon the Record. The burden of proof shall be borne by the Challenging Cities, and the burden of proof shall be the same as with respect to a plaintiff in a damages action for breach of contract. Both parties have participated in the drafting of this Agreement. Accordingly, nothing set forth in this Agreement shall be interpreted or construed for or against either of the parties as a consequence of their participation in the drafting of this Agreement.

(10) The court shall issue its written statement of decision and enter judgment within thirty (30) days of the date of the hearing in the Expedited Rate Determination.

(11) If the court determines that any portion of the County's adjusted Contract Rate which is the subject of the Expedited Rate Determination was improperly imposed, the County shall, within 30 days of the date of the statement of decision, reimburse to the City the amount improperly imposed, together with interest calculated at the highest percentage rate that does not constitute usury under California laws. Such reimbursement may be made in the form of a reduction in the Contract Rate for a future period (not to exceed twelve months) reasonably calculated to provide full reimbursement of the amounts described above.

(12) If for any reason the court does not sign the order contained in the Expedited Rate Determination Stipulation, the City shall, within 30 days of the court's denial of such requested order, file with the court and personally serve upon the County a motion for summary judgment and/or motion for judgment on the pleadings, in accordance with Code of Civil Procedure Section 437(c) and 438. By executing this Agreement, the parties hereby stipulate that, in the event that the Challenging Cities file such summary judgment motion and/or motion for judgment on the pleadings, the Record shall be deemed to have been incorporated into the complaint and answer filed by the Challenging Cities and the County, and no evidence outside of the Record is relevant or material to the dispute raised in the Expedited Rate Determination. The briefing schedule and hearing on such motion for summary judgment and/or motion for judgment on the pleadings shall be in accordance with Code of Civil Procedure Section 437(c). The Challenging Cities and the County shall be bound by all of the requirements and restrictions set forth in Section 4.2(J) that are not in conflict with this paragraph (12).

(13) In the event that the court both does not sign the order contained in the Expedited Rate Determination Stipulation and either does not hear or does not issue a ruling on the merits on the motion for summary judgment and/or judgment on the pleadings which is dispositive of the issues, claims and causes of action in the complaint filed by the Challenging Cities, the County and the Challenging Cities shall, within twenty days following the issuance of the Court's order or decision not to honor the parties' stipulation or not to hear the parties' motion for summary judgment, make application to the Presiding Judge of the Orange County

Superior Court for an expedited hearing or trial date. The Challenging Cities and the County shall be bound by all of the requirements and restrictions set forth in Section 4.2(J) that are not in conflict with this paragraph (13). In this regard, and without limiting the foregoing, the only evidence to be presented at the hearing or trial shall be the Record, no testimony shall be presented at the hearing or trial; and both the County and the Challenging Cities waive all rights to a jury trial, to any reconsideration of the decision of the court, to a new trial after the court renders a decision, and to any appeal or review of the decision of the court.

SECTION 4.3 RESPONSIBILITY FOR PAYMENT OF THE CONTRACT RATE.

(A) Payment by City. In the event and to the extent (1) the City uses municipal collection forces directly for the haulage of Controllable Waste to the Disposal System or (2) the City uses non-municipal Franchise Haulers for collection but nonetheless elects to pay the Contract Rate from City revenues, the City, as its own Franchise Hauler, shall have direct responsibility for payment of the Contract Rate, and shall take all such budgetary, appropriation and other action as may be necessary to provide for the timely payment of the Contract Rate. Such action may include, depending upon the means authorized by the City to provide for such payment, the levy and collection of general or special taxes, the imposition of benefit assessments, or the collection of user fees, generator charges or other similar impositions for municipal solid waste disposal. The City shall use best efforts in accordance with Applicable Law to levy and impose all such taxes, assessments, fees or charges, and will take all steps, actions and proceedings for the enforcement, collection and payment of all such amounts which shall become delinquent, to the full extent permitted by Applicable Law. To the extent provided in Section 7.5 hereof, the obligation of the City for such Contract Rates shall be limited to amounts in the City's Solid Waste Enterprise Fund. From the Commencement Date to the date of expiration or termination of this Agreement, the obligation to the City to pay the Contract Rate, to the extent the City rather than Franchise Haulers is responsible directly for payment and provided that the Service Covenant has been complied with, shall be absolute and unconditional and shall not be subject to delay or diminution by reason of set-off, abatement, counterclaim, existence of a dispute or otherwise.

(B) Payment by Franchise Haulers. With respect to Controllable Waste delivered by Franchise Haulers other than City municipal collection forces, the obligation to pay the Contract Rate shall rest with such Franchise Haulers and not with the City and, unless the City has agreed with the County to be responsible for Franchise Hauler payments, the City shall not be financially responsible for any delay or failure by such Franchise Hauler to pay the Contract Rate or any portion thereof when due. In the event of any such failure, the County and the City shall cooperate with each other and use their best efforts to obtain timely payment. Such efforts by the County may include, as appropriate, requiring cash payments for disposal rights from such Franchise Hauler and bringing a legal proceeding for payment and damages. Such efforts by the City may include, as appropriate, legal proceedings to suspend, revoke or terminate the Franchise Hauler's franchise, permit or license rights.

(C) Disputes. If the City or the Franchise Hauler disputes any amount billed by the County in any Billing Statement, the City or the Franchise Hauler shall nonetheless pay the billed amount and shall provide the County with written objection within 30 days of the receipt of such Billing Statement indicating the amount that is being disputed and providing all reasons then known to the City or the Franchise Hauler for any objection to or disagreement with such amount. If the City or the Franchise Hauler and the County are not able to resolve such dispute within 30 days after the City's or the Franchise Hauler's objection, either party may pursue appropriate legal remedies.

SECTION 4.4 BILLING OF THE CONTRACT RATE. The County shall continue to bill Contract Rates after the Commencement Date, in the same manner as it has customarily billed tipping fees. Subject to the other provisions of this Agreement, the County shall have the right to modify or amend such manner of billing on reasonable notice to affected parties.

SECTION 4.5 RESTRICTED RESERVES. For purposes of this Agreement, "Restricted Reserves" means cash and other reserves of the Disposal System which are restricted to specific uses or are otherwise being reserved by the County to meet its obligations hereunder throughout the term of the Agreement with respect to the Disposal System pursuant to any Applicable Law, contract, adopted budget, budgetary policy of the County with respect to the Disposal System, or other arrangement. Such cash and other reserves are not required to be deposited in separate accounts or funds in order to constitute "Restricted Reserves" hereunder, and may be commingled with

Unrestricted Reserves or other funds of the County attributable to the Disposal System. "Restricted Reserves" shall include, but not be limited to, the following:

- (i) reserves for closure of components of the Disposal System to the extent required by Applicable Law;
- (ii) amounts reserved by the County for funding of post closure maintenance and monitoring with respect to components of the Disposal System;
- (iii) reserves established to protect the Disposal System against the adverse financial impact of potential decreases in waste deliveries pursuant to Section 4.2(B);
- (iv) amounts reserved to pay the costs of capital improvements with respect to the Disposal System;
- (v) amounts funded from revenues during the early years of the term of the Agreement reserved to enable the County to provide disposal services for the Contract Rate during the later years of the Agreement;
- (vi) amounts temporarily held by the County prior to payment to the State or other Governmental Bodies pursuant to Applicable Law (including any fees or charges payable to the State Integrated Waste Management Board);
- (vii) reserves required to meet bond covenants pursuant to financing agreements for Disposal System assets to the extent such amounts must be legally separate and distinct from other reserves identified in this Section;
- (viii) security deposits from landfill deferred payment program users;
- (ix) amounts held by the County in the Environmental Fund (provided, however, that such amounts in the Environmental Fund will be made available and used by the County if required to pay costs relating to environmental remediation or other related costs);
- (x) AB939 surcharges;
- (xi) amounts held by the County in the Corrective Action Fund held pursuant to CCR Title 27 to demonstrate financial assurance to pay for potential groundwater contamination; and
- (xii) an amount equal to three months of budgeted expenses for the Disposal System for the current fiscal year, representing working capital of the Disposal System.

SECTION 4.6 AUDITED FINANCIAL STATEMENTS. The County shall annually, on or before January 1 each year, prepare or cause to be prepared and have on file for inspection an annual report for the preceding Contract Year, accompanied by a certificate of an independent public accountant or of the County Auditor and Controller as to the examination of the financial statements therein (describing such statements as fairly presenting the information therein in conformity with generally accepted accounting principles) relating to the Disposal System, the Disposal Services, and the fiscal activities of the County OC Waste Disposal Enterprise Fund, and including statements in reasonable detail of the financial condition of the County OC Waste Disposal Enterprise Fund as of the end of the Contract Year and revenue and expenses for the Contract Year.

SECTION 4.7 ANNUAL UPDATE OF TEN-YEAR FINANCIAL PROJECTION. The County shall annually, on or before May 1 of each year, prepare or cause to be prepared, an updated Ten-Year Financial Projection for the Disposal System. Said Financial Projection shall include at least two full years of prior actual data and ten years of future projections including the following elements:

1. County Acceptable Waste, in tons;
2. Imported Acceptable Waste, in tons;
3. Revenues and expenditures;
4. Cash fund balances, including all monies in the County Solid Waste Enterprise Fund, with specific delineation of monies in the Environmental Fund, Restricted Reserves, Unrestricted Reserves, and all other funds of the System.
5. Projected liabilities for closure and post closure as well as reasonable reserves for other environmental costs.

The purpose of the Ten-Year Financial Projection is to keep the City fully informed about the future financial condition of the Disposal System. The County shall cause a copy of the Ten-Year Financial Projection to be delivered to the City Manager of the City no later than May 1 of each year. Upon request, the County shall make available to the Cities supporting information related to the ten-year financial projection

ARTICLE V BREACH, ENFORCEMENT AND TERMINATION

SECTION 5.1 BREACH. The parties agree that in the event either party breaches any obligation under this Agreement or any representation made by either party hereunder is untrue in any material respect, the other party shall have the right to take any action at law or in equity (including actions for injunctive relief, mandamus and specific performance) it may have to enforce the payment of any amounts due or the performance of any obligations to be performed hereunder. Neither party shall have the right to terminate this Agreement except as provided in Section 5.2 and Section 5.3 hereof or as otherwise provided in this Agreement.

SECTION 5.2 CITY CONVENIENCE TERMINATION. The City shall have the right to terminate this Agreement in its sole discretion, for its convenience and without cause at any time during the Term hereof upon 90 days' written notice to the County. If the City exercises its rights to terminate the Agreement pursuant to this Section, the City shall pay the County a termination fee equal to the Contract Rate in effect at the time of such termination (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2) multiplied by the number of tons of City Acceptable Waste delivered to the Disposal System during the preceding twelve months (or, if the City had been in breach of the Waste Disposal Covenant during such prior months, such amount as would have been delivered if the City had complied with the Waste Disposal Covenant), multiplied by the number of years remaining in the Term of the Agreement.

SECTION 5.3 TERMINATION.

(A) **By City.** Except as expressly provided herein, the City shall have no right to terminate this Agreement for cause except in the event of the repeated failure or refusal by the County substantially to perform any material obligation under this Agreement unless such failure or refusal is excused by an Uncontrollable Circumstance; except that no such failure or refusal shall give the City the right to terminate this Agreement for cause under this subsection unless:

(1) The City has given prior written notice to the County stating that a specified failure or refusal to perform exists which will, unless corrected, constitute a material breach of this Agreement on the part of the County and which will, in its opinion, give the City the right to terminate this Agreement for cause under this subsection unless such breach is corrected within a reasonable period of time, and

(2) The County has neither challenged in an appropriate forum (in accordance with Section 5.5) the City's conclusion that such failure or refusal to perform has occurred or constitutes a material breach of this Agreement nor corrected or diligently taken steps to correct such breach within a reasonable period of time not more than 90 days from the date of the notice given pursuant to clause (1) of this subsection (but if the

County shall have diligently taken steps to correct such breach within such reasonable period of time, the same shall not constitute a breach giving rise to the right of termination for as long as the County is continuing to take such steps to correct such breach).

(B) By County. Except as expressly provided herein, the County shall have no right to terminate this Agreement for cause except in the event of the repeated failure or refusal by the City substantially to perform any material obligation under this Agreement unless such failure or refusal is excused by an Uncontrollable Circumstance; except that no such failure or refusal shall give the County the right to terminate this Agreement for cause under this subsection unless:

(1) The County has given prior written notice to the City stating that a specified failure or refusal to perform exists which will, unless corrected, constitute a material breach of this Agreement on the part of the City and which will, in its opinion, give the County right to terminate this Agreement for cause under this subsection unless such breach is corrected within a reasonable period of time, and

(2) The City has neither challenged in an appropriate forum (in accordance with Section 5.5) the County's conclusion that such failure or refusal to perform has occurred or constitutes a material breach of this Agreement nor corrected or diligently taken steps to correct such breach within a reasonable period of time not more than 90 days from the date of the notice given pursuant to clause (1) of this subsection (but if the City shall have diligently taken steps to correct such breach within such reasonable period of time, the same shall not constitute a breach giving rise to the right of termination for as long as the City is continuing to take such steps to correct such breach).

SECTION 5.4 NO WAIVERS. No action of the County or the City pursuant to this Agreement (including, but not limited to, any investigation or payment), and no failure to act, shall constitute a waiver by either party of the other party's compliance with any term or provision of this Agreement. No course of dealing or delay by the County or the City in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof or otherwise prejudice such party's rights, powers and remedies. No single or partial exercise of (or failure to exercise) any right, power or remedy of the County or the City under this Agreement shall preclude any other or further exercise thereof of the exercise of any other right, power or remedy.

SECTION 5.5 FORUM FOR DISPUTE RESOLUTION. It is the express intention of the parties that all legal actions and proceedings related to this Agreement or to the Disposal System or to any rights or any relationship between the parties arising therefrom shall be solely and exclusively initiated and maintained in courts of the State of California having appropriate jurisdiction.

ARTICLE VI TERM

SECTION 6.1 EFFECTIVE DATE AND TERM.

(A) Initial Term. This Agreement shall become effective, shall be in full force and effect and shall be legally binding upon the City and the County from the Contract Date and shall continue in full force and effect until June 30, 2020, unless earlier terminated in accordance with its terms, in which event the Term shall be deemed to have expired as of the date of such termination.

(B) Option to Renew. This Agreement shall be subject to renewal by mutual agreement of the parties, on or before June 30, 2018, for an additional term of ten years (the "Renewal Term") on the same terms and conditions as are applicable during the Initial Term hereof. The City shall give the County written notice of its irrevocable election to renew this Agreement on or before June 30, 2017. If the parties do not renew this Agreement by June 30, 2018, the Agreement shall expire on June 30, 2020.

(C) Contract Rate During Renewal Term. In connection with the parties' right to renew this Agreement for an additional ten-year term pursuant to Section 6.1(B), the parties shall, on or before June 30, 2018, negotiate an applicable change in the Contract Rate for such renewal term. In determining any revisions to the

Contract Rate to be applicable during any renewal period, in addition to the circumstances described in Section 4.2(A), the parties may take into consideration the following parameters, including but not limited to:

- (i) actual cost of operations;
- (ii) population growth;
- (iii) increase or decrease in available tonnage;
- (iv) economic and disposal market conditions in the Southern California region;
- (v) changes in transportation and technology;
- (vi) closure and expansion of nearby landfills;
- (vii) capacity of the Disposal System; and
- (viii) available reserves which are in excess of the amount reasonably required as reserves.

(D) Survival; Accrued Rights. The rights and obligations of the parties hereto pursuant to Sections 3.1(E)(2), 5.1, 5.3, 5.5, 7.2, 7.3, 7.5, 7.7, 7.8, 7.9, and 7.10 hereof shall survive the termination or expiration of this Agreement, and no such termination or expiration shall limit or otherwise affect the respective rights and obligations of the parties hereto accrued prior to the date of such termination or expiration. At the end of the Term of this Agreement, all other obligations of the parties shall terminate.

SECTION 6.2 COMMENCEMENT DATE.

(A) Obligations of the Parties Prior to the Commencement Date. The parties acknowledge that the Disposal Agreements may be executed and delivered on different dates and that, except as provided in this subsection, neither the County nor the City shall be obligated to perform its obligations hereunder until the participation threshold provided herein has been met and the other conditions to the occurrence of the Commencement Date have occurred. Prior to the Commencement Date, each party hereto shall at its own expense exercise good faith and due diligence and take all steps within its reasonable control in seeking to satisfy the conditions to the Commencement Date set forth herein as soon as reasonably practicable. The County and the City, each at its own expense, shall cooperate fully with each other and the other Participating Cities in connection with the foregoing undertaking. Until the Commencement Date occurs, the Original WDAs shall remain in full force and effect.

(B) Condition to the Commencement Date. The Commencement Date for the Agreement shall be the date on which the percentage of the County's Acceptable Waste attributable to Participating Cities which have executed and delivered Disposal Agreements shall exceed 85% percent (using the percentage rates attributed to such Cities in Appendix 1). Unincorporated County is assumed to be a Participating City for the purposes of determining the Commencement Date in accordance with this Section 6.2(b) and Appendix 1 of this Agreement.

(C) Satisfaction of Condition and Commencement Date. Upon the satisfaction or waiver of the condition to the Commencement Date, the County shall give written notice thereof to the cities which have theretofore executed Disposal Agreements. The parties shall thereupon hold a formal closing acknowledging the satisfaction or waiver of the condition to the Commencement Date, certifying that the Commencement Date has occurred and designating the Participating Cities. Copies of all of the documents or instruments constituting or evidencing satisfaction of the Commencement Date conditions shall be furnished to each party prior to or on the Commencement Date.

(D) Newly Incorporated Cities. Any city within Orange County which becomes incorporated after the Commencement Date shall upon request be offered the opportunity by the County to become a Participating City. If any such City executes a Disposal Agreement and meets the applicable condition provided in subsection 6.2(B) hereof within 180 days following the date of its municipal incorporation, then such City shall be entitled to execute a Waste Disposal Agreement on substantially the same terms and conditions as this Agreement (including the Contract Rate), notwithstanding the limitations contained in Section 3.6(B).

(E) Failure of Condition. If by July 23rd 2009 [120 DAYS AFTER BOARD APPROVAL], or such later date as the County may agree, the condition to the Commencement Date specified in this Section is not satisfied, either party hereto may, by notice in writing to the other party, terminate this Agreement. Neither party shall be liable to the other for the termination of this Agreement pursuant to this subsection, and each of the parties shall bear its respective costs and expenses incurred in seeking to satisfy the condition to the Commencement Date. Notwithstanding anything in this Agreement to the contrary, in the event that this Agreement is terminated pursuant to this Section, the provisions of the Original WDA shall remain in full force and effect on the terms and conditions set forth therein.

ARTICLE VII GENERAL PROVISIONS

SECTION 7.1 OPERATION AND MAINTENANCE OF THE DISPOSAL SYSTEM. The County, at its cost and expense through the County Solid Waste Enterprise Fund, shall at all times operate, or caused to be operated, the Disposal System in accordance with Applicable Law and the operating rules and regulations of the Department.

SECTION 7.2 UNCONTROLLABLE CIRCUMSTANCES GENERALLY.

(A) Performance Excused. Except as otherwise specifically provided in this Agreement, neither the County nor the City shall be liable to the other for any failure or delay in the performance of any obligation under this Agreement (other than any payment at the time due and owing) to the extent such failure or delay is due to the occurrence of an Uncontrollable Circumstance.

(B) Notice, Mitigation. The party experiencing an Uncontrollable Circumstance shall notify the other party by telecommunication or telephone and in writing, on or promptly after the date the party experiencing such Uncontrollable Circumstance first knew of the commencement thereof, followed within 15 days by a written description of (1) the Uncontrollable Circumstance and the cause thereof (to the extent known), (2) the date the Uncontrollable Circumstance began and the cause thereof, its estimated duration, the estimated time during which the performance of such party's obligations hereunder will be delayed, (3) the estimated amount, if any, by which the Contract Rate may need to be adjusted as a result of such Uncontrollable Circumstance, (4) its estimated impact on the other obligations of such party under this Agreement and (5) potential mitigating actions which might be taken by the County or City and any areas where costs might be reduced and the approximate amount of such cost reductions. Each party shall provide prompt written notice of the cessation of such Uncontrollable Circumstance. Whenever such act, event or condition shall occur, the party claiming to be adversely affected thereby shall, as promptly as reasonably possible, use its best efforts to eliminate the cause therefor, reduce costs and resume performance under this Agreement. In addition, with respect to Changes in Law, the County shall diligently contest any such changes the imposition of which would have a material adverse impact on the Disposal System. While the delay continues, the County or City shall give notice to the other party, before the first day of each succeeding month, updating the information previously submitted.

(C) Impact on Contract Rate. If and to the extent that Uncontrollable Circumstances interfere with, delay or increase the cost to the County of meeting its obligations hereunder and providing Disposal Services to the Participating Cities in accordance herewith, the County shall be entitled to an increase in the Contract Rate as provided in Section 4.2 herein or an extension in the schedule for performance equal to the amount of the increased cost or the time lost as a result thereof. The proceeds of any insurance available to meet any such increased cost shall be applied to such purpose prior to any determination of cost increases payable under this subsection. Any cost reductions achieved through the mitigating measures undertaken by the County pursuant to subsection 7.2(B) hereof upon the occurrence of an Uncontrollable Circumstance shall be reflected in a reduction of the amount by which the

Contract Rate would have otherwise been increased or shall serve to reduce the Contract Rate to reflect such mitigation measures, as applicable.

SECTION 7.3 INDEMNIFICATION. To the extent permitted by law, the County agrees that, it will protect, indemnify, defend and hold harmless the City from and against all Loss-and-Expense arising from the City's activity as an "arranger" (for purposes of and as such term is defined under CERCLA or comparable state statutes) of municipal solid waste disposal pursuant to this Agreement. In the event the City shall determine that because of conflict or any other reason that it wishes to be defended by legal counsel other than the legal counsel provided by the County, the cost of providing such legal counsel shall be the City's sole responsibility. The City acknowledges the County's legitimate interest in actively participating in any defense, litigation or settlement whether the County or the City provides legal counsel. Any costs incurred by the County pursuant to this Section shall be considered an Uncontrollable Circumstance cost and the County shall be entitled to adjust the Contract Rate as provided in subsection 4.2(A) herein. The County shall not, however, be required to indemnify or defend the City from and against all Loss-and-Expense arising from any willful, knowing, illegal or negligent disposal of hazardous waste (other than incidental amounts of Household Hazardous Waste commonly found in municipal solid waste and permitted to be disposed in Class III landfills under RCRA) which violates the County's landfill permits or Applicable Law. The parties agree that this provision constitutes an indemnity under CERCLA (to the extent of the specific provisions of this Section). The parties acknowledge that this subsection is not intended to and does not create any obligation on the part of the County to provide any indemnification or defense to any Franchise Hauler, whether franchised or not, or any Independent Hauler or Transfer Station, under any circumstances. The City acknowledges the County's legitimate interest in actively participating in any defense, litigation or settlement, and shall, as a condition to this indemnity, coordinate fully with the County in the defense.

SECTION 7.4 RELATIONSHIP OF THE PARTIES. Neither party to this Agreement shall have any responsibility whatsoever with respect to services provided or contractual obligations or liabilities assumed by the other party hereto, whether accrued, absolute, contingent or otherwise, or whether due or to become due. The County is an independent contractor of the City and nothing in this Agreement shall be deemed to constitute either party a partner, agent or legal representative of the other party or to create any fiduciary relationship between the parties.

SECTION 7.5 LIMITED RECOURSE.

(A) To the City. Except in the event the City has not established or maintained a City Solid Waste Enterprise Fund, no recourse shall be had to the general funds or general credit of the City for the payment of any amount due the County hereunder, or the performance of any obligation incurred hereunder, including any Loss-and-Expense of any nature arising from the performance or non-performance of the City's obligations hereunder. The sole recourse of the County for all such amounts shall be to the funds held in any such Solid Waste Enterprise Fund. All amounts held in any City Solid Waste Enterprise Fund shall be held for the uses permitted and required thereby, and no such amounts shall constitute property of the County. The City shall make adequate provision in the administration of any City Solid Waste Enterprise Fund for the payment of any amount or the performance of any obligation which may be due hereunder.

(B) To the County. No recourse shall be had to the general funds or general credit of the County for the payment of any amount due the City hereunder, or the performance of any obligation incurred hereunder, including any Loss-and-Expense of any nature arising from the performance or non-performance of the County's obligations hereunder. The sole recourse of the City for all such amounts shall be to the funds held in the County Solid Waste Enterprise Fund in accordance with the terms of this Agreement. All amounts held in the County Solid Waste Enterprise Fund shall be held for the uses permitted and required thereby, and no such amounts shall constitute property of the City. The County shall make adequate provision in the administration of the County Solid Waste Enterprise Fund for the payment of any amount or the performance of any obligation which may be due hereunder.

SECTION 7.6 PRE-EXISTING RIGHTS AND LIABILITIES. Nothing in this Agreement is intended to affect, release, waive or modify any rights, obligations or liabilities which any party hereto may have to or against the other party as of the Contract Date relating to the disposal of waste in the Disposal System or any other related matter.

SECTION 7.7 NO VESTED RIGHTS. The City shall not acquire any vested property, license or other rights in the Disposal System by reason of this Agreement.

SECTION 7.8 LIABILITY FOR COLLECTION, TRANSPORTATION AND PROCESSING. Any liability incurred by the City as a result of collecting Acceptable Waste or processing it for diversion from landfill, or as a result of causing, franchising, permitting, licensing, authorizing or arranging any of the foregoing, shall be its sole liability, except as expressly otherwise provided herein.

SECTION 7.9 NO CONSEQUENTIAL OR PUNITIVE DAMAGES. In no event shall either party hereto be liable to the other or obligated in any manner to pay to the other any special, incidental, consequential, punitive or similar damages based upon claims arising out of or in connection with the performance or non-performance of its obligations or otherwise under this Agreement, or the material inaccuracy of any representation made in this Agreement, whether such claims are based upon contract, tort, negligence, warranty or other legal theory.

SECTION 7.10 AMENDMENTS. Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except by written agreement duly authorized and executed by both parties.

SECTION 7.11 NOTICE OF LITIGATION. Each party shall deliver written notice to the other of any Legal Proceeding to which it is a party and which questions the validity or enforceability of this Agreement executed by the City or the County or any Legal Entitlement issued in connection herewith.

SECTION 7.12 FURTHER ASSURANCES. At any and all times the City and the County so far as may be authorized by law shall pass, make, do, execute, acknowledge and deliver any and every such further resolutions, acts, deeds, conveyances, instruments, assignments, transfers and assurances as may be necessary or reasonably requested by the other in order to give full effect to this Agreement.

SECTION 7.13 ASSIGNMENT OF AGREEMENT. (A) Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party, which may be withheld in the other party's sole discretion. Notwithstanding the foregoing, either party may assign this Agreement to another public entity, subject to the reasonable consent of the other party. In such circumstances the party not requesting the assignment shall have the right to demand assurances of the financial, technical and legal ability of the proposed assignee to undertake the responsibilities and obligations of the assigning party.

(B) Sale. The County shall not enter into any agreement for the sale of the Disposal System which provides for an effective date for such sale prior to the termination of this Agreement.

SECTION 7.14 INTEREST ON OVERDUE OBLIGATIONS. Except as otherwise provided herein, all amounts due hereunder, whether as damages, credits, revenue or reimbursements, that are not paid when due shall bear interest at the Overdue Rate on the amount outstanding from time to time, on the basis of a 365-day year, counting the actual number of days elapsed, and all such interest accrued at any time shall, to the extent permitted by Applicable Law, be deemed added to the amount due, as accrued.

SECTION 7.15 BINDING EFFECT. This Agreement shall bind and inure to the benefit of the parties hereto and any successor or assignee acquiring an interest hereunder consistent with the provisions of Section 7.13 hereof.

SECTION 7.16 NOTICES. Any notice or communication required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, to the notice address of the respective parties set forth on the cover page of this Agreement. Changes in the respective addresses to which such notices may be directed may be made from time to time by any party by notice to the other party.

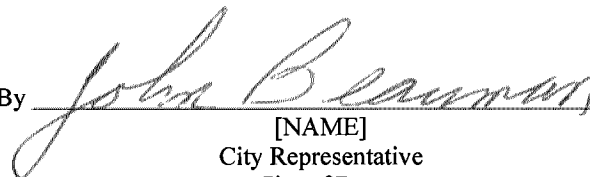
IN WITNESS WHEREOF, COUNTY and CITY have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF ORANGE

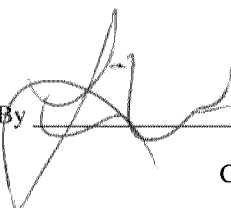
Date 7/21/09

By 
Director, OC Waste & Recycling


Date 7-22-09

By 
[NAME]
City Representative
City of Brea

Date 7-22-09

By 
[NAME]
City Representative
City of Brea

APPROVED AS TO FORM:
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By 
Date 07.27.09

APPENDIX 1

ESTIMATED ANNUAL TONNAGE

APPENDIX 1

PERCENTAGE OF COUNTY ACCEPTABLE WASTE ATTRIBUTABLE TO PARTICIPATING CITIES FOR PURPOSE OF SECTION 6.2(b)

Jurisdiction	Percentage of County Acceptable Waste
Anaheim	13.4%
Santa Ana	10.6%
Irvine	7.5%
Huntington Beach	6.0%
Orange	5.8%
Garden Grove	5.1%
Fullerton	4.5%
Unincorporated Orange County ⁽¹⁾	4.3%
Costa Mesa	3.6%
Newport Beach	3.0%
Lake Forest	2.6%
Buena Park	2.5%
Mission Viejo	2.3%
Westminster	2.3%
Yorba Linda	2.3%
Brea	2.1%
Tustin	2.0%
Cypress	1.9%
La Habra	1.8%
San Clemente	1.7%
Fountain Valley	1.6%
Laguna Niguel	1.6%
Placentia	1.6%
San Juan Capistrano	1.6%
Laguna Beach	1.4%
Dana Point	1.2%
Stanton	1.1%
Rancho Santa Margarita	1.0%
Laguna Hills	0.9%
Seal Beach	0.8%
Aliso Viejo	0.7%
Los Alamitos	0.5%
La Palma	0.3%
Laguna Woods	0.2%
Villa Park	0.2%
Total	100%

(1) Unincorporated County is assumed to be a Participating City for the purposes of determining the Commencement Date in accordance with Section 6.2(b) of this Agreement.

(2) A Participating City will only be included for purposing of determining the Commencement Date upon (i) execution of a Waste Disposal Agreement by that Participating City and (ii) execution of a Hauler Acknowledgement(s) by the Franchise Hauler(s) operating within such Participating City

APPENDIX 2
CUMULATIVE TONNAGE TARGETS

APPENDIX 2

Cumulative County Acceptable Waste Tonnage Target to be Used for Purposes of Section 4.2 (B)

<i>Fiscal Year</i>	<i>County Acceptable Waste Tonnage</i>	<i>Cumulative County Acceptable Waste Tonnage</i>
FY 2008-09	3,170,387	3,170,387
FY 2009-10	3,092,806	6,263,193
FY 2010-11	3,185,590	9,448,783
FY 2011-12	3,344,870	12,793,653
FY 2012-13	3,445,216	16,238,869
FY 2013-14	3,514,120	19,752,989
FY 2014-15	3,549,262	23,302,251
FY 2015-16	3,565,608	26,867,859
FY 2016-17	3,582,033	30,449,892
FY 2017-18	3,598,535	34,048,427
FY 2018-19	3,615,115	37,663,542
FY 2019-20	3,631,774	41,295,316

APPENDIX 3
CUMULATIVE CAPITAL COSTS
to be Used
for Purposes of Section 4.2(A)vi

Fiscal Year (ending June 30)	Annual Capital Costs	Cumulative Capital Costs
2009	\$37,939,538	\$37,939,538
2010	\$59,343,405	\$97,282,943
2011	\$10,433,978	\$107,716,921
2012	\$13,678,113	\$121,395,034
2013	\$17,525,040	\$138,920,074
2014	\$11,259,518	\$150,179,592
2015	\$37,682,758	\$187,862,350
2016	\$5,068,800	\$192,931,150
2017	\$10,662,265	\$203,593,415
2018	\$29,397,698	\$232,991,113
2019	\$8,263,795	\$241,254,908
2020	\$45,103,805	\$286,358,713

APPENDIX 4
FORM OF HAULER ACKNOWLEDGMENT

AMENDMENT TO WASTE DISPOSAL AGREEMENT

Between

THE COUNTY OF ORANGE, CALIFORNIA

and the

CITY OF BREA

April 28, 2016
~~April 19, 2016~~

County Amendment Authorization Date:

_____, 2016

County Notice Address:

Director
OC Waste and Recycling
300 N. Flower, Suite 400
Santa Ana, CA 92703

City Amendment Authorization Date:

April 19, 2016

City Notice Address

City Manager
City of Brea
1 Civic Center Circle
Brea, CA 92821

AMENDMENT TO WASTE DISPOSAL AGREEMENT

THIS AMENDMENT TO WASTE DISPOSAL AGREEMENT (the "Amendment") is made and dated as of the date indicated on the cover page hereof between the County of Orange, a political subdivision of the State of California (the "County"), and the City designated on the cover page of this Amendment, a general law or charter city and political subdivision of the State of California (the "City").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the County (the "Disposal System"). The Disposal System includes three active landfills and four regional household hazardous waste collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act").

The County has entered into waste disposal agreements in 2009 (the "Original Waste Disposal Agreements") with all of the cities in the County, including the City, as well as certain sanitary districts located in the County (the "Participating Cities"), pursuant to which the County agreed to provide disposal capacity for waste generated in or under the control of the Participating Cities, and the Participating Cities agreed to deliver or cause the delivery of waste generated in or under the control of the Participating Cities to the Disposal System, as more specifically set forth in, and subject to the terms and conditions of, the Original Waste Disposal Agreements.

The City has determined that the execution of this Amendment by the City is in the best interest of the City and will serve the public health, safety and welfare by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and sound environmental management.

The County has determined that the execution by the County of this Amendment will serve the public health, safety and welfare by providing a more stable, predictable and reliable supply of municipal solid waste and the resulting service payment revenue to the Disposal System, thereby enabling the County to plan, manage, operate and finance improvements to the Disposal System on a more prudent and sound long term, businesslike basis consistent with its obligations to the State and the holders of obligations secured by its Disposal System.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the City on the City authorization date indicated on the cover page hereof.

It is, therefore, agreed as follows:

Section 1. Amendment to Original Waste Disposal Agreement.

(a) Sections 3.6(C) and 3.6(E) of the Original Waste Disposal Agreement are deleted and replaced in their entirety, as set forth below:

“(C) Receipt of Imported Acceptable Waste on a Contract Basis. Throughout the Term hereof, the County shall have the right to enter into a contract or other agreement with any municipal or private non-County entity for the delivery of Imported Acceptable Waste on terms and conditions that the County determines to be necessary to ensure and enhance the viability of the Disposal System for the benefit of the County and the Participating Cities and to generate Net Import Revenues. The County certifies that in its good faith judgment the contract or other agreement for the delivery of such waste will not materially and adversely affect the ability of the County to receive and dispose of Acceptable Waste from the Participating Cities in accordance with the applicable Disposal Agreements throughout the Term thereof. “

“(E) Application and Use of Revenues From Other Users. (1) Throughout the term hereof, all revenues received by the County from the disposal of County Acceptable Waste by the Disposal System, and all revenues received by the County from the disposal of Imported Acceptable Waste by the Disposal System (including amounts received by the County as a result of the failure of contract counterparties to deliver minimum required amounts of Imported Acceptable Waste) , shall be deposited by the County in the County OC Waste & Recycling Enterprise Fund and shall constitute revenues of the Disposal System. Pursuant to the County’s Plan of Adjustment, the County is entitled to receive net revenues (after payment of all costs attributable to the acceptance of such Imported Acceptable Waste at the Disposal System) (“Net Import Revenues”) from the disposal of Imported Acceptable Waste by the Disposal System. Costs attributable to the disposal of Imported Acceptable Waste include deposits to the Environmental Fund, deposits to closure and postclosure reserves, City host fees (if applicable), operating costs (such as manpower expenditures, equipment, services and supplies expenditures), state surcharges, and a pro rata share of capital project costs. Net Import Revenues shall be used for the payment of bankruptcy related obligations until payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment. It is estimated that payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment will occur by the end of Fiscal Year 2017-18.

(2) Until the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as provided in Section (3.6)(E)(1). For any period after the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as follows:

(i) in Fiscal Year 2017-18, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$17.57 per ton;

(ii) in Fiscal Year 2018-19, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported

Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$18.01 per ton;

(iii) in Fiscal Year 2019-20, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$18.46 per ton; and

(iv) thereafter, Net Import Revenues shall be equal to 30% of the revenues received by the County from the disposal of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located).

(3) After the County's obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full (i) 50% of any Net Import Revenues (as calculated pursuant to Section 3.6(E)(2)) shall be paid to the County General Fund; and (ii) 50% of such Net Import Revenues shall be paid to the Participating Cities (and to the County, with respect to the unincorporated area) listed in Appendix 5 for use for any purpose by the Participating City, including but not limited to state mandated solid waste programs. Payments of such amounts to the County General Fund and the Participating Cities shall be made by the County within 90 days after the end of each fiscal year. The portion of Net Import Revenues specified above payable to the Participating Cities shall be apportioned in the percentages set forth in Appendix 5.

(4) The percentages set forth in Appendix 5 with respect to each Participating City will be adjusted at the end of Fiscal Year 2019-20 to reflect the percentage of actual deliveries of Acceptable Waste from each Participating City as compared to the total amount of actual deliveries from all of the Participating Cities during Fiscal Years 2017-18, 2018-19, and 2019-20. The County shall notify each Participating City of the revised percentages in Appendix 5 within 120 days after the end of Fiscal Year 2019-20. The revised percentages will be used for the allocation of Net Import Revenues generated during Fiscal Year 2020-21 and thereafter.

(b) Section 4.2(A)(z) is added to the Original Waste Disposal Agreement (immediately following Section 4.2(A)(y)) as follows:

“(z) decrease the amount of Net Import Revenues otherwise payable to the County General Fund and the Participating Cities pursuant to Section 3.6(E)(2) and Section 3.6(E)(3) and use the amount of such decrease to pay costs of the Disposal System.”

(c) Section 6.1(A) and Section 6.1(B) of the Original Waste Disposal Agreement are deleted and replaced in their entirety with the following:

“SECTION 6.1 EFFECTIVE DATE AND TERM.

(A) Initial Term. This Agreement shall continue in full force and effect until June 30, 2025, unless earlier terminated in accordance with its terms, in which event the Term shall be deemed to have expired as of the date of such termination.

(B) Option to Renew. This Agreement shall be subject to renewal by mutual agreement of the parties, on or before June 30, 2023, for an additional term of ten years (the “Renewal Term”) on the same terms and conditions as are applicable during the Initial Term hereof. The City shall give the County written notice of its irrevocable election to renew this Agreement on or before June 30, 2022. If the parties do not renew this Agreement by June 30, 2023, the Agreement shall expire on June 30, 2025.”

(d) The first sentence of Section 6.1(C) of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the following:

“In connection with the parties’ right to renew this Agreement for an additional ten-year term pursuant to Section 6.1(B), the parties shall, on or before June 30, 2023, negotiate an applicable change in the Contract Rate for such renewal term.”

(e) Appendix 2 of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the form attached hereto.

(f) Appendix 5 shall be added to the Original Waste Disposal Agreement as a new appendix, in the form attached hereto.

(g) All other terms and conditions of the Original Waste Disposal Agreement shall remain in full force and effect.

Section 2. Initial Payment. As consideration for the execution of this Amendment by all of the Participating Cities, and subject to the occurrence of the Amendment Effective Date pursuant to Section 3, the County agrees to pay, from the County OC Waste & Recycling Enterprise Fund, the Amendment Payment to the Participating Cities listed in Appendix 5. The aggregate Amendment Payment shall be \$5,400,000, and shall be distributed to the individual Participating Cities (including the City) in the percentages set forth in Appendix 5 by September 30, 2016.

Section 3. Effectiveness of Amendment. The provisions of this Amendment shall not become effective unless and until the Amendment has been executed by the County and all of the Participating Cities. The date on which the County and all of the Participating Cities have executed the Amendment shall be the “Amendment Effective Date.” The County shall give written notice of the Amendment Effective Date to the City. In the event that the Amendment Effective Date does not occur by June 30, 2016, this Amendment shall be automatically terminated and the County shall have no obligation to make the Amendment Payment.

Section 4. REPRESENTATIONS AND WARRANTIES OF THE PARTIES. Each of the parties to this Amendment represent and warrant that it is a political subdivision of the State of California validly existing under the Constitution and laws of the State and (ii) it has duly authorized the execution and delivery of this Amendment, and has duly executed and delivered the Amendment.

All other terms and conditions of the 2009 Original Waste Disposal Agreement not specifically changed by this Amendment, shall remain in full force and effect.

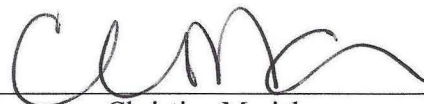
IN WITNESS WHEREOF, COUNTY and CITY have caused this Amendment to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF ORANGE


Date 4/20/16

By 
Director, OC Waste & Recycling

Date 4/20/16

By 
Christine Marick
Mayor
City of Brea

Date 4/20/16

By 
Lillian Harris-Neal
ATTEST: City Clerk
City of Brea

APPROVED AS TO FORM:
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By 
James Steinmann, Deputy



APPENDIX 2

County Acceptable Waste Tonnage Target to be Used for Purposes of Section 4.2(b)

<u>Fiscal Year</u>	<u>Tonnage</u>	<u>Cumulative</u>
FY 2015-16	2,724,250	2,724,250
FY 2016-17	2,681,153	5,405,403
FY 2017-18	2,638,746	8,044,149
FY 2018-19	2,597,017	10,641,166
FY 2019-20	2,558,522	13,199,688
FY 2020-21	2,520,605	15,720,293
FY 2021-22	2,483,256	18,203,549
FY 2022-23	2,483,256	20,686,805
FY 2023-24	2,483,256	23,170,061
FY 2024-25	2,483,256	25,653,317

APPENDIX 5

PARTICIPATING CITY ALLOCATION PURSUANT TO SECTION 3.6

<u>City</u>	<u>Allocation Percentage for Purposes of Section 3.6</u>	<u>Allocation of Initial Payment</u>
Anaheim	13.18%	\$711,509
Aliso Viejo	0.67	36,416
Buena Park	2.34	126,275
Brea	2.28	123,085
Costa Mesa	2.18	117,936
Costa Mesa Sanitary District	1.48	79,976
Cypress	2.56	138,115
Dana Point	0.99	53,278
Fullerton	4.10	221,271
Fountain Valley	1.76	95,217
Garden Grove/		
GG Sanitary District	7.17	387,197
Huntington Beach	6.13	330,807
Irvine	8.22	444,036
Laguna Beach	1.14	61,796
Laguna Hills	0.74	40,098
Laguna Niguel	1.36	73,341
Laguna Woods	0.41	22,274
La Habra	1.69	91,431
Lake Forest	2.45	132,214
La Palma	0.32	17,325
Los Alamitos	0.58	31,362
Mission Viejo	2.42	130,902
Newport Beach	3.68	198,946
Orange	4.90	264,468
Placentia	1.58	85,116
Rancho Santa Margarita	1.11	60,009
Santa Ana	10.60	572,184
San Clemente	1.40	75,728
San Juan Capistrano	1.23	66,420
Seal Beach	0.82	44,292
Stanton	1.62	87,287
Tustin	1.42	76,648
Villa Park	0.21	11,081
Midway City Sanitary District (Westminster)	2.13	114,893
Yorba Linda	1.78	96,344
County Unincorporated	3.35	180,723
Totals	100%	\$5,400,000

**EXHIBIT L:
FACILITIES LIST**

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EXHIBIT L: FACILITIES LIST

Facilities List

Approved or Designated Facility Type	Required Facility Information
Approved Transfer Facility(ies)	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Lane Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste
Designated Disposal Facility(ies)	<p>Facility Name: Olinda Alpha Landfill</p> <ul style="list-style-type: none"> • Address: 1942 N. Valencia Avenue, Brea, CA 92823 • Operator: OC Waste and Recycling • SWIS Number: SWIS 30-AB-0035 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS or Rainbow <p>Facility Name: Frank R. Bowerman Sanitary Landfill</p> <ul style="list-style-type: none"> • Address: 11002 Bee Canyon Access Road, Irvine, CA 92618 • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0360 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS or Rainbow <p>Facility Name: Prima Deschecha Landfill</p> <ul style="list-style-type: none"> • Address: 32250 Avenida La Pata San Juan Capistrano, CA 92675 • Operator: OC Waste and Recycling

EXHIBIT L: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
	<ul style="list-style-type: none"> • SWIS Number: 30-AB-0019 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS or Rainbow
Approved C&D Facility(ies)	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Lane Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste
Approved Organic Materials Processing Facility(ies)	<p>Facility Name: Valencia Greenery</p> <ul style="list-style-type: none"> • Address: 1942 N. Valencia Avenue, Brea, CA 92823 • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0470 • Facility Type: Greenery • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Bee Canyon Greenery</p> <ul style="list-style-type: none"> • Address: 11002 Bee Canyon Access Road, Irvine, CA 92618 • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0470 • Facility Type: Greenery • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Capistrano Greenery</p> <ul style="list-style-type: none"> • Address: 32250 Avenida La Pata San Juan Capistrano, CA 92675

EXHIBIT L: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
	<ul style="list-style-type: none"> • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0468 • Facility Type: Greenery • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Recology Blossom Valley Organics</p> <ul style="list-style-type: none"> • Address: 6061 N Wheeler Ridge Rd. Lamont, CA 93242 • Operator: Recology • SWIS Number: SWIS 15-AA-0307 • Facility Type: Composting • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Agromin OC</p> <ul style="list-style-type: none"> • Address: 8292 Edison Ave. Ontario, CA 91762 • Operator: Agromin OC • SWIS Number: 36-AA-0509 • Facility Type: Green Material Composting Operation • Material Type(s): Yard Waste, Food Waste • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Circle Green Tech Park</p> <ul style="list-style-type: none"> • Address: 17900 Sheep Creek Rd. El Mirage, CA 92301 • SWIS Number: 36-AA-0500 • Facility Type: Aerated Static Pile Compost Facility • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Republic Services Copper Mountain Landfill</p> <ul style="list-style-type: none"> • Address: 34853 East County 12th Street, Wellton, AZ 85356 • Operator: Republic Services • SWIS Number: None • Facility Type: Landfill • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow

EXHIBIT L: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
	<p>Facility Name: Rialto BioEnergy Facility,</p> <ul style="list-style-type: none"> • Address: 503 East Santa Ana Avenue Rialto, CA 92376 • Operator: Anaergia Services • SWIS Number: SWIS 36-AA-0446 503 • Facility Type: Large Volume In-Vessel Digestion Facility • Material Type(s): Source Separated Organic Materials • (If Applicable) Transfer Facility: CVT or Rainbow
Approved Recyclable Materials Processing Facility	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Lane Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and Transfer Station • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Waste Management of Orange</p> <ul style="list-style-type: none"> • Address: 2050 Glassell Street Orange, CA 92865 • Operator: USA Waste of California, Inc • SWIS Number: 30-AB-0363 • Facility Type: Transfer/ Processing • Material Type(s): Source Separated Recyclable Materials • (If Applicable) Transfer Facility: CVT or Rainbow

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EXHIBIT M:
DOCUMENTATION OF RESIDENTIAL ORGANICS COST PER TON

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EXHIBIT M:
DOCUMENTATION OF RESIDENTIAL ORGANICS COST PER TON

Exhibit based on residential organic materials final negotiated cost per ton provided by Contractor.

Approved Facility from Exhibit L	CVT Cost (Pre-processing and/or Transfer)	Transportation Cost/Ton	Tip Fee/ton	Cost/ton
Recology	\$39.02	\$52.06	\$45.91	\$136.98

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EXHIBIT N:
CUSTOMER CREDIT FOR MISSED PICK-UPS DURING A WORK
STOPPAGE

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EXHIBIT N: CUSTOMER CREDIT FOR MISSED PICK-UPS DURING A WORK STOPPAGE

1. City Billed Customers

- A. General. Contractor shall follow the following calculation procedures for issuing residential customers a credit on the monthly invoice to City for the number of collections missed during the work stoppage that were not recovered within two days of their scheduled service day. City retains the franchise fee; therefore, the credit for the franchise fee and City maintenance fee would need to be issued back to the customers by City on their next billing cycle by City.
- B. Contractor will calculate and process a credit on their next invoice to the City for all residential customers during the dispute period of a work stoppage as follows:
1. Credit calculation – the credit will be based on the following factors
 - (a) Customer monthly rate for collection services only
 - (b) Weeks per month
 - (c) Number of collections missed during the work stoppage
 2. Example calculation based on July 1, 2022 rate:
 - (a) Monthly rate for collection = \$15.32 (Sum of trash collection portion, yard waste collection portion, recycling portion, and fuel pricing index)
 - (b) Weeks per month = 4.33
 - (c) Number of collections missed during the work stoppage = 1 (Example purposes only)

Credit = [(a) ÷ (b)] x (c)

Credit = [(\$15.32) ÷ (4.33)] x (1)

Credit = \$3.54 per residential customer missed

2. Contractor Billed Multi-Family and Commercial Customers

All multi-family and commercial customers shall be eligible to receive a credit for any missed services during a work stoppage. Contractor shall notify all multi-family and commercial customers via its website currently at "<https://www.republicservices.com/municipality/brea-ca>" that credits may be made available for agreed upon disruptions during the dispute period. Contractor will calculate and offer a credit for each customer who contacts Contractor requesting a credit on a case-by-case basis based on the level of disruption of service to each such customer, if any, during the dispute period.

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EXHIBIT O:
SUPPORTING DOCUMENTATION REGARDING NON-EXTENSION

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EXHIBIT O:
SUPPORTING DOCUMENTATION REGARDING NON-EXTENSION



VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 10, 2018

Republic Services, Inc.
1131 N. Blue Gum St.
Anaheim, California 92806
Attn: Daniel Capener, General Manager

Subject: Non-Extension Notice

Dear Mr. Capener:

As you know from attending the City Council Meeting on December 4, 2018, the Brea City Council decided to end the automatic extension of the September 3, 2002 Amended and Restated Agreement Between the City of Brea and Taormina Industries Incorporated for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("Agreement"). In accordance with the City Council's decision, this letter constitutes a formal Non-Extension Notice pursuant to Section 5.A of the Agreement. Per that provision, absent earlier termination by either party, the Agreement will expire on December 31, 2039.

Please be advised that this Non-Extension Notice does not waive the City's ability to terminate the Agreement prior to such expiration date pursuant to the provisions of the contract or state law. The City reserves all of its available termination rights, including its rights under Public Resources Code Section 49520.

Sincerely,

Bill Gallardo
City Manager
City of Brea

CC: Brea City Council
Tony Olmos, Brea Public Works Director
James Markman, Brea City Attorney
Terence Boga, Brea Deputy City Attorney

City Council	Glenn Parker <i>Mayor</i>	Christine Marick <i>Mayor Pro Tem</i>	Cecilia Hupp <i>Council Member</i>	Marty Simonoff <i>Council Member</i>	Steven Vargas <i>Council Member</i>
Civic & Cultural Center • 1 Civic Center Circle • Brea, California 92821-5732 • 714/990-7600 • FAX 714/990-2258 • www.cityofbrea.net					

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EXHIBIT A: DEFINITIONS

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EXHIBIT A DEFINITIONS

For purposes of this Agreement, unless a different meaning is clearly required, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit (which words may not be capitalized but still have the meanings set forth below). In the event of a material discrepancy between a definition in this Exhibit and a definition specified in an applicable state statute or regulation, the definition in the state statute or regulation shall control.

"AB 341" means Assembly Bill 341 (2011).

"AB 1826" means Assembly Bill 1826 (2014).

"AB 2176" means Assembly Bill 2176 (2004).

"Abandoned Waste" means recyclable materials, organic materials, solid waste, C&D, excluded waste, bulky goods, or other materials that have been abandoned, littered, or illegally dumped in the public right-of-way or on public property.

"Advanced Clean Fleets Regulation" means 13 CCR Sections 2013, 2013.1, 2013.2, 2013.3, 2013.4, 2014, 2014.1, 2014.2, 2014.3, 2015, 2015.1, 2015.2, 2015.3, 2015.4, 2015.5, 2015.6, and 2016.

"Agreement" means this Second Amended and Restated Franchise Agreement.

"Approved C&D Facility" means a C&D facility identified in Exhibit L.

"Approved Facility" means (as appropriate for the context) any one of or any combination of: approved recyclable materials processing facility; approved organic materials processing facility; approved transfer facility; approved C&D facility; and, approved reusable materials processing facility.

"Approved Organic Materials Processing Facility" means an organic materials processing facility identified in Exhibit L.

"Approved Processing Facility" means (as appropriate for the context) any one of or any combination of: approved recyclable materials processing facility; approved organic materials processing facility; approved C&D facility; and, approved reusable materials processing facility.

"Approved Recyclable Materials Processing Facility" means a recyclable materials processing facility identified in Exhibit L.

"Approved Reusable Materials Processing Facility" means a reusable materials processing facility identified in Exhibit L.

"Approved Transfer Facility" means a transfer facility identified in Exhibit L.

"Bin" means a container with capacity of approximately one to eight cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading collection vehicle, including bins with compactors attached to increase the capacity of the bin.

EXHIBIT A DEFINITIONS

"Blue Container" means a container where either: (a) the lid of the container is blue in color, or (b) the body of the container is blue in color and the lid is either blue, gray, or black in color. Hardware such as hinges and wheels on a blue container may be any color. Blue containers shall be used for the purpose of storage and collection of source separated recyclable materials, which includes non-putrescible and non-hazardous recyclable wastes such as cans, metals, plastics, and glass, or as otherwise defined in 14 CCR Section 18982(a)(43).

"Brown Container" means a container for the purpose of storage and collection of source separated food waste and has the same meaning as in 14 CCR Section 18982.2(a).

"Bulky Goods" means discarded appliances (including non-industrial refrigerators that can be handled by two people), furniture, tires, rolled and secured rugs and carpets less than six feet long, mattresses, e-waste, bundled and tied yard trimmings and/or wood waste exceeding 18 inches in diameter or four feet in length, and similar large items that can be handled by two people, and require special collection due to their size or nature but can be collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky goods must have been generated at the service address where they are collected. Bulky goods do not include abandoned automobiles, large auto parts, trees, construction and demolition debris, or items herein defined as excluded waste.

"Business Days" mean days during which City offices are open to do business with the public.

"CalPERS" means California Public Employee Retirement System.

"CalRecycle" means California Department of Resources Recycling and Recovery.

"CARB" means California Air Resources Board.

"Cardboard" means corrugated fiberboard consisting of a fluted corrugated sheet and one or two flat linerboards, as is often used in the manufacture of shipping containers and corrugated boxes. Cardboard is a subset of recyclable materials.

"Cart" means a plastic container with a hinged lid and wheels that is serviced by an automated or semi-automated collection vehicle. A cart has capacity of 20, 35, 64 or 96 gallons (or similar volumes).

"CCR" means California Code of Regulations.

"CERCLA" means Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9600 et seq.).

"Change in Law" means any of the following events or conditions that occurs after the Effective Date and has a material and adverse effect on the performance of this Agreement except for payment obligations:

- A. The enactment, adoption, promulgation, issuance, modification, or change in administrative or judicial interpretation of any applicable law.

EXHIBIT A DEFINITIONS

B. The order or judgment of any public agency, to the extent such order or judgment is not the result of willful or negligent action, error or omission, or lack of reasonable diligence of the party asserting the occurrence of a change in law.

"City" means the City of Brea, a California municipal corporation.

"City Code" means the Brea City Code.

"City Council" means the Brea City Council.

"City Fees" means all fees payable to City.

"City Manager" means the Brea City Manager or such person's designee.

"Collect" or "Collection" means the act of taking possession of recyclable materials, organic materials, solid waste, bulky goods, and other material at the place of generation.

"Commercial Business," "Commercial Customer," "Commercial Subscriber," or "Commercial" shall mean a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, industrial facility, or a multi-family dwelling. A multi-family dwelling that consists of fewer than five units is not a commercial business.

"Commercial Edible Food Generator" includes tier one commercial edible food generators and tier two commercial edible food generators, or as otherwise defined in 14 CCR Section 18982(a)(7). For the purposes of this definition, food recovery organizations and food recovery services are not commercial edible food generators.

"Commercial Premises" includes premises upon which business activity is conducted including retail sales, services, wholesale operations, manufacturing and industrial operations, and multi-family residential facilities, but excluding residential premises upon which business activities are conducted when such activities are permitted under applicable zoning regulations and are not the primary use of the property. Premises upon which multi-family facilities, hotels, and motels are operated shall be deemed to be commercial premises.

"Community Composting" means any activity that composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and compost on-site at any one time does not exceed 100 cubic yards and 750 square feet.

"Compactor" means a mechanical apparatus that compresses materials together with the container that holds the compressed materials or the container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include two to eight cubic yard bin compactors serviced by front-end loader collection vehicles and 10 to 40 cubic yard roll-off box compactors serviced by roll-off collection vehicles.

"Complaint" shall mean each written or orally communicated statement made to City or Contractor alleging: (1) non-performance or deficiencies in Contractor's performance of this Agreement; (2) a violation by Contractor of this Agreement; or, (3) a non-compliance with SB 1383.

EXHIBIT A DEFINITIONS

“Compostable Plastics” or “Compostable Plastic” means plastic materials that meet the ASTM D6400 standard for compostability.

“Composting” or “Compost” means a controlled biological decomposition of organic materials yielding a safe and nuisance free compost product.

“Construction and Demolition Debris (C&D)” includes discarded building materials, packaging, debris, and rubble resulting from construction, alteration, remodeling, repair, or demolition operations on any pavements, excavation projects, houses, commercial buildings, or other structures, excluding excluded waste. Construction and demolition debris includes rocks, soils, tree remains, and other yard trimmings that result from land clearing or land development operations in preparation for construction.

“Consumer Price Index” or “CPI” means the Consumer Price Index for all Urban Consumers (CPI-U) CUURS49ASA0, Los Angeles-Long Beach-Anaheim, All Items.

“Containers” mean bins, carts, compactors, and roll-off boxes.

“Contractor” means Republic Waste Services of Southern California, LLC, a Delaware limited liability company (formerly known as Taormina Industries, LLC), which is a wholly owned subsidiary of Republic Services, Inc. and does business as Brea Disposal.

“County” means the County of Orange, a political subdivision of the State of California.

“County Agreement” means the Waste Disposal Agreement set forth in Exhibit K.

“CPRA” means California Public Records Act (Government Code Section 7920.000 et seq.).

“Curb” or “Curbside” means the cornered edging between the street and sidewalk. Curb or curbside also means and describes the location of a collection container for pick-up, where such container is placed on the street or alley against the face of the curb, or where no curb exists, the container is placed not more than five feet from the outside edge of the street or alley nearest the property’s entrance.

“Customer” means the person whom Contractor or City submits its billing invoice to and collects payment from for collection services provided to a premises. The customer may be either the occupant or owner of the premises.

“Customer Type” means the customer’s sector category. Customer type includes single-family, multi-family, commercial, roll-off box, and City.

“Designated Disposal Facility” means a landfill disposal facility owned and operated by the County.

“Designated Waste” means either of the following:

- A. Hazardous waste that has been granted a variance from hazardous waste management requirements pursuant to Health and Safety Code Section 25143.
- B. Nonhazardous waste that consists of, or contains, pollutants that, under ambient environmental conditions at a waste management unit, could be released in concentrations exceeding applicable

EXHIBIT A DEFINITIONS

water quality objectives or that could reasonably be expected to affect beneficial uses of the waters of the state as contained in the appropriate state water quality control plan.

"Director" means the Brea Director of Maintenance Services or such person's designee.

"Discarded Materials" means recyclable materials, organic materials, and solid waste placed by a generator in a receptacle and/or at a location for the purposes of collection by Contractor, excluding excluded waste.

"Disposal" or "Dispose" means the final disposition of solid waste or processing residue at a disposal facility.

"Disposal Facility" means a landfill or other facility for ultimate disposal of solid waste.

"Divert" or "Diversion" means to prevent discarded materials from disposal at landfill or transformation facilities (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through source reduction, reuse, recycling, composting, anaerobic digestion, or other method of processing. Diversion is a broad concept that is to be inclusive of material handling and processing changes that may occur during the term of this Agreement including changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology that reduce disposal risk, decrease costs, and/or are for other reasons deemed desirable by City.

"DMV" means California Department of Motor Vehicles.

"Dwelling Unit" means any individual living unit in a single-family dwelling or multi-family dwelling structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, residential living other than a hotel or motel.

"Edible Food" means food intended for human consumption. Edible food is not solid waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes the recovery of edible food that does not meet the food safety requirements of the California Retail Food Code (Health & Safety Code § 11700 et seq.).

"E-Waste" means discarded electronic equipment including televisions, computer monitors, CPUs, laptop computers, computer peripherals (including external hard drives, keyboards, scanners, and mice), printers, copiers, facsimile machines, radios, stereos, stereo speakers, VCRs, DVDs, camcorders, microwaves, telephones, cellular telephones, and other electronic devices. Some e-waste or components thereof may be hazardous waste or include hazardous substances and thus require special handling, processing, or disposal.

"Excluded Waste" means hazardous substance, hazardous waste, infectious waste, designated waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material; waste that Contractor reasonably believes would, as a result of or upon disposal, be a violation of applicable law, including land use restrictions or conditions; waste that cannot be disposed of in Class III landfills; and, waste that in Contractor's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance, or otherwise expose Contractor or City to potential liability. Excluded waste does not include de minimis volumes or concentrations of waste of a type and amount normally

EXHIBIT A DEFINITIONS

found in residential solid waste after implementation of programs for the safe collection, recycling, treatment, and disposal of batteries and paint in compliance with Public Resources Code Sections 41500 and 41802. Excluded Waste also does not include used motor oil and filters or household batteries when properly placed for collection by Contractor.

“Flow Control” means City’s right to direct discarded materials to a facility of its choosing.

“Food Recovery” means actions to collect and distribute food for human consumption that otherwise would be disposed.

“Food Recovery Organization” means an entity that primarily engages in the collection or receipt of edible food from commercial edible food generators and distributes that edible food to the public for food recovery either directly or through other entities. Food recovery organization includes:

- A. A food bank as defined in Health and Safety Code Section 113783.
- B. A nonprofit charitable organization as defined in Health and Safety Code Section 113841.
- C. A nonprofit charitable temporary food facility as defined in Health and Safety Code Section 113842.

“Food Recovery Service” means a person or entity that collects and transports edible food from a commercial edible food generator to a food recovery organization or other entities for food recovery.

“Food Scraps” means those discarded materials that will decompose and/or putrefy including: (i) all kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking, or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (iv) vegetable trimmings, houseplant trimmings, and other compostable organic waste common to the occupancy of residential dwellings. Food scraps are a subset of food waste.

“Food-Soiled Paper” means compostable paper material that has come in contact with food scraps or liquid. Food-soiled paper includes compostable paper plates, paper coffee cups, napkins, pizza boxes, and milk cartons.

“Food Waste” means source separated food scraps, food-soiled paper, and compostable plastics. Food waste is a subset of organic materials.

“Generator” means any person whose act or process produces discarded materials, or whose act first causes discarded materials to become subject to regulation.

“Gray Container” means a container where either: (a) the lid of the container is gray or black in color; or, (b) the body of the container is entirely gray or black in color and the lid is gray or black in color. Hardware such as hinges and wheels on a gray container may be any color. Gray containers shall be used for the purpose of storage and collection of gray container waste.

“Gray Container Waste” means solid waste that is collected in a gray container that is part of a three- or four-container organic waste collection service that prohibits the placement of organic waste in the gray container.

EXHIBIT A DEFINITIONS

"Green Container" means a container where either: (a) the lid of the container is green in color; or, (b) the body of the container is green in color and the lid is green, gray, or black in color. Hardware such as hinges and wheels on a green container may be any color. Green containers shall be used for the purpose of storage and collection of source separated green container organic waste, which includes green waste and organic waste.

"Gross Receipts" shall mean and include all monies, fees, charges, consideration, and revenue received by Contractor in connection with the performance of this Agreement except as noted below. Except as provided in the following sentences, in calculating the total amount of gross receipts, no deductions or subtractions of any kind shall be made by Contractor in determining gross receipts pursuant to this Agreement such as: fines, penalties, claims, settlements, and judgments; or, any other cost of doing business. Gross receipts do not include the City residential maintenance fee or revenue received from the sale of recyclables

"GTCL" means the Consumer Price Index for Garbage and Trash Collection in U.S. city average, all urban consumers, not seasonally adjusted (CUUR0000SEHG02).

"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) 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) Health and Safety Code Sections 25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act (42 USC § 7901 et seq.); and, (vii) Water Code Section 13050; and, (b) any other hazardous or toxic substance, material, chemical, waste, or pollutant identified as hazardous or toxic or regulated under any other applicable law including friable asbestos, PCBs, petroleum, natural gas, and synthetic fuel products, and by-products.

"Hazardous Waste" means all substances defined as hazardous waste, acutely hazardous waste, or extremely hazardous waste by Health and Safety Code Sections 25110.02, 25115, and 25117 or identified and listed as hazardous waste by the U.S. Environmental Protection Agency. Hazardous waste includes household hazardous waste and medical waste. Where there is a conflict in the definitions employed by two or more agencies having jurisdiction over hazardous or solid waste, the term "hazardous waste" shall be construed to have the broader, more encompassing definition.

"Holiday" means any of the following: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and, Christmas Day.

"Household Hazardous Waste" or "HHW" means hazardous waste generated at residential premises. HHW includes paint, stain, varnish, thinner, adhesives, auto products (such as old fuel, used motor oil and filter), batteries, household batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

"Infectious Waste" means biomedical waste generated at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities, and other similar establishments that are identified in Health and Safety Code Section 25117.5.

EXHIBIT A DEFINITIONS

“Mulch” means a layer of material that is applied on top of soil and that satisfies all of the following criteria:

- A. Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3).
- B. Was produced at one or more of the following types of facilities:
 - 1. A compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10). This criteria disallows mulch produced from chipping and grinding operations to count toward fulfillment of City’s annual organic waste product procurement target.
 - 2. A transfer/processing facility or transfer/processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12.
 - 3. A solid waste landfill as defined in Public Resources Code Section 40195.1 that is permitted under 27 CCR, Division 2.

“Multi-Family,” “Multi-Family Dwelling,” or “MFD” means any residential premises, other than a single-family premises, with five or more dwelling units used for residential purposes (regardless of whether residence therein is temporary or permanent), including such premises when combined in the same building with commercial establishments, that receive centralized, shared, collection service for all units on the premises that are billed to one customer at one address. Customers residing in townhouses, mobile homes, condominiums, or other structures with five or more dwelling units who receive curbside cart service for refuse, recycling, and organic materials shall not be considered multi-family.

“OAL” means California Office of Administrative Law.

“Occupant” means a person who lawfully occupies a premises.

“Organic Material” or “Organics” means yard trimmings and food waste. No discarded material shall be considered to be organic material, however, unless it is separated from recyclable material and solid waste. Organic material is a subset of organic waste.

“Organic Waste” means wastes containing material originated from living organisms and their metabolic waste products including food, yard trimmings, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46).

“Owner” means the person(s) holding legal title to real property. Owner includes the person(s) listed on the latest equalized assessment roll of the County Assessor.

“Party” or “Parties” means the City and Contractor, individually or together.

“Person” means an individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, commercial entity, public agency, or other legal entity.

EXHIBIT A DEFINITIONS

“Premises” means any land or building where recyclable material, organic material, or solid waste is generated or accumulated.

“Processing” or “Process” means to prepare, treat, or convert through some special method.

“Processing Facility” means any plant or site used for the purpose of sorting, cleansing, treating, or reconstituting recyclable material or reusable material for the purpose of making such material available for recycling or reuse or the facility for the processing and/or composting of organic material.

“Prohibited Container Contaminants” means the following: (i) discarded materials placed in the blue container that are not identified as acceptable recyclable material for City’s collection program; (ii) discarded materials placed in the green container or brown container that are not identified as acceptable organic materials for City’s collection program; (iii) discarded materials placed in the gray container that are acceptable recyclable material and/or organic materials to be placed in the blue container, green container, or brown containers or otherwise managed under City’s collection program; and, (iv) special waste and excluded waste placed in any container.

“Proprietary Information” or “Proprietary” or “Confidential” means that information provided by Contractor to City that is exempt from disclosure under the CPRA as a trade secret. Proprietary information does not include Contractor’s customer lists or information required for reporting purposes to be submitted to City in any report specified in this Agreement.

“Public Street” means all City-owned and maintained paved areas between the normal curb line of a roadway, including public parking lots, roadway dividers, and medians.

“Putrescible Waste” means material capable of being decomposed by micro-organisms with sufficient rapidity as to cause nuisances because of odors, gasses, or other offensive conditions, and include materials such as food wastes and offal.

“Rate” means the maximum amount, expressed as a dollar unit, approved by City that Contractor may bill a customer for providing services under this Agreement. A rate has been established for each individual service level and the initial rates for Rate Period Zero and Rate Period One are set forth in Exhibit D.

“Rate Period” means a 12-month period commencing July 1 and concluding the following June 30.

“Recyclable Material” or “Recyclables” means those discarded materials that the generators set out in recyclables containers for collection for the purpose of recycling by Contractor and that exclude excluded waste. Discarded materials shall not be considered recyclable material unless such material is separated from organic material and solid waste. Recyclable material includes: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal, and other similar food boxes yet excluding paper tissues, paper towels, paper with plastic coating, paper contaminated with food, wax paper, foil-lined paper and cartons, and Tyvex non-tearing paper envelopes); chipboard; corrugated cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers and small pieces of scrap metal); steel, tin, or

EXHIBIT A DEFINITIONS

bi-metal cans; mixed plastics such as plastic containers (numbers one to seven), plastic six and EPS; bottles including containers made of HDPE, LDPE, or PET; and, those materials added by Contractor from time to time.

“Recycle” or “Recycling” means the process of sorting, cleansing, treating, and reconstituting at a recyclable materials processing facility, materials that would otherwise be disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products. Recycling includes processes deemed to constitute a reduction of landfill disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

“Related-Party Entity” means all businesses (including corporations, limited and general partnerships, and sole proprietorships) that are related to Contractor by virtue of ownership interests or common management. Related-party entities shall be limited to those businesses that are directly or indirectly involved in the Contractor’s performance of this Agreement. Related-party entity includes a business in which Contractor has an ownership interest, a business that has an ownership interest in Contractor, and a business that is also owned, controlled, or managed by any person that has an ownership interest in Contractor. For purposes of determining whether an indirect ownership interest exists, the constructive ownership provisions of 26 U.S.C. Section 318(a) shall apply; provided, however, (i) “ten percent” shall be substituted for “fifty percent” in Section 318(a)(2)(C) and in Section 318(a)(3)(C); 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 10% shall be disregarded, and percentage interests shall be determined on the basis of the percentage of voting interest or value that the ownership interest represents, whichever is greater.

“Renewable Natural Gas” or “RNG” means gas derived from organic waste that has been diverted from a landfill and processed at an in-vessel digestion facility that is permitted or otherwise authorized by 14 CCR to recover organic waste, or as otherwise defined in 14 CCR Section 18982(a)(62).

“Residential” means of, from, or pertaining to a single-family premises or multi-family premises including single-family homes, apartments, condominiums, townhouse complexes, mobile home parks, and cooperative apartments.

“Residue” means those materials that, after processing, are disposed rather than recycled due to either the lack of markets for materials or the inability of the processing facility to capture and recover the materials.

“Reusable Material” means items that are capable of being used again after minimal processing. Reusable material may be collected, source separated, or recovered through a processing facility.

“Roll-Off Box” means an open-top container with a capacity of 10 to 40 cubic yards that is serviced by a roll-off collection vehicle.

“SB 54” means Senate Bill 54 (2022).

“SB 1383” means Senate Bill 1383 (2016).

EXHIBIT A DEFINITIONS

“Self-Hauler” or “Self-Haul” means a person who hauls discarded materials, recovered material, or any other material that such person generates at its own premises to another person. Self-Hauler also includes a person who back-hauls waste from premises it owns and operates.

“Service Level” refers to the size of a customer’s container(s) and the frequency of collection service.

“Sharps” means hypodermic needles, pen needles, intravenous needles, lancets, and other devices that are used to penetrate the skin for the delivery of medications.

“Single-Family” or “SFD” means any detached or attached house or residence designed or used for occupancy by one family, provided that collection service feasibly can be provided to such premises as an independent unit. Single-family includes mobile homes, townhouses, and each independent unit of duplex, tri-plex, or four-plex residential structures, regardless of whether each unit is separately billed for its specific service level. Customers residing in townhouses, mobile homes, condominiums, or other structures with five or more dwelling units who receive curbside cart service for refuse, recycling, and organic materials shall not be considered single-family.

“Solid Waste” means solid waste as defined in Public Resources Code Section 40191. Solid waste does not include excluded waste, C&D, source separated recyclable material, source separated organic material, and radioactive waste. Solid waste may include de minimis volumes or concentrations of waste of a type and amount normally found in residential solid waste after implementation of programs for the safe collection, recycling, treatment, and disposal of household hazardous waste in compliance with Public Resources Code Sections 41500 and 41802. Solid waste includes salvageable materials only when such materials are included for collection in a solid waste container not source separated from solid waste at the site of generation.

“Source Separated” means the segregation, by the generator, of materials designated for separate collection for some form of recycling, composting, recovery, or reuse.

“Special Waste” shall mean solid waste that does not fit the collection criteria and specifications stated in this Agreement.

“Split-Bin” means a bin that is split or divided into two sections in order to segregate two source separated discarded material types in one container.

“State” means the State of California.

“Subcontractor” means a person who has entered into a contract with Contractor for the performance of an act that is necessary for Contractor’s fulfillment of its obligations under this Agreement. Subcontractor does not include vendors providing materials and supplies to Contractor.

“Tier One Commercial Edible Food Generator” means a commercial edible food generator that is one of the following:

- A. Supermarket.
- B. Grocery store with a total facility size equal to or greater than 10,000 square feet.

EXHIBIT A DEFINITIONS

- C. Food service provider.
- D. Food distributor.
- E. Wholesale food vendor.

“Tier Two Commercial Edible Food Generator” means a commercial edible food generator that is one of the following:

- A. Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
- B. Hotel with an on-site food facility and 200 or more rooms.
- C. Health facility with an on-site food facility and 100 or more beds.
- D. Large venue.
- E. Large event.
- F. A state agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.
- G. A local education agency with an on-site food facility.

“Ton” or “Tonnage” means a unit of measure for weight equivalent to 2,000 standard pounds where each pound contains 16 ounces.

“Townhouse” means an attached or semi-attached single-family premises within a group of attached or semi-attached single-family premises, regardless of whether the premises is billed individually or through a central account (e.g., homeowner association, property manager), wherein each unit maintains an individual collection service subscription, as determined in writing by the City Manager.

“Transfer” means the act of transferring the materials collected by Contractor in its route vehicles into larger vehicles for transport to other facilities for the purpose of recycling or disposing of such materials.

“Transportation” or “Transport” means the act of conveying collected materials from one location to another.

“Universal Waste” or “U-Waste” means all wastes as defined by Title 22 CCR Sections 66273.1 through 66273.9. Universal waste includes batteries, fluorescent light bulbs, mercury switches, and e-waste.

“Working Days” means days that Contractor is required to provide regularly scheduled collection services under this Agreement.

“Yard Trimmings” means green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of organic material resulting from normal yard and landscaping maintenance. Yard trimmings does not include excluded waste. Yard trimmings are a subset of organic material. Yard trimmings placed for collection may not exceed six inches in diameter and three feet in length and must fit within the Contractor-provided container.

EXHIBIT B:
DIRECT SERVICES

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EXHIBIT B: DIRECT SERVICES

The following Exhibits (B1 through B4) describe the programs that, in aggregate, represent the direct services to be performed under this Agreement by Contractor.

Each of the following Exhibits (B1 through B4) present the programs to be provided to each customer type by Contractor. Within each program description are specific requirements for the:

- Type and size of containers or service level to be offered by Contractor under each program.
- Frequency of service to be offered by Contractor to customers.
- Location of service, including an indication of whether or not additional charges may apply if a customer selects a location that is more costly to serve (e.g., back-yard service).
- Materials that are acceptable or prohibited within the program.
- Provision of additional services to the customer if the standard service levels are inadequate, either on a regular or periodic basis, and an indication of whether or not additional charges may apply.
- Other requirements and considerations of the program.

Contractor shall provide the services for each program described in accordance with the specific program requirements detailed in Exhibits B1 through B4 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.

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EXHIBIT B1:
SINGLE-FAMILY RESIDENTIAL SERVICES

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EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall collect recyclable materials placed in Contractor-provided containers one time per week from single-family customers and transport all recyclable materials to the approved recyclable materials processing facility for processing.

Containers:	Carts
Container Sizes:	64- and 96-gallons (or comparable sizes approved by City). Standard container size is 96-gallon. 64-gallon service shall be made available for no reduction in charge, upon request by customer.
Service Frequency:	One time per week on the same day as organic materials and solid waste collection services
Service Location:	Curbside or alley
Acceptable Materials:	Recyclable materials
Prohibited Materials:	Solid waste, organic materials, special waste, and excluded waste
Additional Service:	Single-family customers shall receive one recyclable materials cart standard and may request an unlimited number of additional recyclable materials carts at no additional charge.
Other Requirements:	Contractor may refuse to collect a recyclable materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

2. Organic Materials Collection

Contractor shall collect organic materials placed in Contractor-provided carts one time per week from single-family customers and transport all organic materials to the approved organic materials processing facility for processing.

Containers:	Carts
Container Sizes:	32-, 64-, and 96-gallons (or comparable size approved by City). Standard container size is 96-gallon. 64- or 32-gallon service shall be made available for no reduction in charge, upon request by customer.
Service Frequency:	One time per week on the same day as recyclable materials and solid waste collection services
Service Location:	Curbside
Acceptable Materials:	Organic materials (including yard trimmings and food waste)
Prohibited Materials:	Recyclable materials, solid waste, special waste, and excluded waste
Additional Service:	Single-family customers shall receive one organic materials cart standard. Contractor shall provide additional organic materials carts to single-family customers upon request and may charge the appropriate rate approved by City.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Other Requirements: Contractor shall make available, to all single-family customers, kitchen pails for customer purchase at the rate in the approved rate schedule. City shall approve kitchen pail specifications prior to ordering and distribution. Upon City request, Contractor will make available pails that are provided by City at Contractor's facilities located in Anaheim for pick-up by customers. Contractor may request identification to confirm City residency.

If the approved organic materials processing facility accepts compostable plastic bags, single-family customers may place organic materials in compostable plastic bags and then place the bagged organic materials into their organic materials carts for collection. Such bags must be labeled as "compostable" by the manufacturer and certified by BPI. Contractor shall submit the required compostable plastic processing notifications in accordance with Section 5.1.I and Exhibit F.

Contractor may refuse to collect an organic materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to Customers, recording at a minimum the date, customer address, and material type of the container in question.

3. Solid Waste Collection

Contractor shall collect solid waste placed in Contractor-provided carts one time per week from single-family customers and transport all solid waste to the designated disposal facility for disposal.

Containers: Carts

Container Sizes: 32-, 64-, and 96-gallons (or comparable sizes approved by City). Standard Container size is 96-gallon. 64- or 32-gallon service shall be made available for no reduction in charge, upon request by customer.

Service Frequency: One time per week on the same day as recyclable materials and organic materials collection services

Service Location: Curbside

Acceptable Materials: Solid waste

Prohibited Materials: Recyclable materials, organic materials, special waste, and excluded waste

Additional Service: Contractor shall provide additional solid waste carts to single-family customers upon request and may charge the appropriate rate approved by City.

Other Requirements: None

4. On-Call Bulky Goods/Reusable Materials Collection

Contractor shall collect bulky goods, reusable materials, and other materials described herein from single-family customers. Contractor shall transport all collected materials to the appropriate approved facility or designated disposal facility for reuse, processing, or disposal.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

Containers:	Not applicable
Service Level:	Up to 20 bulky goods/reusable materials
Service Frequency:	Three pick-ups per year per household. A customer is allowed up to three bulky item pick-up requests in a calendar year. Any request after a third pick-up is subject to additional pick-up charges outlined in Exhibit D.
Service Location:	Curbside
Acceptable Materials:	Reusable materials, bulky goods, recyclable materials, yard trimmings, e-waste, and solid waste
Prohibited Materials:	Food scraps, hazardous substances, abandoned automobiles, trees, excluded waste, electronic waste, construction and demolition waste including roofing, lumber, concrete, masonry, stucco, tile, carpet cuts, or any single item (e.g., large auto parts, etc.) that two people cannot safely handle.
Additional Service:	Contractor shall collect additional acceptable materials (as described herein) that exceed the required service level (as requested by customer) and may charge the appropriate rates approved by City for such additional service.
Other Requirements:	Contractor shall provide the service to the customer within a reasonable time but not longer than seven days of the customer's requested service date, as mutually agreed upon by the customer and Contractor. Contractor shall not dispose of materials collected through the on-call bulky goods/reusable materials collection program unless the materials cannot be reused or recycled. Contractor shall process and dispose of bulky goods and reusable materials collected from customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or recycling; (3) recycle or compost; and if none of the other options are practicable; then, (4) dispose.

5. Holiday Tree Collection

Annually, commencing the day after December 25 and three weeks thereafter, Contractor shall collect holiday trees from single-family customers. Customers are required to place the holiday trees curbside on the customer's regularly scheduled collection day. Holiday trees must be removed from stands; cut into lengths no longer than four feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. Contractor shall not be required to collect holiday trees that do not meet such criteria. Contractor shall affix a non-collection notice to any non-collected tree informing the customer of the reason(s) for non-collection. Contractor may charge City-approved rates to return and collect a previously non-collected holiday tree that has been corrected and set out. Contractor shall deliver all collected holiday trees to the approved organic materials processing facility for processing.

Holiday tree collection services shall be provided at no additional cost to City or the customer.

6. Alternative Service Location for Disabled Single-Family Customers

Contractor shall allow for persons that have a disability as defined by the Americans with Disabilities Act (42 U.S.C. §§ 12101-12213 and 27 U.S.C. §§ 225 and 611, and all regulations relating thereto) that are occupants of single-family premises to receive collection services at a location other than curbside at no extra charge to the customer. Contractor shall review all applications (which shall include statements from

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

physicians) made by customers to determine conformance with this exemption provision and shall grant exemptions, if applicable. Contractor shall make reasonable accommodations with regard to provision of and servicing of containers (e.g., container size and type, placement of containers for collection) at no additional cost to the customer. In the event of a dispute as to whether or not a customer is entitled to this service, City shall make the final determination. Upon customer request, Contractor may make such alternative service locations available to single-family customers that do not have a disability (as defined herein) for an additional, City-approved rate.

7. Sharps Collection Program

Contractor shall assist City in promoting the County's Sharps Collection Program, including advertising the event on Contractor's website.

8. Temporary Bin Service

Contractor shall provide exclusive temporary bin service to customers upon request for collection of solid waste, recyclable materials, and organic materials. Contractor shall deliver a temporary bin to a customer by the following business day, if requested by 12:00 p.m.; otherwise, delivery shall be no later than the second business day. Rates for temporary bin service are listed separately in the approved rate schedule.

9. Curbside Grease Collection Program

If ever required by the applicable sanitation district or other regulatory agency, Contractor shall design a program for the collection of grease, fat, oils, and similar waste generated from household cooking activities (the "Curbside Grease Collection Program") that the City Manager approves. Contractor shall be responsible to ensure the Curbside Grease Collection Program complies with all applicable laws. At such time as a Curbside Grease Collection Program is implemented and in order to ensure that Contractor is fairly compensated for any additional costs incurred in implementing such a program, Contractor and City shall meet and confer in good faith to determine a fair and reasonable adjustment to the maximum rates set forth on Exhibit D in order to compensate Contractor for implementing such a program.

10. Residential Non-Controlled Medication Collection Program

Contractor shall assist City in increasing awareness of medication takeback programs provided by local pharmacies or programs offered by other government entities, including the Brea Police Department's annual medication take-back day. Promotional activities shall include posting on Contractor's website, inclusion in the annual brochures/mailings mailed to each residential premises customer, and press releases to local news outlets.

11. Household Hazardous Contaminant Program

Contractor shall assist City in increasing awareness of the County's drop-off locations for HHW, including drop-off at Contractor's Anaheim (CVT) and Huntington Beach facilities. Promotional activities shall include posting on Contractor's website, inclusion in the annual brochures/mailings mailed to each residential premises customer, billing inserts, social media targeted outreach, and press releases to local news outlets.

EXHIBIT B1

SINGLE-FAMILY RESIDENTIAL SERVICES

12. Solid Waste Extra Collection

Upon customer request and prepayment of the rate included in the rate schedule, Contractor shall return to service and collect all three residential carts (organics materials, recycling, and refuse carts).

EXHIBIT B2:
MULTI-FAMILY RESIDENTIAL SERVICES

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EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall collect recyclable materials placed in Contractor-provided containers from multi-family customers receiving solid waste bin service in accordance with the approved rate schedule and shall transport all recyclable materials to the approved recyclable materials processing facility for processing. Recyclable materials collection services shall be provided to multi-family customers in accordance with the approved rate schedule.

- Containers:** Container sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer, subject to Contractor confirmation of the service location for safe collection operations at the multi-family premises.
- Acceptable Materials:** Recyclable materials
- Prohibited Materials:** Organic materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.
- Other Requirements:** Contractor shall contact each multi-family customer to determine appropriate container sizes and service frequency. Contractor shall deliver recyclable materials containers to each multi-family customer at the same time that Contractor delivers solid waste containers.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and service containers (additional charge may apply).
- Contractor may refuse to collect a recyclable materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

2. Organic Materials Collection

Contractor shall collect organic materials in Contractor-provided containers not less than one time per week (unless a customer has a City-approved organic materials waiver) from multi-family customers and transport all organic materials to the approved organic materials processing facility for processing. Organic materials collection services shall be provided to multi-family customers receiving solid waste bin service in accordance with the approved rate schedule.

- Containers:** Container sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the multi-family premises

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

- Acceptable Materials:** Organic materials (including yard trimmings and food waste)
- Prohibited Materials:** Recyclable materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than their regularly scheduled collection day, will be available at an approved additional charge.
- Other Requirements:** Contractor shall make available for purchase kitchen pails designed to contain food scraps prior to placement in the customer's organic materials container to all multi-family dwelling units at rates in the approved rate schedule. City shall approve kitchen pail specifications prior to ordering and distribution.
- Upon City or customer request, Contractor shall contact each multi-family customer to determine appropriate container sizes and service frequency. Contractor shall deliver organic materials containers to each multi-family customer at the same time that Contractor delivers solid waste containers.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply).
- Contractor may refuse to collect an organic materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

3. Solid Waste Collection

Contractor shall collect solid waste placed in Contractor-provided containers not less than one time per week from multi-family customers and transport all solid waste to the designated disposal facility for disposal.

- Containers:** Container sizes and service frequencies as defined in Exhibit D.
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the multi-family premises.
- Acceptable Materials:** Solid waste
- Prohibited Materials:** Recyclable materials, organic materials, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than their regularly scheduled collection day, will be available at an approved additional charge.
- Other Requirements:** Contractor shall contact each multi-family customer to determine appropriate container sizes and service frequency.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and service containers (additional charge may apply).

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

4. Bulky Good/Reusable Materials Collection

Contractor shall collect bulky goods, reusable materials, and other materials described herein from multi-family customers. Contractor shall transport all collected materials to the appropriate approved facility for reuse, processing, or disposal.

Containers:	Not applicable
Service Level:	Multi-family premises with cart service receive the same service level as single-family, see Exhibit B1.4. Multi-family premises with bin service may request bulky good pick-ups at the rates identified in Exhibit D, see Exhibit B3.5.
Service Frequency:	Multi-family premises with cart services – same as single-family. Multi-family with bin service – by request at rates identified in Exhibit D. Twenty item limit per collection based on rates identified in Exhibit D.
Service Location:	Curbside for multi-family premises with cart services. For multi-family premises with bin service, after a confirmed acknowledgment by Contractor of the bulky item pick-up request by the customer, the item(s) to be removed shall be set out near the actively serviced location of the customers container(s) or enclosure. The item(s) placed near the container(s) or enclosure shall be set out in a manner that is unobstructed from objects unrelated to the bulky item requested to be removed and shall be placed in a manner that can safely be extracted from the set-out location by hand. Any bulky items set out that are obstructed or cannot be safely extracted may not be removed from the setout location.
Acceptable Materials:	Reusable materials, bulky goods, recyclable materials, yard trimmings, electronic waste, and solid waste
Prohibited Materials:	Food scraps, hazardous substances, abandoned automobiles, trees, excluded waste, electronic waste, construction and demolition waste including roofing, lumber, concrete, masonry, stucco, tile, carpet cuts, or any single item (e.g., large auto parts, etc.) that two people cannot safely handle.
Additional Service:	N/A
Other Requirements:	Contractor shall provide the service to the customer within seven working days of the customer's requested service date, as mutually agreed upon by the customer and Contractor. Customer may request pick-up of a maximum of 20 bulky goods at each pick-up. Contractor shall not dispose of materials collected through the on-call bulky goods/reusable materials collection program unless the materials cannot be reused or recycled. Contractor shall process and dispose of bulky goods and reusable materials collected from customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or recycling; (3) recycle or compost; and, if none of the other options are practicable, (4) dispose.

5. Holiday Tree Collection

Annually, commencing the day after December 25 and three weeks thereafter, or as otherwise approved by the City Manager, Contractor shall provide collection services as needed to collect holiday trees from multi-family customers at a mutually agreed upon time, date, and designated collection location, as

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

arranged by the Contractor and each multi-family property owner or manager. Contractor shall offer each multi-family property owner or manager the option to receive holiday tree collection service in bins or roll-off boxes, which Contractor shall provide for such service.

Holiday trees must be removed from stands; cut into lengths no longer than four feet; and, be free of ornaments, garlands, tinsel, flocking, or other decorations. Contractor shall not be required to collect holiday trees that do not meet the aforementioned criteria and/or are not placed at the agreed upon collection location, container, and time period. Contractor shall affix a non-collection notice to any non-collected holiday tree informing the customer of the reason(s) for non-collection.

EXHIBIT B3:
COMMERCIAL SERVICES

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EXHIBIT B3

COMMERCIAL SERVICES

1. Recyclable Materials Collection

Contractor shall collect recyclable materials placed in Contractor-provided containers from commercial customers subscribing to recyclable materials collection service and transport all recyclable materials to the approved recyclable materials processing facility for processing. Recyclable materials collection services shall be provided to commercial customers in accordance with the approved rate schedule.

- Containers:** Carts, bins, roll-off boxes, and compactors sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the commercial premises
- Acceptable Materials:** Recyclable Materials
- Prohibited Materials:** Organic materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.
- Other Requirements:** Upon City or customer request, Contractor shall contact each commercial customer to determine appropriate container sizes and service frequency. Contractor shall deliver recyclable materials containers to each commercial customer at the same time that Contractor delivers solid waste containers, unless that commercial customer is exempted from recyclable materials services by City or has demonstrated to City that it is diverting recyclable materials through subscription with another City-approved hauler, or other City-approved method.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply as determined in Exhibit D).
- Contractor may refuse to collect a recyclable materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

2. Organic Materials Collection

Contractor shall collect organic materials placed in Contractor-provided containers not less than one time per week from commercial customers and transport all organic materials to the approved organic materials processing facility for processing. Organic materials collection services shall be provided to commercial customers in accordance with the approved rate schedule.

- Containers:** Carts, bins, roll-off boxes, and compactors sizes and service frequencies as defined in Exhibit D

EXHIBIT B3

COMMERCIAL SERVICES

- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the commercial premises.
- Acceptable Materials:** Organic materials (including yard trimmings and food scraps)
- Prohibited Materials:** Recyclable materials, solid waste, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.
- Other Requirements:** Contractor shall contact each commercial customer to determine appropriate container sizes and service frequency. Contractor shall deliver organic materials containers to each commercial customer at the same time that Contractor delivers solid waste containers, unless that commercial customer is exempted from organic materials services by City or has demonstrated to City that it is diverting organic materials through subscription with another City-approved hauler, or other City-approved method.
- Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply as determined in Exhibit D).
- Contractor may refuse to collect an organic materials container that contains prohibited container contaminants in the manner and subject to the limits described in Section 5.10 and provided that Contractor leaves a non-collection notice in accordance with Section 6.3.B. Contractor shall keep a record of all non-collection notices and courtesy pick-up notices issued to customers, recording at a minimum the date, customer address, and material type of the container in question.

3. Solid Waste Collection

Contractor shall collect solid waste placed in Contractor-provided containers not less than one time per week from commercial customers and transport all solid waste to the designated disposal facility for disposal. Solid waste collection services shall be provided to commercial customers in accordance with the approved rate schedule.

- Containers:** Carts, bins, roll-off boxes, and compactors sizes and service frequencies as defined in Exhibit D
- Service Location:** To avoid potential safety concerns, and in accordance with the City Code, the service location will be designated by the customer subject to Contractor confirmation of the service location for safe collection operations at the commercial premises.
- Acceptable Materials:** Solid waste
- Prohibited Materials:** Recyclable materials, organic materials, special waste, and excluded waste
- Additional Service:** Special pick-ups requested by a Customer, on days other than the regularly scheduled collection day, shall be available at an approved additional charge.

EXHIBIT B3

COMMERCIAL SERVICES

Other Requirements: Contractor shall contact each commercial customer to determine appropriate container sizes and service frequency.

Contractor shall open and close gates, push and/or pull containers, lock and unlock containers, or perform other services as reasonably necessary to access and empty containers (additional charge may apply).

4. Temporary Bin Service

Contractor shall provide exclusive temporary bin service to customers upon request for collection of solid waste, recyclable materials, and organic materials. Contractor shall deliver a temporary bin to a customer by the following business day, if requested by 12:00 pm; otherwise, delivery shall be no later than the second business day. Rates for temporary bin service are listed separately in the approved rate schedule.

5. Bulky Good/Reusable Materials Collection

Contractor shall collect bulky goods, reusable materials, and other materials described herein from commercial customers at the rates included in Exhibit D. Contractor shall transport all collected materials to the appropriate approved facility for reuse, processing, or disposal.

Containers: Not applicable

Service Level: Commercial premises may request bulky good pick-ups at the rates identified in Exhibit D. Twenty item limit, per collection, based on rates identified in Exhibit D.

Service Frequency: There is no limit on the amount of requests with collection provided at rates identified in Exhibit D.

Service Location: Default is curbside for commercial premises, or if curbside is not applicable or causes safety concerns location will be at mutually agreed upon location by customer and Contractor.

Acceptable Materials: Reusable materials, bulky goods, recyclable materials, yard trimmings, electronic waste, and solid waste

Prohibited Materials: Food scraps, hazardous waste, abandoned automobiles, trees, excluded waste, special waste, or any single item (e.g., large auto parts) that exceeds 200 pounds in weight

Additional Service: N/A

Other Requirements: Contractor shall provide the service to the customer within seven working days of the customer's requested service date, as mutually agreed upon by the customer and Contractor. Customer may request pick-up of a maximum of 20 bulky goods at each pick-up charged at rates in Exhibit D. Contractor shall not dispose of materials collected through the on-call bulky goods/reusable materials collection program unless the materials cannot be reused or recycled. Contractor shall process and dispose of bulky goods and reusable materials collected from customers in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or recycling; (3) recycle or compost; and, if none of the other options are practicable, (4) dispose.

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EXHIBIT B4:
CITY AND COMMUNITY SERVICES AND DATA

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EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

1. Services to City Facilities

Contractor shall collect recyclable materials, organic materials, bulky goods, and solid waste from City facilities, including collection of street sweeping solid waste, in the same manner as those services are provided to commercial customers and shall provide designated personnel in accordance with Section 6.7.D. Contractor shall provide service to all existing City facilities identified in Exhibit B4 as well as any future City facilities established after the Effective Date. Contractor shall provide these services at no additional cost to City. City facility service as described by this Section shall include unlimited roll-off box collection service, including construction and demolition roll-off boxes to support City construction and demolition projects, and periodic bulky goods collection. Contractor shall deliver roll-off boxes within 24 hours of City request. Contractor shall collect, empty, and return roll-off boxes within 24 hours of City request. Contractor shall remove and not return roll-off boxes within 24 hour of City request.

2. Emergency Services

Contractor shall provide and maintain a current emergency list of responsible personnel to be contacted in the event of an emergency. Contractor shall provide emergency services (i.e., special collections, transport, processing, and disposal) at the request of the City Manager in the event of major accidents, disruptions, or natural calamities. Contractor shall be capable of providing emergency services within 24 hours of notification by the City Manager or as soon thereafter as is reasonably practical in light of the circumstances. For any services that exceed the scope of services under this Agreement, Contractor shall be entitled to compensation at the emergency service rates approved under this Agreement. City shall have discretion in the method of such compensation between direct payments by City and allowing such costs to be considered in the adjustment of rates for the following rate period.

3. Shredding Event(s)

Contractor shall provide an on-site mobile shredding service for use by City residents (a "Shredding Event") one time per calendar year at no additional charge. The Shredding Event shall be provided at a date, time, and location designated and approved by the City Manager and shall be for a minimum of three hours in duration. In the event inclement weather prevents a Shredding Event from occurring, Contractor shall reschedule the Shredding Event to a date, time, and location designated and approved by the City Manager. The Shredding Event shall be conducted at Contractor's sole cost and expense, utilizing equipment, personnel, and methods appropriate for such event, as approved by the City Manager. Prior to each Shredding Event, Contractor shall coordinate with City staff and/or public safety personnel to make arrangements for safe, convenient, and effective access to and participation by City residents in the Shredding Event and shall procure all necessary insurance coverage. Contractor shall provide staff to assist with verifying residency, distributing educational materials, assisting with traffic control, and providing other opportunities of outreach/education to the community as determined by City staff. Each Shredding Event shall be designed to accommodate up to a maximum of five "Bankers" boxes of paper or other media suitable for shredding from each residential and multi-family premises customer that is participating in the Shredding Event. Participants are allowed to observe the shredding of their materials during the Shredding Event. Contractor shall publicize each Shredding Event through methods, and using materials, approved by the City Manager, at no cost to City.

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CITY AND COMMUNITY SERVICES AND DATA

4. Procurement of Organic Waste Products

- A. **Annual Requirements.** Contractor shall assist City to procure sufficient California derived compost, mulch, and/or renewable natural gas to meet City's requirement for recovered organic waste products of 0.08 tons per capita per year as specified in SB 1383.

Contractor shall annually perform the following activities:

1. **Compost/Mulch Give-Away Events.** Contractor shall distribute an annual total of at least 20 tons (or a higher amount, if requested by the City) of compost and/or mulch to Brea residents at no additional cost to City or customers at one public compost/mulch give-away event per contract year (such that Contractor shall provide at least 500 bags per event). The location, date, and time of such events shall be mutually agreed upon by Contractor and the City Manager and may be held in conjunction with other City-approved events. Contractor shall deliver the loose or bagged compost/mulch to the agreed-upon event location at no cost to City. Contractor shall provide at least one attendant for at least six hours per event. Any compost and or mulch given away to the community through this program shall count towards Contractor's obligations to provide City with the amount of organic waste products required under SB 1383.
 2. **Use of RNG.** Contractor shall use reasonable business efforts to use California-derived renewable natural gas in collection vehicles and provide City the necessary SB 1383 implementation record documentation if RNG is utilized.
- B. **Other Requirements.** City will notify Contractor by January 1 of each calendar year if any further assistance will be requested by the Contractor to support the City in achieving the City's SB 1383 organic waste procurement requirements in addition to the annual requirements in Section 4.A of this Exhibit B4 above. Possible support includes, but is not limited to the following:
1. **Bulk Compost and/or Mulch.** If requested by City, Contractor shall provide bulk compost, mulch, or both to assist City to achieve City's recovered organic waste product purchasing requirements. City will notify Contractor of City's needs for delivery of compost, mulch, or both, each calendar year by January 1 or with a minimum of two weeks' notice for sudden requests to allow Contractor time to make the necessary arrangements. City requests shall include the desired tonnage of each material type and location for delivery. Contractor shall deliver compost, mulch, or both, at an agreed upon date and time by the City Manager to any mutually agreed upon location within City limits. City will review the quality specifications provided by Contractor of the selected material type for any given application. Contractor shall be entitled to compensation for actual costs of providing compost and mulch. Contractor shall provide City with copies of supporting documentation, such as invoices from compost/mulch producers, for the purchase of compost/mulch, and transportation invoices from providers that deliver the compost/mulch. City shall remit compensation directly to Contractor through payment of monthly invoices submitted by Contractor.
 2. **Other SB 1383 Compliant Methods.** If requested by the City, Contractor, as part of the City's annual procurement support request, may utilize other methods approved by CalRecycle or applicable law to assist the City to achieve the procurement requirements including provision of organic material to third parties through direct service provider agreements, purchase of

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

procurement compliance attributes, or other methods of compliance that are approved by CalRecycle. Contractor shall provide City with copies of supporting documentation, such as invoices from third parties, for these arrangements, and any other information required for inclusion in the City's SB 1383 implementation record. City shall remit compensation directly to Contractor through payment of monthly invoices submitted by Contractor.

- C. **SB 1383 Procurement.** All RNG, compost, mulch, or both, provided through this Agreement shall comply with the municipal procurement requirements of SB 1383, including being generated from California organic waste products, as defined by SB 1383 for each applicable material type.
- D. **Contractor Warranty of Recovered Organic Waste Products.** Contractor shall provide assurance through the execution of a liability waiver stating that all recovered organic waste products provided by Contractor and used within Brea are free from pathogens and inorganic waste material that may be harmful to the health and welfare of City and its constituents and also meet standards of CalRecycle and the United States Composting Council guidelines requiring testing demonstrating that fecal coliform levels of less than 1,000 MPN per gram of dry compost or Salmonella less than three MPN per four grams of dry compost. Contractor shall indemnify and hold harmless the City against any claims arising from contaminated recovered organic waste products provided by Contractor, as set forth in Article 10.

5. News Media Relations

Contractor shall notify City by e-mail of requests for news media interviews specifically related to the City's collection services program within 24 hours of Contractor's receipt of the request. Whenever reasonably possible given time constraints and conditions, before responding to any media inquiries involving controversial City issues or any issues regarding City's services, Contractor shall contact City to discuss its proposed response with the City.

If reasonable and feasible under the circumstances, copies of draft news releases or proposed newspaper articles related to the provision of collection services under this Agreement shall be submitted to City for prior review and approval, except where Contractor is required by any law to submit materials to any regulatory agency in a shorter period of time, in which case Contractor shall submit such materials to City simultaneously with Contractor's submittal to such regulatory agency.

Copies of articles resulting from media interviews or news releases shall be provided to City within five business days after publication.

6. Waste Generation, Characterization, and Pilot Studies.

Contractor acknowledges that City, CalRecycle, or other governmental agencies may wish to perform generation and characterization studies periodically with respect to materials covered under this Agreement. Contractor shall participate and cooperate with City and its agents and shall perform studies and data collection exercises on mutually agreeable terms and time frames, as needed, to determine weights, volumes, and composition of materials generated, disposed, diverted, or otherwise processed.

Contractor acknowledges that the County, in coordination with City, is required by SB 1383 to conduct organic waste and edible food capacity planning studies. Contractor shall provide information to City, as needed, for City's participation in such capacity planning studies. This information and/or participation

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CITY AND COMMUNITY SERVICES AND DATA

may include: conducting or supporting waste characterization studies; providing information regarding existing and potential new or expanded capacity in Contractor's operations for the collection, transport, or processing of recyclable and organic materials; and, any other information deemed necessary by City or the County for purposes of the study. Contractor shall respond to any request for information from City within 30 days, unless another timeframe is otherwise specified or authorized by City.

Contractor acknowledges that City may wish to conduct and/or participate in pilot studies related to the customers and materials that are the subject of this Agreement. If City requires Contractor to participate in any such pilot study, Contractor and City shall mutually agree on the scope of services to be provided by Contractor and the amount of compensation, if any, that City will pay to Contractor for such participation. In any event, Contractor shall permit and in no way interfere with the collection and handling of the subject materials by other persons for such purposes.

7. Illegally Dumped Bulky Goods.

Contractor shall, at no additional charge, provide on-demand collection of illegally dumped bulky goods within two working days of City's request. The residential bulky goods collection vehicle may be used to collect illegally dumped bulky goods and the tonnage collected may be co-mingled with residential tonnage and charged to City at City's approved residential tonnage rate.

8. Large Venue and Event Assistance, Event Recycling

Contractor shall assist City planners of large venue events with reporting and planning needs to provide recycling and organics materials diversion, as may be useful in meeting the requirements of AB 2176 and SB 1383, and in lowering disposal quantities generated at such events at no additional charge.

9. Neighborhood and Other Community Cleanups

Contractor shall supply the equivalent container capacity of up to seven 40-yard roll-off boxes and containers in additional sizes once per contract year for the collection of solid waste, recyclable materials, and organic waste for City-sponsored neighborhood cleanups, such as Love Brea cleanups or special cleanup details, at no additional charge to City or customers. Dates and locations of events shall be determined and approved by City. City staff shall inform Contractor of the date and location for each event. Additionally, Contractor shall supply two three-yard bins and cardboard event boxes for events throughout the year.

All material collected must be transferred, processed, and/or disposed of in accordance with SB 1383.

10. City Sponsored Events

Contractor shall provide solid waste, source separated recyclable materials, and source separated organic waste collection and disposal/processing service for City-sponsored events including the City-sponsored events included in this Exhibit B4 at no additional charge to City or customers. This shall include providing discarded material containers (carts, bins, roll-off boxes, and cardboard waste boxes with liners) to collect and dispose of, or process, all solid waste. Contractor shall provide containers for the collection of source separated recyclable materials, and source separated organic materials.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

11. Bus Stop Public Litter Container Collection

City collects discarded material from all public litter containers located at bus stops throughout Brea and delivers it to the City Yard. Contractor shall dispose of all discarded materials in the City Yard containers. Public litter containers are provided by City.

12. Edible Food Recovery Programs

A. Food Recovery Assistance.

1. Contractor shall assist City in identification of all commercial customers that meet the definition of tier one and tier two commercial edible food generators and provide a list of such customers to City, which shall include: customer name; service address; contact information; tier one or tier two classification; and, type of business (as it relates to the tier one and tier two commercial edible food generator definitions).
2. At least annually, Contractor shall provide commercial edible food generators with the following information:
 - a. Information about Contractor's and City's edible food recovery program.
 - b. Information about the commercial edible food generator requirements under 14 CCR Chapter 12 Article 10.
 - c. Information about food recovery organizations and food recovery services operating within Brea, and where a list of those food recovery organizations and food recovery services can be found.
 - d. Information about actions that commercial edible food generators can take to prevent the creation of food waste.
3. Contractor may provide the education information required by this Section by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to commercial businesses.
4. Contractor shall cooperate with the implementation, expansion, or operation of food recovery efforts in Brea, food recovery organizations, and/or food recovery services.
5. Contractor shall provide collection and processing of organic materials at no additional cost to food recovery organizations.

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

Current City Facilities

Row	City Facility	Address
1	Brea Civic & Cultural Center	1 Civic Center Circle
2	Brea Community Center	695 E. Madison Way
3	Brea Museum and Heritage Center	495 S. Brea Blvd
4	Brea Plunge/City Hall Park	440 S. Walnut/401 S Brea Blvd
5	Brea Lions Scout Center	401 S. Brea Blvd
6	Fire Station #1	555 North Berry St
7	Fire Station #2	200 North Brea Blvd
8	Fire Station #3	2600 Santa Fe Rd
9	Fire Station #4	198 Olinda Pl
10	City Service Center	545 N Berry St
11	Olinda Oil Museum and Trail	4025 E Santa Fe Rd
12	Parking Structure #1	101 S Brea Blvd
13	Parking Structure #2	175 N Madrona Ave
14	Parking Structure #3	235 S Orange
15	Pioneer Hall	304 W Elm
16	Senior Center	500 Sievers Ave
17	Founders Park	777 Skyler Way
18	Arovista Park	500 W Imperial Hwy and 500 Sievers Ave
19	Greenbriar Park	Greenbriar Ln and S Associated Rd
20	Brea Sports Park	3333 E Birch St
21	Lagos de Moreno Park	322 E Birch St
22	Olinda Ranch Park	4001 Carbon Canyon Rd
23	Wildcatters Park	3301 E Santa Fe Rd
24	Wildcatters Dog Park	3450 E Santa Fe Rd
25	Tamarack Park	520 Tamarack Ave
26	Junior High Park	400 N Brea Blvd
27	City Hall Park	401 S Brea Blvd
28	Country Hills Park	180 N Associated
29	Birch Hills Golf Course	2250 E Birch St
30	Brea Creek Golf Course	501 W Fir St

EXHIBIT B4

CITY AND COMMUNITY SERVICES AND DATA

City Events List

Event Name	Attendance (People)	Frequency
Nutcracker	Approximately 5,000	Annually, two consecutive days
Spring Craft Boutique	Approximately 3,000	Annually, two consecutive days
Public Works Open House	Approximately 1,000	Annually
Country Fair (4 th of July)	Approximately 5,000	Annually
Brea Fest	Approximately 5,000-7,000	Annually
Pet Expo	Approximately 2,000	Annually
Family Films	Approximately 1,000 between six films	Six / Year
Veterans Day	Approximately 700	Annually
Tree Lighting	Approximately 1,000	Annually
Love Brea/Go. Serve. Brea	Approximately 500	Annually
National Night Out	Approximately 2,000	Annually

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EXHIBIT C:
PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

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EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

1. General Administration

City has placed the utmost importance on effective public outreach and education in helping residents and businesses fully understand options for, and benefits of, source reduction, reuse, recycling, and composting. General provisions for public education and outreach are as follows:

- A. Within 30 days of the Effective Date and by December 15 of each following year during the term of this Agreement, Contractor shall develop and submit an annual public education plan to promote the programs designed by City and performed by Contractor under this Agreement. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, and identify program objectives, individual tasks, public education materials to be distributed, opportunities for expanded partnerships, and a timeline for implementation. The City Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the City Manager. Contractor shall meet with the City Manager to present and discuss the plan, review the prior year's activities (including sponsorships and services provided to City-sponsored events) and determine whether community activities and the provision of services to City reflect the needs of City staff and the City Council. The City Manager shall be allowed up to 60 calendar days after receipt to review and request modifications. The City Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan. Contractor shall have up to 15 business days to revise the plan in response to any requested changes by the City Manager. Any further delays may result in liquidated damages for failure to perform education and outreach activities as identified in this Exhibit C. Each business day that the plan is late shall count as a single occurrence.
- B. Upon request from the City Manager, the City Manager and the Contract Administrator shall meet at least one time per month to discuss services, outreach, and educational campaigns and request changes or adaptations to the annual public education plan.
- C. Contractor shall distribute instructional information, public education, and promotional materials in advance of, and following, commencement of new or modified services. This shall entail, at a minimum, distributing program literature to all customers at the Effective Date as well as to any new customers. Contractor shall use multiple media sources including print, radio television, electronic/social media, and events to notify customers of the change in their service provider, if applicable, and to highlight new program offerings. Transition and ongoing sector-specific collateral materials shall be distributed. Contractor shall submit all draft materials to the City Manager for review and approval. Contractor will supply all collateral or outreach to City upon request and for events where Contractor participation is requested for no additional charge.
- D. All City facilities shall receive any and all public education and outreach materials and services provided to the commercial sector. Contractor shall provide all printed public education materials to City offices and facilities to have available for the public that visits those facilities and shall replenish the materials as requested by the City Manager.
- E. City or Contractor may design bill inserts. Bill inserts designed by Contractor shall be provided to the City Manager a minimum of 60 days prior to publication. The City Manager shall review bill inserts designed by Contractor, and Contractor shall be responsible for printing and distributing the billing inserts to all customers. Contractor shall provide electronic bill inserts (or separate email

EXHIBIT C

PUBLIC EDUCATION AND OUTREACH REQUIREMENTS

attachments) to customers who are billed electronically and paper bill inserts to customers who receive paper bills. For customers receiving electronic bills, Contractor shall distribute brochures, newsletters, or other information as attachments to customer invoices. Electronic bill inserts/attachments must be readily available for the customer to view upon receipt of the invoice (attachments shall not be provided as links). Upon City request for billing inserts, Contractor shall comply with such request during its next billing cycle for the targeted customer group, if specified. Contractor shall perform this service with no additional requirement for compensation.

- F. Contractor has developed and shall maintain a website specific to its operations in Brea, with a section specific to City programs and customers, that will be used to post educational materials for download, highlight program successes, and provide diversion statistics, which can be located at <https://www.republicservices.com/municipality/brea-ca>. Contractor's Brea specific website shall also include links to relevant web pages of City's website where further information can be found. Content for the website shall be approved by the City Manager. Contractor shall review the website at a minimum annually to update information contained on website.

2. Sector-Specific Activities

The following tables present the public education and outreach activities to be performed by Contractor each rate period as minimum requirements under this Agreement. Each customer faces unique discarded materials management opportunities and challenges; therefore, Contractor shall develop targeted, sector-specific educational materials and perform outreach activities as described for each customer type.

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | All Sectors

All printed materials also shall be posted to Contractor's website. All education and outreach materials shall be Brea-specific and available in English, Spanish, Korean, and Traditional Chinese languages.

The following general public education and outreach materials shall each be produced for the benefit of all customer types.

Activity	Description	Distribution/Frequency
Newspaper Advertisement	Distribute a newspaper advertisement that explains all programs that will be offered under the new Agreement. Contractor shall also provide articles on recycling for local newsletters.	Within 30 days of the Effective Date Annually thereafter
Direct Community Outreach	Contractor shall conduct school assemblies and promote recycling through presentations and educational materials to the Chamber of Commerce, homeowner associations, construction contractors, and other civic groups.	Annually
Website	Contractor to prepare a section of its website where it will present customers with educational and diversion programs, upcoming outreach events, services, and resources specific to City. Website shall include Contractor's customer service contact, material on source reduction of household solid waste, and relevant legislative requirements.	Updated as mutually agreed
Corrective Action Notices – "Contamination Tag"	Produce and distribute a notice for use in instances where the customer includes prohibited materials in a container or fails to properly prepare containers. This form shall also be printed and made available in Spanish, Korean, and Traditional Chinese languages.	As needed

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Single-Family Education and Outreach Activities

All printed materials also shall be posted to Contractor's website.

Activity	Description	Distribution/Frequency
Initial Mailing	Produce and distribute a City-designed initial mailing to single-family customers, which may include content such as: explaining the program changes in this Agreement; changes from the existing collection programs to new programs; regulatory requirements, including SB 1383; and, the commencement of the change. Contractor shall include its holiday schedule and the residential recycling and expanded services guide.	Within 60 days of the Effective Date via direct mail
Annual Notice	Contractor shall prepare and distribute to each customer a brochure providing relevant information about Contractor's services, including: information regarding access to and use of available services; collection schedules; holiday collection schedules; customer service numbers; procedures to begin and terminate services; and, information promoting and explaining available programs, such as recycling, organic materials, holiday tree and bulky good collections, the availability of household hazardous waste, u-waste and e-waste collection, and the proper handling and disposal of such wastes. This brochure shall also be printed and made available in Spanish, Korean and Traditional Chinese languages.	Annually
Recycling Guide	Produce and distribute a "recycling guide" specific to single-family customers. This guide shall include information on collection methodologies, set out instructions, set out schedule, contact information, and acceptability and necessary preparation of materials for all single-family programs described in Exhibit B1. A section of the guide will specifically address proper methods of handling and disposal of hazardous wastes.	Affixed (inside plastic bag, zip-tied to handle) to every single-family recyclable materials cart delivered prior to the Effective Date, and thereafter to all new customers By direct mail annually thereafter to each single-family customer

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Neighborhood Group & HOA Visits	Upon City or customer request, visit homeowner associations and other neighborhood groups and associations to promote and explain the recycling programs included in this Agreement.	At City or customer request
Quarterly Newsletter	Not less than four times per year during each rate period, Contractor shall be responsible for all costs incurred for the production and mailing of City's Quarterly Newsletter. City reserves the right to direct the production of the Quarterly Newsletter to a firm of its choosing. The Quarterly Newsletter will include information on current regulations and any additional regulations adopted during the term of this Agreement. Contractor shall be required to coordinate distribution via U.S. Mail of the Quarterly Newsletter with a local mailing house, including furnishing customer mailing addresses.	Quarterly
Corrective Action Notices	Produce and distribute a single-family customer oriented non-collection notice and courtesy pick-up notices for use in instances where the customer includes prohibited container contaminants in a container or fails to properly prepare or set-out containers.	As needed
Seasonal Program Notifications	Contractor shall prepare a brochure or postcard informing all single-family customers advertising holiday tree collections pursuant to Exhibit B1.5 and any other seasonal or periodic program(s). The notification shall inform customers of the schedule, acceptable and prohibited materials, and set-out requirements for the program. Contractor shall submit a draft of the brochure or postcard to City for review and approval by October 1 each year.	At least 14 calendar days prior to event via direct mail
Website	Contractor shall prepare a "single-family customer" section of its website where it will present customers with "how-to" information for participating in Contractor-provided programs, including proper container setouts, and provide single-family customers with links to click on for additional resources. All other single-family educational materials specified in this Section shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current rates charged to single-family customers within Brea.	Within 60 calendar days of the Effective Date Updated quarterly

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Mandatory Recycling and Organics Outreach Activities	Produce and distribute outreach materials containing information to assist City with outreach compliance for applicable laws related to mandatory recycling and organics including SB 1383. Can be combined with annual notice requirements and quarterly newsletters.	Annually

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Multi-Family Education and Outreach Activities

All printed materials also shall be posted to Contractor's website.

Activity	Description	Distribution/Frequency
New Programs Mailing	Produce and distribute an initial mailing to all multi-family dwelling units explaining the program changes in this Agreement, changes from the existing collection programs to new programs, new regulatory requirements, including SB 1383, and the commencement of the change.	Within 60 days of Effective Date via direct mail
Annual Notice	Contractor shall prepare and distribute to each customer a brochure providing relevant information about Contractor's services including: information regarding access to and use of available services; collection schedules; holiday collection schedules; customer service numbers; procedures to begin and terminate services; and, information promoting and explaining available programs, such as recycling, organic materials, holiday tree and bulky good collections, the availability of household hazardous waste, u-waste and e-waste collection, and the proper handling and disposal of such wastes. This brochure shall also be printed and made available in Spanish, Korean, and Traditional Chinese languages.	Annually
Recycling Guide	Produce and distribute a "Recycling Guide" specific to multi-family customers and updated versions of the guide as needed. This guide shall include information such as collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all multi-family programs described in Exhibit B2. A section of the guide will specifically address proper methods of handling and disposal of hazardous wastes.	Within 30 days of the Effective Date and as needed via direct mail
Technical Assistance: Diversion Opportunity Assessments	Provide diversion opportunity assessments to each multi-family customer to meet with the property manager or owner of multi-family premises to promote recyclable and organic materials collection.	Annually plus follow-up meetings with individual customers, as needed

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Workshops	Offer and respond to requests for on-site meetings and workshops. Contractor shall conduct workshops for customers (when requested) that will show property managers and residents, in a hands-on interactive format, how to use the recycling and organics program and will provide resources for additional information and support.	At Customer's request
Website	Contractor shall prepare a "multi-family customer" section of its website where it will present "how-to" information for participating in Contractor-provided programs, including proper container setouts, and provide multi-family customers with links to click on for additional resources. All other multi-family educational materials specified in this Exhibit C shall be posted on this section of Contractor's website in PDF and/or video format. The website shall also publish the current rates charged to multi-family customers. The website shall also provide property managers of multi-family premises with an opportunity to request "diversion opportunity assessments" or additional education materials to provide to tenants.	Within 60 days of the Effective Date Updated Quarterly
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials containing information to assist City with outreach compliance for applicable laws related to mandatory recycling and organics including AB 341, AB 1826, and SB 1383.	Annually
Educational Materials for Employees/Tenants	Contractor shall provide commercial and multi-family property managers/owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and customers of the property or business. The public education materials shall include information about organic waste recovery requirements and proper sorting of discarded materials. Multi-family property managers/owners may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within 14 days of occupancy.	Annually; or more frequently upon Customer request

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Commercial Education and Outreach Activities

All printed materials also shall be posted to Contractor's website.

Activity	Description	Distribution/Frequency
New Programs Mailing	Prepare and distribute an initial mailing to all commercial customers explaining the program changes in this Agreement, changes from the existing collection programs to new programs, and the commencement date of the change.	Within 60 days of the Effective Date via direct mail
Annual Notice	Contractor shall prepare and distribute to each customer a brochure providing relevant information about Contractor's services, including: information regarding access to and use of available services; collection schedules; holiday collection schedules; customer service numbers; procedures to begin and terminate services; and, information promoting and explaining available programs, such as recycling, organic materials, holiday tree and bulky good collections, the availability of household hazardous waste, u-waste and e-waste collection, and the proper handling and disposal of such wastes. This brochure shall also be printed and made available in Spanish, Korean, and Traditional Chinese languages.	Annually
Newsletters (Three times per year)	Not less than three times per year during each rate period, Contractor shall be responsible for all costs incurred for the production and mailing of City's newsletter. City reserves the right to direct the production of the newsletter to a firm of its choosing. The newsletter will include information on current regulations and any additional regulations adopted during the term of this Agreement. Contractor shall be required to coordinate distribution via U.S. Mail of the newsletter with a local mailing house, including furnishing customer mailing addresses. The commercial newsletter may be combined with residential newsletter so long as all generator types receive the information, and the information is relevant to all generators. City must approve combining newsletters in advance.	Three times per year distributed to all commercial and multi-family customers

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Recycling Guide	Contractor shall produce a “recycling guide” specific to commercial customers and update the guide as needed. This guide shall include information on collection methodologies, set out instructions, contact information, and acceptability and necessary preparation of materials for all commercial programs described in Exhibit B3. A section of the guide will specifically address proper methods of handling and disposal of hazardous wastes.	Within 30 days of the Effective Date and as needed via direct mail Distributed during diversion opportunity assessments
“How-to” Flyer: Recyclable Materials	Prepare and distribute a “how-to” brochure explaining the recycling materials collection programs for each general business type (restaurants, office/commercial buildings, strip malls, and large commercial businesses).	Within 30 days of the Effective Date via direct mail Distributed during diversion opportunity assessments
“How-to” Flyer: Organic Materials	Prepare and distribute a flyer describing the organic materials collection services available and how to prepare organic materials for collection for each general business type (restaurants, office/commercial buildings, strip malls, and large commercial businesses).	Within 30 days of the Effective Date via direct mail Distributed during diversion opportunity assessments
Technical Assistance: Diversion Opportunity Waste Assessments	Provide diversion opportunity assessments at least one time annually to each and every commercial customer to promote recyclable and organic materials collection and replenish recycling guides and recycling and organics posters as needed by each customer.	Annually plus follow-up meetings with individual customers, as required
Recycling and Organics Posters	Produce and distribute (during diversion opportunity assessments) laminated recycling and organics posters that provide graphic illustrations of acceptable and prohibited materials within each program.	Distributed during diversion opportunity assessments

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Quarterly Bill Inserts	Prepare and distribute quarterly bill inserts that creatively inform commercial customers about such topics as: cost savings available from source reduction, reuse, and recycling; tips for overcoming common operational challenges businesses have with recycling and organics programs; the environmental benefits of buying recycled-content products; and, statistics, trends, and facts about programs performed under this Agreement (e.g., collected, tonnage, year over year increase/decrease, markets for material collected, what each material is recycled into) as appropriate. Contractor's annual public education plan shall define a theme for each quarterly insert.	Quarterly via direct mail
Corrective Action Notices	Produce a commercial and multi-family customer oriented corrective action notice for use in instances where the customer includes prohibited container contaminants in a container or fails to properly prepare or set-out containers.	As needed
Mandatory Recycling and Organics Outreach Activities	Contractor shall disseminate outreach materials related to the mandatory nature of recyclable materials and organic materials collection services, upon request from City. Such outreach shall be designed to assist City in complying with the outreach requirements of applicable laws related to the mandatory provision of recyclable materials and organic materials collection and diversion services.	Annually
Educational Materials for Employees/Tenants	Contractor shall provide commercial and multi-family property managers owners with public education materials, required by SB 1383, for their distribution to all employees, contractors, tenants, and customers of the property or business. The public education materials shall include information about organic waste recovery requirements and proper sorting of discarded materials. Commercial customers may request these materials more frequently if needed to comply with the SB 1383 requirement to provide information to new tenants before or within 14 days of occupancy.	Annually; or more frequently upon Customer request Can be provided electronically to property or business

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Activity	Description	Distribution/Frequency
Commercial Edible Food Generator Education	<p>Contractor shall provide customers that are commercial edible food generators with the following:</p> <ol style="list-style-type: none">1. Information about City's edible food recovery program.2. Information about the commercial edible food generator requirements under 14 CCR, Division 7, Chapter 12, Article 10.3. Information about food recovery organizations and food recovery services operating within Brea and where a list of those food recovery organizations and food recovery services can be found.4. Information about actions that commercial edible food generators can take to prevent the creation of food waste.	Annually

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

Public Education and Outreach | Special Events

All printed materials also shall be posted to Contractor's website as well as links to teacher resources.

Activity	Description	Distribution/Frequency
Event Exhibit	Contractor shall staff an exhibit booth and distribute promotional and educational materials at special events. Contractor shall provide visual displays, copies of educational materials (including all guides, flyers, and brochures produced for this Agreement), and recycling education activities appropriate to a variety of age groups. Display components will be professionally designed and created and shall be scalable to be appropriate for a variety of booth or display configurations. Materials will include those pertaining to the programs provided under this Agreement as well as general information on “green” and/or sustainable behaviors.	All special events listed in Exhibit B4 Other events at City’s request

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EXHIBIT D:
INITIAL MAXIMUM RATES

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EXHIBIT D: INITIAL MAXIMUM RATES

Following are the current rates for July 1, 2024 through June 30, 2025 and the initial maximum rates as posted in the Proposition 218 Notice. In the table below, the Proposed Adjusted Rate column sets forth the initial maximum rates as posted in the Proposition 218 Notice.

CITY OF BREA PROPOSED SOLID WASTE & RECYCLING SERVICE RATES

(Rates may escalate on July 1, 2025; July 1, 2026; July 1, 2027; and July 1, 2028)

SINGLE FAMILY RESIDENTIAL SERVICES*	Current Rate	¹ City Utility Billing	¹ Collection Component (85%)	¹ Disposal Component (15%)	¹ Proposed Adjusted Rate
*Residential premises with 4 or less dwelling units MONTHLY RESIDENTIAL RATE (Includes 3 carts: 1 Trash, 1 Recycle, 1 Organic Waste 1x/week PICK-UP)	\$27.80	\$3.14	\$25.03	\$4.42	\$32.59
ADDITIONAL RESIDENTIAL					
TRASH CONTAINER	\$13.15		\$12.95	\$2.28	\$15.23
ORGANIC WASTE CONTAINER	\$6.04		\$5.95	\$1.05	\$7.00
RECYCLE CONTAINER	\$0.00		\$0.00	\$0.00	\$0.00
MOBILE HOME RESIDENTIAL RATE	\$27.80	\$3.14	\$2.67	\$0.47	\$32.59
TEMPORARY 3 YARD RES. BIN	\$105.89		\$104.26	\$18.40	\$122.66
3 DAYS (Del - Fill - PICK-UP & Disposal)					
Non Profit TEMPORARY 3 YARD RES. BIN	\$99.35		\$97.82	\$17.26	\$115.08
EACH ADDITIONAL DAY - Temp Bin	\$7.36		\$7.25	\$1.28	\$8.53
EACH ADDITIONAL EMPTY (Cycle Starts Again)	\$105.89		\$104.26	\$18.40	\$122.66
RESIDENTIAL ROLL-OUT SERVICES (Service is for customers that want back door, garage, walk in service)	\$14.01		\$13.79	\$2.43	\$16.22
RESIDENTIAL EXTRA DUMP - ALL 3 CONTAINERS	\$29.74		\$29.28	\$5.17	\$34.45
RESIDENTIAL EXCHANGE OF ALL 3 CONTAINERS	\$45.98		\$45.27	\$7.99	\$53.26
RESIDENTIAL CONTAINER REPLACEMENT - MISUSE (Each)	\$81.36		\$80.11	\$14.14	\$94.25
RESIDENTIAL BULKY-ITEM COLLECTION					
Additional Pick-ups Over 3x Pick-up/Year	\$57.55		\$56.67	\$10.00	\$66.67
Charge for Each Item Over 20 per Collection	\$8.22		\$8.09	\$1.43	\$9.52
Additional Fee Required for Gas Recovery	\$78.12		\$76.92	\$13.57	\$90.49
RESIDENTIAL KITCHEN PAIL FOR PURCHASE (unbranded)	New Rate				\$12.15

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL/MULTI-FAMILY/INDUSTRIAL BIN SERVICE	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
(Absent a waiver, trash, recycle, and organic waste service is required. Typical service includes 1 trash, 1 recycle, and 1 organic waste container)				
COMMERCIAL BARREL RATE (96 GALLON TRASH)	\$41.26	\$37.26	\$6.58	\$43.84
MONTHLY COMMERCIAL TRASH BIN RATES				
1.5 YARD TRASH BIN 1x/week PICK-UP	\$111.93	\$101.09	\$17.84	\$118.93
1.5 YARD TRASH BIN 2x/week PICK-UP	\$194.06	\$175.26	\$30.93	\$206.19
1.5 YARD TRASH BIN 3x/week PICK-UP	\$276.19	\$249.43	\$44.02	\$293.45
1.5 YARD TRASH BIN 4x/week PICK-UP	\$358.32	\$323.61	\$57.11	\$380.72
1.5 YARD TRASH BIN 5x/week PICK-UP	\$440.45	\$397.78	\$70.20	\$467.98
1.5 YARD TRASH BIN 6x/week PICK-UP	\$522.58	\$471.96	\$83.29	\$555.25
1.5 YARD TRASH BIN 7x/week PICK-UP	\$619.01	\$559.04	\$98.65	\$657.69
1ST EXTRA PICK-UP	\$84.79	\$76.58	\$13.51	\$90.09
2ND EXTRA PICK-UP @ SAME TIME	\$46.66	\$42.14	\$7.44	\$49.58
1.5 YARD MANURE BIN 1x/week PICK-UP				
1.5 YARD MANURE BIN 2x/week PICK-UP	\$123.43	\$111.47	\$19.67	\$131.14
1.5 YARD MANURE BIN 3x/week PICK-UP	\$217.06	\$196.03	\$34.59	\$230.62
1.5 YARD MANURE BIN 4x/week PICK-UP	\$310.69	\$280.59	\$49.52	\$330.11
1.5 YARD MANURE BIN 5x/week PICK-UP	\$404.32	\$365.15	\$64.44	\$429.59
1.5 YARD MANURE BIN 6x/week PICK-UP	\$497.95	\$449.71	\$79.36	\$529.07
1.5 YARD MANURE BIN 7x/week PICK-UP	\$591.58	\$534.27	\$94.28	\$628.55
1ST EXTRA PICK-UP	\$699.51	\$631.74	\$111.48	\$743.22
2ND EXTRA PICK-UP @ SAME TIME	\$96.99	\$87.59	\$15.46	\$103.05
2ND EXTRA PICK-UP @ SAME TIME	\$96.99	\$87.59	\$15.46	\$103.05
2 YARD TRASH BIN 1x/week PICK-UP				
2 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$139.04	\$24.54	\$163.58
2 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$232.28	\$40.99	\$273.27
2 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$325.52	\$57.44	\$382.96
2 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$418.76	\$73.90	\$492.66
2 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$512.00	\$90.35	\$602.35
2 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$605.24	\$106.81	\$712.05
1ST EXTRA PICK-UP	New Rate	\$709.45	\$125.20	\$834.65
2ND EXTRA PICK-UP @ SAME TIME	New Rate	\$76.58	\$13.51	\$90.09
2ND EXTRA PICK-UP @ SAME TIME	New Rate	\$42.14	\$7.44	\$49.58
3 YARD TRASH BIN 1x/week PICK-UP				
3 YARD TRASH BIN 2x/week PICK-UP	\$181.12	\$163.57	\$28.87	\$192.44
3 YARD TRASH BIN 3x/week PICK-UP	\$302.58	\$273.27	\$48.22	\$321.49
3 YARD TRASH BIN 4x/week PICK-UP	\$424.04	\$382.96	\$67.58	\$450.54
3 YARD TRASH BIN 5x/week PICK-UP	\$545.50	\$492.65	\$86.94	\$579.59
3 YARD TRASH BIN 6x/week PICK-UP	\$666.96	\$602.35	\$106.30	\$708.65
3 YARD TRASH BIN 7x/week PICK-UP	\$788.42	\$712.04	\$125.65	\$837.69
1ST EXTRA PICK-UP	\$924.18	\$834.65	\$147.29	\$981.94
2ND EXTRA PICK-UP @ SAME TIME	\$84.79	\$76.58	\$13.51	\$90.09
2ND EXTRA PICK-UP @ SAME TIME	\$46.66	\$42.14	\$7.44	\$49.58
3 YARD MANURE BIN 1x/week PICK-UP				
3 YARD MANURE BIN 2x/week PICK-UP	\$195.79	\$176.82	\$31.20	\$208.02
3 YARD MANURE BIN 3x/week PICK-UP	\$331.92	\$299.77	\$52.90	\$352.67
3 YARD MANURE BIN 4x/week PICK-UP	\$468.05	\$422.71	\$74.60	\$497.31
3 YARD MANURE BIN 5x/week PICK-UP	\$604.18	\$545.65	\$96.29	\$641.94
3 YARD MANURE BIN 6x/week PICK-UP	\$740.31	\$668.59	\$117.99	\$786.58
3 YARD MANURE BIN 7x/week PICK-UP	\$876.44	\$791.53	\$139.68	\$931.21

EXHIBIT D: INITIAL MAXIMUM RATES

3 YARD TEMP CONSTRUCTION BIN 1x/week PICK-UP	\$232.94	\$210.37	\$37.12	\$247.49
3 YARD TEMP CONSTRUCTION BIN 2x/week PICK-UP	\$360.11	\$325.22	\$57.39	\$382.61
3 YARD TEMP CONSTRUCTION BIN 3x/week PICK-UP	\$487.28	\$440.07	\$77.66	\$517.73
3 YARD TEMP CONSTRUCTION BIN 4x/week PICK-UP	\$614.45	\$554.93	\$97.93	\$652.86
3 YARD TEMP CONSTRUCTION BIN 5x/week PICK-UP	\$741.62	\$669.78	\$118.20	\$787.98
3 YARD TEMP CONSTRUCTION BIN 6x/week PICK-UP	\$868.79	\$784.63	\$138.46	\$923.09
3 YARD TEMP CONSTRUCTION BIN 7x/week PICK-UP	\$1,010.26	\$912.39	\$161.01	\$1,073.40
1ST EXTRA PICK-UP	\$127.17	\$114.85	\$20.27	\$135.12
2ND EXTRA PICK-UP @ SAME TIME	\$127.17	\$114.85	\$20.27	\$135.12
3 YARD COMPACTED BIN 1x/week PICK-UP	\$266.27	\$240.48	\$42.44	\$282.92
3 YARD COMPACTED BIN 2x/week PICK-UP	\$481.71	\$435.04	\$76.77	\$511.81
3 YARD COMPACTED BIN 3x/week PICK-UP	\$697.15	\$629.61	\$111.11	\$740.72
3 YARD COMPACTED BIN 4x/week PICK-UP	\$912.59	\$824.18	\$145.44	\$969.62
3 YARD COMPACTED BIN 5x/week PICK-UP	\$1,128.03	\$1,018.75	\$179.78	\$1,198.53
3 YARD COMPACTED BIN 6x/week PICK-UP	\$1,343.47	\$1,213.32	\$214.12	\$1,427.44
3 YARD COMPACTED BIN 7x/week PICK-UP	\$1,573.21	\$1,420.81	\$250.73	\$1,671.54
1ST EXTRA PICK-UP	\$142.89	\$129.05	\$22.77	\$151.82
2ND EXTRA PICK-UP @ SAME TIME	\$142.89	\$129.05	\$22.77	\$151.82
4 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$188.11	\$33.20	\$221.31
4 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$314.26	\$55.46	\$369.72
4 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$440.41	\$77.72	\$518.13
4 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$566.55	\$99.98	\$666.53
4 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$692.70	\$122.24	\$814.94
4 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$818.85	\$144.50	\$963.35
4 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$959.85	\$169.38	\$1,129.23
6 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$327.15	\$57.73	\$384.88
6 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$546.54	\$96.45	\$642.99
6 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$765.92	\$135.16	\$901.08
6 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$985.31	\$173.88	\$1,159.19
6 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,204.70	\$212.59	\$1,417.29
6 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$1,424.08	\$251.31	\$1,675.39
6 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$1,669.30	\$294.58	\$1,963.88
8 YARD TRASH BIN 1x/week PICK-UP	New Rate	\$376.22	\$66.39	\$442.61
8 YARD TRASH BIN 2x/week PICK-UP	New Rate	\$628.52	\$110.91	\$739.43
8 YARD TRASH BIN 3x/week PICK-UP	New Rate	\$880.81	\$155.44	\$1,036.25
8 YARD TRASH BIN 4x/week PICK-UP	New Rate	\$1,133.11	\$199.96	\$1,333.07
8 YARD TRASH BIN 5x/week PICK-UP	New Rate	\$1,385.40	\$244.48	\$1,629.88
8 YARD TRASH BIN 6x/week PICK-UP	New Rate	\$1,637.70	\$289.01	\$1,926.71
8 YARD TRASH BIN 7x/week PICK-UP	New Rate	\$1,919.70	\$338.77	\$2,258.47

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL/MULTI-FAMILY/INDUSTRIAL RECYCLE RATES	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
65 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
Additional per tip frequency	New Rate	\$51.00	\$9.00	\$60.00
96 GALLON RECYCLE CART 1x/week PICK-UP	New Rate	\$51.00	\$9.00	\$60.00
Additional per tip frequency	New Rate	\$51.00	\$9.00	\$60.00
2 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$95.14	\$16.79	\$111.93
Additional per tip frequency	New Rate	\$95.14	\$16.79	\$111.93
3 YARD RECYCLE BIN 1x/week PICK-UP	\$152.81	\$136.38	\$24.07	\$160.45
Additional per tip frequency	\$152.81	\$136.38	\$24.07	\$160.45
4 YARD RECYCLE BIN 1x/week PICK-UP	New Rate	\$159.89	\$28.22	\$188.11
Additional per tip frequency	New Rate	\$159.89	\$28.22	\$188.11
3 YARD SPLIT BIN (no additional lock fee or installation)	New Rate	\$206.93	\$36.52	\$243.45
Additional per tip frequency	New Rate	\$206.93	\$36.52	\$243.45
COMMERCIAL RECYCLE BIN CONTAMINATION FEE per occurrence	New Rate	\$98.85	\$17.44	\$116.29
COMMERCIAL RECYCLE CART CONTAMINATION FEE per occurrence	New Rate	\$49.44	\$8.72	\$58.16
COMMERCIAL/MULTI-FAMILY/INDUSTRIAL ORGANIC WASTE RATES	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
35 Gallon Cart 1x/week PICK-UP	\$41.26	\$35.07	\$6.19	\$41.26
35 Gallon Cart 2x/week PICK-UP	\$82.52	\$70.14	\$12.38	\$82.52
35 Gallon Cart 3x/week PICK-UP	\$123.78	\$105.21	\$18.57	\$123.78
65 Gallon Cart 1x/week PICK-UP	\$65.19	\$55.41	\$9.78	\$65.19
65 Gallon Cart 2x/week PICK-UP	\$130.37	\$110.81	\$19.55	\$130.36
65 Gallon Cart 3x/week PICK-UP	\$195.56	\$166.23	\$29.33	\$195.56
2 YARD BIN 1x/week PICK-UP	\$348.61	\$296.32	\$52.29	\$348.61
2 YARD BIN 2x/week PICK-UP	\$697.21	\$592.63	\$104.58	\$697.21
2 YARD BIN 3x/week PICK-UP	\$1,045.82	\$888.95	\$156.87	\$1,045.82
ORGANIC BIN NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$296.32	\$52.29	\$348.61
ORGANIC CART NON-SCHEDULE ADDITIONAL PICK-UPS	New Rate	\$35.07	\$6.19	\$41.26
ORGANIC BIN CONTAMINATION FEE per occurrence	\$116.29	\$98.85	\$17.44	\$116.29
ORGANIC CART CONTAMINATION FEE per occurrence	\$58.16	\$49.44	\$8.72	\$58.16

EXHIBIT D: INITIAL MAXIMUM RATES

COMMERCIAL/MULTI-FAMILY/INDUSTRIAL SPECIAL SERVICES	Current Rate	² Collection Component (85%)	² Disposal Component (15%)	² Proposed Adjusted Rate
Pull out service (charge applicable when container must be moved more than 25ft)	\$71.94	\$64.97	\$11.47	\$76.44
Additional per tip frequency	\$71.94	\$64.97	\$11.47	\$76.44
Lock latch (For any bin with lockbar other than split bin)	\$2.71	\$2.45	\$0.43	\$2.88
Additional per tip frequency	\$2.71	\$2.45	\$0.43	\$2.88
Redeliver Bin (due to non-payment)	\$101.78	\$91.92	\$16.22	\$108.14
Lock latch Bin one-time installation fee (For all lock latch except split Bin)	\$120.81	\$109.10	\$19.25	\$128.35
SUR-CHARGE FOR 7x/week (Sunday Service)	\$14.75	\$13.32	\$2.35	\$15.67
SUR-CHARGE FOR LESS THAN 7x/week (Sunday Service)	\$41.52	\$37.50	\$6.62	\$44.12
NON-SCHEDULE ADDITIONAL PICK-UPS				
1st BIN PICK-UP (1.5 & 3 YARD BIN)	\$84.79	\$76.58	\$13.51	\$90.09
EACH ADDITIONAL @ SAME TIME	\$46.66	\$42.14	\$7.44	\$49.58
ALL ADDITIONAL MANURE BIN PICK-UPS	\$96.99	\$87.59	\$15.46	\$103.05
ALL ADDITIONAL COMPACTED BIN PICK-UPS	\$142.89	\$129.05	\$22.77	\$151.82
BIN OVERAGE "OVER THE TOP" - Each Occurrence	\$47.31	\$55.25	\$9.75	\$65.00
BIN EXCHANGE - IN EXCESS OF 1 PER/YEAR	\$101.37	\$91.55	\$16.16	\$107.71
SPECIAL ACCESS REQUIRED - CODE OR KEY	\$13.51	\$12.20	\$2.15	\$14.35
(Rate x Weekly Tip Frequency - Billed Monthly)				
COMMERCIAL CONTAINER STEAM CLEANING (container exchanged)	\$135.14	\$122.05	\$21.54	\$143.59
COMMERCIAL BULKY-ITEM COLLECTION				
Bulky item pickups (no limit); max 20 items per collection	\$61.06	\$55.14	\$9.73	\$64.87
Charge for Each Item Over 20 per Collection	\$8.12	\$7.33	\$1.29	\$8.62
Additional Fee Required for Gas Recovery	\$78.12	\$70.55	\$12.45	\$83.00

EXHIBIT D: INITIAL MAXIMUM RATES

INDUSTRIAL SPECIAL SERVICES	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
PERMANENT 30 YARD ROLL-OFF - Min 4 PICK-UPS per/Month	\$2,646.69	\$2,390.29	\$421.82	\$2,812.11
ADDITIONAL PICK-UP - PERM 30 YARD ROLL-OFF	\$661.67	\$597.57	\$105.45	\$703.02
PERMANENT 15 YARD DEMO BOX - Min 4 PICK-UPS per/Month	\$2,819.48	\$2,546.34	\$449.35	\$2,995.69
ADDITIONAL PICK-UP - PERM 15 YARD DEMO	\$704.87	\$636.59	\$112.34	\$748.93
PERMANENT 40 YARD PACKER - Each PICK-UP	\$825.04	\$745.11	\$131.49	\$876.60
TEMPORARY 30 YARD ROLL-OFF BOX THREE DAYS - 1 EMPTY	\$663.40	\$599.13	\$105.73	\$704.86
TEMPORARY 30 YARD ROLL-OFF BOX - Yardwaste	\$625.25	\$564.68	\$99.65	\$664.33
TEMPORARY 15 YARD DEMO BOX THREE DAYS - 1 EMPTY	\$766.18	\$691.96	\$122.11	\$814.07
SURCHARGE OVER 8 TONS PER LOAD	\$62.46	\$56.41	\$9.95	\$66.36
CONTAINER MONTHLY RENTALS				
THREE (3) YARD BIN	\$67.58	\$61.03	\$10.77	\$71.80
TILT HOPPER	\$52.72	\$47.61	\$8.40	\$56.01
STORAGE CONTAINER	\$106.76	\$96.42	\$17.01	\$113.43
STORAGE BOX DELIVERY	No Charge			No Charge
STORAGE BOX RETURN - (RATE + \$1.00 P/MILE)	\$13.76	\$12.43	\$2.19	\$14.62
PACKER UNIT - "TURN-A-ROUND" REQUIRED (Surcharge per Pull)	\$13.76	\$12.43	\$2.19	\$14.62
RELOCATION FEE / TRIP CHARGE "DEAD RUN"	\$65.21	\$58.89	\$10.39	\$69.28
SATURDAY SERVICE - PER LOAD	\$40.74	\$36.79	\$6.49	\$43.28
TEMP ROLL-OFF CONTAINER RENTAL (In Excess of Seven (7) Days w/o an Exchange)	\$16.35	\$14.77	\$2.61	\$17.38
DRIVER & TRUCK STAND-BY HOURLY RATE (Two (2) Hour Minimum Charge)	\$102.79	\$92.83	\$16.38	\$109.21
HEAVY-DUTY ROLL-OFF TRUCK - PER LOAD (Surcharge in Excess of Standard Rates - Overweight)	\$473.07	\$427.24	\$75.40	\$502.64
MANDATORY SIGNATURE REQUIREMENT (Surcharge per Roll-Off or Packer Exchange)	\$6.74	\$6.09	\$1.07	\$7.16
BREA OLINDA SCHOOL DISTRICT	Current Rate	²Collection Component (85%)	²Disposal Component (15%)	²Proposed Adjusted Rate
MONTHLY COMMERCIAL RATES				
3 YARD BIN 1x/week PICK-UP	\$117.46	\$106.08	\$18.72	\$124.80
ADDITIONAL PICK-UP 3 YARD BIN	\$85.56	\$77.27	\$13.64	\$90.91

EXHIBIT D: INITIAL MAXIMUM RATES

- 1 City Utility, Collection Component, and Disposal Component make up the Proposed Adjusted Rate for Single Family Residential.
- 2 Collection Component and Disposal Component make up the Proposed Adjusted Rate for Commercial/Multi-Family/Industrial.

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EXHIBIT E:
EXAMPLE RATE ADJUSTMENT FORMULA

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EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Example Residential Rate Adjustment Calculation

All percentages are rounded to four (4) decimal places and all currency is rounded to nearest \$0.01.

Step One: Calculate percentage change in indices.

Row	Adjustment Factor	Index	A	B	C
			Old Index Value	New Index Value	Percent Change in Index ((Column B ÷ Column A) - 1)
1	Collection	(1)			3.65%
2	Disposal	(2)	\$41.31	\$42.65	3.24%

Step Two: Determine weighted percentage change in rates.

Row	Adjustment Factor		D	E	F
			Cost Factor Category Weighted as a % of Component Total (3)	Percent Change in Index (From Column C)	Total Weighted Change (Column D x Column E)
3	Collection	(1)	85.00%	3.65%	3.11%
4	Disposal	(2)	15.00%	3.24%	0.49%
5	Total		100.00%		3.60%

Step Three: Apply percentage change to rates.

Row	Example Residential Contractor Rate Category (4)	G	H	I	J1	J2	J3	J4
		Example Republic Rates based on July 1, 2024 Rates before City Maintenance Service Costs and Recycling Rebate	Total Weighted Percentage Change (From Column F, Row 5)	Rate Increase or (Decrease) (Column G x Column H)	Adjusted Rate before City Maintenance Service Costs and Recycling Rebate (Column G + Column I)	City Maintenance Service Cost*	Residential Recycling Revenue Rebate	Total Customer Rate with City Maintenance Service Cost and Recycling Rebate (Column J1 + J2 + J3)
6	Standard cart service (3 material streams)**	\$26.13	3.60%	\$0.94	\$27.07	\$1.96	(\$0.29)	\$28.74
7	Additional refuse cart(s) - Each	\$13.15	3.60%	\$0.47	\$13.62			\$13.62
8	Additional organic materials Cart(s) - Each	\$6.04	3.60%	\$0.22	\$6.26			\$6.26
9	Roll-out service	\$14.01	3.60%	\$0.50	\$14.51			\$14.51
10	Cart exchange	\$45.98	3.60%	\$1.66	\$47.64			\$47.64
11	Cart replacement (customer mis-use)	\$81.36	3.60%	\$2.93	\$84.29			\$84.29
12	Extra dump - All 3 material streams	\$29.74	3.60%	\$1.07	\$30.81			\$30.81
13	Additional bulky good pickup - after limit exceeded	\$57.55	3.60%	\$2.07	\$59.62			\$59.62

Step Four: Recalculate cost component weightings for next rate adjustment.

Row	Adjustment Factor	K	L	M	N	O
		Cost Component (From Column D)	Percent Change in Index (From Column E)	Change in Cost Component Weightings (Column K x Column L)	Adjusted Cost Component Weightings (Column K + Column M)	Cost Components Reweighted to Equal 100% (Column N Row ÷ Column N Total)
14	Collection	85.00%	3.65%	3.11%	88.11%	85.05%
15	Disposal	15.00%	3.24%	0.49%	15.49%	14.95%
16	Total	100.00%			103.6%	100.00%

*Rate to include City Maintenance Service Costs per home per month. City to provide to Contractor on annual basis.

**Insert current residential rate including prior recycling rebate from prior year calculations Column J3. Example based on July 1, 2024 Contractor rate of \$25.84+\$0.29 = \$26.13.

(1) The increase or decrease will be for the change in the weighted average annual change per Exhibit E-3 for agreement years 2 through 5 and thereafter will be calculated using the average annual change in the GTCI. The percentage change will be based on the average annual published GTCI (CUUR0000SEHG02), between the twelve (12) months ended December prior to the rate adjustment date, and the twelve (12) months ended the prior December.

(2) Actual change based on Waste Disposal Agreement with Orange County Waste and Recycling for July 1.

(3) The first year weightings are based on percentages included in Section 9.4.2. When the first adjustment is calculated, the resulting re-weightings in column "O" will be used as the new weightings for the following year adjustments.

(4) The example rate categories shown are not all inclusive.

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Example Commercial Rate Adjustment Calculation

All percentages are rounded to four (4) decimal places and all currency is rounded to nearest \$0.01.

Step One: Calculate percentage change in indices.

Row	Adjustment Factor	Index	A	B	C
			Old Index Value	New Index Value	Percent Change In Index ((Column B ÷ Column A) - 1)
1	Collection	(1)			4.48%
2	Disposal	(2)	\$41.31	\$42.65	3.24%

Step Two: Determine weighted percentage change in rates.

Row	Adjustment Factor		D	E	F
			Cost Factor Category Weighted as a % of Component Total (3)	Percent Change in Index (From Column C)	Total Weighted Change (Column D x Column E)
3	Collection	(1)	85.00%	4.48%	3.81%
4	Disposal	(2)	15.00%	3.24%	0.49%
5	Total		100.00%		4.30%

Step Three: Apply percentage change to rates.

Row	Example Commercial/ Industrial Contractor Rate Category (4)	G	H	I	J
		Example Republic Rates based on July 1, 2024 Rates	Total Weighted Percentage Change (From Column F, Row 5)	Rate Increase or Decrease (Column G x Column H)	Adjusted Rate (Column G + Column I)
6	Commercial 96-gallon recycling cart 1x/wk*	\$80.00	4.30%	\$2.58	\$82.58
7	Commercial 96-gallon trash cart - per cart	\$41.28	4.30%	\$1.77	\$43.03
8	Commercial trash 3 CY bin 1x/wk	\$181.12	4.30%	\$7.79	\$188.91
9	Commercial trash 3 CY bin - additional pickup	\$121.48	4.30%	\$5.22	\$126.68
10	Commercial recycling 3 CY bin - additional frequency	\$152.81	4.30%	\$6.57	\$159.38
11	Commercial 64-gallon organic materials cart 1x/wk	\$65.19	4.30%	\$2.80	\$67.99
12	Loading latch - per tip frequency	\$2.71	4.30%	\$0.12	\$2.83
13	Industrial - permanent 30 yard roll-off (8 ton limit)	\$2,646.69	4.30%	\$113.81	\$2,760.50

Step Four: Recalculate cost component weightings for next rate adjustment.

Row	Adjustment Factor	K	L	M	N	O
		Cost Component (From Column D)	Percent Change in Index (From Column E)	Change in Cost Component Weightings (Column K x Column L)	Adjusted Cost Component Weightings (Column K + Column M)	Cost Components Reweighted to Equal 100% (Column N Row ÷ Column N Total)
14	Collection	85.00%	4.48%	3.81%	88.81%	85.15%
15	Disposal	15.00%	3.24%	0.49%	15.49%	14.85%
16	Total	100.00%			104.3%	100.00%

*New agreement service rate included for example purposes only.

(1) The increase or decrease will be for the change in the weighted average annual change per Exhibit E-3 and year 2 will be calculated using the average annual change in the GTCI. The percentage change will be based on the average annual published GTCI (CUUR0000SEHG02), between the twelve (12) months ended December prior to the rate adjustment date, and the twelve (12) months ended the prior December.

(2) Actual change based on Waste Disposal Agreement with Orange County Waste and Recycling for July 1.

(3) The first year weightings are based on percentages included in Section 9.4.2. When the first adjustment is calculated, the resulting re-weightings in column "O" will be used as the new weightings for the following year adjustments.

(4) The rate categories shown are not all inclusive.

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Collection Component Stair Step

Provided for Example Purposes Only. Calculations will need to be performed annually.

 : Included for Example Calculations Only

Residential Collection Component Stair Step					
Year	CPI Weights	GTCI Weight	CPI Change (From E-4)	GTCI Change (From E-4)	Weighted Change* (1)
2	70%	30%	3.30%	4.48%	3.65%
3	50%	50%	3.30%	4.48%	3.89%
4	30%	70%	3.30%	4.48%	4.13%
5, Through Term	0%	100%	3.30%	4.48%	4.48%

Commercial/Industrial Collection Component Stair Step					
Year	CPI Weights	GTCI Weight	CPI Change (From E-4)	GTCI Change (From E-4)	Weighted Change** (1)
2, Through Term	0%	100%	3.30%	4.48%	4.48%

*Residential weighted change to be utilized in Step 1 on Exhibit E-1.

**Commercial/Industrial weighted change to be utilized in Step 1 on Exhibit E-2.

(1) Calculation: (CPI Weight X CPI Change) + (GTCI Weight X GTCI Change)

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Collection Indices

CPI for All Urban Consumers

Original Data Value

Pulled from BLS website.

Series Id: CUURS49ASA0

Not Seasonally Adjusted

Series Title: All items in Los Angeles-Long Beach-Anaheim, CA,
all urban consumers, not seasonally adjusted

Area: Los Angeles-Long Beach-Anaheim, CA

Item: All items

Base Period: 1982-

Years: 2007 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014	239.857	241.059	242.491	242.437	243.362	243.528	243.727	243.556	243.623	243.341	241.753	240.475	242.434	242.122	242.746
2015	239.724	241.297	243.738	243.569	246.093	245.459	247.066	246.328	245.431	245.812	245.711	245.357	244.632	243.313	245.951
2016	247.155	247.113	247.873	248.368	249.554	249.789	249.784	249.700	250.145	251.098	250.185	250.189	249.246	248.309	250.184
2017	252.373	253.815	254.525	254.971	255.674	255.275	256.023	256.739	257.890	258.883	259.135	259.220	256.210	254.439	257.982
2018	261.235	263.012	264.158	265.095	266.148	265.522	266.007	266.665	268.032	269.482	268.560	267.631	265.962	264.195	267.730
2019	269.468	269.608	271.311	273.945	274.479	274.380	274.682	274.579	276.054	278.075	277.239	275.553	274.114	272.199	276.030
2020	277.755	278.657	276.589	275.853	276.842	278.121	279.899	280.116	279.366	279.947	280.102	279.580	278.567	277.303	279.832
2021	280.178	281.347	282.648	285.808	287.620	289.218	290.890	291.333	292.209	294.961	296.790	297.925	289.244	284.470	294.018
2022	301.209	302.164	306.679	308.302	310.649	314.072	313.415	313.606	315.033	317.014	314.633	312.601	310.782	307.179	314.384
2023	318.591	317.571	317.873	320.089	320.514	322.055	321.931	324.050	324.984	324.545	323.341	323.456	321.583	319.449	323.718
2024	326.640	328.232	330.671	332.572	332.956	332.357	332.928	333.359	334.123	334.242	333.718	334.531	332.194	330.571	333.817

Year 1 Annual Average 321.583

Year 2 Annual Average 332.194

Percent Change Calculation 3.30%

GTCI - Consumer Price Index for Garbage and Trash Collection

Original Data Value

Pulled from BLS website.

Series Id: CUUR0000SEHG02, CUUS0000SEHG02

Not Seasonally Adjusted

Series Title: Garbage and trash collection in U.S. city average, all
urban consumers, not seasonally adjusted

Area: U.S. city average

Item: Garbage and trash collection

Base Period: DECEMBER 1983=100

Years: 2010 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2010	380.036	382.490	383.362	383.615	383.405	383.749	383.832	385.010	385.920	385.909	387.216	387.884	384.369		
2011	389.727	391.854	391.855	392.754	395.477	395.329	395.723	396.605	397.028	397.106	398.910	398.720	395.091		
2012	398.880	400.381	401.692	400.913	401.067	402.793	406.243	406.823	407.594	409.495	410.155	410.416	404.704		
2013	411.126	411.805	412.305	413.675	414.511	414.802	416.505	417.760	418.357	419.687	421.427	422.237	416.183		
2014	422.440	422.483	423.413	425.393	425.242	425.930	426.562	426.771	427.327	427.995	427.808	428.187	425.796		
2015	427.734	429.248	429.235	429.807	431.234	430.813	431.229	432.967	433.843	434.829	436.428	436.996	432.030		
2016	437.205	438.296	437.699	437.676	438.317	437.858	438.607	439.358	439.707	440.311	443.343	444.745	439.427		
2017	446.266	447.699	446.987	447.129	447.272	448.046	448.328	448.717	449.008	452.196	453.820	453.596	449.089		
2018	453.354	454.915	455.230	458.722	462.887	465.041	465.579	470.457	471.026	472.535	486.650	485.935	466.861	458.358	475.364
2019	475.687	477.474	478.569	479.448	480.865	480.984	482.138	483.987	484.346	486.133	488.485	486.708	481.902	478.838	484.966
2020	491.003	494.429	495.268	494.432	494.946	496.679	498.564	500.882	501.756	503.315	504.970	508.190	498.705	494.463	502.946
2021	512.722	517.270	518.505	518.579	516.440	517.202	521.185	524.408	529.934	530.114	529.053	532.538	522.329	516.786	527.872
2022	533.078	536.313	540.719	542.564	544.546	547.554	548.187	548.706	558.254	561.090	563.816	565.185	549.334	541.129	557.540
2023	570.412	575.697	576.773	580.124	587.431	589.812	596.167	597.347	596.997	597.569	601.631	602.164	589.344	580.042	598.646
2024	606.773	610.551	610.015	611.073	609.538	611.946	614.089	615.88	619.64	621.632	627.807	629.803	615.729	609.983	621.029

Year 1 Annual Average 589.344

Year 2 Annual Average 615.729

Percent Change Calculation 4.48%

Disposal Index

Gate rate for Orange County Waste and Recycling WDA as of July 1st.

Year 1 \$ 41.31 Effective 7/1/2023

Year 2 \$ 42.65 Effective 7/1/2024

EXHIBIT E: EXAMPLE RATE ADJUSTMENT FORMULA

Example based on July 1, 2024 Residential Recycling Revenue Sharing Calculation submitted by Contractor.

Guidance Note: Each year a new 5-year average will need to be calculated to determine the residential recycling revenue credit based on the average of the most recent 5 years.

Insert Calendar Year for
Calculations: 2023

Table 1: Historical Data for Residential Recycling Credit			
Row	Year	Historical Recycling Credit Annual Calculation	Note
1	2000	\$0.919	Historical data from 7/1/2024 rate adjustment.
2	2001	\$1.054	Historical data from 7/1/2024 rate adjustment.
3	2002	\$0.766	Historical data from 7/1/2024 rate adjustment.
4	2003	\$0.982	Historical data from 7/1/2024 rate adjustment.
5	2004	\$1.114	Historical data from 7/1/2024 rate adjustment.
6	2005	\$1.142	Historical data from 7/1/2024 rate adjustment.
7	2006	\$1.097	Historical data from 7/1/2024 rate adjustment.
8	2007	\$1.054	Historical data from 7/1/2024 rate adjustment.
9	2008	\$1.643	Historical data from 7/1/2024 rate adjustment.
10	2009	\$1.343	Historical data from 7/1/2024 rate adjustment.
11	2010	\$0.681	Historical data from 7/1/2024 rate adjustment.
12	2011	\$1.132	Historical data from 7/1/2024 rate adjustment.
13	2012	\$1.406	Historical data from 7/1/2024 rate adjustment.
14	2013	\$0.966	Historical data from 7/1/2024 rate adjustment.
15	2014	\$0.877	Historical data from 7/1/2024 rate adjustment.
16	2015	\$0.708	Historical data from 7/1/2024 rate adjustment.
17	2016	\$0.217	Historical data from 7/1/2024 rate adjustment.
18	2017	\$0.249	Historical data from 7/1/2024 rate adjustment.
19	2018	-\$0.009	Historical data from 7/1/2024 rate adjustment.
20	2019	\$0.171	Historical data from 7/1/2024 rate adjustment.
21	2020	\$0.642	Historical data from 7/1/2024 rate adjustment.
22	2021	\$0.613	Historical data from 7/1/2024 rate adjustment.
23	2022	\$0.026	Historical data from 7/1/2024 rate adjustment.
24	2023	\$0.000	Historical data from 7/1/2024 rate adjustment.
25	5 Year Average for Calendar Years 2019 through 2023	\$0.29	Calculation: Sum most recent 5 years divided by 5. Amount carries forward as credit to Exhibit E-1.

Table 2: Recycling Income for Residential Recycling Rebate Calculation				
Month	50% of Republic Recycling Income for the Month	Number of Residential Units	Recycling Income/Unit	Notes
January	\$0.00	11,246	\$0.000	
February	\$0.00	11,244	\$0.000	
March	\$0.00	11,217	\$0.000	
April	\$0.00	11,231	\$0.000	
May	\$0.00	11,270	\$0.000	
June	\$0.00	11,256	\$0.000	
July	\$0.00	11,340	\$0.000	
August	\$0.00	11,270	\$0.000	
September	\$0.00	11,234	\$0.000	
October	\$0.00	11,272	\$0.000	
November	\$0.00	11,231	\$0.000	
December	\$0.00	11,257	\$0.000	
Annual Average	\$0.00	11,256	\$0.000	Amount to be added annually by inserting row to Table 1.

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EXHIBIT F:
REPORTING REQUIREMENTS

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EXHIBIT F

REPORTING REQUIREMENTS

Records shall be maintained in forms and by methods that are agreed to by both the Contractor and the City. The objectives of reports should be to :

1. Determine and set rates and evaluate the financial efficacy of operations.
2. Evaluate past and expected progress towards achieving Contractor's diversion goals and objectives.
3. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under applicable law.
4. Determine needs for adjustment to programs.
5. Evaluate customer service and complaints.
6. Determine customer compliance with AB 341, SB 1383, and any subsequent state-mandated recycling requirements.

1. Monthly Report Content

Monthly reports to be submitted by Contractor to City and include the following information pertaining to the most recently completed calendar month.. Contractor shall report the information included in the following subsections.

A. Tonnage Report.

1. Tonnage delivered to each approved facility by customer type, subtotalling and clearly identifying those tons that are diverted and those that are disposed.
2. Bulky goods collected by customer type.
3. Solid waste tonnage disposed.
5. Bulky goods marketed and tonnage disposed from non-divertible materials and processing residue.
6. Monthly diversion rate by customer type and in aggregate for all customer types.

B. Diversion Report. Contractor to report the diversion level for each month and the cumulative year-to-date diversion level, where diversion level shall be calculated as: (Discarded Materials Collected – Solid Waste Collected – Processing Residue Disposed) / Discarded Materials Collected.

C. Revenue Report. Provide a statement detailing gross receipts from all operations conducted or permitted pursuant to this Agreement.

D. Customer Subscription and Collection Report.

1. Summary of customer subscription data for Residential, Commercial, and Multi-Family customer types , shall include the following:

- a. Customer number
- b. Customer name
- c. Street address

EXHIBIT F

REPORTING REQUIREMENTS

- d. Billing address
- e. All service information, including
 - i. Line of service (i. e. MSW, Organics, Recyclable Materials)
 - ii. quantity of Containers on site, with
 - iii. Day(s) of service by line of service
 - iv. Container size
- f. Service Contact Address, if available
- g. Service Contact Number if available
- h. Billing Contact Information if available
 - i. Name
 - ii. Address
 - iii. Phone Number

2. Number of bulky good/reusable materials collection events by customer type.

3. Number of customers subscribing to each City approved service exemption by customer type, including the total number of de minimis waivers and physical space constraint waivers granted in the month in accordance with Section 5.10 including the customer name and address for each waiver.

F. Customer Service Report.

- 1. List of customers for which Contractor has performed a courtesy pick-up collection, including the customer address for which the courtesy pick-up collection was performed.
- 2. Record of general customer service complaints received, including the following information:
 - a. Total number of complaints received.
 - b. When available, the information in the report should include: (i) a brief description of the complaint as received; (ii) the name and contact information of the complainant, if the complaint is not submitted anonymously; (iii) if complaint is regarding an SB 1383 violation and if the information is provided, the address of the alleged violator
 - c. Copies of all complaint reports submitted to City, pursuant to Article 7.
 - d. Documentation of any follow-up inspections and/or outreach, if any, conducted upon City request pursuant to Section 5.8.C, which shall include: (i) the date Contractor investigated the complaint; (ii) documentation of the findings of the investigation; and, (iii) any photographic or other evidence collected during the investigation.

EXHIBIT F

REPORTING REQUIREMENTS

G. Contamination Monitoring Report.

1. The number of route reviews conducted pursuant to Section 5.11.
2. Description of Contractor's process for determining the level of contamination or bin overfilling during route reviews. Contractor shall document the contamination and/or overfilling through use of film or digital photography.
3. A record of each inspection and contamination fee assessed, which shall include:
 - a. Name and address of the customer.
 - b. The date the contaminated container was observed.
 - c. The staff who conducted the inspection.
 - d. The total number of violations found and a description of what action was taken for each.
 - e. Copies of all notices to customers with prohibited container contaminants.
 - f. Photographic documentation.
4. Documentation of the total number of containers disposed of due to observation of prohibited container contaminants.
5. A list of all customers assessed contamination processing fees, reported separately by customer type, and including: the customer name, customer address, and reason for the assessment; the total number of instances contamination processing fees were assessed in the month; and, the total amount of fees collected in the month.
6. If performed, results of any waste characterization studies conducted pursuant to Exhibit B4, Section 6.

2. Quarterly Report Content

A. Education and Outreach.

1. A copy of all education and outreach materials provided to generators, or otherwise used for education and outreach efforts in accordance with Section 5.6 and Exhibit C, including flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
2. A record of the date and to whom the information was disseminated, or direct contact made, in the form of a list that includes the generator's name or account name, the type of education or outreach received; the distribution date, and the method of distribution.
3. For any mass distribution through mailings or bill inserts, provide a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.
4. A copy of all electronic media, including the dates posted or sent of social media posts, e-mail communications, or other electronic messages. A summary report shall be provided for electronic marketing that itemizes each communication and reports performance metrics for

EXHIBIT F

REPORTING REQUIREMENTS

each that are relevant to that type of communication (e.g., open and click-through rates for email marketing, engagement numbers for social media).

5. Summary of the results of the diversion opportunity assessments, such as site visits and waste audits, provided to customers (reporting multi-family separate from commercial) by identifying the number of diversion opportunity assessments conducted each month in the most recently completed quarter and contact information including address, contact names, telephone number of persons contacted, number of dwelling units (for multi-family), and the recyclable materials, organic materials, and solid waste service level for each complex. Include any service level changes resulting from such visits.
6. Summary of the public education materials and activities provided to schools in the month, if any, including results from diversion opportunity assessments. as described in Exhibit C.
7. Dates, times, and group or event names of any site visits, meetings, and events attended in the month.

3. Annual Report Content

The annual report shall be the final monthly report, including annual totals, summary pages, and a compilation of any materials required by the monthly reports, plus the following additional information.

Provide a brief summary assessment of the programs performed under this Agreement from the Contractor's perspective. The assessment should include how well the program is operating in terms of efficiency and effectiveness in meeting the goals and objectives of this Agreement as they relate to SB 1383 compliance, particularly Contractor's diversion goals. Provide recommendations and plans to improve and highlight significant accomplishments and problems as they relate to this assessment.B. **Collection and Processing Report.**

- . Written notification that the approved organic materials processing facility has and will continue to have the capabilities to process and recover the compostable plastics, in accordance with Section 5.1.I.

C. Education and Outreach Report.

1. A summary of the status of the annual education plan of the reporting year, including activities conducted and the quantitative and/or qualitative results of those activities.
2. The annual public education plan required by Section 5.6 and Exhibit C for the upcoming then-current calendar year. For example, Contractor submittal of a 2023 annual report in February 2024 shall include Contractor submittal of the annual public education plan for calendar year 2024.

D. **Commercial Edible Food Generator Report.** Commercial customer list including contact information requested by the City Manager and designation of each commercial customer as either "tier 1," "tier 2," or "non-covered" edible food generator.

E. City Services Report.

1. City facility volume report which reports on the cumulative volume by cubic yards for each service received at each City facility.

EXHIBIT F

REPORTING REQUIREMENTS

F. Vehicle Inventory.

1. A list of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage as of December 31.
2. The total amount of RNG procured by Contractor for use in Contractor vehicles, in diesel gallon equivalents, including copies of any receipts, invoices, or other similar documentation evidencing procurement. In addition to the amount procured, Contractor shall include the total amount actually used in Contractor vehicles in the calendar year, if these values are different.
3. The name, physical location, and contact information of each entity, operation, or facility from whom Contractor procured RNG for collection vehicles.

G. AB 341/AB 1826 Compliance. Provide a listing of commercial customers subscribing to four or more cubic yards of solid waste service per week who do not currently subscribe to recyclable materials collection service from Contractor.

Provide a listing of commercial customers subscribing to two or more cubic yards of solid waste service per week who do not currently subscribe to organic materials collection service from Contractor.

H. Other Reports.

1. A revenue statement, setting forth quarterly AB 939 administrative fees, if any, and the basis for the calculation thereof, certified for accuracy by an officer of Contractor.
2. A list of Contractor's officers and members of its board of directors.
3. A list of stockholders or other equity investors holding 5% or more of the voting interest in Contractor and any subsidiaries.

4. Additional Reports

A. Ad Hoc Reports. Contractor shall provide up to six reports, in which each report shall be provided in a single format, of which the format type maybe either PDF a word processing format such as Microsoft Word; or a spreadsheet format such as Microsoft Excel.

B. Upon Incident Reporting. City may request additional reports or documents in the case of unforeseen events or additional requirements imposed upon City. Contractor should provide the requested reports, documents, or information within a timeframe agreed to between the City Manager and the Contractor.

C. AB 901 Reporting. City may require that Contractor provide City copies of Contractor's AB 901 reports on a regular basis (such as monthly, quarterly, or annually) or within 10 business days of the request.

EXHIBIT G:
CORPORATE GUARANTY

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EXHIBIT G

CORPORATE GUARANTY

THIS GUARANTY ("Guaranty") is made as of _____, 2025, by **Republic Services, Inc.**, a Delaware corporation ("Guarantor"), located at 18500 N. Allied Way Phoenix, AZ 85054, for the benefit of the **CITY OF BREA**, a California municipal corporation ("City"), located at 1 Civic Center Circle, Brea, California, 92821. The purpose of this Guaranty is to assure performance of the obligations of Guarantor's wholly-owned subsidiary, Republic Waste Services of Southern California, LLC, a Delaware limited liability company ("Subsidiary"), under that certain Second Amended and Restated Franchise Agreement dated _____, 2025 ("Agreement"), by and between City and Subsidiary. Capitalized terms used herein without definition shall have the meanings given such terms in the Agreement.

1. **Guaranty.** Guarantor hereby unconditionally and irrevocably guarantees to City the full, prompt and faithful performance of the covenants and indemnities of Subsidiary under the Agreement and the full and timely payment of all amounts due or owing, now or in the future, by Subsidiary under the Agreement.

2. **Term.** This Guaranty shall continue in full force and effect throughout the term of the Agreement and until all covenants and indemnities of Subsidiary under the Agreement are fully performed, including any that survive termination or expiration of the term of the Agreement, and all amounts due or owing by Subsidiary under the Agreement are paid in full. Any termination of this Guaranty shall not affect nor apply to performance of any covenant or indemnity of Subsidiary performance of which is due prior to the effective date of such termination or which becomes due after the effective date of such termination based upon an act, omission, event or occurrence prior to the effective date of such termination.

3. **Rights Independent.** Guarantor agrees that the obligations under this Guaranty are independent of the obligations of Subsidiary under the Agreement and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought and prosecuted against Subsidiary or any other person, or any other guarantor, or whether any other person is joined in any such action or actions.

4. **Modification of Obligations.** Guarantor authorizes City without notice or demand to Guarantor and without affecting Guarantor's liability hereunder, from time to time to: (a) enter into with Subsidiary or, with the joinder or prior written approval of Subsidiary, to, amend, alter, modify, renew, extend, accelerate or otherwise change the Agreement or any provision thereof or otherwise change the terms of any documents, instruments or agreements to which Subsidiary is a party; (b) take and hold security or additional guaranties for the performance of this Guaranty or the obligations guaranteed hereunder, and amend, alter, exchange, substitute, transfer, enforce, waive, subordinate, terminate, modify and release in any manner any such security or guaranties; (c) apply such security and direct the order or manner of sale thereof as City in its discretion may determine; (d) release or substitute any other guarantor; and (e) settle, release on terms satisfactory to Subsidiary by operation of law or otherwise, compound, compromise, collect or otherwise liquidate any indebtedness or security in any manner, consent to the transfer of security and bid and purchase at any sale, without affecting or impairing the obligations of Guarantor hereunder.

5. **Waiver of Defenses.** Guarantor waives any right to require City to proceed against Subsidiary or any person other than Guarantor or to pursue any other remedy in City's powers whatsoever, except that, prior to proceeding against Guarantor under this Guaranty, (i) City shall first demand in writing performance or payment by Subsidiary and any cure period applicable to such performance or payment as set forth in the Agreement shall have expired without cure by Subsidiary, except that if Subsidiary shall decline or refuse such demand or shall be prevented by bankruptcy, insolvency, operation of law, legal

EXHIBIT G

CORPORATE GUARANTY

process or legal incapacity from performing or paying, no such demand for performance or payment or expiration of such cure period shall be necessary prior to City proceeding against Guarantor under this Guaranty, and (ii) City shall give written notice, in the manner provided in the Agreement, to Guarantor of the non-performance or non-payment by Subsidiary, which notice requirement may be satisfied by City transmitting to Guarantor a copy of any written notice or demand given to Subsidiary in the manner provided in the Agreement. Guarantor waives any defense arising by reason of (a) any disability or other defense of Subsidiary or any other person; (b) the cessation from any cause whatsoever of the liability of Subsidiary; (c) any act or omission of Subsidiary or others that directly or indirectly results in or aids the discharge of any of the obligations guaranteed hereunder by operation of law or otherwise; (d) the amendment, modification, renewal, extension or other change in any of the obligations guaranteed hereunder; (e) the forbearance by the City from the strict and timely enforcement of any of City's rights under this Agreement; or (f) any defense to liability under this Guaranty based upon Guarantor's inability to exercise any right of subrogation to the rights of City against Subsidiary. Guarantor waives any right to enforce any remedy that Subsidiary now has or may hereafter have against any person, and waives any benefit of, and any right to participate in, any security, now or hereafter held by Subsidiary or City. Guarantor's obligations hereunder shall not be affected by any right or setoff or any counterclaim, and, except as provided in the first sentence of this Section 5, Guarantor waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty and of the existence, creation, or incurring of new or additional obligations, and all other notices and demands of any kind and description now or hereafter provided for by any statute or rule of law. Guarantor specifically agrees that Guarantor shall not be released from liability hereunder by any action taken by Subsidiary or City. Guarantor further expressly waives all rights and benefits which might otherwise be available to Guarantor under California Civil Code Sections 2810, 2819, 2839, 2845, 2846, 2849, 2850, 2899 and 3433.

6. **Attorneys' Fees.** Guarantor shall pay to City, without demand, any and all costs and/or expenses, including, without limitation, reasonable attorneys' fees and costs and court costs that City expends or incurs in collecting or compromising the obligations guaranteed hereunder or in enforcing this Guaranty against Guarantor, whether or not suit is filed, expressly including all court costs and attorneys' fees incurred by City in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceedings involving Guarantor as the insolvent or bankrupt party that in any way affects the exercise by City of any of its rights or remedies hereunder.

7. **Guarantor's Representations and Warranties.** Guarantor represents and warrants to City that (a) the Agreement confers substantial and material benefits to Guarantor; (b) there are no actions, suits or proceedings pending, or to the knowledge of Guarantor threatened, against or affecting Guarantor which could have a material adverse effect on the ability of Guarantor to honor the obligations guaranteed hereunder, or involving the validity or enforceability of this Guaranty, at law or in equity, and Guarantor, to the best of its knowledge after due investigation, is not in default or in violation with respect to, or operating under or subject to, any order, writ, injunction, decree or demand of any court or any governmental authority; (c) the consummation of the transactions hereby contemplated and performance of this Guaranty will not result in any breach of, or constitute a default under, any mortgage, deed of trust, lease, bank loan or credit agreement, partnership agreement, corporate charter, bylaws or other agreement or instrument to which Guarantor is a party or by which Guarantor or any of its assets may be bound or affected; (d) Guarantor is not insolvent (as such term is defined in the Bankruptcy Code of 1978, 11 U.S.C. Section 101, et seq., as amended) and will not be rendered insolvent by execution of this

EXHIBIT G

CORPORATE GUARANTY

Guaranty or the consummation of the transactions contemplated hereby; and (d) Guarantor has no counterclaims, offsets or defenses with respect to the Guaranty.

8. **Subordination of Rights.** Guarantor hereby agrees that any claim it may have or may hereafter acquire against Subsidiary shall be subordinate to any claims that City may have against Guarantor and/or Subsidiary.

9. **Effect of Waivers.** Guarantor warrants and agrees that each of the waivers set forth in this Guaranty is made with Guarantor's full knowledge of its significance and consequences, and that under the circumstances, the waivers are reasonable and not contrary to public policy or law. If any of such waivers are determined to be contrary to any applicable law or public policy, such waivers shall be effective only to the maximum extent permitted by law.

10. **Successors and Assigns.** This Guaranty shall bind the heirs, executors, legal representatives, successors and assigns of Guarantor, and shall inure to the benefit of City and its successors and assigns.

11. **Governing Law.** Guarantor acknowledges and agrees that the parties and transactions referred to herein have significant contacts with the State of California, and that therefore this Guaranty shall be governed by, and construed in accordance with, the laws of the State of California.

12. **Amendments.** Neither this Guaranty nor any provision hereof may be amended, modified, waived, discharged or terminated except by an instrument in writing duly signed by or on behalf of City and Guarantor.

13. **Delay Not a Defense; Rights Cumulative.** No delay or failure by City to exercise any right or remedy against Guarantor or any other person shall be construed as a waiver thereof. All of the City's respective rights under this Guaranty are cumulative and not exclusive.

14. **Severability.** In case any right of City under this Guaranty shall be held to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other right granted hereby.

15. **Miscellaneous.** All words used in this Guaranty in the singular shall be deemed to have been used in the plural and all words used in this Guaranty in the plural shall be deemed to have been used in the singular where the context and construction so require. The word "person" as used herein shall include any individual, company, firm, association, partnership, corporation, trust or other legal entity of any kind whatsoever. The term "or" is not exclusive. The section headings in this Guaranty are for convenience of reference only and shall not limit or otherwise affect the provisions of this Guaranty.

16. **Assignment of Guaranty.** This Guaranty is assignable without notice by City, in whole or in part, to an affiliate of City or to any reorganized entity as to which an affiliate of City was changed into whether by merger, sale or other method of reorganization, where such affiliate or reorganized entity assumes the obligations that this Guaranty guarantees, and when so assigned, Guarantor shall be bound as above to such affiliate of City or to such reorganized entity as to which City or an affiliate of City was changed into whether by merger, sale or other method of reorganization. Guarantor agrees that nothing herein shall be deemed to in any manner negate or limit City's right to enforce this Guaranty in the absence of any such assignment.

EXHIBIT G

CORPORATE GUARANTY

17. **Further Assurances.** Guarantor agrees, at its expense and without expense to City, to do such further acts, to execute and deliver such additional documents as City from time to time reasonably requires to assure and confirm all the rights of City created hereby or intended now or hereafter, or to carry out the intention of or facilitate the performance of the terms of this Guaranty.

18. **Complete Agreement.** Except as provided in any other written agreement now or at any time hereafter in force between City and Guarantor, this Guaranty shall constitute the entire agreement of Guarantor with City with respect to the subject matter hereof, and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon City unless expressed in this Guaranty.

19. **Notices.** All notices that may be required or otherwise contemplated under the terms of this Guaranty shall be in writing and shall be addressed to Guarantor and to City as set forth above. Such addresses may be changed from time to time by written notice to the other party at such address.

IN WITNESS WHEREOF, Guarantor has duly executed and delivered this Guaranty as of the date and year stated above.

GUARANTOR:

Republic Services, Inc.

☐ Chairman ☐ President ☐ Vice President

☐ Secretary ☐ Asst. Secretary
☐ Chief Finance Officer ☐ Asst. Treasurer

[Pursuant to Corporations Code Section 313, both signature lines must be executed unless the signatory holds at least one of the offices designated on each line.]

EXHIBIT H:
CONTRACTOR'S FAITHFUL PERFORMANCE BOND

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EXHIBIT H

CONTRACTOR'S FAITHFUL PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Brea ("Brea"), has awarded to Republic Waste Services of Southern California, LLC, a Delaware limited liability company doing business as Brea Disposal and located at 2242 N. Blue Gum Street, Anaheim, California 92806 ("Principal"), a Second Amended and Restated Franchise Agreement ("Agreement") for the collection, transportation, processing, recycling, composting, and disposal of solid waste, organic material, and recyclable material ("Franchise").

WHEREAS, Principal is required under the terms of the Agreement to furnish a bond for the faithful performance of the Agreement.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City in the penal sum of Eight Hundred and Twenty-Two Thousand dollars (\$822,000), in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors executors and administrators, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Franchise and any alteration thereof made as therein provided, on Principal's part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by Authority in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered. Surety hereby waives any statute of limitations as it applies to an action on this bond.

Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or of the Franchise to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations under 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 Franchise or to the specifications. Surety hereby waives the provisions of California Civil Code Sections 2845 and 2849. City is the principal beneficiary of this bond and has all rights of a party hereto.

IN WITNESS WHEREOF, two identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth

EXHIBIT H

CONTRACTOR'S FAITHFUL PERFORMANCE BOND

below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

"Principal"

"Surety"

Republic Waste Services of Southern California,
LLC

By: _____
Its

By: _____
Its

By: _____
Its

By: _____
Its

(Seal)

(Seal)

Note: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. DATE OF BOND MUST NOT BE BEFORE DATE OF CONTRACT. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in California.

EXHIBIT I:
NOTARY CERTIFICATION

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EXHIBIT J:
CONTRACTOR'S SB 1383 IMPLEMENTATION PLAN AND SCHEDULE

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EXHIBIT J

CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE


<div style="display: flex; justify-content: space-between; align-items: center;">  <div> Exhibit J. SB 1383 / Intital Implementation Plan * City of Brea Timelines based to be determined in conjunction with the City at the start of the Implementation </div> </div>						
Task #		Owner	Target Start Date	Target End Date	Completion Status	Notes/ Results
	Residential Customers - Outreach					
1	City Letter					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Mail	RS			0%	
2	Recycling Guide (Residential)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Distribution	RS			0%	
3	Organics Cart Label					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Mail	RS			0%	
4	Quarterly Newsletter (4x per year distribution)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print once per quarter	RS			0%	
5	Container Procurement (Commercial Carts)					
	Order containers with SB 1383 requirements for customers enrolling in organics and recycling	RS			0%	
	Commercial Customers & Multi-Family Dwellings - Outreach					
6	Auto-Enrollment - Pilot					
	Identify 30 customers for auto enrollment (food generators)	RS			0%	
	Send information postcard about the program (including contamination fees reminder)	RS			0%	
	Call 30 identified customers the week of delivery	RS			0%	
	Deliver cart with tag attached	RS			0%	
	Evaluate pilot auto enrollment with city to determine/plan for city wide rollout	RS			0%	
7	Postcard (for Auto-Enrollment Pilot & Citywide Rollout)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Mail	RS			0%	

EXHIBIT J

CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE



<div style="display: flex; justify-content: space-between; align-items: center;">  <div> Exhibit J. SB 1383 / Intital Implementation Plan * City of Brea Timelines based to be determined in conjunction with the City at the start of the Implementation </div> </div>						
Task #		Owner	Target Start Date	Target End Date	Completion Status	Notes/ Results
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
9	How To Flyers - Recyclable Materials & Organic Materials (Flyers & Posters)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
	Additional Outreach					
10	Websites (City & RS)					
	Update and upload new SB 1383 materials & information	RS / Brea			0%	
	Include sections for Single Family, Commerical & Multi-Family Customers	RS / Brea			0%	
11	Robo Calls (Residential)					
	Develop Script	RS			0%	
	Finalize with City approval	Brea			0%	
	Aquire customer call list from City	Brea			0%	
	Deploy	RS			0%	
12	Contamination Tag, Non-Collection & Courtesy Pick Up Notices (Residential & Commercial)					
	Develop	RS			0%	
	Finalize with City approval	Brea			0%	
	Print	RS			0%	
13	City Facilities					
	Conduct Site Visits of City Facilities (defined in Exhibit B4)	RS			0%	
	Make Recommendations for Compliance	RS			0%	
	Containers Delivered	RS			0%	

EXHIBIT J

CONTRACTOR'S IMPLEMENTATION PLAN AND SCHEDULE

<div style="display: flex; justify-content: space-between; align-items: center;">  <div> Exhibit J. SB 1383 / Intital Implementation Plan * City of Brea Timelines based to be determined in conjunction with the City at the start of the Implementation </div> </div>						
Task #		Owner	Target Start Date	Target End Date	Completion Status	Notes/ Results
14	Food Recovery Assistance					
	Identify all commercial customers that meet the definition of Tier One and Tier Two	RS / Brea			0%	
	Tier 1 Inspections	RS			0%	
	Tier 2 Inspections	RS			0%	
	Provide information and assistance to all edible food generators	RS			0%	
15	City Record Keeping Software					
	Provide initial customer data	RS			0%	
	Train all Contractor staff on software use for SB 1383 data collection & compliance reporting	RS			0%	
16	Kitchen Pails Available for Purchase Only					
	Order pails to keep in inventory	RS			0%	
	Make pails available to customers at request for purchase	RS			0%	
17	Annual Route Reviews					
	Propose route review methodology and schedule for performance	RS			0%	
	Conduct route review as scoped	RS			0%	
18	Actions upon Identification of Prohibited Container Contaminants					
	Provide a Courtesy Pick-Up Notice or Non-Collection Notice at door or gate	RS		Ongoing	0%	
	Collect the contaminated Recyclable Materials and/or Organic Materials Containers <u>OR</u>	RS		Ongoing	0%	
	Inform the customer of Non-Collection	RS		Ongoing	0%	
	Corrective action taken to address contaminated materials	RS		Ongoing	0%	
	Assess contamination fee after courtesy notice (Applicable only to Commercial/MF)	RS		Ongoing	0%	
	Track occurrences of contamination for reporting purposes	RS		Ongoing	0%	
19	Records, Reports, and Information Requirements					
	Monthly Reports	RS	Monthly	Ongoing	0%	
	Quarterly Reports	RS	Quarterly	Ongoing	0%	
	Annual Report	RS	Annually	Ongoing	0%	

**This exhibit is meant to serve as a general outline and does not include all requirements noted in the Second Amended and Restated Agreement and Exhibits.*

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EXHIBIT K:
COUNTY WASTE DISPOSAL AGREEMENT

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****Current Waste Disposal Agreement to be superseded by future Orange County Waste & Recycling Agreement. ****

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WASTE DISPOSAL AGREEMENT

Between

THE COUNTY OF ORANGE, CALIFORNIA

and
the

CITY OF BREA

Dated 7/23 June 16, 2009

County Authorization Date:

March 24, 2009

County Notice Address:

Director
OC Waste & Recycling
300 N. Flower Street, Suite 400
Santa Ana, CA 92703

City Authorization Date:

June 16, 2009

City Notice Address:

Director
Maintenance Services Department
1 Civic Center Circle
Brea, CA 92821

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FORM OF HAULER ACKNOWLEDGEMENT

WASTE DISPOSAL AGREEMENT

THIS WASTE DISPOSAL AGREEMENT is made and dated as of the date indicated on the cover page hereof between the County of Orange, a political subdivision of the State of California (the "County"), and the City designated on the cover page of this Agreement, a general law or charter city and political subdivision of the State of California (the "City").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the County (the "Disposal System"). The Disposal System includes three active landfills and four regional household hazardous waste collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act").

The City, in the exercise of its police power and its powers under the Act, has entered into a franchise or other agreement with or issued permits or licenses to one or more private haulers for the collection and disposal of municipal solid waste generated within the City.

A significant portion of municipal solid waste generated within the City historically has been and currently is delivered by such hauler or haulers to the County for disposal in the Disposal System.

In 1997, the City and the County entered in a waste disposal agreement (the "Original WDA"), pursuant to which the County agreed to provide disposal capacity for waste generated in the City, and the City agreed to deliver or cause the delivery of waste generated in the City to the Disposal System, as more specifically set forth in, and subject to the terms and conditions of, the Original WDA.

The Original WDA, as amended, will expire by its terms on June 30, 2010, unless the City and the County agree to renew the Original WDA.

The City and the County desire to enter into this agreement to extend, amend and restate the Original WDA, on the terms and conditions set forth herein. The County and City acknowledge that the Original WDA shall remain in full force and effect until the Commencement Date.

The City has determined that the execution of this Agreement by the City will serve the public health, safety and welfare of the City by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and the continuation of sound environmental management.

The County has determined that the execution by the County of this Agreement will serve the public health, safety and welfare by providing a more stable, predictable and reliable supply of municipal solid waste and the resulting service payment revenue to the Disposal System, thereby enabling the County to plan, manage, operate and finance improvements to the Disposal System on a more prudent and sound long term, businesslike basis consistent with its obligations to the State and the holders of obligations secured by its Disposal System.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Agreement and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the City on the City authorization date indicated on the cover page hereof.

It is, therefore, agreed as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

SECTION 1.1 DEFINITIONS. As used in this Agreement, the following terms shall have the meanings set forth below.

“Acceptable Waste” means all garbage, refuse, rubbish and other materials and substances discarded or rejected as being spent, useless, worthless or in excess to the owners at the time of such discard or rejection and which are normally disposed of by or collected from residential (single family and multi-family), commercial, industrial, governmental and institutional establishments and which are acceptable at Class III landfills under Applicable Law.

“Act” means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), as amended, supplemented, superseded and replaced from time to time.

“Agreement” means this Waste Disposal Agreement between the County and the City as the same may be amended or modified from time to time in accordance herewith.

“Appendix” means an appendix to this Agreement, as the same may be amended or modified from time to time in accordance with the terms hereof

“Applicable Law” means the Act, the Orange County Code, CERCLA, RCRA, CEQA, any Legal Entitlement and any federal or state rule, regulation, requirement, guideline, permit, action, determination or order of any Governmental Body having jurisdiction, applicable from time to time to the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System, the transfer, handling, transportation and disposal of Acceptable Waste, Unacceptable Waste, or any other transaction or matter contemplated hereby (including any of the foregoing which concern health, safety, fire, environmental protection, mitigation monitoring plans and building codes).

“Board” means the California Integrated Waste Management Board.

“Capital Costs” means all costs of the Disposal System that are classified as capital costs for purposes of the budget of the Department in accordance with procedures established by the County of Orange Auditor-Controller in compliance with the California State Controller’s Manual, including but not limited to all of the categories of costs of the Disposal System reported as “Buildings and Improvements, and Infrastructure” (Object Code 4200) or “Equipment” (Object Code 4000) in the County of Orange – Chart of Accounts, or any successor accounting or reporting system utilized by the County.

“CEQA” means the California Environmental Quality Act, codified at Cal. Pub. Res. Code Section 21000 *et seq.* as amended or superseded, and the regulations promulgated thereunder.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. Section 9601 *et seq.*, as amended or superseded, and the regulations promulgated thereunder.

“Change in Law” means any of the following events or conditions which has a material and adverse effect on the performance by the parties of their respective obligations under this Agreement (except for payment obligations), or on the siting, design, permitting, acquisition, construction, equipping, financing, ownership, possession, operation or maintenance of the Disposal System or other matters to which Applicable Law applies:

(1) the enactment, adoption, promulgation, issuance, material modification or written change in administrative or judicial interpretation on or after the Commencement Date of any Applicable Law (other than Applicable Law enacted by the County);

(2) the order or judgment of any Governmental Body (other than the County), on or after the Commencement Date, to the extent such order or judgment is not the result of willful or negligent action, error or

omission or lack of reasonable diligence of the County or of the City, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence; or

(3) the denial of an application for, delay in the review, issuance or renewal of, or suspension, termination, interruption, imposition of a new or more stringent condition in connection with the issuance, renewal or failure of issuance or renewal on or after the Commencement Date of any Legal Entitlement to the extent that such denial, delay, suspension, termination, interruption, imposition or failure materially and adversely interferes with the performance of this Agreement, if and to the extent that such denial, delay, suspension, termination, interruption, imposition or failure is not the result of willful or negligent action, error or omission or a lack of reasonable diligence of the County or of the City, whichever is asserting the occurrence of a Change in Law; provided, however that the contesting in good faith or the failure in good faith to contest any such denial, delay, suspension, termination, interruption, imposition or failure shall not be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

A "Change in Law" shall include but not be limited to any new or revised requirements relating to the funding or provision of disposal services, including but not limited to any regulations for disposal operations or activities associated with the remediation, closure, funding or monitoring of closed sites with respect to facilities comprising the Disposal System, or facilities which the County previously utilized to provide waste disposal, transfer, recycling, processing or other waste related activities.

"City" means, as applicable, the city or Sanitary District designated on the cover page of this Agreement and party to this Agreement.

"City Acceptable Waste" means all Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the City, and Residue from the foregoing wherever produced, whether within or outside the City (or Tonnage equivalencies of such Residues, as and to the extent provided in subsection 3.1(C) hereof).

"Commencement Date" means the date on which the obligations of the parties hereto commence, established as provided in Section 6.2(B) hereof.

"Contract Date" means the first date on which this Agreement has been executed by both parties hereto.

"Contract Rate" has the meaning specified in Section 4.2 hereof.

"Contract Year" means the fiscal year commencing on July 1 in any year and ending on June 30 of the following year.

"Controllable Waste" means all City Acceptable Waste with respect to which the City has the legal or contractual ability to determine the disposal location therefor and which is:

- (1) Non-Recycled City Acceptable Waste;
- (2) not generated from the operations of the Governmental Bodies which, under Applicable Law, have the independent power to arrange for the disposal of the waste they generate; and
- (3) collected and hauled by Franchise Haulers.

"County" means the County of Orange, a political subdivision of the State of California and party to this Agreement.

"County Plan" means the integrated waste management plan of the County approved by the Board pursuant to the Act as in effect from time to time.

“County Acceptable Waste” means Acceptable Waste generated in the County.

“County OC Waste & Recycling Enterprise Fund” means the waste management enterprise fund established and managed by the County pursuant to Section 25261 of the Government Code separate from its other funds and accounts for receipts and disbursements in connection with the Disposal System.

“County-wide Recycling Services” has the meaning set forth in subsection 3.7(A) hereof.

“Cumulative Tonnage Target” for any given Contract Year means the amount specified in Appendix 2 hereto with respect to such Contract Year.

“Department” means OC Waste & Recycling, and any agency, department or other Governmental Body which succeeds to the duties and powers thereof.

“Disposal Agreements” means each of the waste disposal agreements entered into between the County and any city within the County, Sanitary District or operator of any Transfer Station located in the County in accordance herewith.

“Disposal Services” means the solid waste disposal services to be provided by the County pursuant to the Service Covenant and otherwise hereunder.

“Disposal System” means the Orange County Waste Disposal System which includes solid waste disposal operations at three active landfills (Olinda Alpha, Frank R. Bowerman and Prima Deshecha); four regional Household Hazardous Waste Collection Centers; as well as services, such as monitoring and other activities, at closed refuse stations formerly operated by the County, as appropriate under Applicable Law.

“Environmental Fund” means the fund or funds held by the County to pay unanticipated costs of environmental mitigation, remediation or liability.

“Franchise Hauler” means any hauler or collector who provides Acceptable Waste collection services within the City pursuant to, or under authority granted by, a permit, contract, franchise or other agreement with the City. The term Franchise Hauler includes the City itself if Acceptable Waste collection and transportation services are provided directly by City operated municipal collection service.

“Governmental Body” means any federal, State, county, city or regional legislative, executive, judicial or other governmental board, agency, authority, commission, administration, court or other body, or any officer thereof acting within the scope of his or her authority.

“Hazardous Substance” has the meaning given such term in CERCLA, the Carpenter-Presley-Tanner Hazardous Substance Account Act (California Health and Safety Code Section 25300 *et seq.*), and Titles 22 and 26 of the California Code of Regulations and other regulations promulgated thereunder.

“Hazardous Waste” means (a) any waste which by reason of its quality, concentration, composition or physical, chemical or infectious characteristics may do either of the following: cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness, or pose a substantial threat or potential hazard to human health or the environment, or any waste which is defined or regulated as a hazardous waste, toxic substance, hazardous chemical substance or mixture, or asbestos under Applicable Law, as amended from time to time including, but not limited to: (1) the Resource Conservation and Recovery Act and the regulations contained in 40 CFR Parts 260-281; (2) the Toxic Substances Control Act (15 U.S.C. Sections 2601 *et seq.*) and the regulations contained in 40 CFR Parts 761-766; (3) the California Health and Safety Code, Section 25117 (West 1992 & Supp. 1996); (4) the California Public Resources Code, Section 40141 (West 1996); and (5) future additional or substitute Applicable Law pertaining to the identification, treatment, storage or disposal of toxic substances or hazardous wastes; or (b) radioactive materials which are source, special nuclear or by-product material as defined by the Atomic Energy Act of 1954 (42 U.S.C. Section 2011 *et seq.*) and the regulations contained in 10 CFR Part 40.

"Imported Acceptable Waste" means Acceptable Waste that is generated outside of the geographical boundaries of the County and delivered to the Disposal System.

"Independent Haulers" means those waste collection/hauler companies primarily engaged as a principal business in the collection and transportation of municipal solid waste generated in the County of Orange which are not obligated to deliver County Acceptable Waste to the Disposal System pursuant to a franchise, contract, permit or other authorization with a city in the County.

"Initial Term" has the meaning specified in Section 6.1(A) hereof.

"Legal Entitlement" means all permits, licenses, approvals, authorizations, consents and entitlements of whatever kind and however described which are required under Applicable Law to be obtained or maintained by any person with respect to the Disposal System or the performance of any obligation under this Agreement or the matters covered hereby.

"Legal Proceeding" means every action, suit, litigation, arbitration, administrative proceeding, and other legal or equitable proceeding having a bearing upon this Agreement.

"Loss-and-Expense" means any and all loss, liability, obligation, damage, delay, penalty, judgment, deposit, cost, expense, claim, demand, charge, tax, or expense, including all fees and costs.

"Net Import Revenues" has the meaning ascribed thereto in Section 3.6(E).

"Non-Recycled City Acceptable Waste" means all City Acceptable Waste other than Recycled City Acceptable Waste.

"Overdue Rate" means the maximum rate of interest permitted by the laws of the State, if applicable, or the prime rate established from time to time by the Bank of America, N.A. or its successors and assigns, plus 2%, whichever is lower.

"Participating City" means any city or Sanitary District executing a Disposal Agreement in accordance with Section 3.6(A) hereof and meeting all requisite conditions to the Commencement Date thereof.

"Plan of Adjustment" means the County's Modified Second Amended Plan of Adjustment, confirmed by the United States Bankruptcy Court Central District of California in that Conformed Order Confirming Modified Second Amended Plan of Adjustment, filed May 17, 1996.

"Posted Disposal Rate" means the per ton tipping fee charged by the County for the disposal of solid waste at the Disposal System by parties which are not entitled to disposal service at the Contract Rate pursuant to this Agreement.

"Prohibited Medical Waste" means any medical or infectious waste prohibited or restricted under Applicable Law from being received by or disposed at the Disposal System.

"Qualified Household Hazardous Waste" means waste materials determined by the Board, the Department of Health Services, the State Water Resources Control Board, or the Air Resources Board to be:

- (1) Of a nature that they must be listed as hazardous in State statutes and regulations;
- (2) Toxic/ignitable/corrosive/reactive; and
- (3) Carcinogenic/mutagenic/teratogenic;

which are discarded from households as opposed to businesses. Qualified Household Hazardous Waste shall not include Unacceptable Waste.

"Recycled City Acceptable Waste" means any otherwise Controllable Waste which is separated from Acceptable Waste by the generator thereof or by processing and which is "recycled" within the meaning of Section 40180 of the Public Resources Code.

"Renewal Term" has the meaning specified in Subsection 6.1(B) hereof.

"Residue" means any material remaining from the processing, by any means and to any extent, of City Acceptable Waste or Recycled City Acceptable Waste; provided, however, that Residue shall not include minimal amounts of material remaining after such processing (which minimal amounts shall in no event exceed 10% of the amount of such City Acceptable Waste or Recycled City Acceptable Waste prior to processing).

"Resource Conservation and Recovery Act" or "RCRA" means the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901 *et seq.*, as amended and superseded.

"Restricted Reserves" has the meaning specified in Section 4.5.

"Sanitary Districts" means the sanitary districts in the County formed pursuant to the Sanitary District Act of 1923, codified at Cal. Ann. Health & Safety Code Section 6400 *et seq.*, as amended, supplemented, superseded and replaced from time to time.

"Self-Hauled Waste" means City Acceptable Waste collected and hauled by Self-Haulers.

"Self-Hauler" means any person not engaged commercially in waste haulage who collects and hauls Acceptable Waste generated from residential or business activities conducted by such person.

"Service Coordinator" means the service coordinator for either party designated pursuant to subsection 3.5(C) hereof.

"Service Covenant" means the covenants and agreements of the County set forth in Sections 3.2 and 3.3 hereof.

"Source-Separated Household Hazardous Waste" means Qualified Household Hazardous Waste which has been segregated from Acceptable Waste originating or generated within the geographical jurisdiction of the City at the source or location of generation.

"Source-Separated Household Hazardous Waste Disposal System" means the collection centers, facilities, contracts and other arrangements owned or administered by the County for the receipt, handling and disposal of Source-Separated Household Hazardous Waste.

"State" means the State of California.

"Term" shall mean the Term of this Agreement.

"Ton" means a "short ton" of 2,000 pounds.

"Transfer Station" means any materials recovery facility, composting facility, intermediate processing facility, recycling center, transfer station or other waste handling or management facility to which solid waste collected for the City is delivered for processing before disposal in the Disposal System.

"Unacceptable Waste" means Hazardous Waste; Hazardous Substances; Prohibited Medical Waste; Qualified Household Hazardous Waste separated from Acceptable Waste; explosives, ordnance, highly flammable substances, and noxious materials and lead-acid batteries (except if delivered in minimal quantities); drums and closed containers; liquid waste, oil, human wastes; machinery and equipment from commercial or industrial sources, such as hardened gears, shafts, motor vehicles or major components thereof, agricultural equipment, trailers, marine

vessels and steel cable; hot loads; and any waste which the Disposal System is prohibited from receiving under Applicable Law.

“Uncontrollable Circumstance” means any act, event or condition affecting the Disposal System, the County, the City, or any of their Franchise Haulers, contractors or suppliers to the extent that it materially and adversely affects the ability of either party to perform any obligation under the Agreement (except for payment obligations), if such act, event or condition is beyond the reasonable control of and is not also the result of the willful or negligent act, error or omission or failure to exercise reasonable diligence on the part of the party relying thereon as justification for not performing an obligation or complying with any condition required of such party under the Agreement; provided, however, that the contesting in good faith or the failure in good faith to contest such action or inaction shall not be construed as willful or negligent action or a lack of reasonable diligence of either party. Examples of Uncontrollable Circumstances are:

- (1) an act of God, landslide, lightning, earthquake, fire, explosion, flood, sabotage or similar occurrence, acts of a public enemy, extortion, war, blockade or insurrection, riot or civil disturbance; and
- (2) a Change in Law.

“Unincorporated Area” means those portions of the County which are not contained within the jurisdictional boundaries of incorporated cities.

“Unincorporated Area Acceptable Waste” means Acceptable Waste originating from or generated within the Unincorporated Area.

“Unrestricted Reserves” means cash and other reserves of the Disposal System which are not Restricted Reserves.

“Waste Disposal Covenant” means the covenants and agreements of the City set forth in Section 3.1 hereof.

SECTION 1.2 INTERPRETATION. In this Agreement, unless the context otherwise requires:

(A) References Hereto. The terms “hereby”, “hereof”, “herein”, “hereunder” and any similar terms refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the Contract Date.

(B) Gender and Plurality. Words of the masculine gender mean and include correlative words of the feminine and neuter genders and words importing the singular number mean and include the plural number and vice versa.

(C) Persons. Words importing persons include firms, companies, associations, general partnerships, limited partnerships, trusts, business trusts, corporations and other legal entities, including public bodies, as well as individuals.

(D) Headings. The table of contents and any headings preceding the text of the Articles, Sections and subsections of this Agreement shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(E) No Third Party Beneficiaries. Nothing in this Agreement is intended to confer on haulers or any other person other than the parties hereto and their respective permitted successors and assigns hereunder any rights or remedies under or by reason of this Agreement.

(F) Counterparts. This Agreement may be executed in any number of original counterparts. All such counterparts shall constitute but one and the same Agreement.

(G) Applicable Law. This Agreement shall be governed by and construed in accordance with the Applicable Laws of the State of California.

(H) Severability. If any clause, provision, subsection, Section or Article of this Agreement shall be ruled invalid by any court of jurisdiction, then the parties shall: (1) promptly meet and negotiate a substitute for such clause, provision, subsection, Section or Article which shall, to the greatest extent legally permissible, effect the intent of the parties therein; (2) if necessary or desirable to accomplish item (1) above, apply to the court having declared such invalidity for a judicial construction of the invalidated portion of this Agreement; and (3) negotiate such changes in, substitutions for or additions to the remaining provisions of this Agreement as may be necessary in addition to and in conjunction with items (1) and (2) above to effect the intent of the parties in the invalid provision. The invalidity of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions hereof, and this Agreement shall be construed and enforced as if such invalid portion did not exist, unless such invalidity frustrates the underlying primary purpose of the Agreement.

(I) Integration; Preservation of Certain Agreements. This Agreement contains the entire agreement between the parties with respect to the transactions contemplated hereby. This Agreement shall completely and fully supersede all prior understandings and agreements between the Parties with respect to such transactions; provided, however, that this Agreement shall not supersede the following agreements:

1) MOU, dated March 10, 1992, between the City of Brea and the County of Orange regarding the Olinda Alpha Landfill as amended on April 6, 1993 and November 29, 1994;

2) MOU, dated May 11, 1995, between the City of Brea and the County of Orange regarding importation of out-of-County waste to the Olinda Alpha Landfill;

3) Settlement Agreement, dated August 1, 1984, between the City of Irvine and the County of Orange regarding the Bee Canyon Landfill (currently called Frank R. Bowerman Landfill);

4) MOU, dated May 16, 1995, between the City of Irvine and the County of Orange regarding importation of out-of-County waste to the Frank R. Bowerman Landfill;

5) MOU, dated September 12, 1995, and amended November 21, 1995, between the City of San Juan Capistrano and the County of Orange regarding importation of out-of-County waste to the Prima Deshecha Landfill;

6) MOU, dated July 1, 1997, between the City of San Clemente[, the Orange County Flood Control District] and the County of Orange regarding the Prima Deshecha Landfill; and

7) Cooperative Agreement, dated August 15, 2006, between the County and the City of Irvine.

(J) Recitals. The recitals to this Agreement are not intended to bind the parties hereto. In the event of a conflict between the recitals and the operative provisions of this Agreement, the operative provisions shall prevail. The recitals shall not be used to interpret the provisions of the Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES

SECTION 2.1 REPRESENTATIONS AND WARRANTIES OF THE CITY. The City represents and warrants that:

(A) Existence. The City is a general law or charter city validly existing under the Constitution and laws of the State.

(B) Due Authorization. The City has duly authorized the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the City.

SECTION 2.2 REPRESENTATIONS AND WARRANTIES OF THE COUNTY. The County represents and warrants that:

(A) Existence. The County is a political subdivision of the State of California validly existing under the Constitution and laws of the State.

(B) Due Authorization. The County has duly authorized the execution and delivery of this Agreement, and this Agreement has been duly executed and delivered by the County.

ARTICLE III
DELIVERY AND ACCEPTANCE OF WASTE
AND PROVISION OF DISPOSAL SERVICE

SECTION 3.1 DELIVERY OF WASTE.

(A) Waste Disposal Covenant. Subject to the occurrence of the Commencement Date and throughout the Term of this Agreement, the City shall exercise all legal and contractual power and authority which it may possess from time to time to deliver or cause the delivery of all Controllable Waste to the Disposal System in accordance herewith.

(B) Recycled City Acceptable Waste. The parties hereto acknowledge the responsibility of the City to meet the recycling and landfill diversion goals contained in the Act. Nothing in this Agreement is intended or shall be interpreted to prohibit or impair the ability of the City to meet such responsibilities, or to restrict the right of the residents, businesses or organizations in the City to practice source separation, recycling, composting or other materials recovery activities, or to restrict the right of the City to conduct, sponsor, encourage or require such activities in any form. No reduction in the amount of Controllable Waste generated in the City and delivered to the Disposal System by or on behalf of the City which may result from any such source separation or recycling program shall cause the City any liability hereunder (other than potential adjustment to the Contract Rate to the extent provided in Article IV hereof) and shall not constitute a breach of this Agreement.

(C) Waste Delivered to Transfer Station. All Residue from any processing of Controllable Waste by materials recovery, composting, recycling or other means, wherever performed, shall constitute Controllable Waste and be subject to the Waste Disposal Covenant. Where City Acceptable Waste is processed at a facility which concurrently processes other Acceptable Waste in a manner which produces commingled residue which cannot be traced to a geographic source, generic residues from such facility in Tonnage equal to the residues that would have been produced had City Acceptable Waste only been processed at the facility shall constitute Controllable Waste and be subject to the Waste Disposal Covenant. Any City Acceptable Waste or material derived or segregated therefrom which is held in storage and asserted by the possessor thereof to constitute Recycled City Acceptable Waste awaiting sale or distribution to the secondary materials markets shall constitute Controllable Waste if, when and to the extent that the storage or diversion thereof can be reasonably deemed to constitute an evasion of the Waste Disposal Covenant rather than generally recognized, accepted and prevailing practice in the Southern California materials recovery and recycling industry conducted in accordance with Applicable Law. In order for the owner and/or operator of a transfer station to be entitled to deliver Acceptable Waste from a Participating City to the Disposal System for the Contract Rate as provided in Article IV, such owner and/or operator must execute a direct agreement with the County, acknowledging and agreeing to comply with the obligation of the Participating City to cause the delivery of all Controllable Waste to the Disposal System pursuant to this Agreement. In addition, the County shall be authorized to implement procedures to determine if Acceptable Waste delivered by the owners or operators of Transfer Stations is entitled to utilize the Disposal System for the Contract Rate. Such procedures may include requiring Transfer Stations to certify, under penalty of perjury, the source of any such Acceptable Waste. If necessary, the County may require that, in order to qualify for use of the Disposal System for the Contract Rate, Transfer Stations must deliver Controllable Waste in loads containing only Controllable Waste, and not commingled with Acceptable Waste from entities which are not Participating Cities or Participating Independent Haulers.

(D) Power to Obligate Waste Disposal and Comply with this Agreement. On or before the Commencement Date, (i) any City franchise, contract, lease, or other agreement which is lawfully in effect relating to or affecting Controllable Waste shall provide, or shall have been amended to provide, that the City shall have the right without material restriction on and after the Commencement Date to direct the delivery of all Controllable Waste to a disposal location selected by the City (whether or not such Controllable Waste is delivered to a transfer station as an intermediate step prior to landfill disposal) and otherwise to comply with its obligations under this Agreement with respect to Controllable Waste and Franchise Haulers, and (ii) the City shall designate the Disposal System as the disposal location pursuant to such franchise, contract, lease or other agreement. On and after the Commencement Date and throughout the Term of this Agreement the City (a) shall not enter into any franchise, contract, lease, agreement or obligation, issue any permit, license or approval, or adopt any ordinance, resolution or law which is materially inconsistent with the requirements of the Waste Disposal Covenant, and (b) shall maintain non-exclusive or exclusive franchises or other contractual arrangements over any City Acceptable Waste which, as of the Contract Date, is subject to non-exclusive or exclusive franchise or other contractual arrangements. The City agrees that the County shall be a third party beneficiary of the obligation of Franchise Haulers to deliver Controllable Waste to the Disposal System, and may directly enforce such obligation through any legal means available. The City shall notify in writing each Franchise Hauler of the County's third party beneficiary rights.

(E) Waste Flow Enforcement. (1) The City, in cooperation with the Department, shall establish, implement, carry out and enforce a waste flow enforcement program which is sufficient to assure the delivery of all Controllable Waste to the Disposal System pursuant to and in accordance with the Waste Disposal Covenant for disposal at the times and in the manner provided herein. The waste flow enforcement program shall consist of amending City franchises, permits or authorizations with all Franchise Haulers, to the extent required by this Section and to the extent allowed by law, and shall include in addition, to the extent necessary and appropriate in the circumstances to assure compliance with the Waste Disposal Covenant, but shall not be limited to: (i) licensing or permitting Franchise Haulers, upon the condition of compliance with the Waste Disposal Covenant, (ii) providing for and taking appropriate enforcement action under any such franchise, license, or permit, such as but not limited to the suspension, revocation and termination of collection rights and privileges, the imposition of fines or collection of damages, and the exercise of injunctive relief against non-complying Franchise Haulers and (iii) causing any Transfer Station to which Controllable Waste is delivered for processing to deliver certification, under the penalty of perjury, of the amounts of Controllable Waste received and Residue remaining from processing at such Transfer Station.

(2) The City acknowledges and agrees that in the event of a breach of the Waste Disposal Covenant by the City, the City shall pay the County an amount equal to the amount that the City would have been required to pay to the County had the Waste Disposal Covenant not been breached, which shall be calculated by (x) subtracting the number of tons actually delivered during the month(s) of the breach from the number of tons that were delivered during the same month(s) closest in time when there was no such breach, even if such month(s) closest in time was prior to the Term, and (y) multiplying such amount by the Contract Rate in effect at the time of such breach (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2). In the event that the County terminates the Waste Disposal Agreement as a result of such breach, the damages due as a result of such termination shall be equal to (aa) the average monthly deliveries by the City for the twelve months prior to the commencement of the breach multiplied by (bb) the Contract Rate in effect at the time of such breach (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2), multiplied by (cc) the number of months that would have remained in the Term of the Agreement had the termination not occurred. The parties recognize that if the City fails to meet its obligations hereunder, the County will suffer damages and that it is and will be impracticable and extremely difficult to ascertain and determine the exact amount of such damages. Therefore, the parties agree that the damages specified above represent a reasonable estimate of the amount of such damages, considering all of the circumstances existing on the date hereto, including the relationship of the sums to the range of harm to the County that reasonably could be anticipated and anticipation that proof of actual damages would be costly or inconvenient. In signing this Agreement, each party specifically confirms the accuracy of the statements made above and the fact that each party had ample opportunity to consult with legal counsel and obtain an explanation of this liquidated damage provision at the time that this Agreement was made.

(F) Legal Challenges to Franchise System. The City shall use its best efforts to preserve, protect and defend its right to exercise and comply with the Waste Disposal Covenant against any challenge thereto, legal or otherwise (including any lawsuits against the City or the County, whether as plaintiff or defendant), by a

Franchise Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. The City shall bear the cost and expense of any such Legal Proceeding or other challenge. In the event any such Legal Proceeding relating to the Waste Disposal Covenant or the City's exercise thereof establishes in a final determination that such covenant or exercise thereof is void, unlawful or unenforceable, or if any Franchise Hauler fails to deliver Controllable Waste to the Disposal System in breach of its franchise with the City on the grounds that a judicial determination made by any court or other Applicable Law has rendered its obligation to deliver Controllable Waste to the Disposal System void, unlawful or unenforceable on any legal grounds, with the result that actual waste deliveries to the Disposal System fall below the Cumulative Tonnage Targets, the County shall be entitled to avail itself of the remedies described in Section 4.2(B) hereof.

(G) Franchise Haulers. The City shall compile and provide the Department with the following information concerning all Franchise Haulers: name, address and phone number; identification number; area of collection and transportation; and franchise and permit terms.

(H) Waste Information System. The City shall cooperate with the Department in collecting information and otherwise monitoring Franchise Haulers in order to assure compliance with this Agreement. Such information may include, to the extent practicable, data pertaining to Controllable Waste collected, transported, stored, processed and disposed of, Recycled City Acceptable Waste collected, transported, stored, processed and marketed or disposed of, Franchise Haulers' franchise, permit or license terms, collection areas, transportation routes and compliance with Applicable Law; and all other information which may reasonably be required by the Department in connection with this Agreement. The City agrees to include in any revised franchise, contract, license or permit or other authorization granted to Franchise Haulers an obligation of the Franchise Hauler to provide to the County information relating to the Controllable Waste collected by such Franchise Hauler, including origins from which such Controllable Waste was collected, tonnage by type of load (residential, commercial, roll-off box), customer service levels, tonnage delivered by transfer station or material recovery facility utilized, and other related information.

(I) City Actions Affecting County. The City agrees to carry out and fulfill its responsibilities under this Agreement and Applicable Law so as to permit full and timely compliance by the County with its covenants and agreements with the State. In particular, the City agrees not to conduct, authorize or permit any disposal services for Controllable Waste to be provided in competition with the Disposal Services provided by the County hereunder, and not to take or omit to take any action with respect to Controllable Waste or its collection, transportation, transfer, storage, treatment or disposal that may materially and adversely affect the County's ability to achieve such timely compliance. Notwithstanding the foregoing, the City shall not be required to deny any permit or license or refuse to grant any approval while exercising its police powers.

(J) No Right of Waste Substitution. Nothing in this Agreement shall authorize or entitle the City to deliver or cause the delivery to the Disposal System of Acceptable Waste originating from or generated outside the jurisdiction of the City, nor obligate the County to receive or dispose of any such Acceptable Waste. The City shall not assign in whole or in part its right to deliver or cause to be delivered Controllable Waste to the County hereunder, and shall not permit any Acceptable Waste originating from or generated outside the jurisdiction of the City to be substituted for Controllable Waste for any purpose hereunder.

(K) Annexations and Restructuring. It is the intention of the parties that this Agreement and the obligations and rights of the City hereunder, including particularly the Waste Disposal Covenant and the Contract Rate, shall, to the extent permitted by Applicable Law, extend to any territory annexed by the City (or any territory with respect to which the City assumes, after March 30, 2008, solid waste management responsibility from a Sanitary District or other public entity) and shall bind any successor or restructured Governmental Body which shall assume or succeed to the rights of the City under Applicable Law.

SECTION 3.2 PROVISION OF DISPOSAL SERVICES BY THE COUNTY.

(A) Service Covenant. Commencing on the Commencement Date, the County shall provide or cause the provision of the service of (1) receiving and disposing of all Controllable Waste at the Disposal System (or such other facilities, including transfer stations, as the County may determine to use), (2) disposing in accordance with subsection 3.2(C) hereof of Controllable Waste which, at any time and for any reason, is in excess

of the disposal capacity of the Disposal System, and (3) in accordance with subsection 3.3(C) hereof, disposing of Unacceptable Waste inadvertently accepted at the Disposal System. The County, to the maximum extent permitted under Applicable Law, shall use its best efforts to keep the Olinda Alpha, Prima Deshecha and Frank R. Bowerman Landfills open for the receipt of waste for disposal or transfer of Controllable Waste pursuant to this Agreement. The County shall do and perform all acts and things which may be necessary or desirable in connection with its covenants in this subsection, including without limitation all planning, development, administration, implementation, construction, operation, maintenance, management, financing and contract work related thereto or undertaken in connection therewith. The County shall exercise all reasonable efforts to minimize the costs incurred in complying with the Service Covenant consistent with its responsibilities hereunder and under this Agreement, Applicable Law and prudent solid waste management practice and environmental considerations.

(B) Particular Facilities. The Department and the City shall consult and cooperate in determining whether and to what extent from time to time other landfills other than that primarily used by the City shall be utilized to receive Controllable Waste. The Department shall immediately advise the City by telephone of any situation, event or circumstance which results in the partial or complete inability of the County to receive Controllable Waste at any particular landfill within the Disposal System, its effect on the County's ability to perform its obligations hereunder, and the County's best estimate of the probable duration. The Department shall confirm such advice in writing within 24 hours of the occurrence of any such inability. The County shall use its best efforts to resume normal operation of the landfill primarily used by the City as soon as possible. In the event of a temporary material increase in average daily deliveries of Controllable Waste from the City which the County reasonably believes could result in the permitted daily disposal capacity limit to be exceeded with respect to a particular landfill within the Disposal System, the County shall have the right to redirect the increased Controllable Waste to another landfill within the Disposal System for the duration of the increase in average daily deliveries; provided, however, that in such circumstances the County shall utilize reasonable efforts to first redirect waste which is not Controllable Waste.

(C) Compliance with Service Covenant Not Excused for any Reason. Commencing on the Commencement Date, the obligations of the County to duly observe and comply with the Service Covenant shall apply continuously and without interruption for the Term of this Agreement. In the event that any Change in Law or other Uncontrollable Circumstance impairs or precludes compliance with the Service Covenant by the means or methods then being employed by the County, the County shall implement alternative or substitute means and methods to enable it to satisfy the terms and conditions of the Service Covenant. In the event that a Change in Law precludes the County from complying with such covenants with the means or methods then being employed and from utilizing any alternate or substitute means or methods of compliance, the County shall continuously use all reasonable efforts to effectuate executive, legislative or judicial change in or relief from the applicability of such law so as to enable the County lawfully to resume compliance with such covenants as soon as possible following the Change in Law.

SECTION 3.3 COUNTY RIGHT TO REFUSE WASTE.

(A) Right of Refusal. Notwithstanding any other provision hereof, the County may refuse delivery of:

- (1) Hazardous Waste;
- (2) Controllable Waste delivered at hours other than those provided in Section 3.5 hereof;
- (3) Waste that does not constitute Acceptable Waste;
- (4) Waste that is delivered by any party which has not executed a Waste Disposal Agreement; and
- (5) Controllable Waste consisting primarily of construction and demolition debris or inerts which may cause a particular facility's daily tonnage limit to be exceeded.

(B) Identification of Unacceptable Waste. The Department shall have the right (but not the duty or the obligation) to inspect the vehicles of all Franchise Haulers delivering material to the Disposal System, and may require that the Franchise Hauler remove any Unacceptable Waste from such vehicle before it is unloaded. If the Department determines that it is impractical to separate Controllable Waste from Unacceptable Waste in any vehicle, or if the Franchise Hauler delivering such waste is unwilling to make such separation, or if any vehicle is carrying waste which may spill or leak, then the Department may reject the entire vehicle, and the City shall forthwith remove or cause the removal of the entire delivery from the Disposal System. The Department may take all reasonable measures to prevent waste from being blown or scattered before and during unloading. The City shall cause the Franchise Haulers to observe and comply with Applicable Law, the operating rules and regulations of the Department, and the provisions of this Agreement prohibiting the delivery of Unacceptable Waste to the Disposal System.

(C) Hazardous Waste and Hazardous Substances. The parties acknowledge that the Disposal System has not been designed or permitted, and is not intended to be used in any manner or to any extent, for the handling, transportation, storage or disposal of Hazardous Waste or Hazardous Substances. Neither the County nor the City shall countenance or knowingly permit the delivery of Hazardous Waste or Hazardous Substances to the Disposal System.

(D) Disposal of Unacceptable Waste and Hazardous Waste. If Unacceptable Waste or Hazardous Waste is discovered in a vehicle at any landfill within the Disposal System, the driver of the vehicle will not be permitted to discharge the load. If a vehicle is observed unloading Unacceptable Waste or Hazardous Waste in the tipping area of a landfill within the Disposal System Department personnel will use reasonable efforts to assure that such material has been characterized, properly secured and its disposition resolved. The return or reloading onto the delivery vehicle of any Hazardous Waste, Prohibited Medical Waste or other waste requiring handling or transportation shall be conducted in accordance with Applicable Law. Whenever Hazardous Waste is detected at any landfill within the Disposal System, the Department shall take immediate action in accordance with Applicable Law.

(E) Source-Separated Household Hazardous Waste. The County shall maintain, as part of the Disposal System, a Source-Separated Household Hazardous Waste Disposal System for the disposal of Source-Separated Household Hazardous Waste. The disposal service provided by such system shall constitute part of the Disposal Services, and shall be available to Participating Cities as part of the Contract Rate. The County may impose additional fees and charges for services relating to Source-Separated Household Hazardous Waste with respect to cities which are not parties to a Disposal Agreement. The County may provide for the expansion, contraction or modification of the Source-Separated Household Hazardous Waste Disposal System and its services to the extent necessary to ensure the Disposal System's viability; provided, however, if the County chooses to reduce services, the County shall nonetheless continue to expend funds for the Source-Separated Household Hazardous Waste Disposal System each year during the term of this Agreement in an amount at least equal to the amount of funds expended for the Source-Separated Household Hazardous Waste Disposal System during fiscal year 2006-07 as adjusted by changes in the Producer Price Index.

SECTION 3.4 UNINCORPORATED AREA ACCEPTABLE WASTE. Commencing on the Commencement Date, the County in accordance with Applicable Law shall provide or cause to be provided the service of disposing of non-recycled Acceptable Waste originating or generated within the Unincorporated Area and, with respect to such waste, shall comply with the Waste Disposal Covenant as if the County constituted a City subject to the Waste Disposal Covenant hereunder. Rates charged by the County for the disposal of each class of non-recycled Acceptable Waste generated in the Unincorporated Area shall be the same as the Contract Fee charged for the disposal of each class of Controllable Waste. The County shall use its best efforts to preserve, protect and defend its right to exercise and comply with the Waste Disposal Covenant (with respect to non-recycled Acceptable Waste generated in the Unincorporated Area) against any challenge thereto, legal or otherwise, by a Franchise Hauler or any other person, based upon breach of contract, violation of law or any other legal theory. The County shall bear the cost and expense of any such Legal Proceeding or other challenge (with respect to non-recycled Acceptable Waste generated in the Unincorporated Area).

SECTION 3.5 MISCELLANEOUS OPERATIONAL MATTERS.

(A) Operating Hours. The County shall keep the Disposal System open for the receiving of Controllable Waste during such regular operating hours as may be established by the Department in the operating rules and regulations applicable to the Disposal System. The County shall utilize best efforts to maintain substantially similar hours, as were in effect on January 2, 2009, for the receipt of waste through the term of this Agreement (subject to Applicable Law).

(B) Scales and Weighing. The Department shall operate and maintain permanent scales at the Disposal System. The Department shall weigh all vehicles delivering waste by or on behalf of the City (whether or not the County accepts such waste) and prepare a daily weight record with regard to such delivery.

(C) Service Coordinator. The County and the City each shall designate in writing thirty days prior to the expected Commencement Date a person to transmit instructions, receive information and otherwise coordinate service matters arising pursuant to this Agreement (each a "Service Coordinator"). Either party may designate a successor or substitute Service Coordinator at any time by notice to the other party.

(D) Review of Records. Each party may review the other party's books and records with respect to matters relevant to the performance by either party under this Agreement or otherwise related to the operation of the Disposal System to the extent allowed under the California Public Records Act (interpreted as if the parties to this Agreement were natural persons for purposes of the Public Records Act).

SECTION 3.6 OTHER USERS OF THE DISPOSAL SYSTEM.

(A) On or Before July 23, 2009, the County shall have the right to enter into waste disposal agreements with Orange County entities with respect to Acceptable Waste which was originally discarded by the first generator thereof within the geographical limits of the County, including other cities in the County, Sanitary Districts, Transfer Stations and Independent Haulers, which waste disposal agreements shall have terms and provisions substantially identical to the terms and provisions of this Agreement; provided, however, that in no event shall such agreements have terms and provisions more favorable than the terms and provisions of this Agreement (including but not limited to the Contract Rate and availability of disposal capacity).

(B) After July 23, 2009, the County shall have the right to enter into waste disposal agreements with Orange County entities, including any city, Sanitary District, Transfer Station and Independent Hauler, or otherwise accept Acceptable Waste from such parties, but only within the limitations contained in this Section. Any such agreement or waste acceptance agreement must provide that the party delivering waste shall pay a Posted Disposal Rate at least 10% higher than the Contract Rate unless the County determines it is in the best interest of the Disposal System to establish a Posted Disposal Rate less than 10% higher than the Contract Rate. In no event shall the Posted Disposal Rate be equal to or less than the Contract Rate. In addition, the County shall reserve the right in any such waste disposal agreement at any time, to the extent permitted by Applicable Law, to refuse to receive and dispose of Acceptable Waste from any city, County Sanitary District, Transfer Station and Independent Hauler if and to the extent that such receipt and disposal may materially and adversely affect the ability of the County to comply with its obligations to the Participating Cities under the Disposal Agreements to which each is a party.

(C) Receipt of Imported Acceptable Waste on a Contract Basis. The County shall have the right to enter into a contract or other agreement with any municipal or private non-County entity for the delivery of Imported Acceptable Waste on terms and conditions that the County determines to be necessary to ensure and enhance the viability of the Disposal System for the benefit of the County and the Participating Cities and to generate Net Import Revenues. The County certifies that in its good faith judgment the contract or other agreement for the delivery of such waste will not materially and adversely affect the ability of the County to receive and dispose of Acceptable Waste from the Participating Cities in accordance with the applicable Disposal Agreements throughout the Term thereof. The term of any such agreement for the disposal of Imported Acceptable Waste shall end by the later to occur of (i) December 31, 2015 or (ii) the date on which County general purpose revenues are no longer expended to pay debt service on the Orange County Public

Financing Authority Lease Revenue Refunding Bonds Series 2005, but in no event later than the last day of the fiscal year commencing July 1, 2015.

(D) Self Haulers. The City and the County acknowledge that Self-Haulers shall be entitled to deliver Self-Hauled Waste to the Disposal System, on a non-contract basis, at the Posted Disposal Rate. Such Self-Haulers shall not be entitled to dispose of Acceptable Waste for the Contract Rate.

(E) Application and Use of Revenues From Other Users. All revenues received by the County from the disposal of County Acceptable Waste by the Disposal System, and all revenues received by the County from the disposal of Imported Acceptable Waste by the Disposal System, shall be deposited by the County in the County OC Waste & Recycling Enterprise Fund and shall constitute revenues of the Disposal System. Pursuant to the County's Plan of Adjustment, the County is entitled to receive net revenues (after payment of all costs attributable to the acceptance of such Imported Acceptable Waste at the Disposal System) ("Net Import Revenues") from the disposal of Imported Acceptable Waste by the Disposal System, and such Net Import Revenues may be used for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment. Costs attributable to the disposal of Imported Acceptable Waste include deposits to the Environmental Fund, deposits to closure and postclosure reserves, City host fees (if applicable), incremental operating costs (such as manpower expenditures, equipment, services and supplies expenditures), state surcharges, and a pro rata share of capital project costs. The parties acknowledge that their intention in determining to allow the importation of Imported Acceptable Waste for disposal by the Disposal System is to stabilize the Contract Rate at rates below those which would otherwise prevail in the absence of such importation.

SECTION 3.7 COUNTY PROVISION OF WASTE DIVERSION SERVICES.

(A) County-Wide Recycling Services. This Agreement does not require the County to provide for any source reduction, materials recovery, recycling, composting, or other waste diversion services by the County nor any payment therefor by the City, by Franchise Haulers or by ratepayers; provided, however, any County-Wide Recycling Services may be funded through the County OC Waste & Recycling Enterprise Fund. Any such recycling services may be expanded, contracted or modified by the County at any time in its sole discretion.

(B) Separate City-County Diversion Service Agreements. Nothing in this Agreement is intended to limit the right of the County to enter into a separate agreement with the City or any other person to provide source reduction, materials recovery, recycling, composting or other waste diversion services. Any such program conducted by the County, whether in participation with the City, any other of the Participating Cities, other Cities, Sanitary Districts, Transfer Stations, Independent Haulers, Unincorporated Area or non-County entity, shall be operated, managed and accounted for as a program separate and distinct from the Disposal Services program contemplated by the Disposal Agreements and shall not be funded through the general revenues of the Disposal System.

ARTICLE IV CONTRACT RATE

SECTION 4.1 CHARGING AND SECURING PAYMENT OF CONTRACT RATE. The City acknowledges that the County shall have the right to charge and collect a Contract Rate for the acceptance and disposal of Controllable Waste delivered to the System by any Franchise Hauler. The Contract Rate shall be calculated and established, and may be modified, as provided in Section 4.2 hereof. In addition, the City acknowledges that the County shall have the right to establish as part of the operating rules and regulations reasonable measures to secure the payment of all Contract Rates.

SECTION 4.2 CONTRACT RATE.

(A) Establishment of Contract Rate. The Contract Rate payable by each Franchise Hauler shall be (x) \$22.00 per ton from the Commencement Date through June 30, 2010, and (y) \$29.95 per ton on and after July 1, 2010, in both cases contingent on the delivery to the Disposal System of an amount of Acceptable Waste at

least equal to the Cumulative Tonnage Targets identified in Appendix 2, and subject to adjustment necessary to reflect the circumstances set forth in this Section 4.2:

(i) increased costs incurred by the County (in excess of available insurance proceeds) due to the occurrence of one or more Uncontrollable Circumstances, other than Changes in Law;

(ii) costs incurred by the County (in excess of available insurance proceeds and amounts available in the Environmental Fund for such purposes) remediating environmental conditions at the Disposal System or inactive or closed disposal sites in the County, which, if uncorrected, could give rise to potential claims under CERCLA or related federal or state statutes, including costs incurred providing indemnification to any Participating City pursuant to subsection 7.3; or

(iii) tonnage shortfalls to the extent permitted by Sections 4.2(B);

(iv) average annual inflation prior to July 1, 2010 in excess of the levels set forth in Section 4.2(H) and escalation pursuant to Section 4.2(F) ;

(v) increased costs incurred by the County (in excess of available insurance proceeds) due to the occurrence of one or more Changes in Law; or

(vi) Capital Costs in excess of the Capital Costs at any point in time during the term hereof exceeding the Cumulative Capital Costs set forth in Appendix 3.

Prior to adjusting the Contract Rate as a result of any of the circumstances described in clauses (i), (ii) or (iii) above, the County shall utilize the following remedies in the following order of priority:

(x) reduce the costs of operating the Disposal System to the extent practicable; and

(y) utilize Unrestricted Reserves to pay costs of the Disposal System.

The County will not be required to utilize such remedies prior to adjusting the Contract Rate as a result of any of the circumstances described in clauses (iv), (v) or (vi) above.

Any adjustments to the Contract Rate permitted by this Section shall be calculated by the County to reflect the actual costs or expenses of addressing the circumstance or circumstances pursuant to which the adjustment is authorized. The County agrees that it will evaluate the feasibility of long term financing for significant capital costs where appropriate.

(B) County Acceptable Waste Shortfall. In the event that the actual amount of County Acceptable Waste delivered to the Disposal System at the end of any Contract Year is less than the Cumulative Tonnage Target for such Contract Year for County Acceptable Waste, as specified in Appendix 2, the County shall utilize the following options, in the following order of priority, in order to remedy any adverse effects of such tonnage shortfall:

(i) reduce the costs of operating the Disposal System to the extent practicable;

(ii) utilize Restricted Reserves described in clause (iii) of Section 4.5 to pay costs of the Disposal System;

(iii) utilize Unrestricted Reserves to pay costs of the Disposal System; and

(iv) adjust the Contract Rate.

In the event that implementation of the steps described above does not result in sufficient revenues to satisfactorily address the shortfall in tonnage, the County shall have the right to terminate the Agreement on 60 days written

notice to the City. In addition, in the event that actual deliveries to the Disposal System exceed the Cumulative Tonnage Target as of the end of any Contract Year, the City acknowledges the County shall have the right to establish reserves intended to reflect the potential for lower than expected annual waste deliveries in subsequent years, and that any such reserves shall constitute "Restricted Reserves".

(C) [RESERVED]

(D) Interim Use of Remedies. In the event that, during any Contract Year, waste deliveries to the Disposal System are 25% or more below delivery projections for such Contract Year with the result that the County determines it is unlikely that the Cumulative Tonnage Target will be achieved as of the end of such Contract Year, the County may utilize the remedies described in Section 4.2(B) prior to the end of such Contract Year; provided, however, that if at the end of such Contract Year, the Cumulative Tonnage Target is actually met, the County shall reimburse any adjustments to the Contract Rate made pursuant to this Section to Participating Cities. Such reimbursement may be given as a credit or adjustment to the Contract Rate for future deliveries, rather than a lump sum payment.

(E) Special Charges. Notwithstanding Section 4.2(A), the County shall have the right to impose special charges for the receipt of hard to handle materials, such as bulky materials, construction and demolition debris, tree stumps and sludge. Such special charges shall be calculated to reflect the reasonable incremental costs to the County of accepting such hard to handle materials. In addition, in the event that the Board of Supervisors of the County makes a determination to implement a facility (including but not limited to a transfer station, landfill, conversion technology facility, or a materials recovery or processing facility), which facility would be intended to provide for disposal alternatives after the closure of one or more of the landfills currently operating within the Disposal System, the County may impose an additional charge of \$0.50 per ton of Acceptable Waste in order to pay the costs of the study, development, planning, construction and/or operation of such facility.

Adjustments pursuant to this Section 4.2(E) shall not require compliance with the provisions of Section 4.2(I).

(F) Escalation. The Contract Rate shall be adjusted each July 1, beginning July 1, 2011. The change will be equal to the positive percentage change in the Consumer Price Index – All Urban Consumers, U.S. city average, All items, Not Seasonally Adjusted, Series ID CUUR0000SA0 ("CPI") as measured from the October 21 months prior to the rate adjustment to the October immediately preceding the rate adjustment. For example: The July 1, 2011 rate adjustment shall be based upon the index change from October 2009, to October 2010, referred to as year 1 and year 2 respectively in the following example .

Formula to calculate percentage change in the Contract Rate:

Step 1:

$$\left[\frac{\text{October Year 2 CPI}}{\text{October Year 1 CPI}} \right] - 1 = \% \text{ increase in Contract Rate}$$

Step 2: Current Contract Rate x (1 + % increase in Contract Rate) = Contract Rate as of July 1 Year 2

On each April 1, commencing April 1, 2011, the County shall provide the City with notice of the adjustment to the Contract Rate to be effective the following July 1. Such notice shall contain the calculation of the adjustment set forth above. The County will calculate the new Contract Rate each year.

In the event that the change in the CPI is negative, no rate adjustment will be made for that year. No adjustment under this Section 4.2(F) will take place until the October CPI index surpasses the index level as of the October immediately preceding the last annual rate adjustment pursuant to this Section 4.1(F), which will be considered "year 1" in calculating the change in the Contract Rate.

For example, if the CPI is measured as follows: October 2009 = 205, October 2010 = 204, October 2011 = 201, October 2012 = 208, then there would be no adjustment in July 2011, or July 2012, and an adjustment equal to the change from 205 to 208 would be implemented on July 1, 2013.

Adjustments pursuant to this Section 4.2(F) shall not require compliance with the provisions of Section 4.2(I).

(G) Adjustment Resulting from Increased Fees. In addition to the other adjustments specified herein, the Contract Rate shall be adjusted to reflect the imposition of new fees or increase in existing fees relating to the disposal of Controllable Waste imposed by state, federal or other agencies (i.e., the State's Integrated Waste Management fee, which is currently \$1.40 per ton). The adjustment shall be equal to the amount of any new or increased fee, and the adjustment shall take effect so as to coincide with the imposition of the new or increased fee. The County shall provide notice of any increase pursuant to this Section 4.2(G) as soon as practicable after becoming aware of the imposition of any fees described above.

Adjustments pursuant to this Section 4.2(G) shall not require compliance with the provisions of Section 4.2(I).

(H) Calculation of Cumulative Inflation Rate. For purposes of Section 4.2(A)(iv) for adjustments prior to July 1, 2011, the inflation shall be calculated as the change in the CPI between July of the year of calculation and July 1, 2008. Inflation shall be deemed to exceed the levels set forth below if the ratio between the CPI for July for the year of calculation (calculated in accordance with the formula below) and July 2008 exceeds the ratio corresponding to such year of calculation on the table below. The ratio shall be calculated in accordance with the following formula:

(July CPI of calculation year / CPI for July 2008)

<i>Year of Calculation</i>	<i>Ratio</i>
July 1, 2008	1.0000
July 1, 2009	1.0356
July 1, 2010	1.0723

In the event the CPI is no longer published during the term of this Agreement, such other index identified by the Bureau of Labor Statistics or otherwise generally accepted as a replacement for CPI shall be used for purposes of this Agreement. In the event of an adjustment to the Contract Rate pursuant to this section 4.2(H), such adjustment shall be applied to the Contract Rate effective until June 30, 2010, and the Contract Rate effective July 1, 2010.

Adjustments pursuant to this Section 4.2(H) shall not require compliance with the provisions of Section 4.2(I).

(I) Procedure for Rate Adjustments. In the event the County determines that it is entitled to an adjustment of the Contract Rate pursuant to Section 4.2(A) (other than 4.2(A)(iv)) or Section 4.2(B), it shall utilize the procedures described in this Section 4.2(I). The County shall be required to provide the City with at least 90 days prior written notice of the adjustment, which notice shall identify the specific event(s) or circumstances which require the adjustment. The notice shall also specify the earliest date on which the County Board of Supervisors shall consider the proposed adjustment. At least 45 days prior to such meeting of the Board of Supervisors, the County shall provide the City with a report which shall contain the following information: a description of the specific event(s) or circumstances which require the adjustment; a description (including cost estimates) of any activities (which may include, but not be limited to capital improvements to the Disposal System) required in order to remedy such event or circumstance; certification by the County that it has implemented the remedies described in Section 4.2(A) or (B) prior to requiring the rate adjustment; and a description of the methodology used by the County to calculate the adjustment to the Contract Rate (hereinafter the "County Report"). In the event the City disputes the adjustment, it shall provide the County with a written description of the reason for the dispute at least 10 days prior to the meeting of the Board of Supervisors identified in the initial notice of the County (hereinafter the "City Report"). The City Report shall be provided to the Board of Supervisors for

consideration at such meeting in connection with the proposed rate adjustment. At any time from and after the date that the County provides the City with the County Report, upon the request of either party, the City and County shall meet and confer in good faith to resolve any dispute that may arise regarding the proposed adjustment to the Contract Rate. In any such meeting, the County shall be represented by the Director of the Department or his or her designee. In the event the Board of Supervisors approves all or a portion of the proposed rate adjustment, such rate adjustment shall become effective on the date identified in the initial notice sent by the County regardless of whether or not the procedures in Section 4.2(J) are utilized, but subject to potential reimbursement pursuant to clause (11) of Section 4.2(J).

(J) Procedure for Expedited Judicial Review of Contested Rate Adjustment. In the event that, within 30 days after the effective date of any Contract Rate adjustment made pursuant to Section 4.2(I), Participating Cities which, in the aggregate, accounted for more than 50% of the County Acceptable Waste delivered to the County System in the twelve months preceding the Contract Rate adjustment, provide notice to the County of their election to utilize the procedures described in this Section 4.2(J), then the provisions of this Section 4.2(J) shall be utilized by such Participating Cities and the County to resolve the dispute over the Contract Rate Adjustment. In the event that Participating Cities which have delivered the amount of waste contemplated in the preceding sentence do not provide notice to the County of such election, the County shall have no obligation to participate in or cooperate in the implementation of the procedures described below in this Section 4.2(J).

(1) In order to pursue the expedited judicial determination described in this Section (the "Expedited Rate Determination"), the Participating Cities which have made the election described in the paragraph above (the "Challenging Cities") must commence a civil action for breach of contract (the "Action") in the Orange County Superior Court within 45 days of the date on which the Board of Supervisors approves the challenged adjustment to the Contract Rate.

(2) Within two (2) days of filing the Action, the Challenging Cities shall personally serve on the County Counsel both the summons and complaint, and a stipulation and request for the entering of an order incorporating all of the procedural provisions relating to the Expedited Rate Determination as set forth in this Section 4.2(J) (such stipulation and request for order is hereinafter referred to as the "Expedited Rate Determination Stipulation"). The Expedited Rate Determination Stipulation shall be signed by each of the Challenging Cities.

(3) Within fifteen (15) days of the date of service upon the County of the summons and complaint, and Expedited Rate Determination Stipulation, the County Counsel shall execute the Expedited Rate Determination Stipulation and personally serve upon the Challenging Cities through their counsel of record the Expedited Rate Determination Stipulation and its answer to the complaint in the Action. The Stipulation shall also include a waiver by each of the parties of their right to a jury trial of the issues raised in the Action. The City and the County mutually agree that the duty to execute the Expedited Rate Determination Stipulation and comply with the procedures set forth for Expedited Rate Determination in this Section 4.2(J) shall be, and are hereby deemed to be, ministerial duties which the law specifically enjoins upon each of them, and shall be subject to enforcement by the parties herein pursuant to Code of Civil Procedure Section 1085, *et seq.*, or by means of a complaint for specific performance.

(4) Within three (3) days of the date of service by the County upon the Challenging Cities of the fully signed Expedited Rate Determination Stipulation, the County and the Challenging Cities shall jointly make *ex parte* application to the Orange County Superior Court in the Action for the issuance of the order contained in the Expedited Rate Determination Stipulation. At such *ex parte* application, the County and the Challenging Cities shall also seek to confirm with the Orange County Superior Court the briefing schedule, and request a hearing date in accordance with the procedures set forth in this Section 4.2(J).

(5) Within ten (10) days of the date of service by the County upon the Challenging Cities of the answer in the Expedited Rate Determination, the Challenging Cities shall file with the court and personally serve upon the County the Challenging Cities' opening brief and the Record in the Expedited Rate Determination. The opening brief shall not exceed 15 pages in length. The Record shall consist of, and be limited to, the record of the proceedings before the Board of Supervisors with respect to the adjustment of the Contract Rate, including but not limited to the County Report and the City Report prepared by each or any of the Challenging Cities pursuant to Section 4.2(I), any materials filed or lodged with the Board of Supervisors and the Orange County

Waste Commission, the transcript of the proceedings of the Board of Supervisors meeting and the Orange County Waste Commission, the minutes of the Board of Supervisors and the Orange County Waste Commission meeting, and the resolution and/or other documentation evidencing action by the Board of Supervisors and the Orange County Waste Commission to adjust the Contract Rate pursuant to Section 4.2(A) or (B). The record shall also include the most recent reports prepared pursuant to Sections 4.6 and 4.7. The Expedited Rate Determination shall be decided solely on the evidence in the Record, and no extrinsic evidence shall be submitted to or considered by the court.

(6) Within ten (10) days of service by the Challenging Cities of their opening brief and the Record, the County shall file and personally serve upon the Challenging Cities the County's opposition brief. The opposition brief shall not exceed 15 pages in length.

(7) Within five (5) days of service by the County upon the Challenging Cities of the opposition brief, the Challenging Cities may file and personally serve upon the County a rebuttal brief, which shall not exceed 10 pages in length.

(8) The trial of the Expedited Rate Determination shall be conducted as a hearing which shall be conducted at the date set by the court in the *ex parte* hearing conducted pursuant to Section 4.2(J)(4), or such other date and time ordered by the court. If the court requests the parties to prepare supplemental briefs in response to any question or issue raised by the court, the parties may do so.

(9) The standard of review for the Expedited Rate Determination shall be the preponderance of the evidence based upon the Record. The burden of proof shall be borne by the Challenging Cities, and the burden of proof shall be the same as with respect to a plaintiff in a damages action for breach of contract. Both parties have participated in the drafting of this Agreement. Accordingly, nothing set forth in this Agreement shall be interpreted or construed for or against either of the parties as a consequence of their participation in the drafting of this Agreement.

(10) The court shall issue its written statement of decision and enter judgment within thirty (30) days of the date of the hearing in the Expedited Rate Determination.

(11) If the court determines that any portion of the County's adjusted Contract Rate which is the subject of the Expedited Rate Determination was improperly imposed, the County shall, within 30 days of the date of the statement of decision, reimburse to the City the amount improperly imposed, together with interest calculated at the highest percentage rate that does not constitute usury under California laws. Such reimbursement may be made in the form of a reduction in the Contract Rate for a future period (not to exceed twelve months) reasonably calculated to provide full reimbursement of the amounts described above.

(12) If for any reason the court does not sign the order contained in the Expedited Rate Determination Stipulation, the City shall, within 30 days of the court's denial of such requested order, file with the court and personally serve upon the County a motion for summary judgment and/or motion for judgment on the pleadings, in accordance with Code of Civil Procedure Section 437(c) and 438. By executing this Agreement, the parties hereby stipulate that, in the event that the Challenging Cities file such summary judgment motion and/or motion for judgment on the pleadings, the Record shall be deemed to have been incorporated into the complaint and answer filed by the Challenging Cities and the County, and no evidence outside of the Record is relevant or material to the dispute raised in the Expedited Rate Determination. The briefing schedule and hearing on such motion for summary judgment and/or motion for judgment on the pleadings shall be in accordance with Code of Civil Procedure Section 437(c). The Challenging Cities and the County shall be bound by all of the requirements and restrictions set forth in Section 4.2(J) that are not in conflict with this paragraph (12).

(13) In the event that the court both does not sign the order contained in the Expedited Rate Determination Stipulation and either does not hear or does not issue a ruling on the merits on the motion for summary judgment and/or judgment on the pleadings which is dispositive of the issues, claims and causes of action in the complaint filed by the Challenging Cities, the County and the Challenging Cities shall, within twenty days following the issuance of the Court's order or decision not to honor the parties' stipulation or not to hear the parties' motion for summary judgment, make application to the Presiding Judge of the Orange County

Superior Court for an expedited hearing or trial date. The Challenging Cities and the County shall be bound by all of the requirements and restrictions set forth in Section 4.2(J) that are not in conflict with this paragraph (13). In this regard, and without limiting the foregoing, the only evidence to be presented at the hearing or trial shall be the Record, no testimony shall be presented at the hearing or trial; and both the County and the Challenging Cities waive all rights to a jury trial, to any reconsideration of the decision of the court, to a new trial after the court renders a decision, and to any appeal or review of the decision of the court.

SECTION 4.3 RESPONSIBILITY FOR PAYMENT OF THE CONTRACT RATE.

(A) Payment by City. In the event and to the extent (1) the City uses municipal collection forces directly for the haulage of Controllable Waste to the Disposal System or (2) the City uses non-municipal Franchise Haulers for collection but nonetheless elects to pay the Contract Rate from City revenues, the City, as its own Franchise Hauler, shall have direct responsibility for payment of the Contract Rate, and shall take all such budgetary, appropriation and other action as may be necessary to provide for the timely payment of the Contract Rate. Such action may include, depending upon the means authorized by the City to provide for such payment, the levy and collection of general or special taxes, the imposition of benefit assessments, or the collection of user fees, generator charges or other similar impositions for municipal solid waste disposal. The City shall use best efforts in accordance with Applicable Law to levy and impose all such taxes, assessments, fees or charges, and will take all steps, actions and proceedings for the enforcement, collection and payment of all such amounts which shall become delinquent, to the full extent permitted by Applicable Law. To the extent provided in Section 7.5 hereof, the obligation of the City for such Contract Rates shall be limited to amounts in the City's Solid Waste Enterprise Fund. From the Commencement Date to the date of expiration or termination of this Agreement, the obligation to the City to pay the Contract Rate, to the extent the City rather than Franchise Haulers is responsible directly for payment and provided that the Service Covenant has been complied with, shall be absolute and unconditional and shall not be subject to delay or diminution by reason of set-off, abatement, counterclaim, existence of a dispute or otherwise.

(B) Payment by Franchise Haulers. With respect to Controllable Waste delivered by Franchise Haulers other than City municipal collection forces, the obligation to pay the Contract Rate shall rest with such Franchise Haulers and not with the City and, unless the City has agreed with the County to be responsible for Franchise Hauler payments, the City shall not be financially responsible for any delay or failure by such Franchise Hauler to pay the Contract Rate or any portion thereof when due. In the event of any such failure, the County and the City shall cooperate with each other and use their best efforts to obtain timely payment. Such efforts by the County may include, as appropriate, requiring cash payments for disposal rights from such Franchise Hauler and bringing a legal proceeding for payment and damages. Such efforts by the City may include, as appropriate, legal proceedings to suspend, revoke or terminate the Franchise Hauler's franchise, permit or license rights.

(C) Disputes. If the City or the Franchise Hauler disputes any amount billed by the County in any Billing Statement, the City or the Franchise Hauler shall nonetheless pay the billed amount and shall provide the County with written objection within 30 days of the receipt of such Billing Statement indicating the amount that is being disputed and providing all reasons then known to the City or the Franchise Hauler for any objection to or disagreement with such amount. If the City or the Franchise Hauler and the County are not able to resolve such dispute within 30 days after the City's or the Franchise Hauler's objection, either party may pursue appropriate legal remedies.

SECTION 4.4 BILLING OF THE CONTRACT RATE. The County shall continue to bill Contract Rates after the Commencement Date, in the same manner as it has customarily billed tipping fees. Subject to the other provisions of this Agreement, the County shall have the right to modify or amend such manner of billing on reasonable notice to affected parties.

SECTION 4.5 RESTRICTED RESERVES. For purposes of this Agreement, "Restricted Reserves" means cash and other reserves of the Disposal System which are restricted to specific uses or are otherwise being reserved by the County to meet its obligations hereunder throughout the term of the Agreement with respect to the Disposal System pursuant to any Applicable Law, contract, adopted budget, budgetary policy of the County with respect to the Disposal System, or other arrangement. Such cash and other reserves are not required to be deposited in separate accounts or funds in order to constitute "Restricted Reserves" hereunder, and may be commingled with

Unrestricted Reserves or other funds of the County attributable to the Disposal System. "Restricted Reserves" shall include, but not be limited to, the following:

- (i) reserves for closure of components of the Disposal System to the extent required by Applicable Law;
- (ii) amounts reserved by the County for funding of post closure maintenance and monitoring with respect to components of the Disposal System;
- (iii) reserves established to protect the Disposal System against the adverse financial impact of potential decreases in waste deliveries pursuant to Section 4.2(B);
- (iv) amounts reserved to pay the costs of capital improvements with respect to the Disposal System;
- (v) amounts funded from revenues during the early years of the term of the Agreement reserved to enable the County to provide disposal services for the Contract Rate during the later years of the Agreement;
- (vi) amounts temporarily held by the County prior to payment to the State or other Governmental Bodies pursuant to Applicable Law (including any fees or charges payable to the State Integrated Waste Management Board);
- (vii) reserves required to meet bond covenants pursuant to financing agreements for Disposal System assets to the extent such amounts must be legally separate and distinct from other reserves identified in this Section;
- (viii) security deposits from landfill deferred payment program users;
- (ix) amounts held by the County in the Environmental Fund (provided, however, that such amounts in the Environmental Fund will be made available and used by the County if required to pay costs relating to environmental remediation or other related costs);
- (x) AB939 surcharges;
- (xi) amounts held by the County in the Corrective Action Fund held pursuant to CCR Title 27 to demonstrate financial assurance to pay for potential groundwater contamination; and
- (xii) an amount equal to three months of budgeted expenses for the Disposal System for the current fiscal year, representing working capital of the Disposal System.

SECTION 4.6 AUDITED FINANCIAL STATEMENTS. The County shall annually, on or before January 1 each year, prepare or cause to be prepared and have on file for inspection an annual report for the preceding Contract Year, accompanied by a certificate of an independent public accountant or of the County Auditor and Controller as to the examination of the financial statements therein (describing such statements as fairly presenting the information therein in conformity with generally accepted accounting principles) relating to the Disposal System, the Disposal Services, and the fiscal activities of the County OC Waste Disposal Enterprise Fund, and including statements in reasonable detail of the financial condition of the County OC Waste Disposal Enterprise Fund as of the end of the Contract Year and revenue and expenses for the Contract Year.

SECTION 4.7 ANNUAL UPDATE OF TEN-YEAR FINANCIAL PROJECTION. The County shall annually, on or before May 1 of each year, prepare or cause to be prepared, an updated Ten-Year Financial Projection for the Disposal System. Said Financial Projection shall include at least two full years of prior actual data and ten years of future projections including the following elements:

1. County Acceptable Waste, in tons;
2. Imported Acceptable Waste, in tons;
3. Revenues and expenditures;
4. Cash fund balances, including all monies in the County Solid Waste Enterprise Fund, with specific delineation of monies in the Environmental Fund, Restricted Reserves, Unrestricted Reserves, and all other funds of the System.
5. Projected liabilities for closure and post closure as well as reasonable reserves for other environmental costs.

The purpose of the Ten-Year Financial Projection is to keep the City fully informed about the future financial condition of the Disposal System. The County shall cause a copy of the Ten-Year Financial Projection to be delivered to the City Manager of the City no later than May 1 of each year. Upon request, the County shall make available to the Cities supporting information related to the ten-year financial projection

ARTICLE V BREACH, ENFORCEMENT AND TERMINATION

SECTION 5.1 BREACH. The parties agree that in the event either party breaches any obligation under this Agreement or any representation made by either party hereunder is untrue in any material respect, the other party shall have the right to take any action at law or in equity (including actions for injunctive relief, mandamus and specific performance) it may have to enforce the payment of any amounts due or the performance of any obligations to be performed hereunder. Neither party shall have the right to terminate this Agreement except as provided in Section 5.2 and Section 5.3 hereof or as otherwise provided in this Agreement.

SECTION 5.2 CITY CONVENIENCE TERMINATION. The City shall have the right to terminate this Agreement in its sole discretion, for its convenience and without cause at any time during the Term hereof upon 90 days' written notice to the County. If the City exercises its rights to terminate the Agreement pursuant to this Section, the City shall pay the County a termination fee equal to the Contract Rate in effect at the time of such termination (or any higher rate with respect to which the County has provided notice pursuant to Section 4.2) multiplied by the number of tons of City Acceptable Waste delivered to the Disposal System during the preceding twelve months (or, if the City had been in breach of the Waste Disposal Covenant during such prior months, such amount as would have been delivered if the City had complied with the Waste Disposal Covenant), multiplied by the number of years remaining in the Term of the Agreement.

SECTION 5.3 TERMINATION.

(A) **By City.** Except as expressly provided herein, the City shall have no right to terminate this Agreement for cause except in the event of the repeated failure or refusal by the County substantially to perform any material obligation under this Agreement unless such failure or refusal is excused by an Uncontrollable Circumstance; except that no such failure or refusal shall give the City the right to terminate this Agreement for cause under this subsection unless:

(1) The City has given prior written notice to the County stating that a specified failure or refusal to perform exists which will, unless corrected, constitute a material breach of this Agreement on the part of the County and which will, in its opinion, give the City the right to terminate this Agreement for cause under this subsection unless such breach is corrected within a reasonable period of time, and

(2) The County has neither challenged in an appropriate forum (in accordance with Section 5.5) the City's conclusion that such failure or refusal to perform has occurred or constitutes a material breach of this Agreement nor corrected or diligently taken steps to correct such breach within a reasonable period of time not more than 90 days from the date of the notice given pursuant to clause (1) of this subsection (but if the

County shall have diligently taken steps to correct such breach within such reasonable period of time, the same shall not constitute a breach giving rise to the right of termination for as long as the County is continuing to take such steps to correct such breach).

(B) By County. Except as expressly provided herein, the County shall have no right to terminate this Agreement for cause except in the event of the repeated failure or refusal by the City substantially to perform any material obligation under this Agreement unless such failure or refusal is excused by an Uncontrollable Circumstance; except that no such failure or refusal shall give the County the right to terminate this Agreement for cause under this subsection unless:

(1) The County has given prior written notice to the City stating that a specified failure or refusal to perform exists which will, unless corrected, constitute a material breach of this Agreement on the part of the City and which will, in its opinion, give the County right to terminate this Agreement for cause under this subsection unless such breach is corrected within a reasonable period of time, and

(2) The City has neither challenged in an appropriate forum (in accordance with Section 5.5) the County's conclusion that such failure or refusal to perform has occurred or constitutes a material breach of this Agreement nor corrected or diligently taken steps to correct such breach within a reasonable period of time not more than 90 days from the date of the notice given pursuant to clause (1) of this subsection (but if the City shall have diligently taken steps to correct such breach within such reasonable period of time, the same shall not constitute a breach giving rise to the right of termination for as long as the City is continuing to take such steps to correct such breach).

SECTION 5.4 NO WAIVERS. No action of the County or the City pursuant to this Agreement (including, but not limited to, any investigation or payment), and no failure to act, shall constitute a waiver by either party of the other party's compliance with any term or provision of this Agreement. No course of dealing or delay by the County or the City in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof or otherwise prejudice such party's rights, powers and remedies. No single or partial exercise of (or failure to exercise) any right, power or remedy of the County or the City under this Agreement shall preclude any other or further exercise thereof of the exercise of any other right, power or remedy.

SECTION 5.5 FORUM FOR DISPUTE RESOLUTION. It is the express intention of the parties that all legal actions and proceedings related to this Agreement or to the Disposal System or to any rights or any relationship between the parties arising therefrom shall be solely and exclusively initiated and maintained in courts of the State of California having appropriate jurisdiction.

ARTICLE VI TERM

SECTION 6.1 EFFECTIVE DATE AND TERM.

(A) Initial Term. This Agreement shall become effective, shall be in full force and effect and shall be legally binding upon the City and the County from the Contract Date and shall continue in full force and effect until June 30, 2020, unless earlier terminated in accordance with its terms, in which event the Term shall be deemed to have expired as of the date of such termination.

(B) Option to Renew. This Agreement shall be subject to renewal by mutual agreement of the parties, on or before June 30, 2018, for an additional term of ten years (the "Renewal Term") on the same terms and conditions as are applicable during the Initial Term hereof. The City shall give the County written notice of its irrevocable election to renew this Agreement on or before June 30, 2017. If the parties do not renew this Agreement by June 30, 2018, the Agreement shall expire on June 30, 2020.

(C) Contract Rate During Renewal Term. In connection with the parties' right to renew this Agreement for an additional ten-year term pursuant to Section 6.1(B), the parties shall, on or before June 30, 2018, negotiate an applicable change in the Contract Rate for such renewal term. In determining any revisions to the

Contract Rate to be applicable during any renewal period, in addition to the circumstances described in Section 4.2(A), the parties may take into consideration the following parameters, including but not limited to:

- (i) actual cost of operations;
- (ii) population growth;
- (iii) increase or decrease in available tonnage;
- (iv) economic and disposal market conditions in the Southern California region;
- (v) changes in transportation and technology;
- (vi) closure and expansion of nearby landfills;
- (vii) capacity of the Disposal System; and
- (viii) available reserves which are in excess of the amount reasonably required as reserves.

(D) Survival; Accrued Rights. The rights and obligations of the parties hereto pursuant to Sections 3.1(E)(2), 5.1, 5.3, 5.5, 7.2, 7.3, 7.5, 7.7, 7.8, 7.9, and 7.10 hereof shall survive the termination or expiration of this Agreement, and no such termination or expiration shall limit or otherwise affect the respective rights and obligations of the parties hereto accrued prior to the date of such termination or expiration. At the end of the Term of this Agreement, all other obligations of the parties shall terminate.

SECTION 6.2 COMMENCEMENT DATE.

(A) Obligations of the Parties Prior to the Commencement Date. The parties acknowledge that the Disposal Agreements may be executed and delivered on different dates and that, except as provided in this subsection, neither the County nor the City shall be obligated to perform its obligations hereunder until the participation threshold provided herein has been met and the other conditions to the occurrence of the Commencement Date have occurred. Prior to the Commencement Date, each party hereto shall at its own expense exercise good faith and due diligence and take all steps within its reasonable control in seeking to satisfy the conditions to the Commencement Date set forth herein as soon as reasonably practicable. The County and the City, each at its own expense, shall cooperate fully with each other and the other Participating Cities in connection with the foregoing undertaking. Until the Commencement Date occurs, the Original WDAs shall remain in full force and effect.

(B) Condition to the Commencement Date. The Commencement Date for the Agreement shall be the date on which the percentage of the County's Acceptable Waste attributable to Participating Cities which have executed and delivered Disposal Agreements shall exceed 85% percent (using the percentage rates attributed to such Cities in Appendix 1). Unincorporated County is assumed to be a Participating City for the purposes of determining the Commencement Date in accordance with this Section 6.2(b) and Appendix 1 of this Agreement.

(C) Satisfaction of Condition and Commencement Date. Upon the satisfaction or waiver of the condition to the Commencement Date, the County shall give written notice thereof to the cities which have theretofore executed Disposal Agreements. The parties shall thereupon hold a formal closing acknowledging the satisfaction or waiver of the condition to the Commencement Date, certifying that the Commencement Date has occurred and designating the Participating Cities. Copies of all of the documents or instruments constituting or evidencing satisfaction of the Commencement Date conditions shall be furnished to each party prior to or on the Commencement Date.

(D) Newly Incorporated Cities. Any city within Orange County which becomes incorporated after the Commencement Date shall upon request be offered the opportunity by the County to become a Participating City. If any such City executes a Disposal Agreement and meets the applicable condition provided in subsection 6.2(B) hereof within 180 days following the date of its municipal incorporation, then such City shall be entitled to execute a Waste Disposal Agreement on substantially the same terms and conditions as this Agreement (including the Contract Rate), notwithstanding the limitations contained in Section 3.6(B).

(E) Failure of Condition. If by July 23rd 2009 [120 DAYS AFTER BOARD APPROVAL], or such later date as the County may agree, the condition to the Commencement Date specified in this Section is not satisfied, either party hereto may, by notice in writing to the other party, terminate this Agreement. Neither party shall be liable to the other for the termination of this Agreement pursuant to this subsection, and each of the parties shall bear its respective costs and expenses incurred in seeking to satisfy the condition to the Commencement Date. Notwithstanding anything in this Agreement to the contrary, in the event that this Agreement is terminated pursuant to this Section, the provisions of the Original WDA shall remain in full force and effect on the terms and conditions set forth therein.

ARTICLE VII GENERAL PROVISIONS

SECTION 7.1 OPERATION AND MAINTENANCE OF THE DISPOSAL SYSTEM. The County, at its cost and expense through the County Solid Waste Enterprise Fund, shall at all times operate, or caused to be operated, the Disposal System in accordance with Applicable Law and the operating rules and regulations of the Department.

SECTION 7.2 UNCONTROLLABLE CIRCUMSTANCES GENERALLY.

(A) Performance Excused. Except as otherwise specifically provided in this Agreement, neither the County nor the City shall be liable to the other for any failure or delay in the performance of any obligation under this Agreement (other than any payment at the time due and owing) to the extent such failure or delay is due to the occurrence of an Uncontrollable Circumstance.

(B) Notice, Mitigation. The party experiencing an Uncontrollable Circumstance shall notify the other party by telecommunication or telephone and in writing, on or promptly after the date the party experiencing such Uncontrollable Circumstance first knew of the commencement thereof, followed within 15 days by a written description of (1) the Uncontrollable Circumstance and the cause thereof (to the extent known), (2) the date the Uncontrollable Circumstance began and the cause thereof, its estimated duration, the estimated time during which the performance of such party's obligations hereunder will be delayed, (3) the estimated amount, if any, by which the Contract Rate may need to be adjusted as a result of such Uncontrollable Circumstance, (4) its estimated impact on the other obligations of such party under this Agreement and (5) potential mitigating actions which might be taken by the County or City and any areas where costs might be reduced and the approximate amount of such cost reductions. Each party shall provide prompt written notice of the cessation of such Uncontrollable Circumstance. Whenever such act, event or condition shall occur, the party claiming to be adversely affected thereby shall, as promptly as reasonably possible, use its best efforts to eliminate the cause therefor, reduce costs and resume performance under this Agreement. In addition, with respect to Changes in Law, the County shall diligently contest any such changes the imposition of which would have a material adverse impact on the Disposal System. While the delay continues, the County or City shall give notice to the other party, before the first day of each succeeding month, updating the information previously submitted.

(C) Impact on Contract Rate. If and to the extent that Uncontrollable Circumstances interfere with, delay or increase the cost to the County of meeting its obligations hereunder and providing Disposal Services to the Participating Cities in accordance herewith, the County shall be entitled to an increase in the Contract Rate as provided in Section 4.2 herein or an extension in the schedule for performance equal to the amount of the increased cost or the time lost as a result thereof. The proceeds of any insurance available to meet any such increased cost shall be applied to such purpose prior to any determination of cost increases payable under this subsection. Any cost reductions achieved through the mitigating measures undertaken by the County pursuant to subsection 7.2(B) hereof upon the occurrence of an Uncontrollable Circumstance shall be reflected in a reduction of the amount by which the

Contract Rate would have otherwise been increased or shall serve to reduce the Contract Rate to reflect such mitigation measures, as applicable.

SECTION 7.3 INDEMNIFICATION. To the extent permitted by law, the County agrees that, it will protect, indemnify, defend and hold harmless the City from and against all Loss-and-Expense arising from the City's activity as an "arranger" (for purposes of and as such term is defined under CERCLA or comparable state statutes) of municipal solid waste disposal pursuant to this Agreement. In the event the City shall determine that because of conflict or any other reason that it wishes to be defended by legal counsel other than the legal counsel provided by the County, the cost of providing such legal counsel shall be the City's sole responsibility. The City acknowledges the County's legitimate interest in actively participating in any defense, litigation or settlement whether the County or the City provides legal counsel. Any costs incurred by the County pursuant to this Section shall be considered an Uncontrollable Circumstance cost and the County shall be entitled to adjust the Contract Rate as provided in subsection 4.2(A) herein. The County shall not, however, be required to indemnify or defend the City from and against all Loss-and-Expense arising from any willful, knowing, illegal or negligent disposal of hazardous waste (other than incidental amounts of Household Hazardous Waste commonly found in municipal solid waste and permitted to be disposed in Class III landfills under RCRA) which violates the County's landfill permits or Applicable Law. The parties agree that this provision constitutes an indemnity under CERCLA (to the extent of the specific provisions of this Section). The parties acknowledge that this subsection is not intended to and does not create any obligation on the part of the County to provide any indemnification or defense to any Franchise Hauler, whether franchised or not, or any Independent Hauler or Transfer Station, under any circumstances. The City acknowledges the County's legitimate interest in actively participating in any defense, litigation or settlement, and shall, as a condition to this indemnity, coordinate fully with the County in the defense.

SECTION 7.4 RELATIONSHIP OF THE PARTIES. Neither party to this Agreement shall have any responsibility whatsoever with respect to services provided or contractual obligations or liabilities assumed by the other party hereto, whether accrued, absolute, contingent or otherwise, or whether due or to become due. The County is an independent contractor of the City and nothing in this Agreement shall be deemed to constitute either party a partner, agent or legal representative of the other party or to create any fiduciary relationship between the parties.

SECTION 7.5 LIMITED RECOURSE.

(A) To the City. Except in the event the City has not established or maintained a City Solid Waste Enterprise Fund, no recourse shall be had to the general funds or general credit of the City for the payment of any amount due the County hereunder, or the performance of any obligation incurred hereunder, including any Loss-and-Expense of any nature arising from the performance or non-performance of the City's obligations hereunder. The sole recourse of the County for all such amounts shall be to the funds held in any such Solid Waste Enterprise Fund. All amounts held in any City Solid Waste Enterprise Fund shall be held for the uses permitted and required thereby, and no such amounts shall constitute property of the County. The City shall make adequate provision in the administration of any City Solid Waste Enterprise Fund for the payment of any amount or the performance of any obligation which may be due hereunder.

(B) To the County. No recourse shall be had to the general funds or general credit of the County for the payment of any amount due the City hereunder, or the performance of any obligation incurred hereunder, including any Loss-and-Expense of any nature arising from the performance or non-performance of the County's obligations hereunder. The sole recourse of the City for all such amounts shall be to the funds held in the County Solid Waste Enterprise Fund in accordance with the terms of this Agreement. All amounts held in the County Solid Waste Enterprise Fund shall be held for the uses permitted and required thereby, and no such amounts shall constitute property of the City. The County shall make adequate provision in the administration of the County Solid Waste Enterprise Fund for the payment of any amount or the performance of any obligation which may be due hereunder.

SECTION 7.6 PRE-EXISTING RIGHTS AND LIABILITIES. Nothing in this Agreement is intended to affect, release, waive or modify any rights, obligations or liabilities which any party hereto may have to or against the other party as of the Contract Date relating to the disposal of waste in the Disposal System or any other related matter.

SECTION 7.7 NO VESTED RIGHTS. The City shall not acquire any vested property, license or other rights in the Disposal System by reason of this Agreement.

SECTION 7.8 LIABILITY FOR COLLECTION, TRANSPORTATION AND PROCESSING. Any liability incurred by the City as a result of collecting Acceptable Waste or processing it for diversion from landfill, or as a result of causing, franchising, permitting, licensing, authorizing or arranging any of the foregoing, shall be its sole liability, except as expressly otherwise provided herein.

SECTION 7.9 NO CONSEQUENTIAL OR PUNITIVE DAMAGES. In no event shall either party hereto be liable to the other or obligated in any manner to pay to the other any special, incidental, consequential, punitive or similar damages based upon claims arising out of or in connection with the performance or non-performance of its obligations or otherwise under this Agreement, or the material inaccuracy of any representation made in this Agreement, whether such claims are based upon contract, tort, negligence, warranty or other legal theory.

SECTION 7.10 AMENDMENTS. Neither this Agreement nor any provision hereof may be changed, modified, amended or waived except by written agreement duly authorized and executed by both parties.

SECTION 7.11 NOTICE OF LITIGATION. Each party shall deliver written notice to the other of any Legal Proceeding to which it is a party and which questions the validity or enforceability of this Agreement executed by the City or the County or any Legal Entitlement issued in connection herewith.

SECTION 7.12 FURTHER ASSURANCES. At any and all times the City and the County so far as may be authorized by law shall pass, make, do, execute, acknowledge and deliver any and every such further resolutions, acts, deeds, conveyances, instruments, assignments, transfers and assurances as may be necessary or reasonably requested by the other in order to give full effect to this Agreement.

SECTION 7.13 ASSIGNMENT OF AGREEMENT. (A) Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party, which may be withheld in the other party's sole discretion. Notwithstanding the foregoing, either party may assign this Agreement to another public entity, subject to the reasonable consent of the other party. In such circumstances the party not requesting the assignment shall have the right to demand assurances of the financial, technical and legal ability of the proposed assignee to undertake the responsibilities and obligations of the assigning party.

(B) Sale. The County shall not enter into any agreement for the sale of the Disposal System which provides for an effective date for such sale prior to the termination of this Agreement.

SECTION 7.14 INTEREST ON OVERDUE OBLIGATIONS. Except as otherwise provided herein, all amounts due hereunder, whether as damages, credits, revenue or reimbursements, that are not paid when due shall bear interest at the Overdue Rate on the amount outstanding from time to time, on the basis of a 365-day year, counting the actual number of days elapsed, and all such interest accrued at any time shall, to the extent permitted by Applicable Law, be deemed added to the amount due, as accrued.

SECTION 7.15 BINDING EFFECT. This Agreement shall bind and inure to the benefit of the parties hereto and any successor or assignee acquiring an interest hereunder consistent with the provisions of Section 7.13 hereof.

SECTION 7.16 NOTICES. Any notice or communication required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, postage prepaid, to the notice address of the respective parties set forth on the cover page of this Agreement. Changes in the respective addresses to which such notices may be directed may be made from time to time by any party by notice to the other party.

IN WITNESS WHEREOF, COUNTY and CITY have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF ORANGE

Date 7/21/09

By [Signature]
Director, OC Waste & Recycling

Date 7-22-09

By [Signature]
[NAME]
City Representative
City of Brea

Date 7-22-09

By [Signature]
[NAME]
City Representative
City of Brea

APPROVED AS TO FORM:
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By [Signature]
Date 07.27.09

APPENDIX 1

ESTIMATED ANNUAL TONNAGE

APPENDIX 1

PERCENTAGE OF COUNTY ACCEPTABLE WASTE ATTRIBUTABLE TO PARTICIPATING CITIES FOR PURPOSE OF SECTION 6.2(b)

Jurisdiction	Percentage of County Acceptable Waste
Anaheim	13.4%
Santa Ana	10.6%
Irvine	7.5%
Huntington Beach	6.0%
Orange	5.8%
Garden Grove	5.1%
Fullerton	4.5%
Unincorporated Orange County ⁽¹⁾	4.3%
Costa Mesa	3.6%
Newport Beach	3.0%
Lake Forest	2.6%
Buena Park	2.5%
Mission Viejo	2.3%
Westminster	2.3%
Yorba Linda	2.3%
Brea	2.1%
Tustin	2.0%
Cypress	1.9%
La Habra	1.8%
San Clemente	1.7%
Fountain Valley	1.6%
Laguna Niguel	1.6%
Placentia	1.6%
San Juan Capistrano	1.6%
Laguna Beach	1.4%
Dana Point	1.2%
Stanton	1.1%
Rancho Santa Margarita	1.0%
Laguna Hills	0.9%
Seal Beach	0.8%
Aliso Viejo	0.7%
Los Alamitos	0.5%
La Palma	0.3%
Laguna Woods	0.2%
Villa Park	0.2%
Total	100%

(1) Unincorporated County is assumed to be a Participating City for the purposes of determining the Commencement Date in accordance with Section 6.2(b) of this Agreement.

(2) A Participating City will only be included for purposing of determining the Commencement Date upon (i) execution of a Waste Disposal Agreement by that Participating City and (ii) execution of a Hauler Acknowledgement(s) by the Franchise Hauler(s) operating within such Participating City

APPENDIX 2
CUMULATIVE TONNAGE TARGETS

APPENDIX 2

Cumulative County Acceptable Waste Tonnage Target to be Used for Purposes of Section 4.2 (B)

<i>Fiscal Year</i>	<i>County Acceptable Waste Tonnage</i>	<i>Cumulative County Acceptable Waste Tonnage</i>
FY 2008-09	3,170,387	3,170,387
FY 2009-10	3,092,806	6,263,193
FY 2010-11	3,185,590	9,448,783
FY 2011-12	3,344,870	12,793,653
FY 2012-13	3,445,216	16,238,869
FY 2013-14	3,514,120	19,752,989
FY 2014-15	3,549,262	23,302,251
FY 2015-16	3,565,608	26,867,859
FY 2016-17	3,582,033	30,449,892
FY 2017-18	3,598,535	34,048,427
FY 2018-19	3,615,115	37,663,542
FY 2019-20	3,631,774	41,295,316

APPENDIX 3
CUMULATIVE CAPITAL COSTS
to be Used
for Purposes of Section 4.2(A)vi

Fiscal Year (ending June 30)	Annual Capital Costs	Cumulative Capital Costs
2009	\$37,939,538	\$37,939,538
2010	\$59,343,405	\$97,282,943
2011	\$10,433,978	\$107,716,921
2012	\$13,678,113	\$121,395,034
2013	\$17,525,040	\$138,920,074
2014	\$11,259,518	\$150,179,592
2015	\$37,682,758	\$187,862,350
2016	\$5,068,800	\$192,931,150
2017	\$10,662,265	\$203,593,415
2018	\$29,397,698	\$232,991,113
2019	\$8,263,795	\$241,254,908
2020	\$45,103,805	\$286,358,713

APPENDIX 4
FORM OF HAULER ACKNOWLEDGMENT

AMENDMENT TO WASTE DISPOSAL AGREEMENT

Between

THE COUNTY OF ORANGE, CALIFORNIA

and the

CITY OF BREA

April 28, 2016
~~April 19, 2016~~

County Amendment Authorization Date:

_____, 2016

County Notice Address:

Director
OC Waste and Recycling
300 N. Flower, Suite 400
Santa Ana, CA 92703

City Amendment Authorization Date:

April 19, 2016

City Notice Address

City Manager
City of Brea
1 Civic Center Circle
Brea, CA 92821

AMENDMENT TO WASTE DISPOSAL AGREEMENT

THIS AMENDMENT TO WASTE DISPOSAL AGREEMENT (the "Amendment") is made and dated as of the date indicated on the cover page hereof between the County of Orange, a political subdivision of the State of California (the "County"), and the City designated on the cover page of this Amendment, a general law or charter city and political subdivision of the State of California (the "City").

RECITALS

The County owns, manages and operates a sanitary landfill system for the disposal of municipal solid waste generated by the cities and the unincorporated area within the County (the "Disposal System"). The Disposal System includes three active landfills and four regional household hazardous waste collection centers.

The Disposal System is used for the disposal of municipal solid waste which is not reused, recycled or otherwise diverted from landfill disposal, pursuant to the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code) (the "Act").

The County has entered into waste disposal agreements in 2009 (the "Original Waste Disposal Agreements") with all of the cities in the County, including the City, as well as certain sanitary districts located in the County (the "Participating Cities"), pursuant to which the County agreed to provide disposal capacity for waste generated in or under the control of the Participating Cities, and the Participating Cities agreed to deliver or cause the delivery of waste generated in or under the control of the Participating Cities to the Disposal System, as more specifically set forth in, and subject to the terms and conditions of, the Original Waste Disposal Agreements.

The City has determined that the execution of this Amendment by the City is in the best interest of the City and will serve the public health, safety and welfare by providing greater disposal rate stability, more predictable and reliable long-term disposal service, and sound environmental management.

The County has determined that the execution by the County of this Amendment will serve the public health, safety and welfare by providing a more stable, predictable and reliable supply of municipal solid waste and the resulting service payment revenue to the Disposal System, thereby enabling the County to plan, manage, operate and finance improvements to the Disposal System on a more prudent and sound long term, businesslike basis consistent with its obligations to the State and the holders of obligations secured by its Disposal System.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the County on the County authorization date indicated on the cover page hereof.

Official action approving this Amendment and determining it to be in the public interest and authorizing its execution and delivery was duly taken by the City on the City authorization date indicated on the cover page hereof.

It is, therefore, agreed as follows:

Section 1. Amendment to Original Waste Disposal Agreement.

(a) Sections 3.6(C) and 3.6(E) of the Original Waste Disposal Agreement are deleted and replaced in their entirety, as set forth below:

“(C) Receipt of Imported Acceptable Waste on a Contract Basis. Throughout the Term hereof, the County shall have the right to enter into a contract or other agreement with any municipal or private non-County entity for the delivery of Imported Acceptable Waste on terms and conditions that the County determines to be necessary to ensure and enhance the viability of the Disposal System for the benefit of the County and the Participating Cities and to generate Net Import Revenues. The County certifies that in its good faith judgment the contract or other agreement for the delivery of such waste will not materially and adversely affect the ability of the County to receive and dispose of Acceptable Waste from the Participating Cities in accordance with the applicable Disposal Agreements throughout the Term thereof. “

“(E) Application and Use of Revenues From Other Users. (1) Throughout the term hereof, all revenues received by the County from the disposal of County Acceptable Waste by the Disposal System, and all revenues received by the County from the disposal of Imported Acceptable Waste by the Disposal System (including amounts received by the County as a result of the failure of contract counterparties to deliver minimum required amounts of Imported Acceptable Waste) , shall be deposited by the County in the County OC Waste & Recycling Enterprise Fund and shall constitute revenues of the Disposal System. Pursuant to the County’s Plan of Adjustment, the County is entitled to receive net revenues (after payment of all costs attributable to the acceptance of such Imported Acceptable Waste at the Disposal System) (“Net Import Revenues”) from the disposal of Imported Acceptable Waste by the Disposal System. Costs attributable to the disposal of Imported Acceptable Waste include deposits to the Environmental Fund, deposits to closure and postclosure reserves, City host fees (if applicable), operating costs (such as manpower expenditures, equipment, services and supplies expenditures), state surcharges, and a pro rata share of capital project costs. Net Import Revenues shall be used for the payment of bankruptcy related obligations until payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment. It is estimated that payment in full of such bankruptcy related obligations required to be paid from such Net Import Revenues pursuant to the Plan of Adjustment will occur by the end of Fiscal Year 2017-18.

(2) Until the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as provided in Section (3.6)(E)(1). For any period after the County’s obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full, Net Import Revenues shall be calculated as follows:

(i) in Fiscal Year 2017-18, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$17.57 per ton;

(ii) in Fiscal Year 2018-19, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported

Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$18.01 per ton;

(iii) in Fiscal Year 2019-20, Net Import Revenues for each ton of Imported Acceptable Waste received shall be equal to the revenues received for the disposal of such ton of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located) in excess of \$18.46 per ton; and

(iv) thereafter, Net Import Revenues shall be equal to 30% of the revenues received by the County from the disposal of Imported Acceptable Waste (excluding any newly established per-ton fees or increases to existing per-ton fees with respect to Imported Acceptable Waste payable to the State, other regulatory agencies or cities in which facilities in the Disposal System are located).

(3) After the County's obligation to apply Net Import Revenues for the payment of bankruptcy related obligations in accordance with the Plan of Adjustment has been satisfied in full (i) 50% of any Net Import Revenues (as calculated pursuant to Section 3.6(E)(2)) shall be paid to the County General Fund; and (ii) 50% of such Net Import Revenues shall be paid to the Participating Cities (and to the County, with respect to the unincorporated area) listed in Appendix 5 for use for any purpose by the Participating City, including but not limited to state mandated solid waste programs. Payments of such amounts to the County General Fund and the Participating Cities shall be made by the County within 90 days after the end of each fiscal year. The portion of Net Import Revenues specified above payable to the Participating Cities shall be apportioned in the percentages set forth in Appendix 5.

(4) The percentages set forth in Appendix 5 with respect to each Participating City will be adjusted at the end of Fiscal Year 2019-20 to reflect the percentage of actual deliveries of Acceptable Waste from each Participating City as compared to the total amount of actual deliveries from all of the Participating Cities during Fiscal Years 2017-18, 2018-19, and 2019-20. The County shall notify each Participating City of the revised percentages in Appendix 5 within 120 days after the end of Fiscal Year 2019-20. The revised percentages will be used for the allocation of Net Import Revenues generated during Fiscal Year 2020-21 and thereafter.

(b) Section 4.2(A)(z) is added to the Original Waste Disposal Agreement (immediately following Section 4.2(A)(y)) as follows:

“(z) decrease the amount of Net Import Revenues otherwise payable to the County General Fund and the Participating Cities pursuant to Section 3.6(E)(2) and Section 3.6(E)(3) and use the amount of such decrease to pay costs of the Disposal System.”

(c) Section 6.1(A) and Section 6.1(B) of the Original Waste Disposal Agreement are deleted and replaced in their entirety with the following:

“SECTION 6.1 EFFECTIVE DATE AND TERM.

(A) Initial Term. This Agreement shall continue in full force and effect until June 30, 2025, unless earlier terminated in accordance with its terms, in which event the Term shall be deemed to have expired as of the date of such termination.

(B) Option to Renew. This Agreement shall be subject to renewal by mutual agreement of the parties, on or before June 30, 2023, for an additional term of ten years (the “Renewal Term”) on the same terms and conditions as are applicable during the Initial Term hereof. The City shall give the County written notice of its irrevocable election to renew this Agreement on or before June 30, 2022. If the parties do not renew this Agreement by June 30, 2023, the Agreement shall expire on June 30, 2025.”

(d) The first sentence of Section 6.1(C) of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the following:

“In connection with the parties’ right to renew this Agreement for an additional ten-year term pursuant to Section 6.1(B), the parties shall, on or before June 30, 2023, negotiate an applicable change in the Contract Rate for such renewal term.”

(e) Appendix 2 of the Original Waste Disposal Agreement is deleted in its entirety and replaced with the form attached hereto.

(f) Appendix 5 shall be added to the Original Waste Disposal Agreement as a new appendix, in the form attached hereto.

(g) All other terms and conditions of the Original Waste Disposal Agreement shall remain in full force and effect.

Section 2. Initial Payment. As consideration for the execution of this Amendment by all of the Participating Cities, and subject to the occurrence of the Amendment Effective Date pursuant to Section 3, the County agrees to pay, from the County OC Waste & Recycling Enterprise Fund, the Amendment Payment to the Participating Cities listed in Appendix 5. The aggregate Amendment Payment shall be \$5,400,000, and shall be distributed to the individual Participating Cities (including the City) in the percentages set forth in Appendix 5 by September 30, 2016.

Section 3. Effectiveness of Amendment. The provisions of this Amendment shall not become effective unless and until the Amendment has been executed by the County and all of the Participating Cities. The date on which the County and all of the Participating Cities have executed the Amendment shall be the “Amendment Effective Date.” The County shall give written notice of the Amendment Effective Date to the City. In the event that the Amendment Effective Date does not occur by June 30, 2016, this Amendment shall be automatically terminated and the County shall have no obligation to make the Amendment Payment.

Section 4. REPRESENTATIONS AND WARRANTIES OF THE PARTIES. Each of the parties to this Amendment represent and warrant that it is a political subdivision of the State of California validly existing under the Constitution and laws of the State and (ii) it has duly authorized the execution and delivery of this Amendment, and has duly executed and delivered the Amendment.

All other terms and conditions of the 2009 Original Waste Disposal Agreement not specifically changed by this Amendment, shall remain in full force and effect.

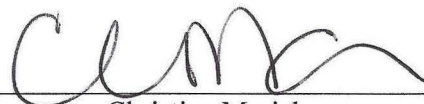
IN WITNESS WHEREOF, COUNTY and CITY have caused this Amendment to be executed by their duly authorized officers or representatives as of the day and year first above written.

COUNTY OF ORANGE


Date 4/20/16

By 
Director, OC Waste & Recycling

Date 4/20/16

By 
Christine Marick
Mayor
City of Brea

Date 4/20/16

By 
Lillian Harris-Neal
ATTEST: City Clerk
City of Brea

APPROVED AS TO FORM:
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By 
James Steinmann, Deputy



APPENDIX 2

County Acceptable Waste Tonnage Target to be Used for Purposes of Section 4.2(b)

<u>Fiscal Year</u>	<u>Tonnage</u>	<u>Cumulative</u>
FY 2015-16	2,724,250	2,724,250
FY 2016-17	2,681,153	5,405,403
FY 2017-18	2,638,746	8,044,149
FY 2018-19	2,597,017	10,641,166
FY 2019-20	2,558,522	13,199,688
FY 2020-21	2,520,605	15,720,293
FY 2021-22	2,483,256	18,203,549
FY 2022-23	2,483,256	20,686,805
FY 2023-24	2,483,256	23,170,061
FY 2024-25	2,483,256	25,653,317

APPENDIX 5

PARTICIPATING CITY ALLOCATION PURSUANT TO SECTION 3.6

<u>City</u>	<u>Allocation Percentage for Purposes of Section 3.6</u>	<u>Allocation of Initial Payment</u>
Anaheim	13.18%	\$711,509
Aliso Viejo	0.67	36,416
Buena Park	2.34	126,275
Brea	2.28	123,085
Costa Mesa	2.18	117,936
Costa Mesa Sanitary District	1.48	79,976
Cypress	2.56	138,115
Dana Point	0.99	53,278
Fullerton	4.10	221,271
Fountain Valley	1.76	95,217
Garden Grove/		
GG Sanitary District	7.17	387,197
Huntington Beach	6.13	330,807
Irvine	8.22	444,036
Laguna Beach	1.14	61,796
Laguna Hills	0.74	40,098
Laguna Niguel	1.36	73,341
Laguna Woods	0.41	22,274
La Habra	1.69	91,431
Lake Forest	2.45	132,214
La Palma	0.32	17,325
Los Alamitos	0.58	31,362
Mission Viejo	2.42	130,902
Newport Beach	3.68	198,946
Orange	4.90	264,468
Placentia	1.58	85,116
Rancho Santa Margarita	1.11	60,009
Santa Ana	10.60	572,184
San Clemente	1.40	75,728
San Juan Capistrano	1.23	66,420
Seal Beach	0.82	44,292
Stanton	1.62	87,287
Tustin	1.42	76,648
Villa Park	0.21	11,081
Midway City Sanitary District (Westminster)	2.13	114,893
Yorba Linda	1.78	96,344
County Unincorporated	3.35	180,723
Totals	100%	\$5,400,000

**EXHIBIT L:
FACILITIES LIST**

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EXHIBIT L: FACILITIES LIST

Facilities List

Approved or Designated Facility Type	Required Facility Information
Approved Transfer Facility(ies)	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Lane Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste
Designated Disposal Facility(ies)	<p>Facility Name: Olinda Alpha Landfill</p> <ul style="list-style-type: none"> • Address: 1942 N. Valencia Avenue, Brea, CA 92823 • Operator: OC Waste and Recycling • SWIS Number: SWIS 30-AB-0035 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS or Rainbow <p>Facility Name: Frank R. Bowerman Sanitary Landfill</p> <ul style="list-style-type: none"> • Address: 11002 Bee Canyon Access Road, Irvine, CA 92618 • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0360 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS or Rainbow <p>Facility Name: Prima Deschecha Landfill</p> <ul style="list-style-type: none"> • Address: 32250 Avenida La Pata San Juan Capistrano, CA 92675 • Operator: OC Waste and Recycling

EXHIBIT L: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
	<ul style="list-style-type: none"> • SWIS Number: 30-AB-0019 • Facility Type: Landfill • Material Type(s): Solid Waste • (If Applicable) Transfer Facility: CVT Regional Material Recovery and TS or Rainbow
Approved C&D Facility(ies)	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Lane Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D, Solid Waste
Approved Organic Materials Processing Facility(ies)	<p>Facility Name: Valencia Greenery</p> <ul style="list-style-type: none"> • Address: 1942 N. Valencia Avenue, Brea, CA 92823 • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0470 • Facility Type: Greenery • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Bee Canyon Greenery</p> <ul style="list-style-type: none"> • Address: 11002 Bee Canyon Access Road, Irvine, CA 92618 • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0470 • Facility Type: Greenery • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Capistrano Greenery</p> <ul style="list-style-type: none"> • Address: 32250 Avenida La Pata San Juan Capistrano, CA 92675

EXHIBIT L: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
	<ul style="list-style-type: none"> • Operator: OC Waste and Recycling • SWIS Number: 30-AB-0468 • Facility Type: Greenery • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Recology Blossom Valley Organics</p> <ul style="list-style-type: none"> • Address: 6061 N Wheeler Ridge Rd. Lamont, CA 93242 • Operator: Recology • SWIS Number: SWIS 15-AA-0307 • Facility Type: Composting • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Agromin OC</p> <ul style="list-style-type: none"> • Address: 8292 Edison Ave. Ontario, CA 91762 • Operator: Agromin OC • SWIS Number: 36-AA-0509 • Facility Type: Green Material Composting Operation • Material Type(s): Yard Waste, Food Waste • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Circle Green Tech Park</p> <ul style="list-style-type: none"> • Address: 17900 Sheep Creek Rd. El Mirage, CA 92301 • SWIS Number: 36-AA-0500 • Facility Type: Aerated Static Pile Compost Facility • Material Type(s): Yard Waste, Food Waste, Manure • (If Applicable) Transfer Facility: CVT or Rainbow <p>Facility Name: Republic Services Copper Mountain Landfill</p> <ul style="list-style-type: none"> • Address: 34853 East County 12th Street, Wellton, AZ 85356 • Operator: Republic Services • SWIS Number: None • Facility Type: Landfill • Material Type(s): Organics • (If Applicable) Transfer Facility: CVT or Rainbow

EXHIBIT L: FACILITIES LIST

Approved or Designated Facility Type	Required Facility Information
	<p>Facility Name: Rialto BioEnergy Facility,</p> <ul style="list-style-type: none"> • Address: 503 East Santa Ana Avenue Rialto, CA 92376 • Operator: Anaergia Services • SWIS Number: SWIS 36-AA-0446 503 • Facility Type: Large Volume In-Vessel Digestion Facility • Material Type(s): Source Separated Organic Materials • (If Applicable) Transfer Facility: CVT or Rainbow
Approved Recyclable Materials Processing Facility	<p>Facility Name: CVT Regional Material Recovery and TS</p> <ul style="list-style-type: none"> • Address: 1131 N. Blue Gum St. Anaheim, CA 92806 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0335 • Facility Type: Materials Recovery Facility and TS • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Rainbow Transfer/Recycling</p> <ul style="list-style-type: none"> • Address: 17121 Nichols Lane Huntington Beach CA, 92647 • Operator: Republic Services • SWIS Number: SWIS 30-AB-0099 • Facility Type: Materials Recovery Facility and Transfer Station • Material Type(s): Source Separated Recyclable Materials, Yard Waste, Food Waste, Source Separated Organic Materials, C&D Debris, Solid Waste <p>Facility Name: Waste Management of Orange</p> <ul style="list-style-type: none"> • Address: 2050 Glassell Street Orange, CA 92865 • Operator: USA Waste of California, Inc • SWIS Number: 30-AB-0363 • Facility Type: Transfer/ Processing • Material Type(s): Source Separated Recyclable Materials • (If Applicable) Transfer Facility: CVT or Rainbow

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EXHIBIT M:
DOCUMENTATION OF RESIDENTIAL ORGANICS COST PER TON

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EXHIBIT M:
DOCUMENTATION OF RESIDENTIAL ORGANICS COST PER TON

Exhibit based on residential organic materials final negotiated cost per ton provided by Contractor.

Approved Facility from Exhibit L	CVT Cost (Pre-processing and/or Transfer)	Transportation Cost/Ton	Tip Fee/ton	Cost/ton
Recology	\$39.02	\$52.06	\$45.91	\$136.98

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EXHIBIT N:
CUSTOMER CREDIT FOR MISSED PICK-UPS DURING A WORK
STOPPAGE

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EXHIBIT N: CUSTOMER CREDIT FOR MISSED PICK-UPS DURING A WORK STOPPAGE

1. City Billed Customers

- A. General. Contractor shall follow the following calculation procedures for issuing residential customers a credit on the monthly invoice to City for the number of collections missed during the work stoppage that were not recovered within two days of their scheduled service day. City retains the franchise fee; therefore, the credit for the franchise fee and City maintenance fee would need to be issued back to the customers by City on their next billing cycle by City.
- B. Contractor will calculate and process a credit on their next invoice to the City for all residential customers during the dispute period of a work stoppage as follows:
1. Credit calculation – the credit will be based on the following factors
 - (a) Customer monthly rate for collection services only
 - (b) Weeks per month
 - (c) Number of collections missed during the work stoppage
 2. Example calculation based on July 1, 2022 rate:
 - (a) Monthly rate for collection = \$15.32 (Sum of trash collection portion, yard waste collection portion, recycling portion, and fuel pricing index)
 - (b) Weeks per month = 4.33
 - (c) Number of collections missed during the work stoppage = 1 (Example purposes only)
$$\text{Credit} = [(a) \div (b)] \times (c)$$
$$\text{Credit} = [(\$15.32) \div (4.33)] \times (1)$$
$$\text{Credit} = \$3.54 \text{ per residential customer missed}$$

2. Contractor Billed Multi-Family and Commercial Customers

All multi-family and commercial customers shall be eligible to receive a credit for any missed services during a work stoppage. Contractor shall notify all multi-family and commercial customers via its website currently at "<https://www.republicservices.com/municipality/brea-ca>" that credits may be made available for agreed upon disruptions during the dispute period. Contractor will calculate and offer a credit for each customer who contacts Contractor requesting a credit on a case-by-case basis based on the level of disruption of service to each such customer, if any, during the dispute period.

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EXHIBIT O:
SUPPORTING DOCUMENTATION REGARDING NON-EXTENSION

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EXHIBIT O:
SUPPORTING DOCUMENTATION REGARDING NON-EXTENSION



VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 10, 2018

Republic Services, Inc.
1131 N. Blue Gum St.
Anaheim, California 92806
Attn: Daniel Capener, General Manager

Subject: Non-Extension Notice

Dear Mr. Capener:

As you know from attending the City Council Meeting on December 4, 2018, the Brea City Council decided to end the automatic extension of the September 3, 2002 Amended and Restated Agreement Between the City of Brea and Taormina Industries Incorporated for the Collection, Transportation, Recycling, Composting and Disposal of Solid Waste, Recyclable and Compostable Materials ("Agreement"). In accordance with the City Council's decision, this letter constitutes a formal Non-Extension Notice pursuant to Section 5.A of the Agreement. Per that provision, absent earlier termination by either party, the Agreement will expire on December 31, 2039.

Please be advised that this Non-Extension Notice does not waive the City's ability to terminate the Agreement prior to such expiration date pursuant to the provisions of the contract or state law. The City reserves all of its available termination rights, including its rights under Public Resources Code Section 49520.

Sincerely,

Bill Gallardo
City Manager
City of Brea

CC: Brea City Council
Tony Olmos, Brea Public Works Director
James Markman, Brea City Attorney
Terence Boga, Brea Deputy City Attorney

City Council	Glenn Parker <i>Mayor</i>	Christine Marick <i>Mayor Pro Tem</i>	Cecilia Hupp <i>Council Member</i>	Marty Simonoff <i>Council Member</i>	Steven Vargas <i>Council Member</i>
Civic & Cultural Center • 1 Civic Center Circle • Brea, California 92821-5732 • 714/990-7600 • FAX 714/990-2258 • www.cityofbrea.net					

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**City Council Regular Meeting Communication**

Monthly Report of Investments for the City of Brea for Period Ended February 28, 2025

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4G.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

Receive and file.

BACKGROUND/DISCUSSION

The Monthly Report of Investments is prepared in accordance with Government Code Sections (GCS) 41004 and 53607 and contains information on the City's investment activities for the month of February. Cash for day-to-day activities is deposited in the demand and interest-bearing checking accounts. The Local Agency Investment Fund (LAIF) is used for short-term investments and functions like a savings account. In addition, on June 6, 2023, with the recommendation of the Investment Advisory Committee, the City Council authorized the use of Treasury Bills and other short-term investments (City Liquidity account) as a LAIF alternative. The City's investment portfolio is for long-term investments and is managed through Chandler Asset Management (Chandler). Together, the short and long-term investment accounts represent the City's investment portfolio.

Attachment A includes an Investment Information Summary and Monthly Account Statement prepared by Chandler. The book value represents the cost of investments, plus or minus amortization/accretion. As of February 28, 2025, the total market value of the managed investment portfolio, including accrued interest, was \$95,452,135 as compared to \$94,490,367 at January 31, 2025. The weighted average investment yield for February 28, 2025 was 3.55%, which was slightly higher than the prior month. The City's Local Agency Investment Fund (LAIF) had a total market value, including accrued interest of \$17,529,802 at February 28, 2025. Also, the balance of the City's Liquidity account at February 28, 2025 was \$3,318, which brings the total value of the City's investment portfolio as of February 28, 2025 to \$112,985,255 as compared to the balance of \$112,680,615 at January 31, 2025.

The City has restricted cash and investments held in the post-employment benefits trust accounts for both Pension and Other Post Employment Benefits (OPEB) administered by PARS (PARS accounts), which are managed by PFM Asset Management (PFM) and the City's various bond reserve accounts which are managed by Chandler. Attachment A includes monthly statements from US Bank for the PARS accounts, as well as a portfolio report from Chandler for each bond reserve account that is invested. As of February 28, 2025, the market value of the PARS pension account, including short-term cash and accrued interest was \$12,531,852 as compared to \$12,471,847 from the prior month. The OPEB account had a market value of \$453,068 as compared to \$450,078 from the prior month. All other restricted cash investments (bond reserve accounts), including short-term cash and accrued interest, was \$862,780 in comparison to \$706,498 from the prior month.

Pursuant to the City's investment policy, with the exception of LAIF, direct time certificates of deposit and money market mutual funds, all City investments are held by third-party custodians. The Bank of New York Mellon Trust Company, N.A. (BNY) holds accounts managed by Chandler and US Bank holds the PARS accounts managed by PFM, which acts as an agent of the City. All securities are held in the name of the City of Brea. The City of Brea has sufficient cash flow to meet its expected expenditures for the next six months.

FISCAL IMPACT/SUMMARY

During the month of February, the overall City portfolio increased by \$304,640. This increase was due to favorable market rate conditions. The City's PARS accounts also increased by \$60,005 and \$2,989 due to favorable market rate conditions. The bond reserve accounts increased by \$156,282 due to payments sent to the City's bond trustee for the Olinda Heights and Brea Plaza Public Improvements. Payments were due to the bondholders on March 1, 2025.

RESPECTFULLY SUBMITTED:

Kristin Griffith, City Manager

Prepared by: Faith Madrazo, Financial Services Manager, Revenue

Concurrence: Monica Lo, Deputy Director of Administrative Services

Attachments

[Attachment A - City February 2025.pdf](#)

City of Brea
Cash and Investment Information
February 28, 2025

		Book Value	Market Value*
Demand and Interest-Bearing Checking Accounts	Citizen's Bank	\$ 7,398,403.70	\$ 7,398,403.70
Local Agency Investment Fund	LAIF	\$ 17,411,201.26	\$ 17,529,802.45
Managed Investment Portfolio - CHANDLER	Chandler/BNY	\$ 95,338,755.21	\$ 95,452,135.05
Liquidity Account - CHANDLER	Chandler/BNY	\$ 3,318.16	\$ 3,318.16
PARS Post-Employment Benefits Trust - Pension**	PFM/US Bank	\$ 11,992,459.06	\$ 12,531,852.33
PARS Post-Employment Benefits Trust - OPEB**	PFM/US Bank	\$ 446,159.73	\$ 453,067.62
<u>Fiscal Agent Cash & Investments**</u>			
2017 Brea Plaza Public Improvements CFD Bonds (CFD 2008-2)	Chandler/BNY	\$ 826,192.80	\$ 825,062.44
2019 Olinda Ranch Public Improvements CFD Bonds (CFD 1997-1)	Chandler/BNY	\$ 31,000.01	\$ 31,000.01
2019 Water Revenue Bonds	Chandler/BNY	\$ 3,994.78	\$ 3,994.78
2020 Water Revenue Refunding Bonds	Chandler/BNY	\$ 1,570.86	\$ 1,570.86
2021 Lease Revenue Refunding Bonds	Chandler/BNY	\$ 1,151.60	\$ 1,151.60
Sub-total - Fiscal Agent Cash & Investments		\$ 863,910.05	\$ 862,779.69
Report Grand Total		\$ 133,454,207.17	\$ 134,231,359.00

* Includes accrued interest on invested funds

** Reserve Fund

City of Brea
Cash and Investment Information
February 28, 2025

Fiscal Agent Cash & Investments Detail		Book Value	Market Value
10600	2017 Brea Plaza Public Improvements CFD Bonds (CFD 2008-2) - CHANDLER	\$ 694,958.42	\$ 693,828.06
	Short-Term Treasury Funds - BNY	\$ 131,234.38	\$ 131,234.38
	Sub-total	\$ 826,192.80	\$ 825,062.44
	2019 Olinda Ranch Public Improvements Bonds (CFD 1997-1) - CHANDLER	\$ -	\$ -
	Short-Term Treasury Funds - BNY	\$ 31,000.01	\$ 31,000.01
	Sub-total	\$ 31,000.01	\$ 31,000.01
	2019 Water Revenue Bonds - CHANDLER	\$ -	\$ -
	Short-Term Treasury Funds - BNY	\$ 3,994.78	\$ 3,994.78
	Sub-total	\$ 3,994.78	\$ 3,994.78
	2020 Water Revenue Refunding Bonds - CHANDLER	\$ -	\$ -
	Short-Term Treasury Funds - BNY	\$ 1,570.86	\$ 1,570.86
	Sub-total	\$ 1,570.86	\$ 1,570.86
	2021 Lease Revenue Refunding Bonds - CHANDLER	\$ -	\$ -
	Short-Term Treasury Funds - BNY	\$ 1,151.60	\$ 1,151.60
	Sub-total	\$ 1,151.60	\$ 1,151.60
Report Grand Total		\$ 863,910.05	\$ 862,779.69



MONTHLY ACCOUNT STATEMENT

City of Brea LAIF | Account #10164 | As of February 28, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

Custodian:

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures at the end of the statement.

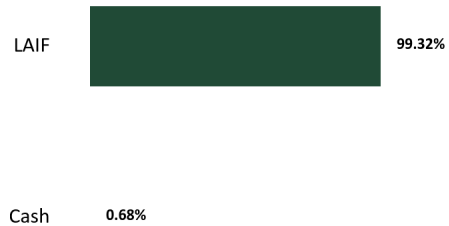
PORTFOLIO SUMMARY

City of Brea LAIF | Account #10164 | As of February 28, 2025

Portfolio Characteristics

Average Modified Duration	0.00
Average Coupon	4.29%
Average Purchase YTM	4.29%
Average Market YTM	4.29%
Average Credit Quality*	AAA
Average Final Maturity	0.00
Average Life	0.00

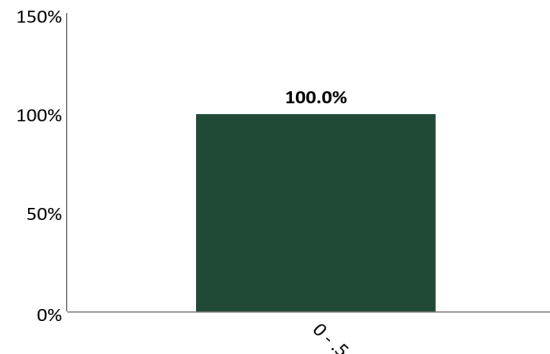
Sector Allocation



Account Summary

	End Values as of 01/31/2025	End Values as of 02/28/2025
Market Value	17,469,965.16	17,529,802.45
Accrued Interest	0.00	0.00
Total Market Value	17,469,965.16	17,529,802.45
Income Earned	98,865.96	0.00
Cont/WD	4,971,050.51	0.00
Par	17,469,965.16	17,529,802.45
Book Value	17,469,965.16	17,529,802.45
Cost Value	17,469,965.16	17,529,802.45

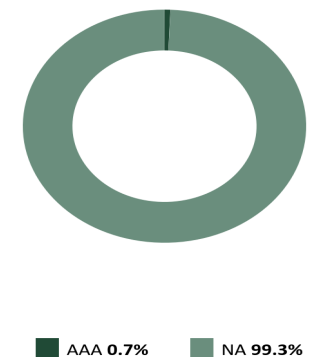
Maturity Distribution



Top Issuers

LAIF	99.32%
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Credit Quality (S&P)



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (03/01/12)
City of Brea LAIF	0.34%	1.11%	0.72%	4.72%	4.21%	3.30%	2.23%	1.77%	1.43%

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

**Periods over 1 year are annualized.

Benchmark: NO BENCHMARK REQUIRED

Secondary Benchmark:

RECONCILIATION SUMMARY

City of Brea LAIF | Account #10164 | As of February 28, 2025

Maturities / Calls

Month to Date	0.00
Fiscal Year to Date	0.00

Principal Paydowns

Month to Date	0.00
Fiscal Year to Date	0.00

Purchases

Month to Date	0.00
Fiscal Year to Date	18,839,416.46

Sales

Month to Date	0.00
Fiscal Year to Date	(18,600,000.00)

Interest Received

Month to Date	0.00
Fiscal Year to Date	368,365.95

Purchased / Sold Interest

Month to Date	0.00
Fiscal Year to Date	0.00

Accrual Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Book Value	17,469,965.16	17,368,188.66
Maturities/Calls	0.00	0.00
Principal Paydowns	0.00	0.00
Purchases	0.00	18,839,416.46
Sales	0.00	(18,600,000.00)
Change in Cash, Payables, Receivables	59,837.29	(77,802.67)
Amortization/Accretion	0.00	0.00
Realized Gain (Loss)	0.00	0.00
Ending Book Value	17,529,802.45	17,529,802.45

Fair Market Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Market Value	17,469,965.16	17,368,188.66
Maturities/Calls	0.00	0.00
Principal Paydowns	0.00	0.00
Purchases	0.00	18,839,416.46
Sales	0.00	(18,600,000.00)
Change in Cash, Payables, Receivables	59,837.29	(77,802.67)
Amortization/Accretion	0.00	0.00
Change in Net Unrealized Gain (Loss)	0.00	0.00
Realized Gain (Loss)	0.00	0.00
Ending Market Value	17,529,802.45	17,529,802.45

HOLDINGS REPORT



City of Brea LAIF | Account #10164 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	118,601.19	-- 0.00%	118,601.19 118,601.19	1.00 0.00%	118,601.19 0.00	0.68% 0.00	AAA/AAA AAA	0.00 0.00
Total Cash		118,601.19	0.00%	118,601.19	1.00 0.00%	118,601.19 0.00	0.68% 0.00		0.00 0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	17,411,201.26	-- 4.32%	17,411,201.26 17,411,201.26	1.00 4.32%	17,411,201.26 0.00	99.32% 0.00	NA/NA NA	0.00 0.00
Total LAIF		17,411,201.26	4.32%	17,411,201.26	1.00 4.32%	17,411,201.26 0.00	99.32% 0.00		0.00 0.00
Total Portfolio		17,529,802.45	4.29%	17,529,802.45	1.00 4.29%	17,529,802.45 0.00	100.00% 0.00		0.00 0.00
Total Market Value + Accrued						17,529,802.45			



TRANSACTION LEDGER

City of Brea LAIF | Account #10164 | As of February 28, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest	Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS											
TOTAL OTHER TRANSACTIONS			0.00				0.00		0.00	0.00	0.00

INCOME EARNED

City of Brea LAIF | Account #10164 | As of February 28, 2025

Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENTS						
			58,763.90	0.00	0.00	
CCYUSD	Receivable		0.00	0.00	0.00	0.00
		118,601.19	0.00	0.00	0.00	
			118,601.19	0.00	0.00	
			58,763.90	0.00	0.00	
			0.00	0.00	0.00	
			0.00	0.00	0.00	
Total Cash & Equivalents		118,601.19	118,601.19	0.00	0.00	0.00
LAIF						
			17,411,201.26	0.00	0.00	
90LAIF\$00	Local Agency Investment		0.00	0.00	0.00	0.00
	Fund State Pool		0.00	0.00	0.00	
		17,411,201.26	17,411,201.26	0.00	0.00	
			17,411,201.26	0.00	0.00	
			0.00	0.00	0.00	
			0.00	0.00	0.00	
Total LAIF		17,411,201.26	17,411,201.26	0.00	0.00	0.00
			17,469,965.16	0.00	0.00	
			0.00	0.00	0.00	
			0.00	0.00	0.00	
TOTAL PORTFOLIO		17,529,802.45	17,529,802.45	0.00	0.00	0.00

CASH FLOW REPORT

City of Brea LAIF | Account #10164 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
MARCH 2025							
03/03/2025	Dividend		0.00		59,837.29		59,837.29
March 2025 Total					59,837.29		59,837.29
APRIL 2025							
04/15/2025	Dividend	90LAIF\$00	17,411,201.26	Local Agency Investment Fund State Pool	58,763.90		58,763.90
April 2025 Total					58,763.90		58,763.90
Grand Total			17,411,201.26		118,601.19		118,601.19



IMPORTANT DISCLOSURES

City of Brea LAIF | Account #10164 | As of February 28, 2025

Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

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Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a high rating by S&P, Moody's and Fitch respectively.



MONTHLY ACCOUNT STATEMENT

City of Brea | Account #120 | As of February 28, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

Custodian:

Bank of New York Mellon

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures at the end of the statement.

PORTFOLIO SUMMARY

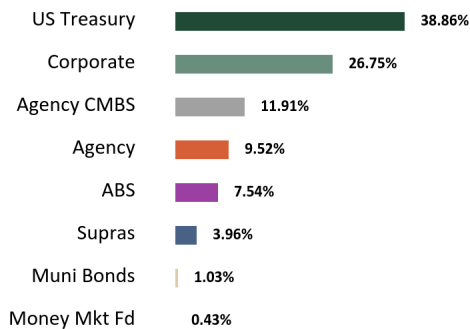


City of Brea | Account #120 | As of February 28, 2025

Portfolio Characteristics

Average Modified Duration	2.53
Average Coupon	3.28%
Average Purchase YTM	3.55%
Average Market YTM	4.21%
Average Credit Quality*	AA+
Average Final Maturity	2.96
Average Life	2.80

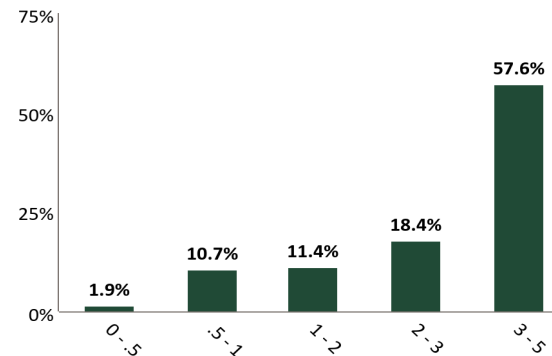
Sector Allocation



Account Summary

	End Values as of 01/31/2025	End Values as of 02/28/2025
Market Value	93,890,783.70	94,877,839.96
Accrued Interest	599,583.69	574,295.09
Total Market Value	94,490,367.39	95,452,135.05
Income Earned	267,596.12	265,525.58
Cont/WD	0.00	0.00
Par	95,683,054.28	95,940,104.92
Book Value	95,075,462.78	95,338,755.21
Cost Value	94,819,055.87	95,073,203.32

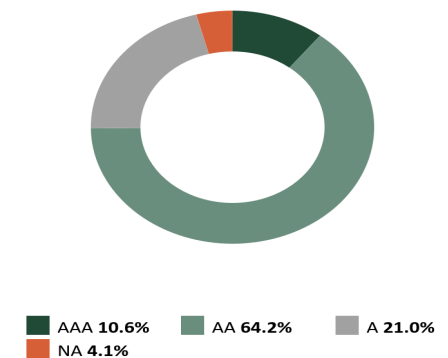
Maturity Distribution



Top Issuers

Government of The United States	38.86%
FHLMC	11.91%
FNMA	3.32%
Farm Credit System	2.20%
Federal Home Loan Banks	2.13%
International Bank for Recon and Dev	2.02%
Inter-American Development Bank	1.95%
Federal Home Loan Mortgage Corp	1.86%

Credit Quality (S&P)



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (05/01/96)
City of Brea	1.02%	1.42%	1.55%	5.64%	5.09%	2.12%	1.30%	1.74%	3.43%
Benchmark Return	0.97%	1.40%	1.47%	5.32%	4.71%	1.68%	0.94%	1.46%	3.11%
Secondary Benchmark Return	0.97%	1.40%	1.47%	5.46%	4.85%	1.79%	1.04%	1.56%	--

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

**Periods over 1 year are annualized.

Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index Secondary Benchmark: ICE BofA 1-5 Year AAA-A US Corp & Govt Index

STATEMENT OF COMPLIANCE

City of Brea | Account #120 | As of February 28, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES (CMOS)				
Max % (MV)	100.0	11.9	Compliant	
Max % Issuer (MV)	25.0	11.9	Compliant	
Max Maturity (Years)	5.0	4.0	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; Non Agency ABS & MBS)	15.0	7.5	Compliant	
Max % Issuer (MV)	5.0	1.0	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)				
Max % (MV)	30.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	25.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270	0.0	Compliant	
Min Rating (A-1/P-1 by Moody's & S&P)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	26.8	Compliant	
Max % Issuer (MV)	5.0	1.5	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/ TD)				

STATEMENT OF COMPLIANCE

City of Brea | Account #120 | As of February 28, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	9.5	Compliant	
Max % Issuer (MV)	25.0	3.3	Compliant	
Max Callables (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	3	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max % (MV)	60.0	0.0	Compliant	
Max Issuer %	40.0	0.0	Compliant	
LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % (MV)	60.0	0.0	Compliant	
Max % Issuer (MV)	40.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.4	Compliant	
Max % Issuer (MV)	20.0	0.4	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	15.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	30.0	1.0	Compliant	
Max % Issuer (MV)	5.0	1.0	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUTUAL FUNDS				

STATEMENT OF COMPLIANCE

City of Brea | Account #120 | As of February 28, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1 if > FDIC Limit)	0.0	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max Maturity (Years)	1.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	15.0	4.0	Compliant	
Max % Issuer (MV)	5.0	2.0	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	38.9	Compliant	
Max Maturity (Years)	5	4	Compliant	

RECONCILIATION SUMMARY

City of Brea | Account #120 | As of February 28, 2025

Maturities / Calls

Month to Date	0.00
Fiscal Year to Date	0.00

Principal Paydowns

Month to Date	(125,182.25)
Fiscal Year to Date	(957,782.48)

Purchases

Month to Date	2,605,847.24
Fiscal Year to Date	26,201,840.94

Sales

Month to Date	(2,203,712.88)
Fiscal Year to Date	(23,333,211.74)

Interest Received

Month to Date	277,669.71
Fiscal Year to Date	1,905,138.07

Purchased / Sold Interest

Month to Date	(717.60)
Fiscal Year to Date	5,708.65

Accrual Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Book Value	95,075,462.78	93,671,888.26
Maturities/Calls	0.00	0.00
Principal Paydowns	(125,182.25)	(957,782.48)
Purchases	2,605,847.24	26,201,840.94
Sales	(2,203,712.88)	(23,333,211.74)
Change in Cash, Payables, Receivables	(610.33)	(91,113.12)
Amortization/Accretion	13,862.07	114,075.08
Realized Gain (Loss)	(26,911.42)	(266,941.74)
Ending Book Value	95,338,755.21	95,338,755.21

Fair Market Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Market Value	93,890,783.70	91,042,467.37
Maturities/Calls	0.00	0.00
Principal Paydowns	(125,182.25)	(957,782.48)
Purchases	2,605,847.24	26,201,840.94
Sales	(2,203,712.88)	(23,333,211.74)
Change in Cash, Payables, Receivables	(610.33)	(91,113.12)
Amortization/Accretion	13,862.07	114,075.08
Change in Net Unrealized Gain (Loss)	723,763.83	2,168,505.65
Realized Gain (Loss)	(26,911.42)	(266,941.74)
Ending Market Value	94,877,839.96	94,877,839.96

HOLDINGS REPORT



City of Brea | Account #120 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
43815GAC3	HAROT 2021-4 A3 0.88 01/21/2026	25,872.37	11/16/2021 0.89%	25,866.91 25,871.34	99.52 5.20%	25,748.63 6.32	0.03% (122.71)	AAA/NA AAA	0.90 0.11
47789QAC4	JDOT 2021-B A3 0.52 03/16/2026	19,701.74	07/13/2021 0.53%	19,699.98 19,701.40	99.83 3.56%	19,667.53 4.55	0.02% (33.87)	AAA/NA AAA	1.04 0.06
89238JAC9	TAOT 2021-D A3 0.71 04/15/2026	26,439.88	11/09/2021 0.95%	26,439.31 26,439.79	99.58 5.08%	26,327.60 8.34	0.03% (112.19)	NA/AAA AAA	1.13 0.10
43815BAC4	HAROT 2022-1 A3 1.88 05/15/2026	111,665.84	02/15/2022 1.89%	111,649.04 111,661.51	99.38 4.70%	110,970.94 93.30	0.12% (690.58)	AAA/AAA NA	1.21 0.22
44935FAD6	HART 2021-C A3 0.74 05/15/2026	4,591.84	11/09/2021 0.75%	4,590.82 4,591.61	99.86 5.05%	4,585.35 1.51	0.00% (6.26)	NA/AAA AAA	1.21 0.03
362554AC1	GMCAR 2021-4 A3 0.68 09/16/2026	32,440.80	10/13/2021 0.68%	32,439.97 32,440.64	99.37 4.68%	32,236.34 9.19	0.03% (204.30)	AAA/AAA NA	1.55 0.16
380146AC4	GMCAR 2022-1 A3 1.26 11/16/2026	37,277.11	01/11/2022 1.27%	37,273.87 37,276.11	99.36 4.62%	37,038.73 19.57	0.04% (237.39)	NA/AAA AAA	1.71 0.19
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	349,168.00	10/12/2022 3.29%	349,140.91 349,156.00	100.34 4.43%	350,370.32 789.90	0.37% 1,214.32	AAA/NA AAA	2.29 0.48
36269WAD1	GMALT 2024-2 A3 5.39 07/20/2027	330,000.00	05/07/2024 5.85%	329,980.83 329,985.61	101.18 4.39%	333,883.57 543.49	0.35% 3,897.97	NA/AAA AAA	2.39 1.10
58770JAD6	MBALT 2024-A A3 5.32 01/18/2028	240,000.00	05/17/2024 5.73%	239,971.92 239,977.85	101.37 4.40%	243,285.58 567.47	0.26% 3,307.72	AAA/NA AAA	2.89 1.38
161571HT4	CHAIT 2023-1 A 5.16 09/15/2028	965,000.00	09/07/2023 5.17%	964,732.50 964,810.54	101.34 4.29%	977,934.86 2,213.07	1.03% 13,124.32	NA/AAA AAA	3.55 1.44
437930AC4	HAROT 2024-2 A3 5.27 11/20/2028	310,000.00	05/14/2024 5.27%	309,962.33 309,968.84	101.37 4.38%	314,258.53 589.95	0.33% 4,289.69	NA/AAA AAA	3.73 1.44
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	410,000.00	06/04/2024 5.24%	409,937.72 409,947.24	101.21 4.38%	414,946.40 353.97	0.44% 4,999.17	AAA/AAA NA	4.00 1.40
47786WAD2	JDOT 2024-B A3 5.2 03/15/2029	465,000.00	06/11/2024 5.26%	464,909.09 464,922.53	101.70 4.12%	472,923.41 1,074.67	0.50% 8,000.88	AAA/NA AAA	4.04 1.49
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	575,000.00	08/09/2024 4.68%	574,909.67 574,920.04	100.45 4.34%	577,583.65 729.93	0.61% 2,663.61	AAA/NA AAA	4.06 1.63
02582JKH2	AMXCA 2024-1 A 5.23 04/16/2029	720,000.00	04/16/2024 5.30%	719,852.40 719,877.72	101.97 4.29%	734,201.35 1,673.60	0.77% 14,323.64	NA/AAA AAA	4.13 1.96
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	460,000.00	06/06/2024 4.93%	459,974.19 459,978.02	101.44 4.28%	466,610.25 1,007.91	0.49% 6,632.23	AAA/AAA NA	4.21 2.04

HOLDINGS REPORT



City of Brea | Account #120 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
89240JAD3	TAOT 25A A3 4.64 08/15/2029	565,000.00	01/22/2025 4.69%	564,977.34 564,977.76	100.81 4.31%	569,548.98 1,165.16	0.60% 4,571.22	AAA/NA AAA	4.46 2.13
92970QAE5	WFCIT 2024-2 A 4.29 10/15/2029	515,000.00	10/17/2024 4.58%	514,923.47 514,928.86	100.09 4.29%	515,440.17 981.93	0.54% 511.31	AAA/AAA NA	4.63 2.42
362955AD8	GMCAR 2025-1 A3 4.62 12/17/2029	375,000.00	01/09/2025 4.67%	374,972.14 374,972.84	100.69 4.13%	377,604.15 721.88	0.40% 2,631.31	AAA/NA AAA	4.80 1.29
58773DAD6	MBART 2025-1 A3 4.78 12/17/2029	545,000.00	01/14/2025 4.94%	544,884.08 544,886.48	101.10 4.34%	550,991.78 1,157.82	0.58% 6,105.31	AAA/NA AAA	4.80 2.25
Total ABS		7,082,157.56	4.84%	7,081,088.49 7,081,292.74	101.05 4.32%	7,156,158.14 13,713.53	7.54% 74,865.40		3.85 1.62

AGENCY									
3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	1,400,000.00	-- 0.45%	1,394,913.33 1,399,469.97	98.14 4.36%	1,373,907.11 87.50	1.45% (25,562.87)	AAA/AA AA	0.49 0.47
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	1,805,000.00	-- 0.44%	1,799,651.55 1,804,384.98	97.85 4.34%	1,766,124.98 2,970.73	1.86% (38,260.01)	AAA/AA AA	0.57 0.54
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	1,825,000.00	-- 0.57%	1,819,098.50 1,824,186.16	97.53 4.24%	1,779,897.84 2,889.58	1.88% (44,288.31)	AAA/AA AA	0.69 0.66
3133EPGW9	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 04/25/2028	1,250,000.00	05/05/2023 3.55%	1,268,125.00 1,261,500.48	99.47 4.05%	1,243,407.81 16,953.13	1.31% (18,092.67)	AAA/AA AA	3.16 2.89
3133EPME2	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 06/08/2028	850,000.00	06/07/2023 3.96%	846,634.00 847,798.37	99.43 4.06%	845,196.48 7,593.92	0.89% (2,601.89)	AAA/AA AA	3.28 3.01
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	2,000,000.00	09/08/2023 4.43%	1,994,580.00 1,996,175.69	101.22 4.00%	2,024,417.62 42,048.61	2.13% 28,241.93	AAA/AA AA	3.53 3.17
Total Agency		9,130,000.00	2.12%	9,123,002.38 9,133,515.66	98.96 4.18%	9,032,951.84 72,543.47	9.52% (100,563.82)		1.85 1.70

AGENCY CMBS									
3137BNGT5	FHMS K-054 A2 2.745 01/25/2026	943,591.55	10/29/2021 1.22%	998,658.97 954,677.49	98.54 4.38%	929,798.69 2,158.47	0.98% (24,878.80)	AAA/AA AAA	0.91 0.79
3137BQYS0	FHMS K-056 A2 2.525 05/25/2026	570,000.00	01/31/2022 1.73%	587,189.06 574,730.32	97.97 4.32%	558,422.16 1,199.38	0.59% (16,308.16)	AAA/AA AAA	1.24 1.05

HOLDINGS REPORT



City of Brea | Account #120 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3137BXQY1	FHMS K-064 A2 3.224 03/25/2027	1,000,000.00	05/06/2022 3.23%	997,929.69 999,138.84	97.97 4.26%	979,715.20 2,686.67	1.03% (19,423.64)	AAA/AAA AA	2.07 1.80
3137FCLD4	FHMS K-071 A2 3.286 11/25/2027	2,000,000.00	04/11/2023 4.08%	1,932,500.00 1,960,401.62	97.40 4.27%	1,947,912.40 5,476.67	2.05% (12,489.22)	AAA/AA AAA	2.74 2.52
3137FETN0	FHMS K-073 A2 3.35 01/25/2028	1,500,000.00	03/27/2023 4.07%	1,452,187.50 1,471,499.57	97.48 4.26%	1,462,246.80 4,187.50	1.54% (9,252.77)	AAA/AA AAA	2.91 2.61
3137FEZU7	FHMS K-076 A2 3.9 04/25/2028	1,200,000.00	04/20/2023 4.12%	1,187,062.50 1,191,913.17	98.85 4.25%	1,186,232.40 3,900.00	1.25% (5,680.77)	AAA/AA AAA	3.16 2.82
3137FGR31	FHMS K-078 A2 3.854 06/25/2028	1,300,000.00	09/18/2023 4.94%	1,240,890.63 1,259,054.27	98.65 4.26%	1,282,426.60 4,175.17	1.35% 23,372.33	AAA/AA AAA	3.32 2.93
3137FJKE8	FHMS K-082 A2 3.92 09/25/2028	600,000.00	11/28/2023 4.74%	578,718.75 584,308.76	98.74 4.27%	592,421.82 1,960.00	0.62% 8,113.06	AAA/AA AAA	3.57 3.20
3137H5YC5	FHMS K-748 A2 2.26 01/25/2029	1,500,000.00	03/25/2024 4.61%	1,350,820.31 1,379,798.89	92.73 4.33%	1,390,941.90 2,825.00	1.47% 11,143.01	AAA/AA AAA	3.91 3.57
3137FLMV3	FHMS K-090 A2 3.422 02/25/2029	1,000,000.00	07/29/2024 4.46%	957,070.31 962,648.30	96.79 4.29%	967,891.60 2,851.67	1.02% 5,243.30	AAA/AAA AA	3.99 3.59
Total Agency CMBS		11,613,591.55	3.89%	11,283,027.72 11,338,171.24	97.32 4.28%	11,298,009.57 31,420.51	11.91% (40,161.66)		2.88 2.59

CASH

CCYUSD	Receivable	557.10	-- 0.00%	557.10 557.10	1.00 0.00%	557.10 0.00	0.00% 0.00	AAA/AAA AAA	0.00 0.00
Total Cash		557.10	0.00%	557.10	1.00 0.00%	557.10 0.00	0.00% 0.00		0.00 0.00

CORPORATE

023135BX3	AMAZON.COM INC 1.0 05/12/2026	1,455,000.00	05/10/2021 1.09%	1,448,714.40 1,453,495.72	96.38 4.14%	1,402,395.29 4,405.42	1.48% (51,100.44)	A/AA AA	1.20 1.16
91324PEC2	UNITEDHEALTH GROUP INC 1.15 05/15/2026	240,000.00	-- 1.08%	240,776.80 240,180.58	96.30 4.34%	231,131.58 812.67	0.24% (9,049.00)	A/A A	1.21 1.17
89236TJK2	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026	995,000.00	06/15/2021 1.13%	994,562.20 994,886.35	96.13 4.24%	956,464.59 2,269.84	1.01% (38,421.77)	A/A A	1.30 1.26
037833DN7	APPLE INC 2.05 09/11/2026	450,000.00	12/02/2021 1.49%	461,178.00 453,310.76	96.91 4.17%	436,082.11 4,356.25	0.46% (17,228.65)	AAA/AA NA	1.53 1.46
06368FAC3	BANK OF MONTREAL 1.25 09/15/2026	500,000.00	09/13/2021 1.27%	499,395.00 499,813.47	95.37 4.40%	476,869.26 2,881.94	0.50% (22,944.21)	A/A AA	1.54 1.48

HOLDINGS REPORT



City of Brea | Account #120 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
931142ERO	WALMART INC 1.05 09/17/2026	235,000.00	09/08/2021 1.09%	234,555.85 234,862.57	95.42 4.15%	224,230.66 1,124.08	0.24% (10,631.92)	AA/AA AA	1.55 1.49
26442CAS3	DUKE ENERGY CAROLINAS LLC 2.95 12/01/2026	850,000.00	01/13/2022 1.82%	892,644.50 863,877.79	97.81 4.26%	831,414.21 6,268.75	0.88% (32,463.57)	AA/A NA	1.76 1.67
87612EBM7	TARGET CORP 1.95 01/15/2027	535,000.00	01/19/2022 1.99%	534,090.50 534,657.12	95.99 4.21%	513,542.61 1,333.04	0.54% (21,114.52)	A/A A	1.88 1.80
808513BY0	CHARLES SCHWAB CORP 2.45 03/03/2027	750,000.00	03/09/2022 2.73%	740,115.00 746,019.90	96.25 4.43%	721,911.86 9,085.42	0.76% (24,108.05)	A/A A	2.01 1.92
084664CZ2	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027	1,080,000.00	03/07/2022 2.30%	1,079,794.80 1,079,916.39	96.51 4.11%	1,042,254.96 11,454.00	1.10% (37,661.43)	AA/AA A	2.04 1.94
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	430,000.00	05/05/2022 4.03%	429,303.40 429,694.81	99.47 4.25%	427,738.38 5,303.33	0.45% (1,956.42)	A/A A	2.19 2.05
91324PEG3	UNITEDHEALTH GROUP INC 3.7 05/15/2027	430,000.00	05/17/2022 3.69%	430,200.10 430,086.43	98.52 4.41%	423,632.22 4,684.61	0.45% (6,454.21)	A/A A	2.21 2.06
22160KAM7	COSTCO WHOLESALE CORP 3.0 05/18/2027	600,000.00	07/15/2022 3.52%	586,074.00 593,621.20	97.62 4.13%	585,746.54 5,150.00	0.62% (7,874.66)	AA/AA NA	2.22 2.09
89115A2C5	TORONTO-DOMINION BANK 4.108 06/08/2027	1,100,000.00	08/26/2022 4.18%	1,096,315.00 1,098,247.35	99.16 4.50%	1,090,753.21 10,418.34	1.15% (7,494.14)	A/A NA	2.27 2.12
57636QAW4	MASTERCARD INC 4.875 03/09/2028	595,000.00	03/06/2023 4.90%	594,422.85 594,651.25	101.76 4.25%	605,466.60 13,858.54	0.64% 10,815.35	AA/A NA	3.03 2.65
61747YER2	MORGAN STANLEY 4.21 04/20/2028	750,000.00	05/19/2023 5.25%	722,677.50 735,075.95	99.06 5.08%	742,936.79 11,489.79	0.78% 7,860.85	A/A A	3.14 1.98
74340XCG4	PROLOGIS LP 4.875 06/15/2028	575,000.00	09/08/2023 5.17%	567,824.00 570,037.08	101.31 4.44%	582,510.55 5,917.71	0.61% 12,473.47	A/A NA	3.30 2.91
24422EXB0	JOHN DEERE CAPITAL CORP 4.95 07/14/2028	935,000.00	07/11/2023 4.96%	934,767.55 934,843.38	101.99 4.31%	953,567.83 6,042.44	1.01% 18,724.45	A/A A	3.38 3.06
78016HZS2	ROYAL BANK OF CANADA 5.2 08/01/2028	650,000.00	12/06/2023 5.08%	653,224.00 652,371.48	102.16 4.51%	664,015.03 2,816.67	0.70% 11,643.55	A/A AA	3.42 3.09
74456QBX3	PUBLIC SERVICE ELECTRIC AND GAS CO 3.65 09/01/2028	1,200,000.00	10/04/2023 5.48%	1,106,748.00 1,133,391.43	97.40 4.46%	1,168,789.54 21,900.00	1.23% 35,398.11	A/A NA	3.51 3.24
74340XBX8	PROLOGIS LP 4.0 09/15/2028	500,000.00	12/06/2023 4.91%	480,850.00 485,783.08	98.34 4.51%	491,723.54 9,222.22	0.52% 5,940.46	A/A NA	3.55 3.19
756109BS2	REALTY INCOME CORP 4.7 12/15/2028	1,000,000.00	12/12/2023 5.16%	979,800.60 984,687.37	100.34 4.60%	1,003,363.61 9,922.22	1.06% 18,676.24	A/A NA	3.80 3.33
91324PDP4	UNITEDHEALTH GROUP INC 3.875 12/15/2028	650,000.00	12/12/2023 4.77%	624,364.00 630,566.03	97.86 4.49%	636,098.34 5,317.36	0.67% 5,532.31	A/A A	3.80 3.45

HOLDINGS REPORT



City of Brea | Account #120 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
46647PAM8	JPMORGAN CHASE & CO 3.509 01/23/2029	1,000,000.00	01/19/2024 5.14%	941,600.00 957,708.97	97.06 4.84%	970,587.39 3,703.94	1.02% 12,878.42	A/A AA	3.90 2.70
17275RBR2	CISCO SYSTEMS INC 4.85 02/26/2029	490,000.00	02/21/2024 4.86%	489,828.50 489,863.14	101.44 4.45%	497,058.46 330.07	0.52% 7,195.33	A/AA NA	4.00 3.52
14913UAJ9	CATERPILLAR FINANCIAL SERVICES CORP 4.85 02/27/2029	1,000,000.00	03/18/2024 4.84%	1,000,490.00 1,000,396.07	101.44 4.45%	1,014,388.11 538.89	1.07% 13,992.04	A/A A	4.00 3.59
89236TMF9	TOYOTA MOTOR CREDIT CORP 5.05 05/16/2029	500,000.00	05/21/2024 5.00%	501,040.00 500,878.77	101.92 4.54%	509,578.20 7,364.58	0.54% 8,699.43	A/A A	4.21 3.71
24422EXT1	JOHN DEERE CAPITAL CORP 4.85 06/11/2029	500,000.00	06/07/2024 5.04%	495,890.00 496,481.97	101.57 4.44%	507,871.59 5,388.89	0.54% 11,389.62	A/A A	4.28 3.79
341081GT8	FLORIDA POWER & LIGHT CO 5.15 06/15/2029	1,000,000.00	06/13/2024 4.82%	1,013,864.64 1,011,843.53	102.50 4.50%	1,024,975.35 10,872.22	1.08% 13,131.82	AA/A AA	4.29 3.65
437076DC3	HOME DEPOT INC 4.75 06/25/2029	950,000.00	06/17/2024 4.88%	944,586.45 945,324.66	101.07 4.47%	960,157.98 8,272.92	1.01% 14,833.32	A/A A	4.32 3.76
713448FX1	PEPSICO INC 4.5 07/17/2029	830,000.00	07/15/2024 4.53%	828,713.50 828,873.43	100.88 4.28%	837,297.36 4,565.00	0.88% 8,423.93	A/A NA	4.38 3.85
30303M8S4	META PLATFORMS INC 4.3 08/15/2029	532,000.00	08/12/2024 4.33%	531,174.03 531,263.59	99.82 4.34%	531,062.04 1,016.71	0.56% (201.56)	AA/AA NA	4.46 4.00
171239AL0	CHUBB INA HOLDINGS LLC 4.65 08/15/2029	505,000.00	08/12/2024 4.52%	507,853.00 507,538.30	100.60 4.50%	508,010.90 1,043.67	0.54% 472.60	A/A A	4.46 3.91
69371RT48	PACCAR FINANCIAL CORP 4.0 09/26/2029	1,100,000.00	-- 4.02%	1,099,159.70 1,099,231.49	98.26 4.43%	1,080,829.87 18,944.44	1.14% (18,401.62)	A/A NA	4.57 4.05
63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	720,000.00	02/04/2025 4.98%	718,898.40 718,911.67	101.25 4.66%	728,967.75 2,376.00	0.77% 10,056.08	A/NA A	4.94 4.26
Total Corporate		25,632,000.00	3.92%	25,405,496.27 25,462,393.08	99.08 4.42%	25,383,424.29 220,451.99	26.75% (78,968.79)		3.14 2.77
MONEY MARKET FUND									
316175884	FIDELITY IMM:TRS III	406,798.71	-- 3.98%	406,798.71 406,798.71	1.00 3.97%	406,798.71 0.00	0.43% 0.00	AAA/AAA NA	0.00 0.00
Total Money Market Fund		406,798.71	3.98%	406,798.71 406,798.71	1.00 3.97%	406,798.71 0.00	0.43% 0.00		0.00 0.00

HOLDINGS REPORT



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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
MUNICIPAL BONDS									
13063EGT7	CALIFORNIA STATE 4.5 08/01/2029	965,000.00	10/30/2024 4.37%	970,085.55 969,744.55	100.95 4.26%	974,139.52 3,618.75	1.03% 4,394.96	AA/AA AA	4.42 3.95
Total Municipal Bonds		965,000.00	4.37%	970,085.55 969,744.55	100.95 4.26%	974,139.52 3,618.75	1.03% 4,394.96		4.42 3.95
SUPRANATIONAL									
459058JL8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	945,000.00	-- 0.54%	943,389.35 944,781.29	97.56 4.33%	921,939.94 1,614.38	0.97% (22,841.35)	AAA/AAA NA	0.66 0.64
4581X0DV7	INTER-AMERICAN DEVELOPMENT BANK 0.875 04/20/2026	1,915,000.00	04/13/2021 0.97%	1,906,229.30 1,913,006.66	96.45 4.12%	1,847,006.62 6,097.41	1.95% (66,000.04)	AAA/AAA NA	1.14 1.10
459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029	1,000,000.00	12/12/2024 4.25%	983,720.00 984,438.24	99.03 4.11%	990,287.20 14,531.25	1.04% 5,848.96	AAA/AAA NA	4.63 4.13
Total Supranational		3,860,000.00	1.73%	3,833,338.65 3,842,226.19	97.40 4.17%	3,759,233.76 22,243.04	3.96% (82,992.42)		1.94 1.78
US TREASURY									
91282CAM3	UNITED STATES TREASURY 0.25 09/30/2025	1,600,000.00	02/19/2021 4.26%	1,580,937.50 1,597,584.59	97.73 4.27%	1,563,724.99 1,670.33	1.65% (33,859.59)	AAA/AA AA	0.59 0.56
91282CAT8	UNITED STATES TREASURY 0.25 10/31/2025	1,900,000.00	02/11/2021 0.42%	1,885,156.25 1,897,896.71	97.42 4.25%	1,851,015.63 1,587.71	1.95% (46,881.08)	AAA/AA AA	0.67 0.65
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	1,350,000.00	03/26/2021 0.76%	1,325,794.92 1,346,114.71	97.21 4.22%	1,312,347.66 1,265.63	1.38% (33,767.05)	AAA/AA AA	0.75 0.73
91282CCW9	UNITED STATES TREASURY 0.75 08/31/2026	480,000.00	09/17/2021 0.86%	477,393.75 479,209.18	95.27 4.05%	457,293.75 9.78	0.48% (21,915.43)	AAA/AA AA	1.50 1.46
91282CCZ2	UNITED STATES TREASURY 0.875 09/30/2026	2,820,000.00	-- 1.08%	2,791,946.88 2,811,046.67	95.21 4.04%	2,685,058.60 10,303.85	2.83% (125,988.07)	AAA/AA AA	1.59 1.53
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	2,250,000.00	-- 3.12%	2,263,417.97 2,256,312.81	98.43 3.96%	2,214,580.50 12,120.17	2.33% (41,732.31)	AAA/AA AA	2.33 2.21
91282CFB2	UNITED STATES TREASURY 2.75 07/31/2027	600,000.00	08/22/2022 3.12%	589,828.13 595,024.08	97.20 3.98%	583,171.87 1,321.82	0.61% (11,852.20)	AAA/AA AA	2.42 2.30

HOLDINGS REPORT



City of Brea | Account #120 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CFH9	UNITED STATES TREASURY 3.125 08/31/2027	1,950,000.00	-- 3.41%	1,925,095.70 1,937,454.61	97.98 3.98%	1,910,695.31 165.59	2.01% (26,759.30)	AAA/AA AA	2.50 2.37
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	700,000.00	03/14/2023 3.91%	698,878.91 699,337.34	99.75 3.97%	698,250.00 4,495.86	0.74% (1,087.34)	AAA/AA AA	2.84 2.64
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	2,500,000.00	02/16/2023 4.05%	2,438,378.91 2,463,688.18	98.70 3.98%	2,467,480.48 7,009.67	2.60% 3,792.30	AAA/AA AA	2.92 2.73
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	2,500,000.00	-- 4.07%	2,491,714.85 2,495,064.17	100.06 3.98%	2,501,464.85 271.74	2.64% 6,400.68	AAA/AA AA	3.00 2.79
91282CHE4	UNITED STATES TREASURY 3.625 05/31/2028	2,425,000.00	-- 4.03%	2,381,062.51 2,395,984.23	98.91 3.98%	2,398,666.00 21,976.56	2.53% 2,681.77	AAA/AA AA	3.25 3.00
91282CHX2	UNITED STATES TREASURY 4.375 08/31/2028	400,000.00	09/25/2023 4.62%	395,781.25 397,004.01	101.24 3.99%	404,953.12 47.55	0.43% 7,949.12	AAA/AA AA	3.51 3.21
91282CJF9	UNITED STATES TREASURY 4.875 10/31/2028	600,000.00	10/27/2023 4.79%	602,273.44 601,667.44	102.95 4.00%	617,718.75 9,776.93	0.65% 16,051.31	AAA/AA AA	3.67 3.28
91282CJN2	UNITED STATES TREASURY 4.375 11/30/2028	625,000.00	12/28/2023 3.83%	640,234.38 636,607.95	101.29 4.00%	633,081.06 6,835.94	0.67% (3,526.90)	AAA/AA AA	3.76 3.39
91282CJR3	UNITED STATES TREASURY 3.75 12/31/2028	2,100,000.00	-- 3.98%	2,078,330.08 2,083,289.52	99.11 4.00%	2,081,214.85 13,052.49	2.19% (2,074.68)	AAA/AA AA	3.84 3.51
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	1,500,000.00	02/16/2024 4.31%	1,479,375.00 1,483,646.18	99.99 4.00%	1,499,882.82 4,806.63	1.58% 16,236.64	AAA/AA AA	3.93 3.58
91282CKG5	UNITED STATES TREASURY 4.125 03/31/2029	2,300,000.00	-- 4.47%	2,264,699.22 2,270,919.39	100.44 4.01%	2,310,062.50 39,618.13	2.43% 39,143.11	AAA/AA AA	4.08 3.66
91282CKP5	UNITED STATES TREASURY 4.625 04/30/2029	2,150,000.00	-- 4.47%	2,164,254.89 2,161,937.27	102.35 4.01%	2,200,474.60 33,237.40	2.32% 38,537.33	AAA/AA AA	4.17 3.71
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	1,000,000.00	07/18/2024 4.09%	1,007,070.31 1,006,189.94	100.94 4.01%	1,009,414.06 7,044.20	1.06% 3,224.12	AAA/AA AA	4.33 3.90
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	2,000,000.00	09/11/2024 3.45%	2,015,703.13 2,014,239.35	98.45 4.00%	1,969,062.50 197.01	2.08% (45,176.85)	AAA/AA AA	4.50 4.10
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	1,000,000.00	10/04/2024 3.76%	988,125.00 989,071.61	97.88 4.01%	978,750.00 14,615.38	1.03% (10,321.61)	AAA/AA AA	4.59 4.12
91282CMA6	UNITED STATES TREASURY 4.125 11/30/2029	1,500,000.00	12/16/2024 4.25%	1,491,386.72 1,491,739.06	100.52 4.00%	1,507,734.38 15,468.75	1.59% 15,995.32	AAA/AA AA	4.75 4.23
91282CMG3	UNITED STATES TREASURY 4.25 01/31/2030	1,000,000.00	02/13/2025 4.41%	992,968.75 993,026.96	101.05 4.01%	1,010,468.75 3,404.70	1.07% 17,441.79	AAA/AA AA	4.92 4.39
Total US Treasury		37,250,000.00	3.45%	36,969,808.45 37,104,055.95	99.00 4.03%	36,866,567.03 210,303.81	38.86% (237,488.91)		3.05 2.79

HOLDINGS REPORT



City of Brea | Account #120 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
Total Portfolio		95,940,104.92	3.55%	95,073,203.32	98.51	94,877,839.96	100.00%		2.96
Total Market Value + Accrued				95,338,755.21	4.21%	574,295.09	(460,915.25)		2.53
						95,452,135.05			

TRANSACTION LEDGER



City of Brea | Account #120 | As of February 28, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	02/03/2025	316175884	27,273.75	FIDELITY IMM:TRS III	1.000	4.00%	(27,273.75)	0.00	(27,273.75)	0.00
Purchase	02/04/2025	316175884	1,167.43	FIDELITY IMM:TRS III	1.000	4.02%	(1,167.43)	0.00	(1,167.43)	0.00
Purchase	02/06/2025	316175884	491,128.13	FIDELITY IMM:TRS III	1.000	4.02%	(491,128.13)	0.00	(491,128.13)	0.00
Purchase	02/07/2025	63743HFX5	720,000.00	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	99.847	4.98%	(718,898.40)	0.00	(718,898.40)	0.00
Purchase	02/14/2025	91282CMG3	1,000,000.00	UNITED STATES TREASURY 4.25 01/31/2030	99.297	4.41%	(992,968.75)	(1,643.65)	(994,612.40)	0.00
Purchase	02/18/2025	316175884	112,465.11	FIDELITY IMM:TRS III	1.000	3.99%	(112,465.11)	0.00	(112,465.11)	0.00
Purchase	02/18/2025	316175884	46,308.85	FIDELITY IMM:TRS III	1.000	3.99%	(46,308.85)	0.00	(46,308.85)	0.00
Purchase	02/20/2025	316175884	1,482.25	FIDELITY IMM:TRS III	1.000	3.99%	(1,482.25)	0.00	(1,482.25)	0.00
Purchase	02/21/2025	316175884	10,952.19	FIDELITY IMM:TRS III	1.000	3.98%	(10,952.19)	0.00	(10,952.19)	0.00
Purchase	02/21/2025	316175884	2,216.79	FIDELITY IMM:TRS III	1.000	3.98%	(2,216.79)	0.00	(2,216.79)	0.00
Purchase	02/25/2025	316175884	1,764.95	FIDELITY IMM:TRS III	1.000	3.98%	(1,764.95)	0.00	(1,764.95)	0.00
Purchase	02/25/2025	316175884	35,819.39	FIDELITY IMM:TRS III	1.000	3.98%	(35,819.39)	0.00	(35,819.39)	0.00
Purchase	02/26/2025	316175884	11,882.50	FIDELITY IMM:TRS III	1.000	3.98%	(11,882.50)	0.00	(11,882.50)	0.00
Purchase	02/27/2025	316175884	24,250.00	FIDELITY IMM:TRS III	1.000	3.98%	(24,250.00)	0.00	(24,250.00)	0.00
Purchase	02/28/2025	316175884	127,268.75	FIDELITY IMM:TRS III	1.000	3.98%	(127,268.75)	0.00	(127,268.75)	0.00
Total Purchase			2,613,980.09				(2,605,847.24)	(1,643.65)	(2,607,490.89)	0.00
TOTAL ACQUISITIONS			2,613,980.09				(2,605,847.24)	(1,643.65)	(2,607,490.89)	0.00
DISPOSITIONS										
Sale	02/06/2025	3137EAEU9	(500,000.00)	FEDERAL HOME LOAN MORTGAGE CORP 0.375 07/21/2025	98.210	0.48%	491,050.00	(78.13)	491,128.13	(8,787.38)
Sale	02/07/2025	316175884	(718,898.40)	FIDELITY IMM:TRS III	1.000	4.00%	718,898.40	0.00	718,898.40	0.00
Sale	02/14/2025	3137EAEU9	(600,000.00)	FEDERAL HOME LOAN MORTGAGE CORP 0.375 07/21/2025	98.311	0.48%	589,866.00	(143.75)	590,009.75	(9,948.32)

TRANSACTION LEDGER



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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Sale	02/14/2025	3135G05X7	(400,000.00)	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	97.915	0.51%	391,660.00	(704.17)	392,364.17	(8,175.73)
Sale	02/14/2025	316175884	(12,238.48)	FIDELITY IMM:TRS III	1.000	3.99%	12,238.48	0.00	12,238.48	0.00
Total Sale			(2,231,136.88)				2,203,712.88	(926.05)	2,204,638.93	(26,911.43)
TOTAL DISPOSITIONS			(2,231,136.88)				2,203,712.88	(926.05)	2,204,638.93	(26,911.43)
OTHER TRANSACTIONS										
Coupon	02/01/2025	3137BNGT5	0.00	FHMS K-054 A2 2.745 01/25/2026		1.12%	2,162.50	0.00	2,162.50	0.00
Coupon	02/01/2025	3137BQYS0	0.00	FHMS K-056 A2 2.525 05/25/2026		1.63%	1,199.38	0.00	1,199.38	0.00
Coupon	02/01/2025	3137BXQY1	0.00	FHMS K-064 A2 3.224 03/25/2027		3.18%	2,686.67	0.00	2,686.67	0.00
Coupon	02/01/2025	3137FCLD4	0.00	FHMS K-071 A2 3.286 11/25/2027		4.01%	5,476.67	0.00	5,476.67	0.00
Coupon	02/01/2025	3137FETN0	0.00	FHMS K-073 A2 3.35 01/25/2028		4.02%	4,187.50	0.00	4,187.50	0.00
Coupon	02/01/2025	3137FEZU7	0.00	FHMS K-076 A2 3.9 04/25/2028		4.08%	3,900.00	0.00	3,900.00	0.00
Coupon	02/01/2025	13063EGT7	0.00	CALIFORNIA STATE 4.5 08/01/2029		4.38%	10,373.75	0.00	10,373.75	0.00
Coupon	02/01/2025	3137FLMV3	0.00	FHMS K-090 A2 3.422 02/25/2029		4.44%	2,851.67	0.00	2,851.67	0.00
Coupon	02/01/2025	3137H5YC5	0.00	FHMS K-748 A2 2.26 01/25/2029		4.55%	2,825.00	0.00	2,825.00	0.00
Coupon	02/01/2025	3137FJKE8	0.00	FHMS K-082 A2 3.92 09/25/2028		4.70%	1,960.00	0.00	1,960.00	0.00
Coupon	02/01/2025	3137FGR31	0.00	FHMS K-078 A2 3.854 06/25/2028		4.89%	4,175.17	0.00	4,175.17	0.00
Coupon	02/01/2025	78016HZS2	0.00	ROYAL BANK OF CANADA 5.2 08/01/2028		5.08%	16,900.00	0.00	16,900.00	0.00

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Coupon	02/15/2025	47789QAC4	0.00	JDOT 2021-B A3 0.52 03/16/2026		0.54%	15.75	0.00	15.75	0.00
Coupon	02/15/2025	89238JAC9	0.00	TAOT 2021-D A3 0.71 04/15/2026		0.71%	22.03	0.00	22.03	0.00
Coupon	02/15/2025	44935FAD6	0.00	HART 2021-C A3 0.74 05/15/2026		0.81%	8.52	0.00	8.52	0.00
Coupon	02/15/2025	43815BAC4	0.00	HAROT 2022-1 A3 1.88 05/15/2026		1.90%	209.34	0.00	209.34	0.00
Coupon	02/15/2025	92970QAE5	0.00	WFCIT 2024-2 A 4.29 10/15/2029		4.33%	1,841.13	0.00	1,841.13	0.00
Coupon	02/15/2025	30303M8S4	0.00	META PLATFORMS INC 4.3 08/15/2029		4.33%	11,819.27	0.00	11,819.27	0.00
Coupon	02/15/2025	171239AL0	0.00	CHUBB INA HOLDINGS LLC 4.65 08/15/2029		4.52%	12,719.69	0.00	12,719.69	0.00
Coupon	02/15/2025	89240JAD3	0.00	TAOT 25A A3 4.64 08/15/2029		4.69%	1,165.16	0.00	1,165.16	0.00
Coupon	02/15/2025	58773DAD6	0.00	MBART 2025-1 A3 4.78 12/17/2029		4.84%	1,592.01	0.00	1,592.01	0.00
Coupon	02/15/2025	05522RDJ4	0.00	BACCT 2024-1 A 4.93 05/15/2029		4.98%	1,889.83	0.00	1,889.83	0.00
Coupon	02/15/2025	47800BAC2	0.00	JDOT 2022-C A3 5.09 06/15/2027		5.15%	1,639.28	0.00	1,639.28	0.00
Coupon	02/15/2025	161571HT4	0.00	CHAIT 2023-1 A 5.16 09/15/2028		5.23%	4,149.50	0.00	4,149.50	0.00
Coupon	02/15/2025	47786WAD2	0.00	JDOT 2024-B A3 5.2 03/15/2029		5.27%	2,015.00	0.00	2,015.00	0.00
Coupon	02/15/2025	02582JKH2	0.00	AMXCA 2024-1 A 5.23 04/16/2029		5.30%	3,138.00	0.00	3,138.00	0.00
Coupon	02/15/2025	58770JAD6	0.00	MBALT 2024-A A3 5.32 01/18/2028		5.39%	1,064.00	0.00	1,064.00	0.00
Coupon	02/16/2025	362554AC1	0.00	GMCAR 2021-4 A3 0.68 09/16/2026		0.68%	23.20	0.00	23.20	0.00
Coupon	02/16/2025	380146AC4	0.00	GMCAR 2022-1 A3 1.26 11/16/2026		1.27%	47.59	0.00	47.59	0.00

TRANSACTION LEDGER



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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Coupon	02/16/2025	362955AD8	0.00	GMCAR 2025-1 A3 4.62 12/17/2029		4.67%	1,588.13	0.00	1,588.13	0.00
Coupon	02/18/2025	437930AC4	0.00	HAROT 2024-2 A3 5.27 11/20/2028		5.33%	1,361.42	0.00	1,361.42	0.00
Coupon	02/20/2025	36269WAD1	0.00	GMALT 2024-2 A3 5.39 07/20/2027		5.46%	1,482.25	0.00	1,482.25	0.00
Coupon	02/21/2025	43815GAC3	0.00	HAROT 2021-4 A3 0.88 01/21/2026		0.91%	27.00	0.00	27.00	0.00
Coupon	02/21/2025	43813YAC6	0.00	HAROT 2024-3 A3 4.57 03/21/2029		4.62%	2,189.79	0.00	2,189.79	0.00
Coupon	02/25/2025	3135G05X7	0.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025		0.45%	2,625.00	0.00	2,625.00	0.00
Coupon	02/25/2025	096919AD7	0.00	BMWOT 2024-A A3 5.18 02/26/2029		5.24%	1,769.83	0.00	1,769.83	0.00
Coupon	02/26/2025	17275RBR2	0.00	CISCO SYSTEMS INC 4.85 02/26/2029		4.86%	11,882.50	0.00	11,882.50	0.00
Coupon	02/27/2025	14913UAJ9	0.00	CATERPILLAR FINANCIAL SERVICES CORP 4.85 02/27/2029		4.84%	24,250.00	0.00	24,250.00	0.00
Coupon	02/28/2025	91282CCW9	0.00	UNITED STATES TREASURY 0.75 08/31/2026		0.86%	1,800.00	0.00	1,800.00	0.00
Coupon	02/28/2025	91282CFH9	0.00	UNITED STATES TREASURY 3.125 08/31/2027		3.41%	30,468.75	0.00	30,468.75	0.00
Coupon	02/28/2025	91282CLK5	0.00	UNITED STATES TREASURY 3.625 08/31/2029		3.45%	36,250.00	0.00	36,250.00	0.00
Coupon	02/28/2025	91282CGP0	0.00	UNITED STATES TREASURY 4.0 02/29/2028		4.07%	50,000.00	0.00	50,000.00	0.00
Coupon	02/28/2025	91282CHX2	0.00	UNITED STATES TREASURY 4.375 08/31/2028		4.62%	8,750.00	0.00	8,750.00	0.00
Total Coupon			0.00				276,502.28	0.00	276,502.28	0.00
Principal Paydown	02/01/2025	3137BNGT5	1,764.95	FHMS K-054 A2 2.745 01/25/2026		1.12%	1,764.95	--	1,764.95	0.00
Principal Paydown	02/15/2025	47789QAC4	16,639.82	JDOT 2021-B A3 0.52 03/16/2026		0.54%	16,639.82	--	16,639.82	0.00

TRANSACTION LEDGER

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Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Principal Paydown	02/15/2025	89238JAC9	10,794.03	TAOT 2021-D A3 0.71 04/15/2026		0.71%	10,794.03	--	10,794.03	0.00
Principal Paydown	02/15/2025	44935FAD6	9,231.56	HART 2021-C A3 0.74 05/15/2026		0.81%	9,231.56	--	9,231.56	(0.00)
Principal Paydown	02/15/2025	43815BAC4	21,953.92	HAROT 2022-1 A3 1.88 05/15/2026		1.90%	21,953.92	--	21,953.92	0.00
Principal Paydown	02/15/2025	47800BAC2	37,302.47	JDOT 2022-C A3 5.09 06/15/2027		5.15%	37,302.47	--	37,302.47	0.00
Principal Paydown	02/16/2025	362554AC1	8,501.40	GMCAR 2021-4 A3 0.68 09/16/2026		0.68%	8,501.40	--	8,501.40	0.00
Principal Paydown	02/16/2025	380146AC4	8,041.91	GMCAR 2022-1 A3 1.26 11/16/2026		1.27%	8,041.91	--	8,041.91	0.01
Principal Paydown	02/21/2025	43815GAC3	10,952.19	HAROT 2021-4 A3 0.88 01/21/2026		0.91%	10,952.19	--	10,952.19	0.00
Total Principal Paydown			125,182.25				125,182.25	--	125,182.25	0.01
TOTAL OTHER TRANSACTIONS			125,182.25				401,684.53	0.00	401,684.53	0.01

INCOME EARNED

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Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENTS						
316175884	FIDELITY IMM:TRS III	406,798.71	243,955.50 893,980.09 (731,136.88) 406,798.71	0.00 1,167.43 0.00 1,167.43	0.00 0.00 0.00 1,167.43	1,167.43
CCYUSD	Receivable	557.10	1,167.43 0.00 0.00 557.10	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00
Total Cash & Equivalents			407,355.81	1,167.43	1,167.43	1,167.43
FIXED INCOME						
023135BX3	AMAZON.COM INC 1.0 05/12/2026	05/10/2021 05/12/2021 1,455,000.00	1,453,399.34 0.00 0.00 1,453,495.72	3,192.92 0.00 4,405.42 1,212.50	96.38 0.00 96.38 1,308.88	1,308.88
02582JKH2	AMXCA 2024-1 A 5.23 04/16/2029	04/16/2024 04/23/2024 720,000.00	719,875.44 0.00 0.00 719,877.72	1,673.60 3,138.00 1,673.60 3,138.00	2.27 0.00 2.27 3,140.27	3,140.27
037833DN7	APPLE INC 2.05 09/11/2026	12/02/2021 12/06/2021 450,000.00	453,497.29 0.00 0.00 453,310.76	3,587.50 0.00 4,356.25 768.75	0.00 (186.52) (186.52) 582.23	582.23
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	06/06/2024 06/13/2024 460,000.00	459,977.62 0.00 0.00 459,978.02	1,007.91 1,889.83 1,007.91 1,889.83	0.40 0.00 0.40 1,890.23	1,890.23
06368FAC3	BANK OF MONTREAL 1.25 09/15/2026	09/13/2021 09/15/2021 500,000.00	499,804.19 0.00 0.00 499,813.47	2,361.11 0.00 2,881.94 520.83	9.28 0.00 9.28 530.11	530.11

INCOME EARNED



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Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
084664CZ2	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027	03/07/2022 03/15/2022 1,080,000.00	1,079,913.24	9,384.00	3.15	2,073.15
			0.00	0.00	0.00	
			0.00	11,454.00	3.15	
			1,079,916.39	2,070.00	2,073.15	
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	06/04/2024 06/11/2024 410,000.00	409,946.22	353.97	1.01	1,770.84
			0.00	1,769.83	0.00	
			0.00	353.97	1.01	
			409,947.24	1,769.83	1,770.84	
13063EGT7	CALIFORNIA STATE 4.5 08/01/2029	10/30/2024 11/05/2024 965,000.00	969,826.86	10,373.75	0.00	3,536.44
			0.00	10,373.75	(82.31)	
			0.00	3,618.75	(82.31)	
			969,744.55	3,618.75	3,536.44	
14913UAJ9	CATERPILLAR FINANCIAL SERVICES CORP 4.85 02/27/2029	03/18/2024 03/20/2024 1,000,000.00	1,000,403.67	20,747.22	0.00	4,034.07
			0.00	24,250.00	(7.60)	
			0.00	538.89	(7.60)	
			1,000,396.07	4,041.67	4,034.07	
161571HT4	CHAIT 2023-1 A 5.16 09/15/2028	09/07/2023 09/15/2023 965,000.00	964,806.44	2,213.07	4.10	4,153.60
			0.00	4,149.50	0.00	
			0.00	2,213.07	4.10	
			964,810.54	4,149.50	4,153.60	
171239AL0	CHUBB INA HOLDINGS LLC 4.65 08/15/2029	08/12/2024 08/15/2024 505,000.00	507,582.80	11,806.48	0.00	1,912.37
			0.00	12,719.69	(44.50)	
			0.00	1,043.67	(44.50)	
			507,538.30	1,956.88	1,912.37	
17275RBR2	CISCO SYSTEMS INC 4.85 02/26/2029	02/21/2024 02/26/2024 490,000.00	489,860.51	10,232.15	2.63	1,983.04
			0.00	11,882.50	0.00	
			0.00	330.07	2.63	
			489,863.14	1,980.42	1,983.04	
22160KAM7	COSTCO WHOLESALE CORP 3.0 05/18/2027	07/15/2022 07/19/2022 600,000.00	593,400.15	3,650.00	221.05	1,721.05
			0.00	0.00	0.00	
			0.00	5,150.00	221.05	
			593,621.20	1,500.00	1,721.05	
24422EXB0	JOHN DEERE CAPITAL CORP 4.95 07/14/2028	07/11/2023 07/14/2023 935,000.00	934,839.82	2,185.56	9.25	3,860.44
			0.00	0.00	(5.69)	
			0.00	6,042.44	3.56	
			934,843.38	3,856.88	3,860.44	

INCOME EARNED



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Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
24422EXT1	JOHN DEERE CAPITAL CORP 4.85 06/11/2029	06/07/2024 06/11/2024 500,000.00	496,418.94 0.00 0.00 496,481.97	3,368.06 0.00 5,388.89 2,020.83	63.02 0.00 63.02 2,083.86	2,083.86
26442CAS3	DUKE ENERGY CAROLINAS LLC 2.95 12/01/2026	01/13/2022 01/18/2022 850,000.00	864,585.58 0.00 0.00 863,877.79	4,179.17 0.00 6,268.75 2,089.58	0.00 (707.79) (707.79) 1,381.79	1,381.79
30303M8S4	META PLATFORMS INC 4.3 08/15/2029	08/12/2024 08/15/2024 532,000.00	531,250.93 0.00 0.00 531,263.59	10,929.64 11,819.27 1,016.71 1,906.34	12.67 0.00 12.67 1,919.00	1,919.00
3130AWTR1	FEDERAL HOME LOAN BANKS 4.375 09/08/2028	09/08/2023 09/11/2023 2,000,000.00	1,996,092.49 0.00 0.00 1,996,175.69	34,756.94 0.00 42,048.61 7,291.67	83.20 0.00 83.20 7,374.87	7,374.87
3133EPGW9	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 04/25/2028	05/05/2023 05/08/2023 1,250,000.00	1,261,780.25 0.00 0.00 1,261,500.48	12,916.67 0.00 16,953.13 4,036.46	0.00 (279.77) (279.77) 3,756.69	3,756.69
3133EPME2	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 06/08/2028	06/07/2023 06/08/2023 850,000.00	847,746.79 0.00 0.00 847,798.37	4,849.13 0.00 7,593.92 2,744.79	51.59 0.00 51.59 2,796.38	2,796.38
3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	1,400,000.00	1,799,210.74 0.00 (399,835.73) 1,399,469.97	2,925.00 3,329.17 87.50 491.67	94.97 0.00 94.97 586.64	586.64
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	1,825,000.00	1,824,095.37 0.00 0.00 1,824,186.16	2,129.17 0.00 2,889.58 760.42	90.79 0.00 90.79 851.20	851.20
3137BNGT5	FHMS K-054 A2 2.745 01/25/2026	10/29/2021 11/03/2021 943,591.55	957,479.47 0.00 (1,764.95) 954,677.49	2,162.50 2,162.50 2,158.47 2,158.46	0.00 (1,037.03) (1,037.03) 1,121.43	1,121.43

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3137BQYS0	FHMS K-056 A2 2.525 05/25/2026	01/31/2022 02/03/2022 570,000.00	575,041.24 0.00 0.00 574,730.32	1,199.38 1,199.38 1,199.38 1,199.38	0.00 (310.91) (310.91) 888.47	888.47
3137BXQY1	FHMS K-064 A2 3.224 03/25/2027	05/06/2022 05/11/2022 1,000,000.00	999,105.81 0.00 0.00 999,138.84	2,686.67 2,686.67 2,686.67 2,686.67	33.03 0.00 33.03 2,719.70	2,719.70
3137EAEU9	FEDERAL HOME LOAN MORTGAGE CORP 0.375 07/21/2025	0.00	1,099,631.40 0.00 (1,099,651.70) 0.00	114.58 221.88 0.00 107.30	20.30 0.00 20.30 127.60	127.60
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	1,805,000.00	1,804,301.39 0.00 0.00 1,804,384.98	2,406.67 0.00 2,970.73 564.06	83.59 0.00 83.59 647.66	647.66
3137FCLD4	FHMS K-071 A2 3.286 11/25/2027	04/11/2023 04/14/2023 2,000,000.00	1,959,264.44 0.00 0.00 1,960,401.62	5,476.67 5,476.67 5,476.67 5,476.67	1,137.18 0.00 1,137.18 6,613.85	6,613.85
3137FETN0	FHMS K-073 A2 3.35 01/25/2028	03/27/2023 03/30/2023 1,500,000.00	1,470,729.29 0.00 0.00 1,471,499.57	4,187.50 4,187.50 4,187.50 4,187.50	770.28 0.00 770.28 4,957.78	4,957.78
3137FEZU7	FHMS K-076 A2 3.9 04/25/2028	04/20/2023 04/25/2023 1,200,000.00	1,191,712.25 0.00 0.00 1,191,913.17	3,900.00 3,900.00 3,900.00 3,900.00	200.92 0.00 200.92 4,100.92	4,100.92
3137FGR31	FHMS K-078 A2 3.854 06/25/2028	09/18/2023 09/21/2023 1,300,000.00	1,258,089.22 0.00 0.00 1,259,054.27	4,175.17 4,175.17 4,175.17 4,175.17	965.05 0.00 965.05 5,140.22	5,140.22
3137FJKE8	FHMS K-082 A2 3.92 09/25/2028	11/28/2023 12/01/2023 600,000.00	583,965.51 0.00 0.00 584,308.76	1,960.00 1,960.00 1,960.00 1,960.00	343.25 0.00 343.25 2,303.25	2,303.25

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3137FLMV3	FHMS K-090 A2 3.422 02/25/2029	07/29/2024	961,918.47	2,851.67	729.83	3,581.50
		07/30/2024	0.00	2,851.67	0.00	
		1,000,000.00	0.00	2,851.67	729.83	
			962,648.30	2,851.67	3,581.50	
3137H5YC5	FHMS K-748 A2 2.26 01/25/2029	03/25/2024	1,377,398.30	2,825.00	2,400.59	5,225.59
		03/28/2024	0.00	2,825.00	0.00	
		1,500,000.00	0.00	2,825.00	2,400.59	
			1,379,798.89	2,825.00	5,225.59	
341081GT8	FLORIDA POWER & LIGHT CO 5.15 06/15/2029	06/13/2024	1,012,063.73	6,580.56	0.00	4,071.47
		06/17/2024	0.00	0.00	(220.20)	
		1,000,000.00	0.00	10,872.22	(220.20)	
			1,011,843.53	4,291.67	4,071.47	
362554AC1	GMCAR 2021-4 A3 0.68 09/16/2026	10/13/2021	40,941.99	11.60	0.05	20.84
		10/21/2021	0.00	23.20	0.00	
		32,440.80	(8,501.40)	9.19	0.05	
			32,440.64	20.79	20.84	
36269WAD1	GMALT 2024-2 A3 5.39 07/20/2027	05/07/2024	329,985.14	543.49	0.46	1,482.71
		05/16/2024	0.00	1,482.25	0.00	
		330,000.00	0.00	543.49	0.46	
			329,985.61	1,482.25	1,482.71	
362955AD8	GMCAR 2025-1 A3 4.62 12/17/2029	01/09/2025	374,972.40	770.00	0.43	1,540.44
		01/15/2025	0.00	1,588.13	0.00	
		375,000.00	0.00	721.88	0.43	
			374,972.84	1,540.01	1,540.44	
380146AC4	GMCAR 2022-1 A3 1.26 11/16/2026	01/11/2022	45,317.75	23.79	0.27	43.64
		01/19/2022	0.00	47.59	0.00	
		37,277.11	(8,041.91)	19.57	0.27	
			37,276.11	43.37	43.64	
437076DC3	HOME DEPOT INC 4.75 06/25/2029	06/17/2024	945,241.65	4,512.50	83.01	3,843.43
		06/25/2024	0.00	0.00	0.00	
		950,000.00	0.00	8,272.92	83.01	
			945,324.66	3,760.42	3,843.43	
437930AC4	HAROT 2024-2 A3 5.27 11/20/2028	05/14/2024	309,968.20	589.95	0.64	1,362.06
		05/21/2024	0.00	1,361.42	0.00	
		310,000.00	0.00	589.95	0.64	
			309,968.84	1,361.42	1,362.06	

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43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	08/09/2024 08/21/2024 575,000.00	574,918.53 0.00 0.00 574,920.04	729.93 2,189.79 729.93 2,189.79	1.51 0.00 1.51 2,191.30	2,191.30
43815BAC4	HAROT 2022-1 A3 1.88 05/15/2026	02/15/2022 02/23/2022 111,665.84	133,614.26 0.00 (21,953.92) 111,661.51	111.65 209.34 93.30 191.00	1.18 0.00 1.18 192.17	192.17
43815GAC3	HAROT 2021-4 A3 0.88 01/21/2026	11/16/2021 11/24/2021 25,872.37	36,822.97 0.00 (10,952.19) 25,871.34	9.00 27.00 6.32 24.32	0.56 0.00 0.56 24.88	24.88
44935FAD6	HART 2021-C A3 0.74 05/15/2026	11/09/2021 11/17/2021 4,591.84	13,822.67 0.00 (9,231.56) 4,591.61	4.55 8.52 1.51 5.48	0.50 0.00 0.50 5.99	5.99
4581X0DV7	INTER-AMERICAN DEVELOPMENT BANK 0.875 04/20/2026	04/13/2021 04/20/2021 1,915,000.00	1,912,872.17 0.00 0.00 1,913,006.66	4,701.06 0.00 6,097.41 1,396.35	134.49 0.00 134.49 1,530.84	1,530.84
459058JL8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	945,000.00	944,755.88 0.00 0.00 944,781.29	1,220.63 0.00 1,614.38 393.75	25.41 0.00 25.41 419.16	419.16
459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029	12/12/2024 12/13/2024 1,000,000.00	984,180.41 0.00 0.00 984,438.24	11,302.08 0.00 14,531.25 3,229.17	257.83 0.00 257.83 3,486.99	3,486.99
46647PAM8	JPMORGAN CHASE & CO 3.509 01/23/2029	01/19/2024 01/23/2024 1,000,000.00	956,589.73 0.00 0.00 957,708.97	779.78 0.00 3,703.94 2,924.17	1,119.23 0.00 1,119.23 4,043.40	4,043.40
47786WAD2	JDOT 2024-B A3 5.2 03/15/2029	06/11/2024 06/18/2024 465,000.00	464,921.06 0.00 0.00 464,922.53	1,074.67 2,015.00 1,074.67 2,015.00	1.47 0.00 1.47 2,016.47	2,016.47

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47789QAC4	JDOT 2021-B A3 0.52 03/16/2026	07/13/2021 07/21/2021 19,701.74	36,340.89 0.00 (16,639.82) 19,701.40	8.40 15.75 4.55 11.90	0.33 0.00 0.33 12.23	12.23
47800BAC2	JDOT 2022-C A3 5.09 06/15/2027	10/12/2022 10/19/2022 349,168.00	386,456.74 0.00 (37,302.47) 349,156.00	874.28 1,639.28 789.90 1,554.89	1.73 0.00 1.73 1,556.62	1,556.62
57636QAW4	MASTERCARD INC 4.875 03/09/2028	03/06/2023 03/09/2023 595,000.00	594,642.40 0.00 0.00 594,651.25	11,441.35 0.00 13,858.54 2,417.19	8.85 0.00 8.85 2,426.03	2,426.03
58770JAD6	MBALT 2024-A A3 5.32 01/18/2028	05/17/2024 05/23/2024 240,000.00	239,977.26 0.00 0.00 239,977.85	567.47 1,064.00 567.47 1,064.00	0.59 0.00 0.59 1,064.59	1,064.59
58773DAD6	MBART 2025-1 A3 4.78 12/17/2029	01/14/2025 01/23/2025 545,000.00	544,884.66 0.00 0.00 544,886.48	578.91 1,592.01 1,157.82 2,170.92	1.81 0.00 1.81 2,172.74	2,172.74
61747YER2	MORGAN STANLEY 4.21 04/20/2028	05/19/2023 05/23/2023 750,000.00	734,540.21 0.00 0.00 735,075.95	8,858.54 0.00 11,489.79 2,631.25	535.74 0.00 535.74 3,166.99	3,166.99
63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	02/04/2025 02/07/2025 720,000.00	0.00 718,898.40 0.00 718,911.67	0.00 0.00 2,376.00 2,376.00	13.27 0.00 13.27 2,389.27	2,389.27
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	05/05/2022 05/10/2022 430,000.00	429,684.13 0.00 0.00 429,694.81	3,870.00 0.00 5,303.33 1,433.33	10.68 0.00 10.68 1,444.02	1,444.02
69371RT48	PACCAR FINANCIAL CORP 4.0 09/26/2029	09/26/2024 1,100,000.00	1,099,218.60 0.00 0.00 1,099,231.49	15,277.78 0.00 18,944.44 3,666.67	18.01 (5.12) 12.89 3,679.55	3,679.55

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713448FX1	PEPSICO INC 4.5 07/17/2029	07/15/2024 07/17/2024 830,000.00	828,853.70 0.00 0.00 828,873.43	1,452.50 0.00 4,565.00 3,112.50	19.73 0.00 19.73 3,132.23	3,132.23
74340XBX8	PROLOGIS LP 4.0 09/15/2028	12/06/2023 12/08/2023 500,000.00	485,475.44 0.00 0.00 485,783.08	7,555.56 0.00 9,222.22 1,666.67	307.63 0.00 307.63 1,974.30	1,974.30
74340XCG4	PROLOGIS LP 4.875 06/15/2028	09/08/2023 09/12/2023 575,000.00	569,921.47 0.00 0.00 570,037.08	3,581.77 0.00 5,917.71 2,335.94	115.61 0.00 115.61 2,451.55	2,451.55
74456QBX3	PUBLIC SERVICE ELECTRIC AND GAS CO 3.65 09/01/2028	10/04/2023 10/06/2023 1,200,000.00	1,131,934.37 0.00 0.00 1,133,391.43	18,250.00 0.00 21,900.00 3,650.00	1,457.06 0.00 1,457.06 5,107.06	5,107.06
756109BS2	REALTY INCOME CORP 4.7 12/15/2028	12/12/2023 12/15/2023 1,000,000.00	984,377.80 0.00 0.00 984,687.37	6,005.56 0.00 9,922.22 3,916.67	309.57 0.00 309.57 4,226.24	4,226.24
78016HXS2	ROYAL BANK OF CANADA 5.2 08/01/2028	12/06/2023 12/08/2023 650,000.00	652,424.65 0.00 0.00 652,371.48	16,900.00 16,900.00 2,816.67 2,816.67	0.00 (53.16) (53.16) 2,763.50	2,763.50
808513BY0	CHARLES SCHWAB CORP 2.45 03/03/2027	03/09/2022 03/11/2022 750,000.00	745,867.66 0.00 0.00 746,019.90	7,554.17 0.00 9,085.42 1,531.25	152.24 0.00 152.24 1,683.49	1,683.49
87612EBM7	TARGET CORP 1.95 01/15/2027	01/19/2022 01/24/2022 535,000.00	534,643.11 0.00 0.00 534,657.12	463.67 0.00 1,333.04 869.38	14.02 0.00 14.02 883.39	883.39
89115A2C5	TORONTO-DOMINION BANK 4.108 06/08/2027	08/26/2022 08/30/2022 1,100,000.00	1,098,188.15 0.00 0.00 1,098,247.35	6,652.68 0.00 10,418.34 3,765.67	59.20 0.00 59.20 3,824.86	3,824.86

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89236TJK2	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026	06/15/2021 06/18/2021 995,000.00	994,879.64 0.00 0.00 994,886.35	1,337.03 0.00 2,269.84 932.81	6.71 0.00 6.71 939.53	939.53
89236TMF9	TOYOTA MOTOR CREDIT CORP 5.05 05/16/2029	05/21/2024 05/23/2024 500,000.00	500,894.78 0.00 0.00 500,878.77	5,260.42 0.00 7,364.58 2,104.17	0.00 (16.01) (16.01) 2,088.16	2,088.16
89238JAC9	TAOT 2021-D A3 0.71 04/15/2026	11/09/2021 11/15/2021 26,439.88	37,233.78 0.00 (10,794.03) 26,439.79	11.75 22.03 8.34 18.62	0.04 0.00 0.04 18.67	18.67
89240JAD3	TAOT 25A A3 4.64 08/15/2029	01/22/2025 01/29/2025 565,000.00	564,977.38 0.00 0.00 564,977.76	145.64 1,165.16 1,165.16 2,184.67	0.38 0.00 0.38 2,185.05	2,185.05
91282CAM3	UNITED STATES TREASURY 0.25 09/30/2025	02/19/2021 02/22/2021 1,600,000.00	1,597,267.07 0.00 0.00 1,597,584.59	1,362.64 0.00 1,670.33 307.69	317.52 0.00 317.52 625.21	625.21
91282CAT8	UNITED STATES TREASURY 0.25 10/31/2025	02/11/2021 02/12/2021 1,900,000.00	1,897,655.34 0.00 0.00 1,897,896.71	1,220.30 0.00 1,587.71 367.40	241.36 0.00 241.36 608.77	608.77
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	03/26/2021 03/29/2021 1,350,000.00	1,345,717.67 0.00 0.00 1,346,114.71	876.20 0.00 1,265.63 389.42	397.04 0.00 397.04 786.46	786.46
91282CCW9	UNITED STATES TREASURY 0.75 08/31/2026	09/17/2021 09/20/2021 480,000.00	479,168.77 0.00 0.00 479,209.18	1,531.49 1,800.00 9.78 278.29	40.41 0.00 40.41 318.70	318.70
91282CCZ2	UNITED STATES TREASURY 0.875 09/30/2026	2,820,000.00	2,810,612.95 0.00 0.00 2,811,046.67	8,405.77 0.00 10,303.85 1,898.08	433.73 0.00 433.73 2,331.80	2,331.80

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91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	2,250,000.00	2,256,520.51 0.00 0.00 2,256,312.81	6,464.09 0.00 12,120.17 5,656.08	0.00 (207.71) (207.71) 5,448.37	5,448.37
91282CFB2	UNITED STATES TREASURY 2.75 07/31/2027	08/22/2022 08/23/2022 600,000.00	594,866.11 0.00 0.00 595,024.08	45.58 0.00 1,321.82 1,276.24	157.97 0.00 157.97 1,434.21	1,434.21
91282CFH9	UNITED STATES TREASURY 3.125 08/31/2027	1,950,000.00	1,937,069.86 0.00 0.00 1,937,454.61	25,923.69 30,468.75 165.59 4,710.65	384.74 0.00 384.74 5,095.40	5,095.40
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	03/14/2023 03/16/2023 700,000.00	699,319.41 0.00 0.00 699,337.34	2,397.79 0.00 4,495.86 2,098.07	17.93 0.00 17.93 2,115.99	2,115.99
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	02/16/2023 02/17/2023 2,500,000.00	2,462,734.40 0.00 0.00 2,463,688.18	241.71 0.00 7,009.67 6,767.96	953.78 0.00 953.78 7,721.74	7,721.74
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	2,500,000.00	2,494,937.96 0.00 0.00 2,495,064.17	42,541.44 50,000.00 271.74 7,730.30	208.15 (81.94) 126.21 7,856.52	7,856.52
91282CHE4	UNITED STATES TREASURY 3.625 05/31/2028	2,425,000.00	2,395,299.78 0.00 0.00 2,395,984.23	15,214.54 0.00 21,976.56 6,762.02	684.45 0.00 684.45 7,446.47	7,446.47
91282CHX2	UNITED STATES TREASURY 4.375 08/31/2028	09/25/2023 09/26/2023 400,000.00	396,938.42 0.00 0.00 397,004.01	7,444.75 8,750.00 47.55 1,352.80	65.59 0.00 65.59 1,418.39	1,418.39
91282CJF9	UNITED STATES TREASURY 4.875 10/31/2028	10/27/2023 10/31/2023 600,000.00	601,702.28 0.00 0.00 601,667.44	7,514.50 0.00 9,776.93 2,262.43	0.00 (34.84) (34.84) 2,227.59	2,227.59

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91282CJN2	UNITED STATES TREASURY 4.375 11/30/2028	12/28/2023 12/29/2023 625,000.00	636,845.20 0.00 0.00 636,607.95	4,732.57 0.00 6,835.94 2,103.37	0.00 (237.24) (237.24) 1,866.12	1,866.12
91282CJR3	UNITED STATES TREASURY 3.75 12/31/2028	2,100,000.00	2,082,955.55 0.00 0.00 2,083,289.52	6,961.33 0.00 13,052.49 6,091.16	333.97 0.00 333.97 6,425.13	6,425.13
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	02/16/2024 02/21/2024 1,500,000.00	1,483,326.41 0.00 0.00 1,483,646.18	165.75 0.00 4,806.63 4,640.88	319.77 0.00 319.77 4,960.65	4,960.65
91282CKG5	UNITED STATES TREASURY 4.125 03/31/2029	2,300,000.00	2,270,373.28 0.00 0.00 2,270,919.39	32,320.05 0.00 39,618.13 7,298.08	546.11 0.00 546.11 7,844.19	7,844.19
91282CKP5	UNITED STATES TREASURY 4.625 04/30/2029	2,150,000.00	2,162,157.02 0.00 0.00 2,161,937.27	25,546.10 0.00 33,237.40 7,691.30	0.00 (219.75) (219.75) 7,471.55	7,471.55
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	07/18/2024 07/19/2024 1,000,000.00	1,006,299.50 0.00 0.00 1,006,189.94	3,756.91 0.00 7,044.20 3,287.29	0.00 (109.56) (109.56) 3,177.74	3,177.74
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	09/11/2024 09/13/2024 2,000,000.00	2,014,481.87 0.00 0.00 2,014,239.35	30,842.54 36,250.00 197.01 5,604.47	0.00 (242.52) (242.52) 5,361.95	5,361.95
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	10/04/2024 10/07/2024 1,000,000.00	988,888.81 0.00 0.00 989,071.61	11,923.08 0.00 14,615.38 2,692.31	182.79 0.00 182.79 2,875.10	2,875.10
91282CMA6	UNITED STATES TREASURY 4.125 11/30/2029	12/16/2024 12/17/2024 1,500,000.00	1,491,605.74 0.00 0.00 1,491,739.06	10,709.13 0.00 15,468.75 4,759.62	133.32 0.00 133.32 4,892.93	4,892.93

INCOME EARNED



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Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
91282CMG3	UNITED STATES TREASURY 4.25 01/31/2030	02/13/2025 02/14/2025 1,000,000.00	0.00 992,968.75 0.00 993,026.96	0.00 (1,643.65) 3,404.70 1,761.05	58.21 0.00 58.21 1,819.25	1,819.25
91324PDP4	UNITEDHEALTH GROUP INC 3.875 12/15/2028	12/12/2023 12/15/2023 650,000.00	630,173.14 0.00 0.00 630,566.03	3,218.40 0.00 5,317.36 2,098.96	392.89 0.00 392.89 2,491.85	2,491.85
91324PEC2	UNITEDHEALTH GROUP INC 1.15 05/15/2026	240,000.00	240,192.91 0.00 0.00 240,180.58	582.67 0.00 812.67 230.00	0.00 (12.33) (12.33) 217.67	217.67
91324PEG3	UNITEDHEALTH GROUP INC 3.7 05/15/2027	05/17/2022 05/20/2022 430,000.00	430,089.58 0.00 0.00 430,086.43	3,358.78 0.00 4,684.61 1,325.83	0.83 (3.99) (3.15) 1,322.68	1,322.68
92970QAE5	WFCIT 2024-2 A 4.29 10/15/2029	10/17/2024 10/24/2024 515,000.00	514,927.68 0.00 0.00 514,928.86	981.93 1,841.13 981.93 1,841.13	1.18 0.00 1.18 1,842.31	1,842.31
931142ER0	WALMART INC 1.05 09/17/2026	09/08/2021 09/17/2021 235,000.00	234,855.76 0.00 0.00 234,862.57	918.46 0.00 1,124.08 205.63	6.81 0.00 6.81 212.44	212.44
Total Fixed Income			94,830,339.85 1,711,867.15 (1,624,669.67) 94,931,399.40	599,583.69 275,784.68 574,295.09 250,496.08	17,968.57 (4,106.50) 13,862.07 264,358.15	264,358.15
TOTAL PORTFOLIO			95,075,462.78 2,605,847.24 (2,355,806.55) 95,338,755.21	599,583.69 276,952.11 574,295.09 251,663.51	17,968.57 (4,106.50) 13,862.07 265,525.58	265,525.58

CASH FLOW REPORT



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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
MARCH 2025							
03/03/2025	Dividend	316175884	0.00		557.10		557.10
03/03/2025	Coupon	808513BY0	0.00	CHARLES SCHWAB CORP 2.45 03/03/2027		9,187.50	9,187.50
03/03/2025	Coupon	74456QBX3	0.00	PUBLIC SERVICE ELECTRIC AND GAS CO 3.65 09/01/2028		21,900.00	21,900.00
03/10/2025	Coupon	3130AWTR1	2,000,000.00	FEDERAL HOME LOAN BANKS 4.375 09/08/2028		43,750.00	43,750.00
03/10/2025	Coupon	57636QAW4	595,000.00	MASTERCARD INC 4.875 03/09/2028		14,503.13	14,503.13
03/11/2025	Coupon	037833DN7	450,000.00	APPLE INC 2.05 09/11/2026		4,612.50	4,612.50
03/17/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
03/17/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
03/17/2025	Coupon	06368FAC3	500,000.00	BANK OF MONTREAL 1.25 09/15/2026		3,125.00	3,125.00
03/17/2025	Coupon	084664CZ2	1,080,000.00	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027		12,420.00	12,420.00
03/17/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
03/17/2025	Coupon	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026		22.11	22.11
03/17/2025	Principal Paydown	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026	7,429.33		7,429.33
03/17/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
03/17/2025	Coupon	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026		39.73	39.73
03/17/2025	Principal Paydown	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026	7,250.17		7,250.17
03/17/2025	Coupon	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026		177.54	177.54
03/17/2025	Principal Paydown	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026	19,715.18		19,715.18
03/17/2025	Coupon	44935FAD6	4,591.84	HART 2021-C A3 0.74 05/15/2026		3.52	3.52
03/17/2025	Effective Maturity	44935FAD6	4,591.84	HART 2021-C A3 0.74 05/15/2026	5,701.09		5,701.09
03/17/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
03/17/2025	Coupon	47789QAC4	19,701.74	JDOT 2021-B A3 0.52 03/16/2026		9.58	9.58
03/17/2025	Principal Paydown	47789QAC4	19,701.74	JDOT 2021-B A3 0.52 03/16/2026	12,245.41		12,245.41
03/17/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		1,481.05	1,481.05
03/17/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	24,770.92		24,770.92
03/17/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
03/17/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
03/17/2025	Coupon	74340XBX8	500,000.00	PROLOGIS LP 4.0 09/15/2028		10,000.00	10,000.00

CASH FLOW REPORT



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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
03/17/2025	Coupon	89238JAC9	26,439.88	TAOT 2021-D A3 0.71 04/15/2026		15.85	15.85
03/17/2025	Principal Paydown	89238JAC9	26,439.88	TAOT 2021-D A3 0.71 04/15/2026	10,140.83		10,140.83
03/17/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
03/17/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
03/17/2025	Coupon	931142ER0	235,000.00	WALMART INC 1.05 09/17/2026		1,233.75	1,233.75
03/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
03/20/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
03/21/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
03/21/2025	Coupon	43815GAC3	25,872.37	HAROT 2021-4 A3 0.88 01/21/2026		19.81	19.81
03/21/2025	Principal Paydown	43815GAC3	25,872.37	HAROT 2021-4 A3 0.88 01/21/2026	9,543.00		9,543.00
03/24/2025	Coupon	3137EAEX3	1,805,000.00	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025		3,384.38	3,384.38
03/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
03/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,158.47	2,158.47
03/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	2,119.96		2,119.96
03/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,199.38	1,199.38
03/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
03/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
03/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
03/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
03/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
03/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
03/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
03/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
03/26/2025	Coupon	69371RT48	1,100,000.00	PACCAR FINANCIAL CORP 4.0 09/26/2029		22,000.00	22,000.00
03/31/2025	Coupon	91282CAM3	1,600,000.00	UNITED STATES TREASURY 0.25 09/30/2025		2,000.00	2,000.00
03/31/2025	Coupon	91282CCZ2	2,820,000.00	UNITED STATES TREASURY 0.875 09/30/2026		12,337.50	12,337.50
03/31/2025	Coupon	91282CKG5	2,300,000.00	UNITED STATES TREASURY 4.125 03/31/2029		47,437.50	47,437.50
03/31/2025	Coupon	91282CLN9	1,000,000.00	UNITED STATES TREASURY 3.5 09/30/2029		17,500.00	17,500.00
March 2025 Total					99,473.00	285,281.16	384,754.16
APRIL 2025							
04/15/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00

CASH FLOW REPORT



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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/15/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
04/15/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
04/15/2025	Coupon	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026		146.65	146.65
04/15/2025	Principal Paydown	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026	19,956.68		19,956.68
04/15/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
04/15/2025	Coupon	47789QAC4	19,701.74	JDOT 2021-B A3 0.52 03/16/2026		4.28	4.28
04/15/2025	Effective Maturity	47789QAC4	19,701.74	JDOT 2021-B A3 0.52 03/16/2026	9,871.50		9,871.50
04/15/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		1,375.98	1,375.98
04/15/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	30,146.23		30,146.23
04/15/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
04/15/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
04/15/2025	Coupon	89238JAC9	26,439.88	TAOT 2021-D A3 0.71 04/15/2026		9.85	9.85
04/15/2025	Principal Paydown	89238JAC9	26,439.88	TAOT 2021-D A3 0.71 04/15/2026	10,201.36		10,201.36
04/15/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
04/15/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
04/16/2025	Coupon	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026		17.90	17.90
04/16/2025	Principal Paydown	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026	7,639.65		7,639.65
04/16/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
04/16/2025	Coupon	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026		32.12	32.12
04/16/2025	Principal Paydown	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026	7,499.99		7,499.99
04/16/2025	Coupon	459058LN1	1,000,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029		19,375.00	19,375.00
04/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
04/21/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
04/21/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
04/21/2025	Coupon	43815GAC3	25,872.37	HAROT 2021-4 A3 0.88 01/21/2026		12.81	12.81
04/21/2025	Principal Paydown	43815GAC3	25,872.37	HAROT 2021-4 A3 0.88 01/21/2026	9,594.52		9,594.52
04/21/2025	Coupon	4581X0DV7	1,915,000.00	INTER-AMERICAN DEVELOPMENT BANK 0.875 04/20/2026		8,378.13	8,378.13
04/21/2025	Coupon	61747YER2	750,000.00	MORGAN STANLEY 4.21 04/20/2028		15,787.50	15,787.50
04/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/25/2025	Coupon	3133EPGW9	1,250,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 04/25/2028		24,218.75	24,218.75
04/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,153.62	2,153.62
04/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	1,771.17		1,771.17
04/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,199.38	1,199.38
04/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
04/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
04/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
04/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
04/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
04/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
04/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
04/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
04/28/2025	Coupon	459058JL8	945,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025		2,362.50	2,362.50
04/30/2025	Coupon	91282CAT8	1,900,000.00	UNITED STATES TREASURY 0.25 10/31/2025		2,375.00	2,375.00
04/30/2025	Coupon	91282CJF9	600,000.00	UNITED STATES TREASURY 4.875 10/31/2028		14,625.00	14,625.00
04/30/2025	Coupon	91282CKP5	2,150,000.00	UNITED STATES TREASURY 4.625 04/30/2029		49,718.75	49,718.75
April 2025 Total					96,681.08	196,556.08	293,237.17
MAY 2025							
05/07/2025	Coupon	3135G06G3	1,825,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025		4,562.50	4,562.50
05/12/2025	Coupon	023135BX3	1,455,000.00	AMAZON.COM INC 1.0 05/12/2026		7,275.00	7,275.00
05/12/2025	Coupon	665859AW4	430,000.00	NORTHERN TRUST CORP 4.0 05/10/2027		8,600.00	8,600.00
05/15/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
05/15/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
05/15/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
05/15/2025	Coupon	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026		115.39	115.39
05/15/2025	Principal Paydown	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026	19,228.79		19,228.79
05/15/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
05/15/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		1,248.11	1,248.11
05/15/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	26,351.15		26,351.15

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/15/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
05/15/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
05/15/2025	Coupon	89238JAC9	26,439.88	TAOT 2021-D A3 0.71 04/15/2026		3.81	3.81
05/15/2025	Effective Maturity	89238JAC9	26,439.88	TAOT 2021-D A3 0.71 04/15/2026	6,447.67		6,447.67
05/15/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
05/15/2025	Coupon	91324PEC2	240,000.00	UNITEDHEALTH GROUP INC 1.15 05/15/2026		1,380.00	1,380.00
05/15/2025	Coupon	91324PEG3	430,000.00	UNITEDHEALTH GROUP INC 3.7 05/15/2027		7,955.00	7,955.00
05/15/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
05/16/2025	Coupon	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026		13.57	13.57
05/16/2025	Principal Paydown	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026	7,388.44		7,388.44
05/16/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
05/16/2025	Coupon	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026		24.24	24.24
05/16/2025	Principal Paydown	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026	6,938.93		6,938.93
05/16/2025	Coupon	89236TMF9	500,000.00	TOYOTA MOTOR CREDIT CORP 5.05 05/16/2029		12,625.00	12,625.00
05/19/2025	Coupon	22160KAM7	600,000.00	COSTCO WHOLESALE CORP 3.0 05/18/2027		9,000.00	9,000.00
05/19/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
05/20/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
05/21/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
05/21/2025	Coupon	43815GAC3	25,872.37	HAROT 2021-4 A3 0.88 01/21/2026		5.77	5.77
05/21/2025	Effective Maturity	43815GAC3	25,872.37	HAROT 2021-4 A3 0.88 01/21/2026	7,871.56		7,871.56
05/26/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
05/26/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,149.56	2,149.56
05/26/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	1,890.08		1,890.08
05/26/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,199.38	1,199.38
05/26/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	303.36		303.36
05/26/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
05/26/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
05/26/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
05/26/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
05/26/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
05/26/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
05/26/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/26/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
May 2025 Total					76,419.97	110,920.22	187,340.19
JUNE 2025							
06/02/2025	Coupon	26442CAS3	850,000.00	DUKE ENERGY CAROLINAS LLC 2.95 12/01/2026		12,537.50	12,537.50
06/02/2025	Coupon	91282CAZ4	1,350,000.00	UNITED STATES TREASURY 0.375 11/30/2025		2,531.25	2,531.25
06/02/2025	Coupon	91282CHE4	2,425,000.00	UNITED STATES TREASURY 3.625 05/31/2028		43,953.13	43,953.13
06/02/2025	Coupon	91282CJN2	625,000.00	UNITED STATES TREASURY 4.375 11/30/2028		13,671.88	13,671.88
06/02/2025	Coupon	91282CMA6	1,500,000.00	UNITED STATES TREASURY 4.125 11/30/2029		30,937.50	30,937.50
06/09/2025	Coupon	3133EPME2	850,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 06/08/2028		16,468.75	16,468.75
06/09/2025	Coupon	89115A2C5	1,100,000.00	TORONTO-DOMINION BANK 4.108 06/08/2027		22,594.00	22,594.00
06/11/2025	Coupon	24422EXT1	500,000.00	JOHN DEERE CAPITAL CORP 4.85 06/11/2029		12,125.00	12,125.00
06/16/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
06/16/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
06/16/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
06/16/2025	Coupon	341081GT8	1,000,000.00	FLORIDA POWER & LIGHT CO 5.15 06/15/2029		25,750.00	25,750.00
06/16/2025	Coupon	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026		9.38	9.38
06/16/2025	Principal Paydown	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026	7,066.33		7,066.33
06/16/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
06/16/2025	Coupon	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026		16.96	16.96
06/16/2025	Principal Paydown	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026	6,789.60		6,789.60
06/16/2025	Coupon	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026		85.26	85.26
06/16/2025	Principal Paydown	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026	18,757.47		18,757.47
06/16/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
06/16/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		1,136.34	1,136.34
06/16/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	22,672.38		22,672.38
06/16/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
06/16/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
06/16/2025	Coupon	74340XCG4	575,000.00	PROLOGIS LP 4.875 06/15/2028		14,015.63	14,015.63
06/16/2025	Coupon	756109BS2	1,000,000.00	REALTY INCOME CORP 4.7 12/15/2028		23,500.00	23,500.00
06/16/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
06/16/2025	Coupon	91324PDP4	650,000.00	UNITEDHEALTH GROUP INC 3.875 12/15/2028		12,593.75	12,593.75
06/16/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
06/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
06/18/2025	Coupon	89236TJK2	995,000.00	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026		5,596.88	5,596.88
06/20/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
06/23/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
06/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
06/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,145.24	2,145.24
06/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	37,476.54		37,476.54
06/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,198.74	1,198.74
06/25/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	2,181.91		2,181.91
06/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
06/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
06/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
06/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
06/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
06/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
06/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
06/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
06/25/2025	Coupon	437076DC3	950,000.00	HOME DEPOT INC 4.75 06/25/2029		22,562.50	22,562.50
06/30/2025	Coupon	91282CEW7	2,250,000.00	UNITED STATES TREASURY 3.25 06/30/2027		36,562.50	36,562.50
06/30/2025	Coupon	91282CGC9	700,000.00	UNITED STATES TREASURY 3.875 12/31/2027		13,562.50	13,562.50
06/30/2025	Coupon	91282CJR3	2,100,000.00	UNITED STATES TREASURY 3.75 12/31/2028		39,375.00	39,375.00
06/30/2025	Coupon	91282CKX8	1,000,000.00	UNITED STATES TREASURY 4.25 06/30/2029		21,250.00	21,250.00
June 2025 Total					94,944.22	428,942.55	523,886.77
JULY 2025							
07/14/2025	Coupon	24422EXB0	935,000.00	JOHN DEERE CAPITAL CORP 4.95 07/14/2028		23,141.25	23,141.25
07/15/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
07/15/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
07/15/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
07/15/2025	Coupon	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026		55.88	55.88

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/15/2025	Principal Paydown	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026	18,268.92		18,268.92
07/15/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
07/15/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		1,040.17	1,040.17
07/15/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	24,750.77		24,750.77
07/15/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
07/15/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
07/15/2025	Coupon	87612EBM7	535,000.00	TARGET CORP 1.95 01/15/2027		5,216.25	5,216.25
07/15/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
07/15/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
07/16/2025	Coupon	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026		5.38	5.38
07/16/2025	Principal Paydown	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026	6,788.61		6,788.61
07/16/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
07/16/2025	Coupon	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026		9.83	9.83
07/16/2025	Principal Paydown	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026	6,639.85		6,639.85
07/17/2025	Coupon	713448FX1	830,000.00	PEPSICO INC 4.5 07/17/2029		18,675.00	18,675.00
07/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
07/21/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
07/21/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
07/23/2025	Coupon	46647PAM8	1,000,000.00	JPMORGAN CHASE & CO 3.509 01/23/2029		17,545.00	17,545.00
07/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
07/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,059.51	2,059.51
07/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	20,138.84		20,138.84
07/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,194.15	1,194.15
07/25/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	15,940.09		15,940.09
07/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
07/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
07/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
07/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
07/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
07/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
07/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
07/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/31/2025	Coupon	91282CFB2	600,000.00	UNITED STATES TREASURY 2.75 07/31/2027		8,250.00	8,250.00
07/31/2025	Coupon	91282CGH8	2,500,000.00	UNITED STATES TREASURY 3.5 01/31/2028		43,750.00	43,750.00
07/31/2025	Coupon	91282CJW2	1,500,000.00	UNITED STATES TREASURY 4.0 01/31/2029		30,000.00	30,000.00
07/31/2025	Coupon	91282CMG3	1,000,000.00	UNITED STATES TREASURY 4.25 01/31/2030		21,250.00	21,250.00
July 2025 Total					92,527.08	226,955.29	319,482.37
AUGUST 2025							
08/01/2025	Coupon	13063EGT7	965,000.00	CALIFORNIA STATE 4.5 08/01/2029		21,712.50	21,712.50
08/01/2025	Coupon	78016HZS2	650,000.00	ROYAL BANK OF CANADA 5.2 08/01/2028		16,900.00	16,900.00
08/07/2025	Coupon	63743HFX5	720,000.00	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030		17,820.00	17,820.00
08/15/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
08/15/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
08/15/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
08/15/2025	Coupon	171239AL0	505,000.00	CHUBB INA HOLDINGS LLC 4.65 08/15/2029		11,741.25	11,741.25
08/15/2025	Coupon	30303M8S4	532,000.00	META PLATFORMS INC 4.3 08/15/2029		11,438.00	11,438.00
08/15/2025	Coupon	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026		27.26	27.26
08/15/2025	Effective Maturity	43815BAC4	111,665.84	HAROT 2022-1 A3 1.88 05/15/2026	17,396.78		17,396.78
08/15/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
08/15/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		935.19	935.19
08/15/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	23,901.93		23,901.93
08/15/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
08/15/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
08/15/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
08/15/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
08/18/2025	Coupon	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026		1.53	1.53
08/18/2025	Effective Maturity	362554AC1	32,440.80	GMCAR 2021-4 A3 0.68 09/16/2026	2,705.58		2,705.58
08/18/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
08/18/2025	Coupon	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026		2.86	2.86
08/18/2025	Effective Maturity	380146AC4	37,277.11	GMCAR 2022-1 A3 1.26 11/16/2026	2,721.02		2,721.02
08/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
08/20/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
08/21/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
08/25/2025	Coupon	3135G05X7	1,400,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025		2,625.00	2,625.00
08/25/2025	Final Maturity	3135G05X7	1,400,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	1,400,000.00		1,400,000.00
08/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,013.45	2,013.45
08/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	1,709.98		1,709.98
08/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,160.61	1,160.61
08/25/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	1,099.15		1,099.15
08/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
08/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
08/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
08/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
08/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
08/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
08/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
08/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
08/26/2025	Coupon	17275RBR2	490,000.00	CISCO SYSTEMS INC 4.85 02/26/2029		11,882.50	11,882.50
08/27/2025	Coupon	14913UAJ9	1,000,000.00	CATERPILLAR FINANCIAL SERVICES CORP 4.85 02/27/2029		24,250.00	24,250.00
August 2025 Total					1,449,534.43	177,273.01	1,626,807.44
SEPTEMBER 2025							
09/02/2025	Coupon	74456QBX3	1,200,000.00	PUBLIC SERVICE ELECTRIC AND GAS CO 3.65 09/01/2028		21,900.00	21,900.00
09/02/2025	Coupon	91282CCW9	480,000.00	UNITED STATES TREASURY 0.75 08/31/2026		1,800.00	1,800.00
09/02/2025	Coupon	91282CFH9	1,950,000.00	UNITED STATES TREASURY 3.125 08/31/2027		30,468.75	30,468.75
09/02/2025	Coupon	91282CGP0	2,500,000.00	UNITED STATES TREASURY 4.0 02/29/2028		50,000.00	50,000.00
09/02/2025	Coupon	91282CHX2	400,000.00	UNITED STATES TREASURY 4.375 08/31/2028		8,750.00	8,750.00
09/02/2025	Coupon	91282CLK5	2,000,000.00	UNITED STATES TREASURY 3.625 08/31/2029		36,250.00	36,250.00
09/03/2025	Coupon	808513BY0	750,000.00	CHARLES SCHWAB CORP 2.45 03/03/2027		9,187.50	9,187.50
09/05/2025	Coupon	02665WFY2	795,000.00	AMERICAN HONDA FINANCE CORP 4.8 03/05/2030		19,080.00	19,080.00

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/08/2025	Coupon	3130AWTR1	2,000,000.00	FEDERAL HOME LOAN BANKS 4.375 09/08/2028		43,750.00	43,750.00
09/09/2025	Coupon	57636QAW4	595,000.00	MASTERCARD INC 4.875 03/09/2028		14,503.13	14,503.13
09/11/2025	Coupon	037833DN7	450,000.00	APPLE INC 2.05 09/11/2026		4,612.50	4,612.50
09/15/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
09/15/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
09/15/2025	Coupon	06368FAC3	500,000.00	BANK OF MONTREAL 1.25 09/15/2026		3,125.00	3,125.00
09/15/2025	Coupon	084664CZ2	1,080,000.00	BERKSHIRE HATHAWAY FINANCE CORP 2.3 03/15/2027		12,420.00	12,420.00
09/15/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
09/15/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
09/15/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		833.80	833.80
09/15/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	20,555.59		20,555.59
09/15/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
09/15/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
09/15/2025	Coupon	74340XBX8	500,000.00	PROLOGIS LP 4.0 09/15/2028		10,000.00	10,000.00
09/15/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
09/15/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
09/16/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
09/17/2025	Coupon	931142ER0	235,000.00	WALMART INC 1.05 09/17/2026		1,233.75	1,233.75
09/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
09/22/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
09/22/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
09/23/2025	Coupon	3137EAEX3	1,805,000.00	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025		3,384.38	3,384.38
09/23/2025	Final Maturity	3137EAEX3	1,805,000.00	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	1,805,000.00		1,805,000.00
09/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
09/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,009.53	2,009.53
09/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	1,712.38		1,712.38
09/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,158.29	1,158.29
09/25/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	5,196.13		5,196.13

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
09/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
09/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
09/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
09/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
09/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
09/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
09/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
09/26/2025	Coupon	69371RT48	1,100,000.00	PACCAR FINANCIAL CORP 4.0 09/26/2029		22,000.00	22,000.00
09/30/2025	Coupon	91282CAM3	1,600,000.00	UNITED STATES TREASURY 0.25 09/30/2025		2,000.00	2,000.00
09/30/2025	Final Maturity	91282CAM3	1,600,000.00	UNITED STATES TREASURY 0.25 09/30/2025	1,600,000.00		1,600,000.00
09/30/2025	Coupon	91282CCZ2	2,820,000.00	UNITED STATES TREASURY 0.875 09/30/2026		12,337.50	12,337.50
09/30/2025	Coupon	91282CKG5	2,300,000.00	UNITED STATES TREASURY 4.125 03/31/2029		47,437.50	47,437.50
09/30/2025	Coupon	91282CLN9	1,000,000.00	UNITED STATES TREASURY 3.5 09/30/2029		17,500.00	17,500.00
September 2025 Total					3,432,464.09	430,504.51	3,862,968.60
OCTOBER 2025							
10/15/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
10/15/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
10/15/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
10/15/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
10/15/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		746.61	746.61
10/15/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	15,346.06		15,346.06
10/15/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
10/15/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
10/15/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
10/15/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
10/16/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
10/16/2025	Coupon	459058LN1	1,000,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029		19,375.00	19,375.00
10/20/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
10/20/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
10/20/2025	Coupon	4581X0DV7	1,915,000.00	INTER-AMERICAN DEVELOPMENT BANK 0.875 04/20/2026		8,378.13	8,378.13
10/20/2025	Coupon	61747YER2	750,000.00	MORGAN STANLEY 4.21 04/20/2028		15,787.50	15,787.50
10/21/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
10/27/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
10/27/2025	Coupon	3133EPGW9	1,250,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 04/25/2028		24,218.75	24,218.75
10/27/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		2,005.62	2,005.62
10/27/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	34,950.93		34,950.93
10/27/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,147.36	1,147.36
10/27/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	13,618.79		13,618.79
10/27/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
10/27/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
10/27/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
10/27/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
10/27/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
10/27/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
10/27/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
10/27/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
10/28/2025	Coupon	459058JL8	945,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025		2,362.50	2,362.50
10/28/2025	Final Maturity	459058JL8	945,000.00	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 0.5 10/28/2025	945,000.00		945,000.00
10/31/2025	Coupon	91282CAT8	1,900,000.00	UNITED STATES TREASURY 0.25 10/31/2025		2,375.00	2,375.00
10/31/2025	Final Maturity	91282CAT8	1,900,000.00	UNITED STATES TREASURY 0.25 10/31/2025	1,900,000.00		1,900,000.00
10/31/2025	Coupon	91282CJF9	600,000.00	UNITED STATES TREASURY 4.875 10/31/2028		14,625.00	14,625.00
10/31/2025	Coupon	91282CKP5	2,150,000.00	UNITED STATES TREASURY 4.625 04/30/2029		49,718.75	49,718.75
October 2025 Total					2,908,915.78	195,503.09	3,104,418.87
NOVEMBER 2025							
11/07/2025	Coupon	3135G06G3	1,825,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025		4,562.50	4,562.50

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Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/07/2025	Final Maturity	3135G06G3	1,825,000.00	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	1,825,000.00		1,825,000.00
11/10/2025	Coupon	665859AW4	430,000.00	NORTHERN TRUST CORP 4.0 05/10/2027		8,600.00	8,600.00
11/12/2025	Coupon	023135BX3	1,455,000.00	AMAZON.COM INC 1.0 05/12/2026		7,275.00	7,275.00
11/17/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
11/17/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
11/17/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
11/17/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
11/17/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
11/17/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		681.52	681.52
11/17/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	16,818.19		16,818.19
11/17/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
11/17/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
11/17/2025	Coupon	89236TMF9	500,000.00	TOYOTA MOTOR CREDIT CORP 5.05 05/16/2029		12,625.00	12,625.00
11/17/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
11/17/2025	Coupon	91324PEC2	240,000.00	UNITEDHEALTH GROUP INC 1.15 05/15/2026		1,380.00	1,380.00
11/17/2025	Coupon	91324PEG3	430,000.00	UNITEDHEALTH GROUP INC 3.7 05/15/2027		7,955.00	7,955.00
11/17/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
11/18/2025	Coupon	22160KAM7	600,000.00	COSTCO WHOLESALE CORP 3.0 05/18/2027		9,000.00	9,000.00
11/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
11/20/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,482.25	1,482.25
11/20/2025	Principal Paydown	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027	14,539.85		14,539.85
11/21/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
11/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
11/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		1,925.67	1,925.67
11/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	36,367.00		36,367.00
11/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,118.70	1,118.70
11/25/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	23,267.11		23,267.11
11/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
11/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
11/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
11/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00

CASH FLOW REPORT



City of Brea | Account #120 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
11/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
11/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
11/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
November 2025							
Total					1,915,992.16	109,886.27	2,025,878.42
DECEMBER 2025							
12/01/2025	Coupon	26442CAS3	850,000.00	DUKE ENERGY CAROLINAS LLC 2.95 12/01/2026		12,537.50	12,537.50
12/01/2025	Coupon	91282CAZ4	1,350,000.00	UNITED STATES TREASURY 0.375 11/30/2025		2,531.25	2,531.25
12/01/2025	Final Maturity	91282CAZ4	1,350,000.00	UNITED STATES TREASURY 0.375 11/30/2025	1,350,000.00		1,350,000.00
12/01/2025	Coupon	91282CHE4	2,425,000.00	UNITED STATES TREASURY 3.625 05/31/2028		43,953.13	43,953.13
12/01/2025	Coupon	91282CJN2	625,000.00	UNITED STATES TREASURY 4.375 11/30/2028		13,671.88	13,671.88
12/01/2025	Coupon	91282CMA6	1,500,000.00	UNITED STATES TREASURY 4.125 11/30/2029		30,937.50	30,937.50
12/08/2025	Coupon	3133EPME2	850,000.00	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.875 06/08/2028		16,468.75	16,468.75
12/08/2025	Coupon	89115A2C5	1,100,000.00	TORONTO-DOMINION BANK 4.108 06/08/2027		22,594.00	22,594.00
12/11/2025	Coupon	24422EXT1	500,000.00	JOHN DEERE CAPITAL CORP 4.85 06/11/2029		12,125.00	12,125.00
12/15/2025	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
12/15/2025	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
12/15/2025	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50
12/15/2025	Coupon	341081GT8	1,000,000.00	FLORIDA POWER & LIGHT CO 5.15 06/15/2029		25,750.00	25,750.00
12/15/2025	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
12/15/2025	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		610.18	610.18
12/15/2025	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	13,681.03		13,681.03
12/15/2025	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
12/15/2025	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
12/15/2025	Coupon	74340XCG4	575,000.00	PROLOGIS LP 4.875 06/15/2028		14,015.63	14,015.63
12/15/2025	Coupon	756109BS2	1,000,000.00	REALTY INCOME CORP 4.7 12/15/2028		23,500.00	23,500.00
12/15/2025	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
12/15/2025	Coupon	91324PDP4	650,000.00	UNITEDHEALTH GROUP INC 3.875 12/15/2028		12,593.75	12,593.75
12/15/2025	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13

CASH FLOW REPORT



City of Brea | Account #120 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
12/16/2025	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
12/18/2025	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
12/18/2025	Coupon	89236TJK2	995,000.00	TOYOTA MOTOR CREDIT CORP 1.125 06/18/2026		5,596.88	5,596.88
12/22/2025	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,416.94	1,416.94
12/22/2025	Principal Paydown	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027	34,497.67		34,497.67
12/22/2025	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
12/25/2025	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
12/25/2025	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		1,842.48	1,842.48
12/25/2025	Principal Paydown	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	229,665.64		229,665.64
12/25/2025	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,069.74	1,069.74
12/25/2025	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	27,061.86		27,061.86
12/25/2025	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
12/25/2025	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
12/25/2025	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
12/25/2025	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
12/25/2025	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
12/25/2025	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
12/25/2025	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
12/25/2025	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
12/26/2025	Coupon	437076DC3	950,000.00	HOME DEPOT INC 4.75 06/25/2029		22,562.50	22,562.50
12/31/2025	Coupon	91282CEW7	2,250,000.00	UNITED STATES TREASURY 3.25 06/30/2027		36,562.50	36,562.50
12/31/2025	Coupon	91282CGC9	700,000.00	UNITED STATES TREASURY 3.875 12/31/2027		13,562.50	13,562.50
12/31/2025	Coupon	91282CJR3	2,100,000.00	UNITED STATES TREASURY 3.75 12/31/2028		39,375.00	39,375.00
12/31/2025	Coupon	91282CKX8	1,000,000.00	UNITED STATES TREASURY 4.25 06/30/2029		21,250.00	21,250.00
December 2025 Total					1,654,906.19	427,807.72	2,082,713.91
JANUARY 2026							
01/14/2026	Coupon	24422EXB0	935,000.00	JOHN DEERE CAPITAL CORP 4.95 07/14/2028		23,141.25	23,141.25
01/15/2026	Coupon	02582JKH2	720,000.00	AMXCA 2024-1 A 5.23 04/16/2029		3,138.00	3,138.00
01/15/2026	Coupon	05522RDJ4	460,000.00	BACCT 2024-1 A 4.93 05/15/2029		1,889.83	1,889.83
01/15/2026	Coupon	161571HT4	965,000.00	CHAIT 2023-1 A 5.16 09/15/2028		4,149.50	4,149.50

CASH FLOW REPORT



City of Brea | Account #120 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/15/2026	Coupon	47786WAD2	465,000.00	JDOT 2024-B A3 5.2 03/15/2029		2,015.00	2,015.00
01/15/2026	Coupon	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027		552.15	552.15
01/15/2026	Principal Paydown	47800BAC2	349,168.00	JDOT 2022-C A3 5.09 06/15/2027	22,111.12		22,111.12
01/15/2026	Coupon	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028		1,064.12	1,064.12
01/15/2026	Principal Paydown	58770JAD6	240,000.00	MBALT 2024-A A3 5.32 01/18/2028	14,468.02		14,468.02
01/15/2026	Coupon	58773DAD6	545,000.00	MBART 2025-1 A3 4.78 12/17/2029		2,170.92	2,170.92
01/15/2026	Coupon	87612EBM7	535,000.00	TARGET CORP 1.95 01/15/2027		5,216.25	5,216.25
01/15/2026	Coupon	89240JAD3	565,000.00	TAOT 25A A3 4.64 08/15/2029		2,184.67	2,184.67
01/15/2026	Coupon	92970QAE5	515,000.00	WFCIT 2024-2 A 4.29 10/15/2029		1,841.13	1,841.13
01/16/2026	Coupon	362955AD8	375,000.00	GMCAR 2025-1 A3 4.62 12/17/2029		1,443.75	1,443.75
01/19/2026	Coupon	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028		1,361.42	1,361.42
01/19/2026	Principal Paydown	437930AC4	310,000.00	HAROT 2024-2 A3 5.27 11/20/2028	16,674.41		16,674.41
01/20/2026	Coupon	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027		1,261.99	1,261.99
01/20/2026	Principal Paydown	36269WAD1	330,000.00	GMALT 2024-2 A3 5.39 07/20/2027	49,248.13		49,248.13
01/20/2026	Coupon	713448FX1	830,000.00	PEPSICO INC 4.5 07/17/2029		18,675.00	18,675.00
01/21/2026	Coupon	43813YAC6	575,000.00	HAROT 2024-3 A3 4.57 03/21/2029		2,189.79	2,189.79
01/23/2026	Coupon	46647PAM8	1,000,000.00	JPMORGAN CHASE & CO 3.509 01/23/2029		17,545.00	17,545.00
01/26/2026	Coupon	096919AD7	410,000.00	BMWOT 2024-A A3 5.18 02/26/2029		1,769.83	1,769.83
01/26/2026	Coupon	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026		1,317.12	1,317.12
01/26/2026	Final Maturity	3137BNGT5	943,591.55	FHMS K-054 A2 2.745 01/25/2026	575,789.05		575,789.05
01/26/2026	Coupon	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026		1,012.80	1,012.80
01/26/2026	Principal Paydown	3137BQYS0	570,000.00	FHMS K-056 A2 2.525 05/25/2026	974.97		974.97
01/26/2026	Coupon	3137BXQY1	1,000,000.00	FHMS K-064 A2 3.224 03/25/2027		2,686.67	2,686.67
01/26/2026	Coupon	3137FCLD4	2,000,000.00	FHMS K-071 A2 3.286 11/25/2027		5,476.67	5,476.67
01/26/2026	Coupon	3137FETN0	1,500,000.00	FHMS K-073 A2 3.35 01/25/2028		4,187.50	4,187.50
01/26/2026	Coupon	3137FEZU7	1,200,000.00	FHMS K-076 A2 3.9 04/25/2028		3,900.00	3,900.00
01/26/2026	Coupon	3137FGR31	1,300,000.00	FHMS K-078 A2 3.854 06/25/2028		4,175.17	4,175.17
01/26/2026	Coupon	3137FJKE8	600,000.00	FHMS K-082 A2 3.92 09/25/2028		1,960.00	1,960.00
01/26/2026	Coupon	3137FLMV3	1,000,000.00	FHMS K-090 A2 3.422 02/25/2029		2,851.67	2,851.67
01/26/2026	Coupon	3137H5YC5	1,500,000.00	FHMS K-748 A2 2.26 01/25/2029		2,825.00	2,825.00
January 2026 Total					679,265.70	122,002.19	801,267.89

CASH FLOW REPORT



City of Brea | Account #120 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
Grand Total			370,436,179.06		12,501,123.72	2,711,632.08	15,212,755.80



IMPORTANT DISCLOSURES

City of Brea | Account #120 | As of February 28, 2025

Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a high rating by S&P, Moody's and Fitch respectively.

BENCHMARK INDEX & DISCLOSURES

City of Brea | Account #120 | As of February 28, 2025

Benchmark	Disclosure
ICE BofA 1-5 Yr US Treasury & Agency Index	The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.
ICE BofA 1-5 Year AAA-A US Corp & Govt Index	The ICE BofA US Issuers 1-5 Year AAA-A US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational, and corporate securities. Qualifying securities must be issued from US issuers and be rated AAA through A3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for US Treasuries and \$250 million for all other securities.



MONTHLY ACCOUNT STATEMENT

City of Brea Liquidity | Account #11150 | As of February 28, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

Custodian:

Bank of New York Mellon

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures at the end of the statement.

PORTFOLIO SUMMARY

City of Brea Liquidity | Account #11150 | As of February 28, 2025

Portfolio Characteristics

Average Modified Duration	0.00
Average Coupon	2.92%
Average Purchase YTM	2.93%
Average Market YTM	2.93%
Average Credit Quality*	AAA
Average Final Maturity	0.00
Average Life	0.00

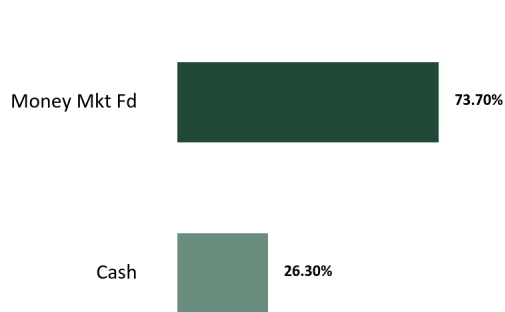
Account Summary

	End Values as of 01/31/2025	End Values as of 02/28/2025
Market Value	720,282.94	3,318.16
Accrued Interest	0.00	0.00
Total Market Value	720,282.94	3,318.16
Income Earned	2,528.36	2,445.36
Cont/WD	0.00	(717,837.83)
Par	720,282.94	3,318.16
Book Value	720,282.94	3,318.16
Cost Value	720,282.94	3,318.16

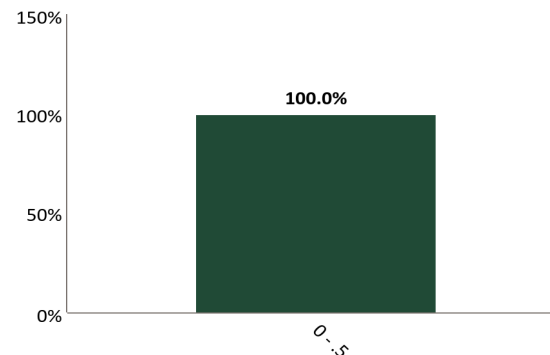
Top Issuers

FMR LLC	73.70%
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Sector Allocation



Maturity Distribution



Credit Quality (S&P)



*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

Execution Time: 03/04/2025 03:14:37 PM

Chandler Asset Management | info@chandlerasset.com | www.chandlerasset.com | 800.317.4747

RECONCILIATION SUMMARY

City of Brea Liquidity | Account #11150 | As of February 28, 2025

Maturities / Calls

Month to Date	0.00
Fiscal Year to Date	(9,000,000.00)

Principal Paydowns

Month to Date	0.00
Fiscal Year to Date	0.00

Purchases

Month to Date	2,445.36
Fiscal Year to Date	17,004,108.33

Sales

Month to Date	(717,837.83)
Fiscal Year to Date	(19,181,165.75)

Interest Received

Month to Date	2,445.36
Fiscal Year to Date	40,780.41

Purchased / Sold Interest

Month to Date	0.00
Fiscal Year to Date	0.00

Accrual Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Book Value	720,282.94	11,097,278.26
Maturities/Calls	0.00	(9,000,000.00)
Principal Paydowns	0.00	0.00
Purchases	2,445.36	17,004,108.33
Sales	(717,837.83)	(19,181,165.75)
Change in Cash, Payables, Receivables	(1,572.31)	(9,331.17)
Amortization/Accretion	0.00	92,617.85
Realized Gain (Loss)	0.00	(189.36)
Ending Book Value	3,318.16	3,318.16

Fair Market Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Market Value	720,282.94	11,097,606.43
Maturities/Calls	0.00	(9,000,000.00)
Principal Paydowns	0.00	0.00
Purchases	2,445.36	17,004,108.33
Sales	(717,837.83)	(19,181,165.75)
Change in Cash, Payables, Receivables	(1,572.31)	(9,331.17)
Amortization/Accretion	0.00	92,617.85
Change in Net Unrealized Gain (Loss)	0.00	(328.17)
Realized Gain (Loss)	0.00	(189.36)
Ending Market Value	3,318.16	3,318.16

HOLDINGS REPORT



City of Brea Liquidity | Account #11150 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	872.80	-- 0.00%	872.80 872.80	1.00 0.00%	872.80 0.00	26.30% 0.00	AAA/AAA AAA	0.00 0.00
Total Cash		872.80	0.00%	872.80 872.80	1.00 0.00%	872.80 0.00	26.30% 0.00		0.00 0.00
MONEY MARKET FUND									
316175884	FIDELITY IMM:TRS III	2,445.36	-- 3.97%	2,445.36 2,445.36	1.00 3.97%	2,445.36 0.00	73.70% 0.00	AAA/AAA NA	0.00 0.00
Total Money Market Fund		2,445.36	3.97%	2,445.36 2,445.36	1.00 3.97%	2,445.36 0.00	73.70% 0.00		0.00 0.00
Total Portfolio		3,318.16	2.93%	3,318.16 3,318.16	1.00 2.93%	3,318.16 0.00	100.00% 0.00		0.00 0.00
Total Market Value + Accrued						3,318.16			

TRANSACTION LEDGER



City of Brea Liquidity | Account #11150 | As of February 28, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	02/04/2025	316175884	2,445.36	FIDELITY IMM:TRS III	1.000	4.02%	(2,445.36)	0.00	(2,445.36)	0.00
Total Purchase			2,445.36				(2,445.36)	0.00	(2,445.36)	0.00
TOTAL ACQUISITIONS			2,445.36				(2,445.36)	0.00	(2,445.36)	0.00
DISPOSITIONS										
Sale	02/12/2025	316175884	(717,837.83)	FIDELITY IMM:TRS III	1.000	4.00%	717,837.83	0.00	717,837.83	0.00
Total Sale			(717,837.83)				717,837.83	0.00	717,837.83	0.00
TOTAL DISPOSITIONS			(717,837.83)				717,837.83	0.00	717,837.83	0.00
OTHER TRANSACTIONS										
Cash Transfer	02/12/2025	CCYUSD	(717,837.83)	Cash		0.00%	(717,837.83)	0.00	(717,837.83)	0.00
Total Cash Transfer			(717,837.83)				(717,837.83)	0.00	(717,837.83)	0.00
TOTAL OTHER TRANSACTIONS			(717,837.83)				(717,837.83)	0.00	(717,837.83)	0.00

INCOME EARNED

City of Brea Liquidity | Account #11150 | As of February 28, 2025

Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENTS						
316175884	FIDELITY IMM:TRS III	2,445.36	717,837.83	0.00	0.00	2,445.36
			2,445.36	2,445.36	0.00	
			(717,837.83)	0.00	0.00	
			2,445.36	2,445.36	2,445.36	
CCYUSD	Receivable	872.80	2,445.11	0.00	0.00	0.00
			0.00	0.00	0.00	
			0.00	0.00	0.00	
			872.80	0.00	0.00	
			720,282.94	0.00	0.00	
			2,445.36	2,445.36	0.00	
			(717,837.83)	0.00	0.00	
Total Cash & Equivalents		3,318.16	3,318.16	2,445.36	2,445.36	2,445.36
			720,282.94	0.00	0.00	
			2,445.36	2,445.36	0.00	
			(717,837.83)	0.00	0.00	
TOTAL PORTFOLIO		3,318.16	3,318.16	2,445.36	2,445.36	2,445.36

CASH FLOW REPORT



City of Brea Liquidity | Account #11150 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
MARCH 2025							
03/03/2025	Dividend	316175884	0.00		872.80		872.80
March 2025 Total					872.80		872.80
Grand Total			0.00		872.80		872.80



IMPORTANT DISCLOSURES

City of Brea Liquidity | Account #11150 | As of February 28, 2025

Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a high rating by S&P, Moody's and Fitch respectively.

BENCHMARK INDEX & DISCLOSURES



City of Brea Liquidity | Account #11150 | As of February 28, 2025

Benchmark	Disclosure
ICE BofA 3-Month US Treasury Bill Index	The ICE BofA US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date.

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Account Number: 6746050800
PARS/CITY OF BREA 115 POST
EMPLOYMENT BENEFIT TRUST PENSION

This statement is for the period from February 1, 2025 to February 28, 2025

Questions?

If you have any questions regarding your account or this statement, please contact your Account Manager.

Account Manager:
RODION BUTYRSKI
18300 VON KARMAN
SUITE 500
IRVINE CA 92612
Phone: 949-224-7211
E-mail: rodion.butyrski@usbank.com



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CITY OF BREA
ATTN.: CITY MANAGER
1 CIVIC CENTER CIRCLE
BREA, CA 92821-5792

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MARKET AND COST RECONCILIATION

	02/28/2025 MARKET	02/28/2025 BOOK VALUE
Beginning Market And Cost	12,471,847.48	11,982,409.27
Investment Activity		
Interest	20,337.84	20,337.84
Dividends	1,003.76	1,003.76
Realized Gain/Loss	- 3,768.79	- 3,768.79
Change In Unrealized Gain/Loss	49,955.06	.00
Assets Received Or Delivered Adjustment	62.92	.00
Total Adj Change In Unrealized Gain/Loss	50,017.98	.00
Net Accrued Income (Current-Prior)	- 3,786.60	- 3,786.60
Total Investment Activity	63,804.19	13,786.21
Plan Expenses		
Administrative Expenses*	- 1,760.05	- 1,760.05
Trust Fees	- 1,976.37	- 1,976.37
Total Plan Expenses	- 3,736.42	- 3,736.42
Other Activity		
Free Deliveries	- 1,216.94	- 1,154.02
Other Non-Cash Transactions	1,154.02	1,154.02
Total Other Activity	- 62.92	.00
Net Change In Market And Cost	60,004.85	10,049.79
Ending Market And Cost	12,531,852.33	11,992,459.06

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MARKET AND COST RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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CASH RECONCILIATION

Beginning Cash	43,840.10
Investment Activity	
Interest	20,337.84
Dividends	1,003.76
Cash Equivalent Purchases	- 218,573.65
U S Government Issues Purchases	- 658,523.46
Corporate Issues Purchases	- 155,730.60
Foreign Issues Purchases	- 19,917.60
Cash Equivalent Sales	119,049.68
U S Government Issues Sales	788,724.70
Corporate Issues Sales	82,672.79
Total Investment Activity	- 40,956.54
Plan Expenses	
Administrative Expenses*	- 1,760.05
Trust Fees	- 1,976.37
Total Plan Expenses	- 3,736.42
Net Change In Cash	- 44,692.96
Ending Cash	- 852.86

CASH RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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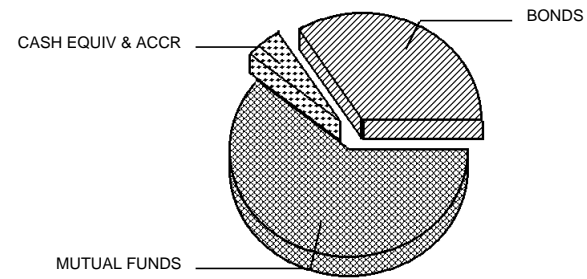


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ASSET SUMMARY

ASSETS	02/28/2025 MARKET	02/28/2025 BOOK VALUE	% OF MARKET
Cash And Equivalents	420,675.83	420,675.83	3.36
U.S. Government Issues	2,556,575.63	2,487,642.24	20.40
Corporate Issues	1,651,580.65	1,611,332.84	13.18
Foreign Issues	157,068.70	154,517.35	1.25
Mutual Funds-Equity	7,437,995.69	7,013,503.54	59.35
Mutual Funds-Fixed Income	276,595.20	273,426.63	2.21
Total Assets	12,500,491.70	11,961,098.43	99.75
Accrued Income	31,360.63	31,360.63	0.25
Grand Total	12,531,852.33	11,992,459.06	100.00



Estimated Annual Income **337,428.57**

ASSET SUMMARY MESSAGES

Estimated Annual Income is an estimate provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.

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ASSET DETAIL

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Cash And Equivalents						
Money Markets						
First Am Govt Ob Fd Cl X 31846V336 Asset Minor Code 1	421,528.690	421,528.69 1.0000	421,528.69	.00 .00	1,272.02	4.27
Total Money Markets	421,528.690	421,528.69	421,528.69	.00 .00	1,272.02	4.26
Cash						
Pending Cash		- 852.86	- 852.86			
Total Cash	.000	- 852.86	- 852.86	.00 .00	.00	0.00
Total Cash And Equivalents	421,528.690	420,675.83	420,675.83	.00 .00	1,272.02	4.27
US Government Issues						
F H L M C #Sd8237 4.000% 7/01/52 Standard & Poors Rating: N/A Moodys Rating: N/A 3132DWEJ8 Asset Minor Code 24	390,494.430	366,721.13 93.9120	347,112.93	19,608.20 9,061.09	1,301.65	4.26
F H L M C #Sd8244 4.000% 9/01/52 Standard & Poors Rating: N/A Moodys Rating: N/A 3132DWERO Asset Minor Code 24	69,703.390	65,463.33 93.9170	65,379.59	83.74 1,628.74	232.34	4.26

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ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
F H L M C #Sd8288 5.000% 12/01/52 Standard & Poors Rating: N/A Moody's Rating: N/A 3132DWF57 Asset Minor Code 24	346,330.370	341,045.37 98.4740	327,390.44	13,654.93 6,423.66	1,443.04	5.08
F H L M C Mltcl Mtg 5.180% 3/25/29 Standard & Poors Rating: N/A Moody's Rating: N/A 3137HCKV3 Asset Minor Code 30	60,000.000	61,712.40 102.8540	61,257.42	454.98 625.20	259.00	5.04
FNMA Cb8133 5.000% 3/01/54 Standard & Poors Rating: N/A Moody's Rating: N/A 3140QUBB1 Asset Minor Code 24	74,962.770	73,868.31 98.5400	72,526.48	1,341.83 1,375.00	.00	5.07
F N M A #Ma4838 3.500% 11/01/52 Standard & Poors Rating: N/A Moody's Rating: N/A 31418ELU2 Asset Minor Code 24	180,037.400	163,553.18 90.8440	154,269.56	9,283.62 2,700.23	525.11	3.85
F N M A #Ma4867 4.500% 12/01/52 Standard & Poors Rating: N/A Moody's Rating: N/A 31418EMR8 Asset Minor Code 24	269,849.560	260,577.53 96.5640	247,713.47	12,864.06 6,143.94	1,011.93	4.66
U S Treas Bd Strip 5/15/54 912803HB2 Asset Minor Code 23	105,000.000	29,259.30 .2787	32,817.75	- 3,558.45 2,535.75	.00	0.00
U S Treasury Bd 3.875% 5/15/43 Standard & Poors Rating: N/A Moody's Rating: Aaa 912810TS7 Asset Minor Code 21	15,000.000	13,805.85 92.0390	13,760.74	45.11 559.50	170.20	4.21

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ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
U S Treasury Bd 4.250% 8/15/54 Standard & Poors Rating: N/A Moody's Rating: Aaa 912810UC0 Asset Minor Code 21	41,000.000	39,398.54 96.0940	37,761.07	1,637.47 2,203.65	67.39	4.42
U S Treasury Bd 4.250% 8/15/44 Standard & Poors Rating: N/A Moody's Rating: Aaa 912810UD8 Asset Minor Code 21	92,000.000	87,011.76 94.5780	87,563.43	- 551.67 3,550.28	151.22	4.49
U S Treasury Nt 4.500% 11/15/54 Standard & Poors Rating: N/A Moody's Rating: Aaa 912810UE6 Asset Minor Code 21	11,000.000	11,029.26 100.2660	10,694.06	335.20 335.20	144.94	4.49
U S Treasury Nt 4.125% 10/31/29 Standard & Poors Rating: N/A Moody's Rating: Aaa 91282CLR0 Asset Minor Code 21	.000	.00 100.4690	.00	.00 370.31	.00	0.00
U S Treasury Nt 4.125% 10/31/31 Standard & Poors Rating: N/A Moody's Rating: Aaa 91282CLU3 Asset Minor Code 21	.000	.00 100.1560	.00	.00 7,318.94	.00	0.00
U S Treasury Nt 4.250% 11/15/34 Standard & Poors Rating: N/A Moody's Rating: Aaa 91282CLW9 Asset Minor Code 21	488,000.000	489,908.08 100.3910	482,077.31	7,830.77 13,684.47	6,073.04	4.23
U S Treasury Nt 4.250% 11/30/26 Standard & Poors Rating: N/A Moody's Rating: Aaa 91282CLY5 Asset Minor Code 21	.000	.00 100.3830	.00	.00 - 30.08	.00	0.00

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ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
U S Treasury Nt 4.500% 12/31/31 Standard & Poors Rating: N/A Moody's Rating: Aaa 91282CMC2 Asset Minor Code 21	.000	.00 102.3750	.00	.00 - 235.07	.00	0.00
U S Treasury Nt 4.250% 1/31/30 Standard & Poors Rating: N/A Moody's Rating: Aaa 91282CMG3 Asset Minor Code 21	16,000.000	16,167.52 101.0470	15,970.81	196.71 196.71	54.48	4.21
U S Treasury Nt 4.500% 1/31/32 Standard & Poors Rating: N/A Moody's Rating: N/A 91282CMK4 Asset Minor Code 21	465,000.000	472,630.65 101.6410	464,091.79	8,538.86 8,538.86	1,676.31	4.43
U S Treasury Nt 4.625% 2/15/35 Standard & Poors Rating: N/A Moody's Rating: Aaa 91282CMM0 Asset Minor Code 21	14,000.000	14,483.42 103.4530	14,360.39	123.03 123.03	25.04	4.47
U S Treas Bd Strip 8/15/44 Standard & Poors Rating: N/A Moody's Rating: N/A 912834NV6 Asset Minor Code 23	125,000.000	49,940.00 .3995	52,895.00	- 2,955.00 3,060.00	.00	0.00
Total US Government Issues	2,763,377.920	2,556,575.63	2,487,642.24	68,933.39 70,169.41	13,135.69	4.33
Corporate Issues						
At T Inc 2.550% 12/01/33 Standard & Poors Rating: BBB Moody's Rating: Baa2 00206RMM1 Asset Minor Code 28	30,000.000	24,696.30 82.3210	24,046.20	650.10 479.70	191.25	3.10

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ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Abbvie Inc 4.250% 11/21/49 Standard & Poors Rating: A- Moody's Rating: A3 00287YCB3 Asset Minor Code 28	.000	.00 85.0000	.00	.00 34.80	.00	0.00
Accenture Capital 4.250% 10/04/31 Standard & Poors Rating: AA- Moody's Rating: Aa3 00440KAC7 Asset Minor Code 28	.000	.00 97.8580	.00	.00 433.42	.00	0.00
American Express Co 6.338% 10/30/26 Standard & Poors Rating: A- Moody's Rating: A2 025816DL0 Asset Minor Code 28	30,000.000	30,339.90 101.1330	30,522.30	- 182.40 - 3.30	639.08	6.27
American Express Co 5.085% 1/30/31 Standard & Poors Rating: A- Moody's Rating: A2 025816DY2 Asset Minor Code 28	10,000.000	10,124.50 101.2450	10,000.00	124.50 89.20	43.79	5.02
American Wtr Cap 5.250% 3/01/35 Standard & Poors Rating: A Moody's Rating: Baa1 03040WBF1 Asset Minor Code 28	20,000.000	20,217.40 101.0870	19,923.00	294.40 294.40	11.67	5.19
Applovin Corp Sr 5.125% 12/01/29 Standard & Poors Rating: BBB- Moody's Rating: Ba1 03831WAB4 Asset Minor Code 28	11,000.000	11,103.40 100.9400	10,995.82	107.58 120.58	244.86	5.08
Arizona Pub 5.700% 8/15/34 Standard & Poors Rating: BBB+ Moody's Rating: Baa1 040555DH4 Asset Minor Code 28	10,000.000	10,262.30 102.6230	9,972.60	289.70 168.50	25.33	5.55

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Gallagher Arthur 5.150% 2/15/35 Standard & Poors Rating: BBB Moody's Rating: Baa2 04316JAN9 Asset Minor Code 28	22,000.000	21,896.82 99.5310	21,917.94	- 21.12 487.08	226.60	5.17
Associated Banc Corp 6.455% 8/29/30 Standard & Poors Rating: BBB- Moody's Rating: Baa3 045487AD7 Asset Minor Code 28	15,000.000	15,435.90 102.9060	15,098.16	337.74 176.10	8.07	6.27
Bmw Veh Owner Tr 3.440% 12/26/28 Standard & Poors Rating: AAA Moody's Rating: Aaa 05602RAE1 Asset Minor Code 31	100,000.000	99,210.00 99.2100	95,808.59	3,401.41 184.00	57.33	3.47
Baker Hughes LLC Co 3.337% 12/15/27 Standard & Poors Rating: A- Moody's Rating: A3 05723KAE0 Asset Minor Code 28	25,000.000	24,346.50 97.3860	23,939.00	407.50 192.50	176.12	3.43
Bank Of America Mtn 3.194% 7/23/30 Standard & Poors Rating: A- Moody's Rating: A1 06051GHV4 Asset Minor Code 28	20,000.000	18,721.80 93.6090	22,159.40	- 3,437.60 192.00	67.43	3.41
Black Hills Corp 6.000% 1/15/35 Standard & Poors Rating: BBB+ Moody's Rating: Baa2 092113AX7 Asset Minor Code 28	15,000.000	15,677.25 104.5150	14,968.05	709.20 243.30	90.00	5.74
Cigna Corp 4.375% 10/15/28 Standard & Poors Rating: A- Moody's Rating: Baa1 125523AH3 Asset Minor Code 28	20,000.000	19,844.60 99.2230	19,774.40	70.20 190.60	330.56	4.41

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Citigroup Inc Sub 6.174% 5/25/34 Standard & Poors Rating: BBB Moody's Rating: Baa2 17327CAR4 Asset Minor Code 28	20,000.000	20,625.00 103.1250	19,087.20	1,537.80 242.00	329.28	5.99
Citizens Financial 6.645% 4/25/35 Standard & Poors Rating: BBB+ Moody's Rating: Baa1 174610BG9 Asset Minor Code 28	10,000.000	10,766.40 107.6640	10,008.87	757.53 179.70	232.58	6.17
Commonwealth Edison 5.875% 2/01/33 Standard & Poors Rating: A Moody's Rating: A1 202795HG8 Asset Minor Code 28	20,000.000	20,974.20 104.8710	20,078.40	895.80 232.40	97.92	5.60
Daimler Trucks 5.770% 12/15/27 Standard & Poors Rating: N/A Moody's Rating: Aaa 233874AC0 Asset Minor Code 31	10,000.000	10,127.40 101.2740	9,999.11	128.29 5.60	25.64	5.70
Delta Air Lines 5.000% 12/10/29 Standard & Poors Rating: A- Moody's Rating: A1 247361ZW1 Asset Minor Code 31	27,889.100	25,990.13 93.1910	24,124.07	1,866.06 129.68	313.75	5.37
Duke Energy 5.550% 3/15/54 Standard & Poors Rating: A Moody's Rating: A2 26442EAL4 Asset Minor Code 28	20,000.000	19,766.00 98.8300	20,172.60	- 406.60 557.80	511.83	5.62
Electronic Arts Inc 2.950% 2/15/51 Standard & Poors Rating: BBB+ Moody's Rating: Baa1 285512AF6 Asset Minor Code 28	29,000.000	18,764.45 64.7050	17,405.51	1,358.94 841.00	38.02	4.56

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Energy Transfer 8.250% 11/15/29 Standard & Poors Rating: BBB Moody's Rating: Baa2 29273RBC2 Asset Minor Code 28	25,000.000	28,257.50 113.0300	27,795.00	462.50 147.75	607.29	7.30
Entergy La LLC 5.150% 9/15/34 Standard & Poors Rating: A Moody's Rating: A2 29364WBP2 Asset Minor Code 28	20,000.000	20,001.60 100.0080	19,923.80	77.80 371.40	577.94	5.15
Essential Utils Inc 3.351% 4/15/50 Standard & Poors Rating: BBB+ Moody's Rating: Baa2 29670GAE2 Asset Minor Code 28	14,000.000	9,570.68 68.3620	8,620.08	950.60 428.82	177.23	4.90
F G Annuities Life 6.500% 6/04/29 Standard & Poors Rating: BBB- Moody's Rating: N/A 30190AAF1 Asset Minor Code 28	25,000.000	25,745.00 102.9800	25,012.10	732.90 213.50	392.71	6.31
Extra Space Storage 5.700% 4/01/28 Standard & Poors Rating: BBB+ Moody's Rating: Baa2 30225VAJ6 Asset Minor Code 28	15,000.000	15,430.95 102.8730	15,428.55	2.40 114.45	356.25	5.54
Meta Platforms Inc 5.400% 8/15/54 Standard & Poors Rating: AA- Moody's Rating: Aa3 30303M8V7 Asset Minor Code 28	15,000.000	14,947.65 99.6510	14,940.15	7.50 394.50	36.00	5.42
First Natl Mstr 8.24026% 4/16/29 Standard & Poors Rating: N/A Moody's Rating: Aaa 32113CBV1 Asset Minor Code 31	40,000.000	40,338.80 100.8470	39,920.31	418.49 103.60	146.49	8.17

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
First Natl Master 4.850% 2/15/30 Standard & Poors Rating: N/A Moody's Rating: Aaa 32113CCE8 Asset Minor Code 31	30,000.000	30,304.80 101.0160	29,995.75	309.05 309.05	48.50	4.80
Florida Pwr Lt Co 5.150% 6/15/29 Standard & Poors Rating: A+ Moody's Rating: Aa2 341081GT8 Asset Minor Code 28	15,000.000	15,374.70 102.4980	14,974.65	400.05 158.85	163.08	5.02
Flowers Foods Inc 6.200% 3/15/55 Standard & Poors Rating: BBB Moody's Rating: Baa3 343498AE1 Asset Minor Code 28	20,000.000	20,586.40 102.9320	19,866.00	720.40 720.40	58.56	6.02
Ford Cr Auto Owner 5.980% 6/15/28 Standard & Poors Rating: N/A Moody's Rating: Aaa 345295AF6 Asset Minor Code 31	45,000.000	45,880.65 101.9570	45,149.41	731.24 70.65	119.60	5.87
Ford Cr Aut Own Tr 0.490% 9/15/26 Standard & Poors Rating: AAA Moody's Rating: Aaa 34532NAD7 Asset Minor Code 31	25,627.030	25,583.98 99.8320	24,199.52	1,384.46 - 249.92	5.58	0.49
Gatx Corp 5.500% 6/15/35 Standard & Poors Rating: BBB Moody's Rating: Baa2 361448BS1 Asset Minor Code 28	15,000.000	15,170.25 101.1350	14,943.75	226.50 226.50	57.29	5.44
Gm Fin Atmbl Lease 5.160% 1/20/27 Standard & Poors Rating: AAA Moody's Rating: N/A 362541AE4 Asset Minor Code 31	30,000.000	30,057.90 100.1930	29,630.86	427.04 1.20	47.30	5.15

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
General Mtn 5.875% 1/14/38 Standard & Poors Rating: BBB+ Moody's Rating: A3 36962G3P7 Asset Minor Code 28	20,000.000	21,378.80 106.8940	21,043.90	334.90 334.90	153.40	5.50
General Mtns Finl Co 5.050% 4/04/28 Standard & Poors Rating: BBB Moody's Rating: Baa2 37045XFE1 Asset Minor Code 28	20,000.000	20,056.74 100.2837	19,996.00	60.74 60.74	.00	5.04
Goldman Sachs 1.948% 10/21/27 Standard & Poors Rating: BBB+ Moody's Rating: A2 38141GYM0 Asset Minor Code 28	47,000.000	45,021.77 95.7910	42,843.79	2,177.98 262.73	330.62	2.03
Hewlett Packard 5.000% 10/15/34 Standard & Poors Rating: BBB Moody's Rating: Baa2 42824CBV0 Asset Minor Code 28	.000	.00 98.4140	.00	.00 232.25	.00	0.00
Hubbell Inc 3.350% 3/01/26 Standard & Poors Rating: BBB+ Moody's Rating: Baa1 443510AG7 Asset Minor Code 28	10,000.000	9,865.80 98.6580	9,819.60	46.20 7.20	167.50	3.40
Huntington 5.272% 1/15/31 Standard & Poors Rating: BBB+ Moody's Rating: Baa1 446150BE3 Asset Minor Code 28	20,000.000	20,262.60 101.3130	20,000.00	262.60 221.40	134.73	5.20
Jpmorgan Chase Co 5.766% 4/22/35 Standard & Poors Rating: A Moody's Rating: A1 46647PEH5 Asset Minor Code 28	30,000.000	31,347.00 104.4900	31,778.40	- 431.40 576.60	619.85	5.52

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Mattel Inc 5.450% 11/01/41 Standard & Poors Rating: BBB Moody's Rating: Baa3 577081AW2 Asset Minor Code 28	16,000.000	14,931.04 93.3190	12,916.16	2,014.88 402.72	290.67	5.84
Morgan Stanley 6.407% 11/01/29 Standard & Poors Rating: A- Moody's Rating: A1 61747YFH3 Asset Minor Code 28	15,000.000	15,826.65 105.5110	15,506.40	320.25 113.40	80.09	6.07
Motorola Solutions 2.750% 5/24/31 Standard & Poors Rating: BBB Moody's Rating: Baa2 620076BU2 Asset Minor Code 28	12,000.000	10,605.96 88.3830	9,538.08	1,067.88 162.12	88.92	3.11
Occidental 6.200% 3/15/40 Standard & Poors Rating: Bb+ Moody's Rating: Baa3 674599DJ1 Asset Minor Code 28	20,000.000	20,278.00 101.3900	20,474.20	- 196.20 535.40	571.78	6.12
Ovintiv Inc 6.250% 7/15/33 Standard & Poors Rating: BBB- Moody's Rating: Baa3 69047QAC6 Asset Minor Code 28	18,000.000	18,776.16 104.3120	17,490.42	1,285.74 316.98	143.75	5.99
Pnc Finl Svcs Group 3.400% 12/15/69 Standard & Poors Rating: BBB- Moody's Rating: Baa2 693475BC8 Asset Minor Code 28	10,000.000	9,491.70 94.9170	8,893.20	598.50 - 3.50	71.78	3.58
Pacific Gas Elec 3.450% 7/01/25 Standard & Poors Rating: BBB Moody's Rating: Baa2 694308JL2 Asset Minor Code 28	20,000.000	19,886.40 99.4320	19,800.80	85.60 34.80	115.00	3.47

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Plains All Amer Pipe 4.300% 1/31/43 Standard & Poors Rating: BBB Moody's Rating: Baa2 72650RBC5 Asset Minor Code 28	28,000.000	23,004.80 82.1600	19,544.00	3,460.80 761.88	103.68	5.23
Realty Income Corp 5.375% 9/01/54 Standard & Poors Rating: A- Moody's Rating: A3 756109CQ5 Asset Minor Code 28	10,000.000	9,786.00 97.8600	9,883.30	- 97.30 306.40	276.22	5.49
Regions Financial 5.722% 6/06/30 Standard & Poors Rating: BBB+ Moody's Rating: Baa1 7591EPAU4 Asset Minor Code 28	20,000.000	20,524.60 102.6230	20,000.00	524.60 185.80	270.21	5.58
Reinsurance Group 5.750% 9/15/34 Standard & Poors Rating: A Moody's Rating: Baa1 759351AS8 Asset Minor Code 28	24,000.000	24,627.36 102.6140	23,925.88	701.48 446.40	636.33	5.60
Ssm Health Care Corp 4.894% 6/01/28 Standard & Poors Rating: A+ Moody's Rating: N/A 784710AC9 Asset Minor Code 28	18,000.000	18,152.82 100.8490	17,646.48	506.34 152.28	220.23	4.85
Simon Ppty Group 4.750% 9/26/34 Standard & Poors Rating: A- Moody's Rating: A3 828807DY0 Asset Minor Code 28	15,000.000	14,504.25 96.6950	14,896.35	- 392.10 301.05	306.77	4.91
Southern Calif 5.875% 12/01/53 Standard & Poors Rating: A- Moody's Rating: A2 842400HX4 Asset Minor Code 28	19,000.000	18,620.57 98.0030	17,553.91	1,066.66 786.03	279.06	5.99

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
State Str Corp Sr Nt 4.675% 10/22/32 Standard & Poors Rating: A Moody's Rating: Aa3 857477CR2 Asset Minor Code 28	25,000.000	24,689.75 98.7590	25,000.00	- 310.25 331.50	418.80	4.73
Suncor Energy Inc 5.950% 12/01/34 Standard & Poors Rating: N/R Moody's Rating: Baa1 867229AD8 Asset Minor Code 28	18,000.000	18,696.24 103.8680	17,308.80	1,387.44 416.70	267.75	5.73
Sysco Corp Sr 5.400% 3/23/35 Standard & Poors Rating: N/A Moody's Rating: Baa1 871829BV8 Asset Minor Code 28	15,000.000	15,242.10 101.6140	14,988.60	253.50 253.50	13.50	5.31
Toyota Mtr Mtn 5.350% 1/09/35 Standard & Poors Rating: A+ Moody's Rating: A1 89236TNB7 Asset Minor Code 28	.000	.00 102.2100	.00	.00 - 101.55	.00	0.00
Toyota Auto Rec 1.020% 3/15/27 Standard & Poors Rating: AAA Moody's Rating: N/A 89238JAD7 Asset Minor Code 31	50,000.000	48,974.00 97.9480	45,835.94	3,138.06 176.00	22.67	1.04
United Air 2019 1 4.150% 2/25/33 Standard & Poors Rating: N/A Moody's Rating: Aa3 90931CAA6 Asset Minor Code 31	26,303.350	25,317.76 96.2530	24,866.13	451.63 283.63	18.19	4.31
United Airlines 4.300% 2/15/27 Standard & Poors Rating: A Moody's Rating: N/A 909319AA3 Asset Minor Code 31	26,315.140	26,235.41 99.6970	25,024.12	1,211.29 - 8.85	50.29	4.31

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
United Air 2014 1 A 4.000% 4/11/26 Standard & Poors Rating: A+ Moody's Rating: N/A 90932PAA6 Asset Minor Code 31	24,089.850	23,837.63 98.9530	23,382.09	455.54 51.79	374.73	4.04
United Air 2014 2 3.750% 3/03/28 Standard & Poors Rating: A Moody's Rating: N/A 90932QAA4 Asset Minor Code 31	19,964.450	19,710.70 98.7290	19,340.57	370.13 120.98	370.17	3.80
Unitedhealth Group 2.750% 5/15/40 Standard & Poors Rating: A+ Moody's Rating: A2 91324PDY5 Asset Minor Code 28	25,000.000	18,176.00 72.7040	18,851.25	- 675.25 505.25	202.43	3.78
Valero Energy Corp 5.150% 2/15/30 Standard & Poors Rating: BBB Moody's Rating: Baa2 91913YBF6 Asset Minor Code 28	15,000.000	15,132.15 100.8810	14,973.60	158.55 158.55	51.50	5.11
Vulcan Matls Co 4.950% 12/01/29 Standard & Poors Rating: BBB+ Moody's Rating: Baa2 929160BB4 Asset Minor Code 28	.000	.00 100.8070	.00	.00 - 14.50	138.88	0.00
Vulcan Matls Co 5.700% 12/01/54 Standard & Poors Rating: BBB+ Moody's Rating: Baa2 929160BD0 Asset Minor Code 28	15,000.000	15,103.20 100.6880	14,936.20	167.00 451.50	239.88	5.66
Wells Fargo Co Mtn 5.198% 1/23/30 Standard & Poors Rating: BBB+ Moody's Rating: A1 95000U3J0 Asset Minor Code 28	15,000.000	15,212.40 101.4160	15,000.00	212.40 123.00	82.30	5.13

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Westar Energy Inc 3.100% 4/01/27 Standard & Poors Rating: A Moody's Rating: A2 95709TAP5 Asset Minor Code 28	24,000.000	23,395.20 97.4800	22,472.51	922.69 124.80	310.00	3.18
Weyerhaeuser Co 7.375% 3/15/32 Standard & Poors Rating: BBB Moody's Rating: Baa2 962166BR4 Asset Minor Code 28	16,000.000	18,098.88 113.1180	17,236.48	862.40 201.28	544.11	6.52
World Financial 4.620% 5/15/31 Standard & Poors Rating: AAA Moody's Rating: N/A 981464HU7 Asset Minor Code 31	50,000.000	50,206.50 100.4130	49,751.95	454.55 291.50	102.67	4.60
World Omni Auto Rec 4.990% 3/15/30 Standard & Poors Rating: AAA Moody's Rating: N/A 98164YAD3 Asset Minor Code 31	20,000.000	20,198.60 100.9930	19,998.52	200.08 129.20	36.04	4.94
World Omni Aut Lea 5.570% 7/17/28 Standard & Poors Rating: N/A Moody's Rating: Aaa 981944AE1 Asset Minor Code 31	100,000.000	100,264.00 100.2640	98,414.06	1,849.94 31.00	247.56	5.56
Total Corporate Issues	1,676,188.920	1,651,580.65	1,611,332.84	40,247.81 18,204.67	14,806.99	4.85
Foreign Issues						
Bhp Billiton Fin 5.125% 2/21/32 Standard & Poors Rating: N/A Moody's Rating: A1 055451BK3 Asset Minor Code 35	20,000.000	20,258.40 101.2920	19,917.60	340.80 340.80	28.47	5.06

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Bank Of Nova Scotia 4.900% 9/04/72 Standard & Poors Rating: BBB- Moody's Rating: Baa3 064159VJ2 Asset Minor Code 35	20,000.000	19,916.00 99.5800	19,733.90	182.10 - 21.60	236.83	4.92
Barclays Plc Sr Nt 5.690% 3/12/30 Standard & Poors Rating: BBB+ Moody's Rating: Baa1 06738ECR4 Asset Minor Code 35	20,000.000	20,500.80 102.5040	20,045.40	455.40 183.20	534.23	5.55
Canadian Imperial Bk 6.092% 10/03/33 Standard & Poors Rating: A- Moody's Rating: A2 13607LWW9 Asset Minor Code 35	20,000.000	21,338.40 106.6920	20,797.60	540.80 374.20	500.90	5.71
Diageo Cap Plc Sr Nt 2.125% 4/29/32 Standard & Poors Rating: A- Moody's Rating: A3 25243YBE8 Asset Minor Code 35	15,000.000	12,600.60 84.0040	12,207.75	392.85 284.40	108.02	2.53
Hsbc Hldgs Plc 2.804% 5/24/32 Standard & Poors Rating: A- Moody's Rating: A3 404280CT4 Asset Minor Code 35	20,000.000	17,455.80 87.2790	16,809.60	646.20 279.40	151.10	3.21
Royal Bk Cda Fr Mtn 4.965% 1/24/29 Standard & Poors Rating: A Moody's Rating: A1 78017DAA6 Asset Minor Code 35	25,000.000	25,238.50 100.9540	25,005.50	233.00 147.25	127.57	4.92
Santander Uk Group 4.858% 9/11/30 Standard & Poors Rating: BBB Moody's Rating: Baa1 80281LAU9 Asset Minor Code 35	20,000.000	19,760.20 98.8010	20,000.00	- 239.80 241.20	458.81	4.92

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Total Foreign Issues	160,000.000	157,068.70	154,517.35	2,551.35 1,828.85	2,145.93	4.74
Mutual Funds						
Mutual Funds-Equity						
Cohen & Steers Instl Realty Shares 19247U106 Asset Minor Code 98	12,610.121	636,054.50 50.4400	608,605.62	27,448.88 25,220.24	.00	2.82
Columbia Small Cap Growth Inst3 19765Y340 Asset Minor Code 98	1,836.462	52,394.26 28.5300	50,925.09	1,469.17 - 4,278.96	.00	0.00
Columbia Contrarian Core Fund 19766M709 Asset Minor Code 98	28,331.829	1,048,277.67 37.0000	861,364.28	186,913.39 - 20,115.60	.00	0.68
Fidelity International Index Fund 315911727 Asset Minor Code 98	10,205.838	524,273.90 51.3700	507,404.48	16,869.42 14,900.53	.00	3.03
Emerald Growth Institutional 317609253 Asset Minor Code 98	3,567.663	88,620.75 24.8400	81,785.47	6,835.28 - 7,135.32	.00	2.72
Goldman Sachs Ggg Ptnrs Intl Opps In 38147N293 Asset Minor Code 98	7,655.191	159,304.52 20.8100	176,597.85	- 17,293.33 3,597.94	.00	2.15
Hartford Schroders Emerging Markets 41665X859 Asset Minor Code 98	13,457.825	225,553.15 16.7600	206,408.37	19,144.78 - 2,556.98	.00	1.32
Lazard CI List Infrastr Inst 52106N459 Asset Minor Code 98	10,854.918	177,803.56 16.3800	180,215.84	- 2,412.28 4,341.97	.00	3.17

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DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Mfs International Growth R6 552746356 Asset Minor Code 98	3,986.457	176,241.26 44.2100	132,509.21	43,732.05 3,029.70	.00	1.59
Nyli Cbre Global Infrastructure Fd I 56064L298 Asset Minor Code 98	12,849.197	175,648.52 13.6700	167,212.10	8,436.42 5,910.63	.00	2.00
Putnam Core Equity Fund Y 74676P839 Asset Minor Code 98	11,189.761	488,097.37 43.6200	486,693.05	1,404.32 - 9,287.51	.00	0.72
Schwab U S Large Cap Etf 808524201 Asset Minor Code 94	150,420.000	3,536,374.20 23.5100	3,432,266.28	104,107.92 - 54,151.20	.00	1.20
Undiscovered Mgrs Behavioral Value 904504479 Asset Minor Code 98	1,780.544	149,352.03 83.8800	121,515.90	27,836.13 - 5,216.99	.00	1.98
Total Mutual Funds-Equity	268,745.806	7,437,995.69	7,013,503.54	424,492.15 - 45,741.55	.00	1.48
Mutual Funds-Fixed Income						
Ishares Mbs Etf 464288588 Asset Minor Code 95	2,940.000	276,595.20 94.0800	273,426.63	3,168.57 5,556.60	.00	3.91
Total Mutual Funds-Fixed Income	2,940.000	276,595.20	273,426.63	3,168.57 5,556.60	.00	3.91
Total Mutual Funds	271,685.806	7,714,590.89	7,286,930.17	427,660.72 - 40,184.95	.00	1.57
Total Assets	5,292,781.336	12,500,491.70	11,961,098.43	539,393.27 50,017.98	31,360.63	2.70

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ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Accrued Income	.000	31,360.63	31,360.63			
Grand Total	5,292,781.336	12,531,852.33	11,992,459.06			

ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your account manager or relationship manager.

Yield on Market and Accrued Income are estimates provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.

The asset categories used in this statement may be general in nature. For example, assets listed under the "Mutual Funds" category may include open-end investment companies registered under the Investment Company Act of 1940 (which are commonly known as "mutual funds") but may also include closed-end investment companies, unit investment trusts, common trust funds, collective trust funds or other investments that are registered with (or not subject to registration with) the Securities and Exchange Commission.

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INCOME ACCRUAL DETAIL

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
Cash And Equivalents								
421,528.690	First Am Govt Ob Fd CI X 31846V336		03/03/25	0.04	1,388.22	1,272.02	1,388.22	1,272.02
Total Cash And Equivalents					1,388.22	1,272.02	1,388.22	1,272.02
US Government Issues								
390,494.430	F H L M C #Sd8237 3132DWEJ8	4.000%	7/01/52		1,308.23	1,301.65	1,308.23	1,301.65
69,703.390	F H L M C #Sd8244 3132DWERO	4.000%	9/01/52		233.68	232.34	233.68	232.34
346,330.370	F H L M C #Sd8288 3132DWF57	5.000%	12/01/52		1,450.84	1,443.04	1,450.84	1,443.04
60,000.000	F H L M C Mltcl Mtg 3137HCKV3	5.180%	3/25/29		259.00	259.00	259.00	259.00
74,962.770	FNMA Cb8133 3140QUBB1	5.000%	3/01/54		.00	314.08	314.08	.00
180,037.400	F N M A #Ma4838 31418ELU2	3.500%	11/01/52		1,188.66	599.50	1,263.05	525.11
269,849.560	F N M A #Ma4867 31418EMR8	4.500%	12/01/52		1,016.91	1,011.94	1,016.92	1,011.93
15,000.000	U S Treasury Bd 912810TS7	3.875%	5/15/43		125.24	44.96	.00	170.20
41,000.000	U S Treasury Bd 912810UC0	4.250%	8/15/54		1,197.62	159.09	1,289.32	67.39
92,000.000	U S Treasury Bd 912810UD8	4.250%	8/15/44		1,806.25	242.47	1,897.50	151.22
11,000.000	U S Treasury Nt 912810UE6	4.500%	11/15/54		.00	6.83	- 138.11	144.94

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INCOME ACCRUAL DETAIL (continued)

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
.000	U S Treasury Nt 91282CLR0	4.125%	10/31/29		572.26	51.28	623.54	.00
.000	U S Treasury Nt 91282CLU3	4.125%	10/31/31		4,829.49	276.05	5,105.54	.00
488,000.000	U S Treasury Nt 91282CLW9	4.250%	11/15/34		2,985.33	1,590.12	- 1,497.59	6,073.04
.000	U S Treasury Nt 91282CLY5	4.250%	11/30/26		360.43	54.07	414.50	.00
.000	U S Treasury Nt 91282CMC2	4.500%	12/31/31		278.45	87.02	365.47	.00
.000	U S Treasury Nt 91282CME8	4.250%	12/31/26		37.57	2.35	39.92	.00
16,000.000	U S Treasury Nt 91282CMG3	4.250%	1/31/30		.00	48.73	- 5.75	54.48
465,000.000	U S Treasury Nt 91282CMK4	4.500%	1/31/32		.00	1,077.47	- 598.84	1,676.31
14,000.000	U S Treasury Nt 91282CMM0	4.625%	2/15/35		.00	5.36	- 19.68	25.04
Total US Government Issues					17,649.96	8,807.35	13,321.62	13,135.69
Corporate Issues								
30,000.000	At T Inc 00206RMM1	2.550%	12/01/33		127.50	63.75	.00	191.25
.000	Abbvie Inc 00287YCB3	4.250%	11/21/49		123.96	40.73	164.69	.00
.000	Accenture Capital 00440KAC7	4.250%	10/04/31		179.56	35.30	214.86	.00
30,000.000	American Express Co 025816DL0	6.338%	10/30/26		480.63	158.45	.00	639.08

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INCOME ACCRUAL DETAIL (continued)

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
10,000.000	American Express Co 025816DY2	5.085%	1/30/31		1.41	42.38	.00	43.79
20,000.000	American Wtr Cap 03040WBF1	5.250%	3/01/35		.00	11.67	.00	11.67
11,000.000	Applovin Corp Sr 03831WAB4	5.125%	12/01/29		159.44	85.42	.00	244.86
10,000.000	Arizona Pub 040555DH4	5.700%	8/15/34		262.83	47.50	285.00	25.33
22,000.000	Gallagher Arthur 04316JAN9	5.150%	2/15/35		132.18	94.42	.00	226.60
15,000.000	Associated Banc Corp 045487AD7	6.455%	8/29/30		408.83	80.68	481.44	8.07
100,000.000	Bmw Veh Owner Tr 05602RAE1	3.440%	12/26/28		57.33	286.67	286.67	57.33
25,000.000	Baker Hughes LLC Co 05723KAE0	3.337%	12/15/27		106.60	69.52	.00	176.12
20,000.000	Bank Of America Mtn 06051GHV4	3.194%	7/23/30		14.20	53.23	.00	67.43
15,000.000	Black Hills Corp 092113AX7	6.000%	1/15/35		15.00	75.00	.00	90.00
20,000.000	Cigna Corp 125523AH3	4.375%	10/15/28		257.64	72.92	.00	330.56
20,000.000	Citigroup Inc Sub 17327CAR4	6.174%	5/25/34		226.38	102.90	.00	329.28
10,000.000	Citizens Financial 174610BG9	6.645%	4/25/35		177.20	55.38	.00	232.58
20,000.000	Commonwealth Edison 202795HG8	5.875%	2/01/33		587.50	97.92	587.50	97.92

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INCOME ACCRUAL DETAIL (continued)

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
10,000.000	Daimler Trucks 233874AC0	5.770%	12/15/27		25.64	45.75	45.75	25.64
27,889.100	Delta Air Lines 247361ZW1	5.000%	12/10/29		197.55	116.20	.00	313.75
20,000.000	Duke Energy 26442EAL4	5.550%	3/15/54		419.33	92.50	.00	511.83
29,000.000	Electronic Arts Inc 285512AF6	2.950%	2/15/51		394.48	71.29	427.75	38.02
25,000.000	Energy Transfer 29273RBC2	8.250%	11/15/29		435.42	171.87	.00	607.29
20,000.000	Entergy La LLC 29364WBP2	5.150%	9/15/34		492.11	85.83	.00	577.94
14,000.000	Essential Utils Inc 29670GAE2	3.351%	4/15/50		138.14	39.09	.00	177.23
25,000.000	F G Annuities Life 30190AAF1	6.500%	6/04/29		257.29	135.42	.00	392.71
15,000.000	Extra Space Storage 30225VAJ6	5.700%	4/01/28		285.00	71.25	.00	356.25
15,000.000	Meta Platforms Inc 30303M8V7	5.400%	8/15/54		387.00	67.50	418.50	36.00
40,000.000	First Natl Mstr 32113CBV1	8.24026%	4/16/29		146.49	171.00	171.00	146.49
30,000.000	First Natl Master 32113CCE8	4.850%	2/15/30		.00	48.50	.00	48.50
15,000.000	Florida Pwr Lt Co 341081GT8	5.150%	6/15/29		98.71	64.37	.00	163.08
20,000.000	Flowers Foods Inc 343498AE1	6.200%	3/15/55		.00	58.56	.00	58.56

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SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
45,000.000	Ford Cr Auto Owner 5.980% 6/15/28 345295AF6				119.60	224.25	224.25	119.60
25,627.030	Ford Cr Aut Own Tr 0.490% 9/15/26 34532NAD7				6.94	11.66	13.02	5.58
15,000.000	Gatx Corp 5.500% 6/15/35 361448BS1				.00	57.29	.00	57.29
30,000.000	Gm Fin Atmbl Lease 5.160% 1/20/27 362541AE4				47.30	129.00	129.00	47.30
20,000.000	General Mtn 5.875% 1/14/38 36962G3P7				.00	82.41	- 70.99	153.40
47,000.000	Goldman Sachs 1.948% 10/21/27 38141GYM0				254.32	76.30	.00	330.62
.000	Hewlett Packard 5.000% 10/15/34 42824CBV0				260.42	27.08	287.50	.00
10,000.000	Hubbell Inc 3.350% 3/01/26 443510AG7				139.58	27.92	.00	167.50
20,000.000	Huntington 5.272% 1/15/31 446150BE3				46.86	87.87	.00	134.73
30,000.000	Jpmorgan Chase Co 5.766% 4/22/35 46647PEH5				475.70	144.15	.00	619.85
16,000.000	Mattel Inc 5.450% 11/01/41 577081AW2				218.00	72.67	.00	290.67
15,000.000	Morgan Stanley 6.407% 11/01/29 61747YFH3				480.52	- 400.43	.00	80.09
12,000.000	Motorola Solutions 2.750% 5/24/31 620076BU2				61.42	27.50	.00	88.92
20,000.000	Occidental 6.200% 3/15/40 674599DJ1				468.44	103.34	.00	571.78

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INCOME ACCRUAL DETAIL (continued)

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
18,000.000	Ovintiv Inc 69047QAC6	6.250%	7/15/33		50.00	93.75	.00	143.75
10,000.000	Pnc Finl Svcs Group 693475BC8	3.400%	12/15/69		43.44	28.34	.00	71.78
20,000.000	Pacific Gas Elec 694308JL2	3.450%	7/01/25		57.50	57.50	.00	115.00
28,000.000	Plains All Amer Pipe 72650RBC5	4.300%	1/31/43		3.34	100.34	.00	103.68
10,000.000	Realty Income Corp 756109CQ5	5.375%	9/01/54		231.42	44.80	.00	276.22
20,000.000	Regions Financial 7591EPAU4	5.722%	6/06/30		174.84	95.37	.00	270.21
24,000.000	Reinsurance Group 759351AS8	5.750%	9/15/34		521.33	115.00	.00	636.33
18,000.000	Ssm Health Care Corp 784710AC9	4.894%	6/01/28		146.82	73.41	.00	220.23
15,000.000	Simon Ppty Group 828807DY0	4.750%	9/26/34		247.40	59.37	.00	306.77
19,000.000	Southern Calif 842400HX4	5.875%	12/01/53		186.04	93.02	.00	279.06
25,000.000	State Str Corp Sr Nt 857477CR2	4.675%	10/22/32		321.41	97.39	.00	418.80
18,000.000	Suncor Energy Inc 867229AD8	5.950%	12/01/34		178.50	89.25	.00	267.75
15,000.000	Sysco Corp Sr 871829BV8	5.400%	3/23/35		.00	13.50	.00	13.50
.000	Toyota Mtr Mtn 89236TNB7	5.350%	1/09/35		49.04	55.73	104.77	.00

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INCOME ACCRUAL DETAIL (continued)

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
50,000.000	Toyota Auto Rec 89238JAD7	1.020%	3/15/27		22.67	42.50	42.50	22.67
26,303.350	United Air 2019 1 90931CAA6	4.150%	2/25/33		489.66	93.52	564.99	18.19
26,315.140	United Airlines 909319AA3	4.300%	2/15/27		548.96	96.59	595.26	50.29
24,089.850	United Air 2014 1 A 90932PAA6	4.000%	4/11/26		294.43	80.30	.00	374.73
19,964.450	United Air 2014 2 90932QAA4	3.750%	3/03/28		307.79	62.38	.00	370.17
25,000.000	Unitedhealth Group 91324PDY5	2.750%	5/15/40		145.14	57.29	.00	202.43
15,000.000	Valero Energy Corp 91913YBF6	5.150%	2/15/30		.00	51.50	.00	51.50
.000	Vulcan Matls Co 929160BB4	4.950%	12/01/29		97.63	41.25	.00	138.88
15,000.000	Vulcan Matls Co 929160BD0	5.700%	12/01/54		168.63	71.25	.00	239.88
15,000.000	Wells Fargo Co Mtn 95000U3J0	5.198%	1/23/30		17.33	64.97	.00	82.30
24,000.000	Westar Energy Inc 95709TAP5	3.100%	4/01/27		248.00	62.00	.00	310.00
16,000.000	Weyerhaeuser Co 962166BR4	7.375%	3/15/32		445.78	98.33	.00	544.11
50,000.000	World Financial 981464HU7	4.620%	5/15/31		102.67	192.50	192.50	102.67
20,000.000	World Omni Auto Rec 98164YAD3	4.990%	3/15/30		5.54	72.54	42.04	36.04

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INCOME ACCRUAL DETAIL (continued)

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL	
100,000.000	World Omni Aut Lea 981944AE1	5.570%	7/17/28		247.56	420.00	420.00	247.56	
Total Corporate Issues					14,527.32	5,907.67	5,628.00	14,806.99	
Foreign Issues									
20,000.000	Bhp Billiton Fin 055451BK3	5.125%	2/21/32		.00	28.47	.00	28.47	
20,000.000	Bank Of Nova Scotia 064159VJ2	4.900%	9/04/72		155.17	81.66	.00	236.83	
20,000.000	Barclays Plc Sr Nt 06738ECR4	5.690%	3/12/30		439.39	94.84	.00	534.23	
20,000.000	Canadian Imperial Bk 13607LWW9	6.092%	10/03/33		399.36	101.54	.00	500.90	
15,000.000	Diageo Cap Plc Sr Nt 25243YBE8	2.125%	4/29/32		81.46	26.56	.00	108.02	
20,000.000	Hsbc Hldgs Plc 404280CT4	2.804%	5/24/32		104.37	46.73	.00	151.10	
25,000.000	Royal Bk Cda Fr Mtn 78017DAA6	4.965%	1/24/29		24.14	103.43	.00	127.57	
20,000.000	Santander Uk Group 80281LAU9	4.858%	9/11/30		377.84	80.97	.00	458.81	
Total Foreign Issues					1,581.73	564.20	.00	2,145.93	
Mutual Funds-Fixed Income									
2,940.000	Ishares Mbs Etf 464288588		02/03/25	02/06/25	3.68	.00	1,003.76	1,003.76	.00
Total Mutual Funds-Fixed Income					.00	1,003.76	1,003.76	.00	

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INCOME ACCRUAL DETAIL (continued)								
SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
Grand Total					35,147.23	17,555.00	21,341.60	31,360.63

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INVESTMENT ACTIVITY

DATE	DESCRIPTION	CASH
Interest		
Abbvie Inc 4.250% 11/21/49 00287Ycb3		
02/24/2025	Received Accrued Interest On Sale Of Abbvie Inc 4.250% 11/21/49 Income Credit 164.69 USD	164.69
Accenture Capital 4.250% 10/04/31 00440Kac7		
02/24/2025	Received Accrued Interest On Sale Of Accenture Capital 4.250% 10/04/31 Income Credit 214.86 USD	214.86
Arizona Pub 5.700% 8/15/34 040555Dh4		
02/18/2025	Arizona Pub 5.700% 8/15/34 0.0285 USD/\$1 Pv On 10,000 Par Value Due 2/15/25	285.00
Associated Banc Corp 6.455% 8/29/30 045487Ad7		
02/28/2025	Associated Banc Corp 6.455% 8/29/30 0.032096 USD/\$1 Pv On 15,000 Par Value Due 2/28/25	481.44
Bmw Veh Owner Tr 3.440% 12/26/28 05602Rae1		
02/25/2025	Bmw Veh Owner Tr 3.440% 12/26/28 \$0.00287/Pv On 100,000.00 Pv Due 2/25/25	286.67
Commonwealth Edison 5.875% 2/01/33 202795Hg8		
02/03/2025	Commonwealth Edison 5.875% 2/01/33 0.029375 USD/\$1 Pv On 20,000 Par Value Due 2/1/25	587.50
Daimler Trucks 5.770% 12/15/27 233874Ac0		

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INVESTMENT ACTIVITY (continued)

DATE	DESCRIPTION	CASH
02/18/2025	Daimler Trucks 5.770% 12/15/27 \$0.00457/Pv On 10,000.00 Pv Due 2/15/25	45.75
Electronic Arts Inc 2.950% 2/15/51 285512Af6		
02/18/2025	Electronic Arts Inc 2.950% 2/15/51 0.01475 USD/\$1 Pv On 29,000 Par Value Due 2/15/25	427.75
F H L M C #Sd8237 4.000% 7/01/52 3132Dwej8		
02/25/2025	F H L M C #Sd8237 4.000% 7/01/52 January FHLMC Due 2/25/25	1,308.23
F H L M C #Sd8244 4.000% 9/01/52 3132Dwer0		
02/25/2025	F H L M C #Sd8244 4.000% 9/01/52 January FHLMC Due 2/25/25	233.68
F H L M C #Sd8288 5.000% 12/01/52 3132Dwf57		
02/25/2025	F H L M C #Sd8288 5.000% 12/01/52 January FHLMC Due 2/25/25	1,450.84
F H L M C Mltcl Mtg 5.180% 3/25/29 3137Hckv3		
02/25/2025	F H L M C Mltcl Mtg 5.180% 3/25/29 \$0.00432/Pv On 60,000.00 Pv Due 2/25/25	259.00
F N M A #Ma4838 3.500% 11/01/52 31418Elu2		
02/03/2025	Received Accrued Interest On Sale Of F N M A #Ma4838 3.500% 11/01/52 Income Credit 35.22 USD	35.22
02/10/2025	Received Accrued Interest On Sale Of F N M A #Ma4838 3.500% 11/01/52 Income Credit 39.38 USD	39.38

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INVESTMENT ACTIVITY (continued)

DATE	DESCRIPTION	CASH
02/13/2025	Reversal-Received Accrued Interest On Sale F N M A #Ma4838 3.500% 11/01/52 Income Credit 35.22- USD	- 35.22
02/13/2025	Received Accrued Interest On Sale Of F N M A #Ma4838 3.500% 11/01/52 Income Credit 35.01 USD	35.01
02/25/2025	F N M A #Ma4838 3.500% 11/01/52 P & I Due 02/25/25	1,188.66
Total F N M A #Ma4838 3.500% 11/01/52		1,263.05
F N M A #Ma4867 4.500% 12/01/52		
31418Emr8		
02/25/2025	F N M A #Ma4867 4.500% 12/01/52 January FNMA Due 2/25/25	1,016.92
First Am Govt Ob Fd CI X		
31846V336		
02/03/2025	Interest From 1/1/25 To 1/31/25	1,388.22
First Natl Mstr 8.24026% 4/16/29		
32113Cbv1		
02/18/2025	First Natl Mstr 8.24026% 4/16/29 \$0.00427/Pv On 40,000.00 Pv Due 2/15/25	171.00
FNMA Cb8133 5.000% 3/01/54		
3140Qubb1		
02/25/2025	FNMA Cb8133 5.000% 3/01/54 January FNMA Due 2/25/25	314.08
Ford Cr Aut Own Tr 0.490% 9/15/26		
34532Nad7		
02/18/2025	Ford Cr Aut Own Tr 0.490% 9/15/26 \$0.00041/Pv On 31,888.31 Pv Due 2/15/25	13.02

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DATE	DESCRIPTION	CASH
Ford Cr Auto Owner 5.980% 6/15/28		
345295Af6		
02/18/2025	Ford Cr Auto Owner 5.980% 6/15/28 \$0.00498/Pv On 45,000.00 Pv Due 2/15/25	224.25
General Mtn 5.875% 1/14/38		
36962G3P7		
02/05/2025	Paid Accrued Interest On Purchase Of General Mtn 5.875% 1/14/38 Income Debit 17.14- USD	- 17.14
02/06/2025	Paid Accrued Interest On Purchase Of General Mtn 5.875% 1/14/38 Income Debit 53.85- USD	- 53.85
Total General Mtn 5.875% 1/14/38		- 70.99
Gm Fin Atmbl Lease 5.160% 1/20/27		
362541Ae4		
02/20/2025	Gm Fin Atmbl Lease 5.160% 1/20/27 \$0.00430/Pv On 30,000.00 Pv Due 2/20/25	129.00
Hewlett Packard 5.000% 10/15/34		
42824Cbv0		
02/14/2025	Received Accrued Interest On Sale Of Hewlett Packard 5.000% 10/15/34 Income Credit 287.50 USD	287.50
Meta Platforms Inc 5.400% 8/15/54		
30303M8V7		
02/18/2025	Meta Platforms Inc 5.400% 8/15/54 0.0279 USD/\$1 Pv On 15,000 Par Value Due 2/15/25	418.50
Toyota Auto Rec 1.020% 3/15/27		
89238Jad7		
02/18/2025	Toyota Auto Rec 1.020% 3/15/27 \$0.00085/Pv On 50,000.00 Pv Due 2/15/25	42.50

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INVESTMENT ACTIVITY (continued)

DATE	DESCRIPTION	CASH
Toyota Mtr Mtn 5.350% 1/09/35 89236Tnb7		
02/26/2025	Received Accrued Interest On Sale Of Toyota Mtr Mtn 5.350% 1/09/35 Income Credit 104.77 USD	104.77
U S Treasury Bd 4.250% 8/15/44 912810Ud8		
02/18/2025	U S Treasury Bd 4.250% 8/15/44 0.020625 USD/\$1 Pv On 92,000 Par Value Due 2/15/25	1,897.50
U S Treasury Bd 4.250% 8/15/54 912810Uc0		
02/12/2025	Received Accrued Interest On Sale Of U S Treasury Bd 4.250% 8/15/54 Income Credit 418.07 USD	418.07
02/18/2025	U S Treasury Bd 4.250% 8/15/54 0.02125 USD/\$1 Pv On 41,000 Par Value Due 2/15/25	871.25
Total U S Treasury Bd 4.250% 8/15/54		1,289.32
U S Treasury Nt 4.125% 10/31/29 91282Clr0		
02/05/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.125% 10/31/29 Income Credit 165.80 USD	165.80
02/11/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.125% 10/31/29 Income Credit 457.74 USD	457.74
Total U S Treasury Nt 4.125% 10/31/29		623.54
U S Treasury Nt 4.125% 10/31/31 91282Clu3		

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INVESTMENT ACTIVITY (continued)

DATE	DESCRIPTION	CASH
02/11/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.125% 10/31/31 Income Credit 5,105.54 USD	5,105.54
U S Treasury Nt 4.250% 1/31/30 91282Cmg3		
02/11/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.250% 1/31/30 Income Debit 45.20- USD	- 45.20
02/12/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 1/31/30 Income Credit 49.31 USD	49.31
02/18/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.250% 1/31/30 Income Debit 63.40- USD	- 63.40
02/24/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.250% 1/31/30 Income Debit 45.08- USD	- 45.08
02/28/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 1/31/30 Income Credit 98.62 USD	98.62
Total U S Treasury Nt 4.250% 1/31/30		- 5.75
U S Treasury Nt 4.250% 11/15/34 91282Clw9		
02/03/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.250% 11/15/34 Income Debit 1,408.84- USD	- 1,408.84
02/04/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.250% 11/15/34 Income Debit 285.29- USD	- 285.29
02/05/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 11/15/34 Income Credit 144.41 USD	144.41

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INVESTMENT ACTIVITY (continued)

DATE	DESCRIPTION	CASH
02/05/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 11/15/34 Income Credit 57.76 USD	57.76
02/06/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 11/15/34 Income Credit 175.40 USD	175.40
02/10/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.250% 11/15/34 Income Debit 408.56- USD	- 408.56
02/25/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 11/15/34 Income Credit 227.53 USD	227.53
Total U S Treasury Nt 4.250% 11/15/34		- 1,497.59
U S Treasury Nt 4.250% 11/30/26 91282Cly5		
02/03/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 11/30/26 Income Credit 151.79 USD	151.79
02/04/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 11/30/26 Income Credit 115.59 USD	115.59
02/28/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 11/30/26 Income Credit 147.12 USD	147.12
Total U S Treasury Nt 4.250% 11/30/26		414.50
U S Treasury Nt 4.250% 12/31/26 91282Cme8		
02/03/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.250% 12/31/26 Income Credit 39.92 USD	39.92

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INVESTMENT ACTIVITY (continued)

DATE	DESCRIPTION	CASH
U S Treasury Nt 4.500% 1/31/32 91282Cmk4		
02/11/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.500% 1/31/32 Income Debit 644.77- USD	- 644.77
02/19/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.500% 1/31/32 Income Credit 45.93 USD	45.93
Total U S Treasury Nt 4.500% 1/31/32		- 598.84
U S Treasury Nt 4.500% 11/15/54 912810Ue6		
02/24/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.500% 11/15/54 Income Debit 138.11- USD	- 138.11
U S Treasury Nt 4.500% 12/31/31 91282Cmc2		
02/11/2025	Received Accrued Interest On Sale Of U S Treasury Nt 4.500% 12/31/31 Income Credit 365.47 USD	365.47
U S Treasury Nt 4.625% 2/15/35 91282Cmm0		
02/26/2025	Paid Accrued Interest On Purchase Of U S Treasury Nt 4.625% 2/15/35 Income Debit 19.68- USD	- 19.68
United Air 2019 1 4.150% 2/25/33 90931CAA6		
02/25/2025	United Air 2019 1 4.150% 2/25/33 \$0.02075/Pv On 27,228.34 Pv Due 2/25/25	564.99
United Airlines 4.300% 2/15/27 909319AA3		

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INVESTMENT ACTIVITY (continued)

DATE	DESCRIPTION	CASH
02/18/2025	United Airlines 4.300% 2/15/27 \$0.02150/Pv On 27,686.46 Pv Due 2/15/25	595.26
World Financial 4.620% 5/15/31 981464Hu7		
02/18/2025	World Financial 4.620% 5/15/31 \$0.00385/Pv On 50,000.00 Pv Due 2/15/25	192.50
World Omni Aut Lea 5.570% 7/17/28 981944Ae1		
02/18/2025	World Omni Aut Lea 5.570% 7/17/28 \$0.00420/Pv On 100,000.00 Pv Due 2/15/25	420.00
World Omni Auto Rec 4.990% 3/15/30 98164Yad3		
02/18/2025	World Omni Auto Rec 4.990% 3/15/30 0.002102 USD/\$1 Pv On 20,000 Par Value Due 2/15/25	42.04
Total Interest		20,337.84
Dividends		
Ishares Mbs Etf 464288588		
02/06/2025	0.341415 USD/Share On 2,940 Shares Due 2/6/25	1,003.76
Total Dividends		1,003.76

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PLAN EXPENSES

DATE	DESCRIPTION	CASH
Administrative Expenses		
Contract Administrator Fees		
Administrative Fee		
02/28/2025	Paid To Phase II Systems Pars Trust Admin Fee Per Directive Dated 2/26/25	- 1,760.05
Total Administrative Fee		- 1,760.05
Total Contract Administrator Fees		- 1,760.05
Total Administrative Expenses		- 1,760.05
Trust Fees		
Trust Fees		
02/26/2025	Collected Charged For Period 01/01/2025 Thru 01/31/2025	- 1,976.37
Total Trust Fees		- 1,976.37
Total Trust Fees		- 1,976.37
Total Plan Expenses		- 3,736.42

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RECEIPTS AND DELIVERIES IN KIND

DATE	DESCRIPTION	SHARES OR FACE AMOUNT	BOOK VALUE	MARKET VALUE	REALIZED/ UNREALIZED GAIN/LOSS
Free Deliveries					
US Treas & Agency Obligations					
02/28/2025	Distributed 1,346.78 Par Value Of F N M A #Ma4838 3.500% 11/01/52 1,346.78 USD To Merge Taxlots 31418ELU2	- 1,346.780	- 1,154.02	- 1,216.94	- 62.92
Total US Treas & Agency Obligations		- 1,346.780	- 1,154.02	- 1,216.94	- 62.92
Total Free Deliveries		- 1,346.780	- 1,154.02	- 1,216.94	- 62.92

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CORPORATE CHANGES AND ADJUSTMENTS

DATE	DESCRIPTION	SHARES OR FACE AMOUNT	BOOK VALUE	MARKET VALUE	REALIZED/ UNREALIZED GAIN/LOSS
Adjustments					
02/28/2025	Par Value Of F N M A #Ma4838 3.5% 11/01/52 Adjusted By 1,346.78 Par Value Old Par Value 178,690.62/New Par Value 180,037.4 To Merge Taxlots 31418ELU2	1,346.78	.00	.00	.00
02/28/2025	Book Value Of F N M A #Ma4838 3.500% 11/01/52 Adjusted By 1,154.02 USD Old: 153,115.54 USD/New: 154,269.56 USD To Merge Taxlots 31418ELU2	.00	1,154.02	.00	- 1,154.02
Total Adjustments		1,346.78	1,154.02	.00	- 1,154.02
Total Corporate Changes And Adjustments		1,346.78	1,154.02	.00	- 1,154.02

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PURCHASES

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
Cash And Equivalents					
02/03/2025	Purchased 43,245.69 Units Of First Am Govt Ob Fd CI X Trade Date 2/3/25 31846V336	43,245.690	.00	- 43,245.69	43,245.69
02/05/2025	Purchased 30,549.5 Units Of First Am Govt Ob Fd CI X Trade Date 2/5/25 31846V336	30,549.500	.00	- 30,549.50	30,549.50
02/10/2025	Purchased 282.67 Units Of First Am Govt Ob Fd CI X Trade Date 2/10/25 31846V336	282.670	.00	- 282.67	282.67
02/11/2025	Purchased 23,330 Units Of First Am Govt Ob Fd CI X Trade Date 2/11/25 31846V336	23,330.000	.00	- 23,330.00	23,330.00
02/12/2025	Purchased 53,700.97 Units Of First Am Govt Ob Fd CI X Trade Date 2/12/25 31846V336	53,700.970	.00	- 53,700.97	53,700.97
02/18/2025	Purchased 2,371.12 Units Of First Am Govt Ob Fd CI X Trade Date 2/18/25 31846V336	2,371.120	.00	- 2,371.12	2,371.12
02/20/2025	Purchased 129 Units Of First Am Govt Ob Fd CI X Trade Date 2/20/25 31846V336	129.000	.00	- 129.00	129.00

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PURCHASES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
02/25/2025	Purchased 16,093.2 Units Of First Am Govt Ob Fd CI X Trade Date 2/25/25 31846V336	16,093.200	.00	- 16,093.20	16,093.20
02/25/2025	Purchased 3,904.95 Units Of First Am Govt Ob Fd CI X Trade Date 2/25/25 31846V336	3,904.950	.00	- 3,904.95	3,904.95
02/28/2025	Purchased 44,966.55 Units Of First Am Govt Ob Fd CI X Trade Date 2/28/25 31846V336	44,966.550	.00	- 44,966.55	44,966.55
Total First Am Govt Ob Fd CI X		218,573.650	.00	- 218,573.65	218,573.65
Total Cash And Equivalents		218,573.650	.00	- 218,573.65	218,573.65
US Government Issues					
02/10/2025	Purchased 35,000 Par Value Of U S Treasury Nt 4.250% 1/31/30 Trade Date 2/10/25 Purchased Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8504103223313452 35,000 Par Value At 99.65234286 % 91282CMG3	35,000.000	.00	- 34,878.32	34,878.32
02/14/2025	Purchased 30,000 Par Value Of U S Treasury Nt 4.250% 1/31/30 Trade Date 2/14/25 Purchased Through J.P. Morgan Securities LLC Swift External Ref#: 8504503223328507 30,000 Par Value At 99.7578 % 91282CMG3	30,000.000	.00	- 29,927.34	29,927.34

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PURCHASES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
02/21/2025	Purchased 16,000 Par Value Of U S Treasury Nt 4.250% 1/31/30 Trade Date 2/21/25 Purchased Through Goldman Sachs & Co. LLC Swift External Ref#: 8505203223361993 16,000 Par Value At 99.9296875 % 91282CMG3	16,000.000	.00	- 15,988.75	15,988.75
Total U S Treasury Nt 4.250% 1/31/30		81,000.000	.00	- 80,794.41	80,794.41
02/03/2025	Purchased 30,000 Par Value Of U S Treasury Nt 4.250% 11/15/34 Trade Date 2/3/25 Purchased Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8503403223266727 30,000 Par Value At 97.85936667 % 91282CLW9	30,000.000	.00	- 29,357.81	29,357.81
02/07/2025	Purchased 40,000 Par Value Of U S Treasury Nt 4.250% 11/15/34 Trade Date 2/7/25 Purchased Through J.P. Morgan Securities LLC Swift External Ref#: 8503803223308490 40,000 Par Value At 98.16015 % 91282CLW9	40,000.000	.00	- 39,264.06	39,264.06
Total U S Treasury Nt 4.250% 11/15/34		70,000.000	.00	- 68,621.87	68,621.87
02/10/2025	Purchased 485,000 Par Value Of U S Treasury Nt 4.500% 1/31/32 Trade Date 2/10/25 Purchased Through J.P. Morgan Securities LLC Swift External Ref#: 8504103223313322 485,000 Par Value At 99.8046866 % 91282CMK4	485,000.000	.00	- 484,052.73	484,052.73
Total U S Treasury Nt 4.500% 1/31/32		485,000.000	.00	- 484,052.73	484,052.73

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PURCHASES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
02/21/2025	Purchased 11,000 Par Value Of U S Treasury Nt 4.500% 11/15/54 Trade Date 2/21/25 Purchased Through J.P. Morgan Securities LLC Swift External Ref#: 8505203223362082 11,000 Par Value At 97.21872727 % 912810UE6	11,000.000	.00	- 10,694.06	10,694.06
Total U S Treasury Nt 4.500% 11/15/54		11,000.000	.00	- 10,694.06	10,694.06
02/25/2025	Purchased 14,000 Par Value Of U S Treasury Nt 4.625% 2/15/35 Trade Date 2/25/25 Purchased Through Rbc Capital Markets, LLC Swift External Ref#: 8505603223376427 14,000 Par Value At 102.57421429 % 91282CMM0	14,000.000	.00	- 14,360.39	14,360.39
Total U S Treasury Nt 4.625% 2/15/35		14,000.000	.00	- 14,360.39	14,360.39
Total Government Issues		661,000.000	.00	- 658,523.46	658,523.46
Corporate Issues					
02/24/2025	Purchased 20,000 Par Value Of American Wtr Cap 5.250% 3/01/35 Trade Date 2/24/25 Purchased Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8505503223366663 20,000 Par Value At 99.615 % 03040WBF1	20,000.000	.00	- 19,923.00	19,923.00
Total American Wtr Cap 5.250% 3/01/35		20,000.000	.00	- 19,923.00	19,923.00

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PURCHASES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
02/11/2025	Purchased 30,000 Par Value Of First Natl Master 4.850% 2/15/30 Trade Date 2/11/25 Purchased Through Wells Fargo Securities, LLC Swift External Ref#: 8504203223318353 30,000 Par Value At 99.98583333 % 32113CCE8	30,000.000	.00	- 29,995.75	29,995.75
Total First Natl Master 4.850% 2/15/30		30,000.000	.00	- 29,995.75	29,995.75
02/11/2025	Purchased 20,000 Par Value Of Flowers Foods Inc 6.200% 3/15/55 Trade Date 2/11/25 Purchased Through Rbc Capital Markets, LLC Swift External Ref#: 8504203223318896 20,000 Par Value At 99.33 % 343498AE1	20,000.000	.00	- 19,866.00	19,866.00
Total Flowers Foods Inc 6.200% 3/15/55		20,000.000	.00	- 19,866.00	19,866.00
02/04/2025	Purchased 15,000 Par Value Of Gatx Corp 5.500% 6/15/35 Trade Date 2/4/25 Purchased Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8503503223282172 15,000 Par Value At 99.625 % 361448BS1	15,000.000	.00	- 14,943.75	14,943.75
Total Gatx Corp 5.500% 6/15/35		15,000.000	.00	- 14,943.75	14,943.75
02/04/2025	Purchased 5,000 Par Value Of General Mtn 5.875% 1/14/38 Trade Date 2/4/25 Purchased Through Stifel, Nicolaus & Co., Inc. Swift External Ref#: 8503503223283638 5,000 Par Value At 104.54 % 36962G3P7	5,000.000	.00	- 5,227.00	5,227.00

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PURCHASES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
02/05/2025	Purchased 15,000 Par Value Of General Mtn 5.875% 1/14/38 Trade Date 2/5/25 Purchased Through Marketaxess Corp Swift External Ref#: 8503603223292332 15,000 Par Value At 105.446 % 36962G3P7	15,000.000	.00	- 15,816.90	15,816.90
Total General Mtn 5.875% 1/14/38		20,000.000	.00	- 21,043.90	21,043.90
02/27/2025	Purchased 20,000 Par Value Of General Mtrs Finl Co 5.050% 4/04/28 Trade Date 2/27/25 Purchased Through Citigroup Global Markets Inc. Swift External Ref#: 8505803223395024 20,000 Par Value At 99.98 % 37045XFE1	20,000.000	.00	- 19,996.00	19,996.00
Total General Mtrs Finl Co 5.050% 4/04/28		20,000.000	.00	- 19,996.00	19,996.00
02/13/2025	Purchased 15,000 Par Value Of Sysco Corp Sr 5.400% 3/23/35 Trade Date 2/13/25 Purchased Through Td Securities (USA) Swift External Ref#: 8504403223325617 15,000 Par Value At 99.924 % 871829BV8	15,000.000	.00	- 14,988.60	14,988.60
Total Sysco Corp Sr 5.400% 3/23/35		15,000.000	.00	- 14,988.60	14,988.60
02/04/2025	Purchased 15,000 Par Value Of Valero Energy Corp 5.150% 2/15/30 Trade Date 2/4/25 Purchased Through Citigroup Global Markets Inc. Swift External Ref#: 8503503223282227 15,000 Par Value At 99.824 % 91913YBF6	15,000.000	.00	- 14,973.60	14,973.60

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PURCHASES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
Total Valero Energy Corp 5.150% 2/15/30		15,000.000	.00	- 14,973.60	14,973.60
Total Corporate Issues		155,000.000	.00	- 155,730.60	155,730.60
Foreign Issues					
02/18/2025	Purchased 20,000 Par Value Of Bhp Billiton Fin 5.125% 2/21/32 Trade Date 2/18/25 Purchased Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8504903223344611 20,000 Par Value At 99.588 % 055451BK3	20,000.000	.00	- 19,917.60	19,917.60
Total Bhp Billiton Fin 5.125% 2/21/32		20,000.000	.00	- 19,917.60	19,917.60
Total Foreign Issues		20,000.000	.00	- 19,917.60	19,917.60
Total Purchases		1,054,573.650	.00	- 1,052,745.31	1,052,745.31

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SALES AND MATURITIES

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
Cash And Equivalents						
02/04/2025	Sold 13,138.7 Units Of First Am Govt Ob Fd CI X Trade Date 2/4/25 31846V336	- 13,138.700	.00	13,138.70	- 13,138.70	.00
02/06/2025	Sold 11,874.4 Units Of First Am Govt Ob Fd CI X Trade Date 2/6/25 31846V336	- 11,874.400	.00	11,874.40	- 11,874.40	.00
02/07/2025	Sold 14,973.6 Units Of First Am Govt Ob Fd CI X Trade Date 2/7/25 31846V336	- 14,973.600	.00	14,973.60	- 14,973.60	.00
02/13/2025	Sold 964.7 Units Of First Am Govt Ob Fd CI X Trade Date 2/13/25 31846V336	- 964.700	.00	964.70	- 964.70	.00
02/14/2025	Sold 5,038.4 Units Of First Am Govt Ob Fd CI X Trade Date 2/14/25 31846V336	- 5,038.400	.00	5,038.40	- 5,038.40	.00
02/18/2025	Sold 19,082.94 Units Of First Am Govt Ob Fd CI X Trade Date 2/18/25 31846V336	- 19,082.940	.00	19,082.94	- 19,082.94	.00
02/19/2025	Sold 10,070.13 Units Of First Am Govt Ob Fd CI X Trade Date 2/19/25 31846V336	- 10,070.130	.00	10,070.13	- 10,070.13	.00

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
02/21/2025	Sold 19,917.6 Units Of First Am Govt Ob Fd CI X Trade Date 2/21/25 31846V336	- 19,917.600	.00	19,917.60	- 19,917.60	.00
02/24/2025	Sold 1,362.44 Units Of First Am Govt Ob Fd CI X Trade Date 2/24/25 31846V336	- 1,362.440	.00	1,362.44	- 1,362.44	.00
02/26/2025	Sold 943.72 Units Of First Am Govt Ob Fd CI X Trade Date 2/26/25 31846V336	- 943.720	.00	943.72	- 943.72	.00
02/27/2025	Sold 19,923 Units Of First Am Govt Ob Fd CI X Trade Date 2/27/25 31846V336	- 19,923.000	.00	19,923.00	- 19,923.00	.00
02/28/2025	Sold 1,760.05 Units Of First Am Govt Ob Fd CI X Trade Date 2/28/25 31846V336	- 1,760.050	.00	1,760.05	- 1,760.05	.00
Total First Am Govt Ob Fd CI X		- 119,049.680	.00	119,049.68	- 119,049.68	.00
Total Cash And Equivalents		- 119,049.680	.00	119,049.68	- 119,049.68	.00

US Government Issues

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
02/25/2025	Paid Down 1,974.04 Par Value Of F H L M C #Sd8237 4.000% 7/01/52 For Record Date Of January Due 2/25/25 January FHLMC Due 2/25/25 3132DWEJ8	- 1,974.040	.00	1,974.04	- 1,754.74	219.30
Total F H L M C #Sd8237 4.000% 7/01/52		- 1,974.040	.00	1,974.04	- 1,754.74	219.30
02/25/2025	Paid Down 400.78 Par Value Of F H L M C #Sd8244 4.000% 9/01/52 For Record Date Of January Due 2/25/25 January FHLMC Due 2/25/25 3132DWERO	- 400.780	.00	400.78	- 375.92	24.86
Total F H L M C #Sd8244 4.000% 9/01/52		- 400.780	.00	400.78	- 375.92	24.86
02/25/2025	Paid Down 1,871.12 Par Value Of F H L M C #Sd8288 5.000% 12/01/52 For Record Date Of January Due 2/25/25 January FHLMC Due 2/25/25 3132DWF57	- 1,871.120	.00	1,871.12	- 1,768.79	102.33
Total F H L M C #Sd8288 5.000% 12/01/52		- 1,871.120	.00	1,871.12	- 1,768.79	102.33
02/01/2025	Sold 180,037.4 Par Value Of F N M A #Ma4838 3.500% 11/01/52 Trade Date 1/31/25 Sold Through Td Securities (USA) Sell Repost Factors Adju 113 31418ELU2	- 180,037.400	.00	158,995.53	- 154,269.55	4,725.98

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
02/07/2025	Sold 45,009.35 Par Value Of F N M A #Ma4838 3.500% 11/01/52 Trade Date 2/7/25 Sold Through Td Securities (USA) Swift External Ref#: 8503803223308467 45,009.35 Par Value At 88.68359574 % 31418ELU2	- 45,009.350	.00	39,915.91	- 38,567.39	1,348.52
02/13/2025	Sold -Rev -181,129.53 Par Value Of F N M A #Ma4838 3.500% 11/01/52 Trade Date 1/31/25 Sold -Rev Through Td Securities (USA) Swift External Ref#: 8503103223260022 181,129.53 Par Value At 88.31250211 % 31418ELU2	181,129.530	.00	- 159,960.02	155,205.37	- 4,754.65
02/25/2025	Paid Down 2,457.29 Par Value Of F N M A #Ma4838 3.500% 11/01/52 P & I Due 02/25/25 31418ELU2	- 2,457.290	.00	2,457.29	- 2,105.59	351.70
Total F N M A #Ma4838 3.500% 11/01/52		- 46,374.510	.00	41,408.71	- 39,737.16	1,671.55
02/25/2025	Paid Down 1,327.97 Par Value Of F N M A #Ma4867 4.500% 12/01/52 For Record Date Of January Due 2/25/25 January FNMA Due 2/25/25 31418EMR8	- 1,327.970	.00	1,327.97	- 1,219.03	108.94
Total F N M A #Ma4867 4.500% 12/01/52		- 1,327.970	.00	1,327.97	- 1,219.03	108.94
02/25/2025	Paid Down 415.23 Par Value Of FNMA Cb8133 5.000% 3/01/54 For Record Date Of January Due 2/25/25 January FNMA Due 2/25/25 3140QUBB1	- 415.230	.00	415.23	- 401.74	13.49

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
Total FNMA Cb8133 5.000% 3/01/54		- 415.230	.00	415.23	- 401.74	13.49
02/11/2025	Sold 20,000 Par Value Of U S Treasury Bd 4.250% 8/15/54 Trade Date 2/11/25 Sold Through Rbc Capital Markets, LLC Swift External Ref#: 8504203223319195 20,000 Par Value At 92.125 % 912810UC0	- 20,000.000	.00	18,425.00	- 18,420.03	4.97
Total U S Treasury Bd 4.250% 8/15/54		- 20,000.000	.00	18,425.00	- 18,420.03	4.97
02/04/2025	Sold 15,000 Par Value Of U S Treasury Nt 4.125% 10/31/29 Trade Date 2/4/25 Sold Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8503503223281855 15,000 Par Value At 99.1836 % 91282CLR0	- 15,000.000	.00	14,877.54	- 14,969.82	- 92.28
02/10/2025	Sold 39,000 Par Value Of U S Treasury Nt 4.125% 10/31/29 Trade Date 2/10/25 Sold Through Hsbc Securities, Inc. Swift External Ref#: 8504103223313420 39,000 Par Value At 99.12110256 % 91282CLR0	- 39,000.000	.00	38,657.23	- 38,921.51	- 264.28
Total U S Treasury Nt 4.125% 10/31/29		- 54,000.000	.00	53,534.77	- 53,891.33	- 356.56
02/10/2025	Sold 435,000 Par Value Of U S Treasury Nt 4.125% 10/31/31 Trade Date 2/10/25 Sold Through J.P. Morgan Securities LLC Swift External Ref#: 8504103223313470 435,000 Par Value At 98.38671954 % 91282CLU3	- 435,000.000	.00	427,982.23	- 434,314.94	- 6,332.71

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
Total U S Treasury Nt 4.125% 10/31/31		- 435,000.000	.00	427,982.23	- 434,314.94	- 6,332.71
02/11/2025	Sold 35,000 Par Value Of U S Treasury Nt 4.250% 1/31/30 Trade Date 2/11/25 Sold Through Td Securities (USA) Swift External Ref#: 8504203223317904 35,000 Par Value At 99.45311429 % 91282CMG3	- 35,000.000	.00	34,808.59	- 34,878.32	- 69.73
02/27/2025	Sold 30,000 Par Value Of U S Treasury Nt 4.250% 1/31/30 Trade Date 2/27/25 Sold Through J.P. Morgan Securities LLC Swift External Ref#: 8505803223394267 30,000 Par Value At 100.67576667 % 91282CMG3	- 30,000.000	.00	30,202.73	- 29,945.28	257.45
Total U S Treasury Nt 4.250% 1/31/30		- 65,000.000	.00	65,011.32	- 64,823.60	187.72
02/04/2025	Sold 15,000 Par Value Of U S Treasury Nt 4.250% 11/15/34 Trade Date 2/4/25 Sold Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8503503223283557 15,000 Par Value At 97.81253333 % 91282CLW9	- 15,000.000	.00	14,671.88	- 14,825.99	- 154.11
02/04/2025	Sold 6,000 Par Value Of U S Treasury Nt 4.250% 11/15/34 Trade Date 2/4/25 Sold Through Stifel, Nicolaus & Co., Inc. Swift External Ref#: 8503503223283683 6,000 Par Value At 97.9375 % 91282CLW9	- 6,000.000	.00	5,876.25	- 5,930.40	- 54.15

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
02/05/2025	Sold 18,000 Par Value Of U S Treasury Nt 4.250% 11/15/34 Trade Date 2/5/25 Sold Through Marketaxess Corp Swift External Ref#: 8503603223292406 18,000 Par Value At 98.67188889 % 91282CLW9	- 18,000.000	.00	17,760.94	- 17,791.19	- 30.25
02/24/2025	Sold 19,000 Par Value Of U S Treasury Nt 4.250% 11/15/34 Trade Date 2/24/25 Sold Through Wells Fargo Securities, LLC Swift External Ref#: 8505503223366538 19,000 Par Value At 98.76173684 % 91282CLW9	- 19,000.000	.00	18,764.73	- 18,769.40	- 4.67
Total U S Treasury Nt 4.250% 11/15/34		- 58,000.000	.00	57,073.80	- 57,316.98	- 243.18
02/03/2025	Sold 15,000 Par Value Of U S Treasury Nt 4.250% 11/30/26 Trade Date 2/3/25 Sold Through J.P. Morgan Securities LLC Swift External Ref#: 8503403223266821 15,000 Par Value At 100.00393333 % 91282CLY5	- 15,000.000	.00	15,000.59	- 14,993.29	7.30
02/27/2025	Sold 14,000 Par Value Of U S Treasury Nt 4.250% 11/30/26 Trade Date 2/27/25 Sold Through J.P. Morgan Securities LLC Swift External Ref#: 8505803223394254 14,000 Par Value At 100.26171429 % 91282CLY5	- 14,000.000	.00	14,036.64	- 13,993.74	42.90
Total U S Treasury Nt 4.250% 11/30/26		- 29,000.000	.00	29,037.23	- 28,987.03	50.20

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
02/18/2025	Sold 20,000 Par Value Of U S Treasury Nt 4.500% 1/31/32 Trade Date 2/18/25 Sold Through BofA Securities, Inc./Fxd Inc Swift External Ref#: 8504903223344780 20,000 Par Value At 99.39845 % 91282CMK4	- 20,000.000	.00	19,879.69	- 19,960.94	- 81.25
Total U S Treasury Nt 4.500% 1/31/32		- 20,000.000	.00	19,879.69	- 19,960.94	- 81.25
02/10/2025	Sold 70,000 Par Value Of U S Treasury Nt 4.500% 12/31/31 Trade Date 2/10/25 Sold Through J.P. Morgan Securities LLC Swift External Ref#: 8504103223313522 70,000 Par Value At 100.54687143 % 91282CMC2	- 70,000.000	.00	70,382.81	- 69,994.53	388.28
Total U S Treasury Nt 4.500% 12/31/31		- 70,000.000	.00	70,382.81	- 69,994.53	388.28
Total Government Issues		- 803,363.650	.00	788,724.70	- 792,966.76	- 4,242.06
Corporate Issues						
02/21/2025	Sold 15,000 Par Value Of Abbvie Inc 4.250% 11/21/49 Trade Date 2/21/25 Sold Through J.P. Morgan Securities LLC Swift External Ref#: 8505203223361951 15,000 Par Value At 83.451 % 00287YCB3	- 15,000.000	.00	12,517.65	- 12,303.90	213.75
Total Abbvie Inc 4.250% 11/21/49		- 15,000.000	.00	12,517.65	- 12,303.90	213.75

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
02/21/2025	Sold 13,000 Par Value Of Accenture Capital 4.250% 10/04/31 Trade Date 2/21/25 Sold Through Goldman Sachs & Co. LLC Swift External Ref#: 8505203223361877 13,000 Par Value At 96.972 % 00440KAC7	- 13,000.000	.00	12,606.36	- 12,978.94	- 372.58
Total Accenture Capital 4.250% 10/04/31		- 13,000.000	.00	12,606.36	- 12,978.94	- 372.58
02/28/2025	Sold 9,000 Par Value Of Applovin Corp Sr 5.125% 12/01/29 Trade Date 2/28/25 Sold Through Pershing LLC Swift External Ref#: 8505903223400581 9,000 Par Value At 100.816 % 03831WAB4	- 9,000.000	.00	9,073.44	- 8,996.58	76.86
Total Applovin Corp Sr 5.125% 12/01/29		- 9,000.000	.00	9,073.44	- 8,996.58	76.86
02/18/2025	Paid Down 6,261.28 Par Value Of Ford Cr Aut Own Tr 0.490% 9/15/26 Trade Date 2/15/25 34532NAD7	- 6,261.280	.00	6,261.28	- 5,912.51	348.77
Total Ford Cr Aut Own Tr 0.490% 9/15/26		- 6,261.280	.00	6,261.28	- 5,912.51	348.77
02/13/2025	Sold 15,000 Par Value Of Hewlett Packard 5.000% 10/15/34 Trade Date 2/13/25 Sold Through BofA Securities, Inc. Swift External Ref#: 8504403223325535 15,000 Par Value At 96.934 % 42824CBV0	- 15,000.000	.00	14,540.10	- 14,863.25	- 323.15
Total Hewlett Packard 5.000% 10/15/34		- 15,000.000	.00	14,540.10	- 14,863.25	- 323.15

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
02/25/2025	Sold 15,000 Par Value Of Toyota Mtr Mtn 5.350% 1/09/35 Trade Date 2/25/25 Sold Through Mizuho Securities USA Fxd Inc Swift External Ref#: 8505603223376430 15,000 Par Value At 102.053 % 89236TNB7	- 15,000.000	.00	15,307.95	- 14,977.05	330.90
Total Toyota Mtr Mtn 5.350% 1/09/35		- 15,000.000	.00	15,307.95	- 14,977.05	330.90
02/25/2025	Paid Down 924.99 Par Value Of United Air 2019 1 4.150% 2/25/33 Trade Date 2/25/25 90931CAA6	- 924.990	.00	924.99	- 874.45	50.54
Total United Air 2019 1 4.150% 2/25/33		- 924.990	.00	924.99	- 874.45	50.54
02/18/2025	Paid Down 1,371.32 Par Value Of United Airlines 4.300% 2/15/27 Trade Date 2/15/25 909319AA3	- 1,371.320	.00	1,371.32	- 1,304.04	67.28
Total United Airlines 4.300% 2/15/27		- 1,371.320	.00	1,371.32	- 1,304.04	67.28
02/28/2025	Sold 10,000 Par Value Of Vulcan Matls Co 4.950% 12/01/29 Trade Date 2/28/25 Sold Through Jefferies LLC Swift External Ref#: 8505903223400498 10,000 Par Value At 100.697 % 929160BB4	- 10,000.000	.00	10,069.70	- 9,988.80	80.90
Total Vulcan Matls Co 4.950% 12/01/29		- 10,000.000	.00	10,069.70	- 9,988.80	80.90
Total Corporate Issues		- 85,557.590	.00	82,672.79	- 82,199.52	473.27

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SALES AND MATURITIES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
Total Sales And Maturities		- 1,007,970.920	.00	990,447.17	- 994,215.96	- 3,768.79

SALES AND MATURITIES MESSAGES

Realized gain/loss should not be used for tax purposes.

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PENDING TRADES

TRADE DATE	SETTLE DATE	DESCRIPTION	SHARES/ PAR VALUE	BOOK VALUE	CASH
Purchases					
02/27/2025	03/04/2025	Purchased 20,000 Par Value Of General Mtrs Finl Co 5.050% 4/04/28 Trade Date 2/27/25 Purchased Through Citigroup Global Markets Inc. Swift External Ref#: 8505803223395024 20,000 Par Value At 99.98 % 37045XFE1	20,000.000	19,996.00	- 19,996.00
Total Purchases			20,000.000	19,996.00	- 19,996.00
Sales					
02/28/2025	03/03/2025	Sold 10,000 Par Value Of Vulcan Matls Co 4.950% 12/01/29 Trade Date 2/28/25 Sold Through Jefferies LLC Sold On The Marketaxess Corporation Swift External Ref#: 8505903223400498 10,000 Par Value At 100.697 % 929160BB4	- 10,000.000	- 9,988.80	10,069.70
02/28/2025	03/03/2025	Sold 9,000 Par Value Of Applovin Corp Sr 5.125% 12/01/29 Trade Date 2/28/25 Sold Through Pershing LLC Sold On The Marketaxess Corporation Swift External Ref#: 8505903223400581 9,000 Par Value At 100.816 % 03831WAB4	- 9,000.000	- 8,996.58	9,073.44
Total Sales			- 19,000.000	- 18,985.38	19,143.14
Net Trades Pending Settlement			1,000.000	1,010.62	- 852.86

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BOND SUMMARY

	PAR VALUE	MARKET VALUE	PERCENTAGE OF CATEGORY
SHORT-TERM MATURITY DETAIL			
121 to 180 Days			
Pacific Gas Elec 3.450% 7/01/25	20,000.00	19,886.40	100.00
Total 121 to 180 Days	20,000.00	19,886.40	100.00
Total	20,000.00	19,886.40	100.00

MATURITY SUMMARY

2025	20,000.00	19,886.40	0.45
2026	89,716.88	89,627.31	2.06
2027	212,315.14	208,158.18	4.77
2028	337,964.45	338,550.46	7.76
2029	243,889.10	249,587.08	5.72
2030	191,000.00	191,958.77	4.40
2031	92,000.00	91,199.56	2.09
2032	561,000.00	565,734.08	12.97
2033	114,303.35	111,102.82	2.55
2034	595,000.00	598,624.83	13.71
2035 - 2039	161,000.00	166,179.44	3.80
2040 - 2044	321,000.00	227,147.45	5.20
2045 - 2049	.00	.00	0.00
2050 - 2054	1,610,377.92	1,457,474.50	33.38
OVER 2054	50,000.00	49,994.10	1.14
Total	4,599,566.84	4,365,224.98	100.00

MOODY'S RATING

Aaa	1,027,627.03	1,023,514.06	23.45
Aa2	15,000.00	15,374.70	0.35
Aa3	66,303.35	64,955.16	1.49
A1	172,889.10	173,569.08	3.98
A2	215,000.00	206,783.94	4.74
A3	105,000.00	100,071.95	2.29
Baa1	236,000.00	229,334.85	5.25

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BOND SUMMARY (continued)

	PAR VALUE	MARKET VALUE	PERCENTAGE OF CATEGORY
Baa2	292,000.00	282,704.58	6.48
Baa3	109,000.00	109,923.50	2.52
Ba1	11,000.00	11,103.40	0.25
N/A	2,244,747.36	2,118,630.46	48.53
Not Provided	105,000.00	29,259.30	0.67
Total	4,599,566.84	4,365,224.98	100.00
S&P RATING			
AAA	275,627.03	274,230.98	6.28
AA-	15,000.00	14,947.65	0.34
A+	82,089.85	75,541.15	1.73
A	254,279.59	256,203.12	5.87
A-	246,889.10	239,499.70	5.49
BBB+	260,000.00	248,342.00	5.69
BBB	279,000.00	272,708.44	6.25
BBB-	99,000.00	100,468.16	2.30
BB+	20,000.00	20,278.00	0.46
N/A	2,944,681.27	2,815,050.24	64.49
N/R	18,000.00	18,696.24	0.43
Not Provided	105,000.00	29,259.30	0.67
Total	4,599,566.84	4,365,224.98	100.00

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BOND QUALITY SCHEDULE

MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Aaa Bonds						
Bmw Veh Owner Tr 3.440% 12/26/28 05602RAE1 Standard & Poors Rating: AAA	100,000.000	99.2100	99,210.00	95,808.59	3,401.41	3.66
Daimler Trucks 5.770% 12/15/27 233874AC0 Standard & Poors Rating: N/A	10,000.000	101.2740	10,127.40	9,999.11	128.29	5.28
First Natl Master 4.850% 2/15/30 32113CCE8 Standard & Poors Rating: N/A	30,000.000	101.0160	30,304.80	29,995.75	309.05	4.62
First Natl Mstr 8.24026% 4/16/29 32113CBV1 Standard & Poors Rating: N/A	40,000.000	100.8470	40,338.80	39,920.31	418.49	8.00
Ford Cr Aut Own Tr 0.490% 9/15/26 34532NAD7 Standard & Poors Rating: AAA	25,627.030	99.8320	25,583.98	24,199.52	1,384.46	0.60
Ford Cr Auto Owner 5.980% 6/15/28 345295AF6 Standard & Poors Rating: N/A	45,000.000	101.9570	45,880.65	45,149.41	731.24	5.33
U S Treasury Bd 3.875% 5/15/43 912810TS7 Standard & Poors Rating: N/A	15,000.000	92.0390	13,805.85	13,760.74	45.11	4.52
U S Treasury Bd 4.250% 8/15/44 912810UD8 Standard & Poors Rating: N/A	92,000.000	94.5780	87,011.76	87,563.43	- 551.67	4.68
U S Treasury Bd 4.250% 8/15/54 912810UC0 Standard & Poors Rating: N/A	41,000.000	96.0940	39,398.54	37,761.07	1,637.47	4.49

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BOND QUALITY SCHEDULE (continued)

MOODYS RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
U S Treasury Nt 4.250% 1/31/30 91282CMG3 Standard & Poors Rating: N/A	16,000.000	101.0470	16,167.52	15,970.81	196.71	4.01
U S Treasury Nt 4.250% 11/15/34 91282CLW9 Standard & Poors Rating: N/A	488,000.000	100.3910	489,908.08	482,077.31	7,830.77	4.20
U S Treasury Nt 4.500% 11/15/54 912810UE6 Standard & Poors Rating: N/A	11,000.000	100.2660	11,029.26	10,694.06	335.20	4.48
U S Treasury Nt 4.625% 2/15/35 91282CMM0 Standard & Poors Rating: N/A	14,000.000	103.4530	14,483.42	14,360.39	123.03	4.20
World Omni Aut Lea 5.570% 7/17/28 981944AE1 Standard & Poors Rating: N/A	100,000.000	100.2640	100,264.00	98,414.06	1,849.94	5.48
Total Aaa Bonds			1,023,514.06	1,005,674.56	17,839.50	
Aa2 Bonds						
Florida Pwr Lt Co 5.150% 6/15/29 Next Call Date 05/15/2029 341081GT8 Standard & Poors Rating: A+	15,000.000	102.4980	15,374.70	14,974.65	400.05	4.50
Aa3 Bonds						
Meta Platforms Inc 5.400% 8/15/54 Next Call Date 02/15/2054 30303M8V7 Standard & Poors Rating: AA-	15,000.000	99.6510	14,947.65	14,940.15	7.50	5.42

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MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
State Str Corp Sr Nt 4.675% 10/22/32 Next Call Date 10/22/2031 857477CR2 Standard & Poors Rating: A	25,000.000	98.7590	24,689.75	25,000.00	- 310.25	4.88
United Air 2019 1 4.150% 2/25/33 90931CAA6 Standard & Poors Rating: N/A	26,303.350	96.2530	25,317.76	24,866.13	451.63	4.72
Total Aa3 Bonds			64,955.16	64,806.28	148.88	
A1 Bonds						
Bank Of America Mtn 3.194% 7/23/30 Next Call Date 07/23/2029 06051GHV4 Standard & Poors Rating: A-	20,000.000	93.6090	18,721.80	22,159.40	- 3,437.60	4.54
Bhp Billiton Fin 5.125% 2/21/32 Next Call Date 12/21/2031 055451BK3 Standard & Poors Rating: N/A	20,000.000	101.2920	20,258.40	19,917.60	340.80	4.90
Commonwealth Edison 5.875% 2/01/33 202795HG8 Standard & Poors Rating: A	20,000.000	104.8710	20,974.20	20,078.40	895.80	5.12
Delta Air Lines 5.000% 12/10/29 247361ZW1 Standard & Poors Rating: A-	27,889.100	93.1910	25,990.13	24,124.07	1,866.06	6.69
Jpmorgan Chase Co 5.766% 4/22/35 Next Call Date 04/22/2034 46647PEH5 Standard & Poors Rating: A	30,000.000	104.4900	31,347.00	31,778.40	- 431.40	5.19

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MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Morgan Stanley 6.407% 11/01/29 Next Call Date 10/01/2029 61747YFH3 Standard & Poors Rating: A-	15,000.000	105.5110	15,826.65	15,506.40	320.25	5.07
Royal Bk Cda Fr Mtn 4.965% 1/24/29 Next Call Date 01/24/2028 78017DAA6 Standard & Poors Rating: A	25,000.000	100.9540	25,238.50	25,005.50	233.00	4.69
Wells Fargo Co Mtn 5.198% 1/23/30 Next Call Date 12/23/2029 95000U3J0 Standard & Poors Rating: BBB+	15,000.000	101.4160	15,212.40	15,000.00	212.40	4.87
Total A1 Bonds			173,569.08	173,569.77	- .69	
A2 Bonds						
American Express Co 5.085% 1/30/31 Next Call Date 12/30/2030 025816DY2 Standard & Poors Rating: A-	10,000.000	101.2450	10,124.50	10,000.00	124.50	4.84
American Express Co 6.338% 10/30/26 025816DLO Standard & Poors Rating: A-	30,000.000	101.1330	30,339.90	30,522.30	- 182.40	5.61
Canadian Imperial Bk 6.092% 10/03/33 Next Call Date 07/03/2033 13607LWW9 Standard & Poors Rating: A-	20,000.000	106.6920	21,338.40	20,797.60	540.80	5.12
Duke Energy 5.550% 3/15/54 Next Call Date 09/15/2053 26442EAL4 Standard & Poors Rating: A	20,000.000	98.8300	19,766.00	20,172.60	- 406.60	5.63

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MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Entergy La LLC 5.150% 9/15/34 Next Call Date 06/15/2034 29364WBP2 Standard & Poors Rating: A	20,000.000	100.0080	20,001.60	19,923.80	77.80	5.15
Goldman Sachs 1.948% 10/21/27 Next Call Date 10/21/2026 38141GYM0 Standard & Poors Rating: BBB+	47,000.000	95.7910	45,021.77	42,843.79	2,177.98	3.63
Southern Calif 5.875% 12/01/53 Next Call Date 06/01/2053 842400HX4 Standard & Poors Rating: A-	19,000.000	98.0030	18,620.57	17,553.91	1,066.66	6.02
Unitedhealth Group 2.750% 5/15/40 Next Call Date 11/15/2039 91324PDY5 Standard & Poors Rating: A+	25,000.000	72.7040	18,176.00	18,851.25	- 675.25	5.41
Westar Energy Inc 3.100% 4/01/27 Next Call Date 01/01/2027 95709TAP5 Standard & Poors Rating: A	24,000.000	97.4800	23,395.20	22,472.51	922.69	4.38
Total A2 Bonds			206,783.94	203,137.76	3,646.18	
A3 Bonds						
Baker Hughes LLC Co 3.337% 12/15/27 Next Call Date 09/15/2027 05723KAE0 Standard & Poors Rating: A-	25,000.000	97.3860	24,346.50	23,939.00	407.50	4.34
Diageo Cap Plc Sr Nt 2.125% 4/29/32 Next Call Date 01/29/2032 25243YBE8 Standard & Poors Rating: A-	15,000.000	84.0040	12,600.60	12,207.75	392.85	4.79

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BOND QUALITY SCHEDULE (continued)

MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
General Mtn 5.875% 1/14/38 36962G3P7 Standard & Poors Rating: BBB+	20,000.000	106.8940	21,378.80	21,043.90	334.90	5.14
Hsbc Hldgs Plc 2.804% 5/24/32 Next Call Date 05/24/2031 404280CT4 Standard & Poors Rating: A-	20,000.000	87.2790	17,455.80	16,809.60	646.20	4.91
Realty Income Corp 5.375% 9/01/54 Next Call Date 03/01/2054 756109CQ5 Standard & Poors Rating: A-	10,000.000	97.8600	9,786.00	9,883.30	- 97.30	5.52
Simon Pty Group 4.750% 9/26/34 Next Call Date 06/26/2034 828807DY0 Standard & Poors Rating: A-	15,000.000	96.6950	14,504.25	14,896.35	- 392.10	5.19
Total A3 Bonds			100,071.95	98,779.90	1,292.05	
Baa1 Bonds						
American Wtr Cap 5.250% 3/01/35 Next Call Date 12/01/2034 03040WBF1 Standard & Poors Rating: A	20,000.000	101.0870	20,217.40	19,923.00	294.40	5.11
Arizona Pub 5.700% 8/15/34 Next Call Date 05/15/2034 040555DH4 Standard & Poors Rating: BBB+	10,000.000	102.6230	10,262.30	9,972.60	289.70	5.34
Barclays Plc Sr Nt 5.690% 3/12/30 Next Call Date 03/12/2029 06738ECR4 Standard & Poors Rating: BBB+	20,000.000	102.5040	20,500.80	20,045.40	455.40	5.12

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BOND QUALITY SCHEDULE (continued)

MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Cigna Corp 4.375% 10/15/28 Next Call Date 07/15/2028 125523AH3 Standard & Poors Rating: A-	20,000.000	99.2230	19,844.60	19,774.40	70.20	4.61
Citizens Financial 6.645% 4/25/35 Next Call Date 04/25/2034 174610BG9 Standard & Poors Rating: BBB+	10,000.000	107.6640	10,766.40	10,008.87	757.53	5.64
Electronic Arts Inc 2.950% 2/15/51 Next Call Date 08/15/2050 285512AF6 Standard & Poors Rating: BBB+	29,000.000	64.7050	18,764.45	17,405.51	1,358.94	5.53
Hubbell Inc 3.350% 3/01/26 Next Call Date 12/01/2025 443510AG7 Standard & Poors Rating: BBB+	10,000.000	98.6580	9,865.80	9,819.60	46.20	4.74
Huntington 5.272% 1/15/31 446150BE3 Standard & Poors Rating: BBB+	20,000.000	101.3130	20,262.60	20,000.00	262.60	5.01
Regions Financial 5.722% 6/06/30 7591EPAU4 Standard & Poors Rating: BBB+	20,000.000	102.6230	20,524.60	20,000.00	524.60	5.15
Reinsurance Group 5.750% 9/15/34 Next Call Date 06/15/2034 759351AS8 Standard & Poors Rating: A	24,000.000	102.6140	24,627.36	23,925.88	701.48	5.40
Santander Uk Group 4.858% 9/11/30 Next Call Date 08/11/2030 80281LAU9 Standard & Poors Rating: BBB	20,000.000	98.8010	19,760.20	20,000.00	- 239.80	5.11

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MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Suncor Energy Inc 5.950% 12/01/34 867229AD8 Standard & Poors Rating: N/R	18,000.000	103.8680	18,696.24	17,308.80	1,387.44	5.43
Sysco Corp Sr 5.400% 3/23/35 Next Call Date 12/23/2034 871829BV8 Standard & Poors Rating: N/A	15,000.000	101.6140	15,242.10	14,988.60	253.50	5.19
Total Baa1 Bonds			229,334.85	223,172.66	6,162.19	
Baa2 Bonds						
At T Inc 2.550% 12/01/33 Next Call Date 09/01/2033 00206RMM1 Standard & Poors Rating: BBB	30,000.000	82.3210	24,696.30	24,046.20	650.10	5.08
Black Hills Corp 6.000% 1/15/35 Next Call Date 10/15/2034 092113AX7 Standard & Poors Rating: BBB+	15,000.000	104.5150	15,677.25	14,968.05	709.20	5.40
Citigroup Inc Sub 6.174% 5/25/34 Next Call Date 05/25/2033 17327CAR4 Standard & Poors Rating: BBB	20,000.000	103.1250	20,625.00	19,087.20	1,537.80	5.73
Energy Transfer 8.250% 11/15/29 Next Call Date 08/15/2029 29273RBC2 Standard & Poors Rating: BBB	25,000.000	113.0300	28,257.50	27,795.00	462.50	5.10
Essential Utils Inc 3.351% 4/15/50 Next Call Date 10/15/2049 29670GAE2 Standard & Poors Rating: BBB+	14,000.000	68.3620	9,570.68	8,620.08	950.60	5.75

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MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Extra Space Storage 5.700% 4/01/28 Next Call Date 03/01/2028 30225VAJ6 Standard & Poors Rating: BBB+	15,000.000	102.8730	15,430.95	15,428.55	2.40	4.69
Gallagher Arthur 5.150% 2/15/35 Next Call Date 11/15/2034 04316JAN9 Standard & Poors Rating: BBB	22,000.000	99.5310	21,896.82	21,917.94	- 21.12	5.21
Gatx Corp 5.500% 6/15/35 Next Call Date 03/15/2035 361448BS1 Standard & Poors Rating: BBB	15,000.000	101.1350	15,170.25	14,943.75	226.50	5.36
General Mtrs Finl Co 5.050% 4/04/28 37045XFE1 Standard & Poors Rating: BBB	20,000.000	100.2837	20,056.74	19,996.00	60.74	4.95
Motorola Solutions 2.750% 5/24/31 Next Call Date 02/24/2031 620076BU2 Standard & Poors Rating: BBB	12,000.000	88.3830	10,605.96	9,538.08	1,067.88	4.94
Pacific Gas Elec 3.450% 7/01/25 694308JL2 Standard & Poors Rating: BBB	20,000.000	99.4320	19,886.40	19,800.80	85.60	5.14
Plains All Amer Pipe 4.300% 1/31/43 Next Call Date 07/31/2042 72650RBC5 Standard & Poors Rating: BBB	28,000.000	82.1600	23,004.80	19,544.00	3,460.80	5.93
Pnc Finl Svcs Group 3.400% 12/15/69 Next Call Date 09/15/2026 693475BC8 Standard & Poors Rating: BBB-	10,000.000	94.9170	9,491.70	8,893.20	598.50	3.63

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MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Valero Energy Corp 5.150% 2/15/30 Next Call Date 01/15/2030 91913YBF6 Standard & Poors Rating: BBB	15,000.000	100.8810	15,132.15	14,973.60	158.55	4.95
Vulcan Matls Co 5.700% 12/01/54 Next Call Date 06/01/2054 929160BD0 Standard & Poors Rating: BBB+	15,000.000	100.6880	15,103.20	14,936.20	167.00	5.65
Weyerhaeuser Co 7.375% 3/15/32 962166BR4 Standard & Poors Rating: BBB	16,000.000	113.1180	18,098.88	17,236.48	862.40	5.13
Total Baa2 Bonds			282,704.58	271,725.13	10,979.45	
Baa3 Bonds						
Associated Banc Corp 6.455% 8/29/30 Next Call Date 08/29/2029 045487AD7 Standard & Poors Rating: BBB-	15,000.000	102.9060	15,435.90	15,098.16	337.74	5.83
Bank Of Nova Scotia 4.900% 9/04/72 Next Call Date 06/04/2025 064159VJ2 Standard & Poors Rating: BBB-	20,000.000	99.5800	19,916.00	19,733.90	182.10	0.00
Flowers Foods Inc 6.200% 3/15/55 Next Call Date 09/15/2054 343498AE1 Standard & Poors Rating: BBB	20,000.000	102.9320	20,586.40	19,866.00	720.40	5.99
Mattel Inc 5.450% 11/01/41 Next Call Date 05/01/2041 577081AW2 Standard & Poors Rating: BBB	16,000.000	93.3190	14,931.04	12,916.16	2,014.88	6.09

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MOODY'S RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
Occidental 6.200% 3/15/40 674599DJ1 Standard & Poors Rating: BB+	20,000.000	101.3900	20,278.00	20,474.20	- 196.20	6.06
Ovintiv Inc 6.250% 7/15/33 Next Call Date 04/15/2033 69047QAC6 Standard & Poors Rating: BBB-	18,000.000	104.3120	18,776.16	17,490.42	1,285.74	5.60
Total Baa3 Bonds			109,923.50	105,578.84	4,344.66	
Ba1 Bonds						
Aplovin Corp Sr 5.125% 12/01/29 Next Call Date 11/01/2029 03831WAB4 Standard & Poors Rating: BBB-	11,000.000	100.9400	11,103.40	10,995.82	107.58	4.90
N/A Bonds						
F G Annuities Life 6.500% 6/04/29 Next Call Date 05/04/2029 30190AAF1 Standard & Poors Rating: BBB-	25,000.000	102.9800	25,745.00	25,012.10	732.90	5.70
F H L M C #Sd8237 4.000% 7/01/52 3132DWEJ8 Standard & Poors Rating: N/A	390,494.430	93.9120	366,721.13	347,112.93	19,608.20	4.38
F H L M C #Sd8244 4.000% 9/01/52 3132DWERO Standard & Poors Rating: N/A	69,703.390	93.9170	65,463.33	65,379.59	83.74	4.38
F H L M C #Sd8288 5.000% 12/01/52 3132DWF57 Standard & Poors Rating: N/A	346,330.370	98.4740	341,045.37	327,390.44	13,654.93	5.10

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BOND QUALITY SCHEDULE (continued)

MOODYS RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
F H L M C Mtcl Mtg 5.180% 3/25/29 3137HCKV3 Standard & Poors Rating: N/A	60,000.000	102.8540	61,712.40	61,257.42	454.98	4.41
F N M A #Ma4838 3.500% 11/01/52 31418ELU2 Standard & Poors Rating: N/A	180,037.400	90.8440	163,553.18	154,269.56	9,283.62	4.05
F N M A #Ma4867 4.500% 12/01/52 31418EMR8 Standard & Poors Rating: N/A	269,849.560	96.5640	260,577.53	247,713.47	12,864.06	4.72
FNMA Cb8133 5.000% 3/01/54 3140QUBB1 Standard & Poors Rating: N/A	74,962.770	98.5400	73,868.31	72,526.48	1,341.83	5.10
Gm Fin Atmbl Lease 5.160% 1/20/27 362541AE4 Standard & Poors Rating: AAA	30,000.000	100.1930	30,057.90	29,630.86	427.04	5.05
Ssm Health Care Corp 4.894% 6/01/28 Next Call Date 03/01/2028 784710AC9 Standard & Poors Rating: A+	18,000.000	100.8490	18,152.82	17,646.48	506.34	4.61
Toyota Auto Rec 1.020% 3/15/27 89238JAD7 Standard & Poors Rating: AAA	50,000.000	97.9480	48,974.00	45,835.94	3,138.06	2.05
U S Treas Bd Strip 8/15/44 912834NV6 Standard & Poors Rating: N/A	125,000.000	.3995	49,940.00	52,895.00	- 2,955.00	0.00 *
U S Treasury Nt 4.500% 1/31/32 91282CMK4 Standard & Poors Rating: N/A	465,000.000	101.6410	472,630.65	464,091.79	8,538.86	4.22
United Air 2014 1 A 4.000% 4/11/26 90932PAA6 Standard & Poors Rating: A+	24,089.850	98.9530	23,837.63	23,382.09	455.54	4.97

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BOND QUALITY SCHEDULE (continued)

MOODYS RATING

ASSET NAME	SHARES/ PAR VALUE	PRICE	MARKET	BOOK VALUE	UNREALIZED GAIN/LOSS	YIELD TO CALL/ MATURITY
United Air 2014 2 3.750% 3/03/28 90932QAA4 Standard & Poors Rating: A	19,964.450	98.7290	19,710.70	19,340.57	370.13	4.20
United Airlines 4.300% 2/15/27 909319AA3 Standard & Poors Rating: A	26,315.140	99.6970	26,235.41	25,024.12	1,211.29	4.46
World Financial 4.620% 5/15/31 981464HU7 Standard & Poors Rating: AAA	50,000.000	100.4130	50,206.50	49,751.95	454.55	4.54
World Omni Auto Rec 4.990% 3/15/30 98164YAD3 Standard & Poors Rating: AAA	20,000.000	100.9930	20,198.60	19,998.52	200.08	4.77
Total N/A Bonds			2,118,630.46	2,048,259.31	70,371.15	
Not Rated Bonds						
U S Treas Bd Strip 5/15/54 912803HB2 Standard & Poors Rating: Not Rated	105,000.000	.2787	29,259.30	32,817.75	- 3,558.45	0.00 *
GRAND TOTAL			4,365,224.98	4,253,492.43	111,732.55	

BOND QUALITY SCHEDULE MESSAGES

*Yield to Maturity for zero rate bonds may display as zero.

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Account Number: 6746050801
PARS/CITY OF BREA 115 POST
EMPLOYMENT BENEFIT TRUST OPEB

This statement is for the period from February 1, 2025 to February 28, 2025

Questions?

If you have any questions regarding your account or this statement, please contact your Account Manager.

Account Manager:
RODION BUTYRSKI
18300 VON KARMAN
SUITE 500
IRVINE CA 92612
Phone: 949-224-7211
E-mail: rodion.butyrski@usbank.com



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CITY OF BREA
ATTN.: CITY MANAGER
1 CIVIC CENTER CIRCLE
BREA, CA 92821-5792

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MARKET AND COST RECONCILIATION

	02/28/2025 MARKET	02/28/2025 BOOK VALUE
Beginning Market And Cost	450,078.20	445,714.19
Investment Activity		
Interest	42.44	42.44
Dividends	542.40	542.40
Change In Unrealized Gain/Loss	2,543.88	.00
Net Accrued Income (Current-Prior)	- 4.28	- 4.28
Total Investment Activity	3,124.44	580.56
Plan Expenses		
Administrative Expenses*	- 63.52	- 63.52
Trust Fees	- 71.50	- 71.50
Total Plan Expenses	- 135.02	- 135.02
Net Change In Market And Cost	2,989.42	445.54
Ending Market And Cost	453,067.62	446,159.73

MARKET AND COST RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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CASH RECONCILIATION

Beginning Cash	.00
Investment Activity	
Interest	42.44
Dividends	542.40
Cash Equivalent Purchases	- 171.04
Mutual Fund Purchases	- 413.80
Cash Equivalent Sales	135.02
Total Investment Activity	135.02
Plan Expenses	
Administrative Expenses*	- 63.52
Trust Fees	- 71.50
Total Plan Expenses	- 135.02
Net Change In Cash	.00
Ending Cash	.00

CASH RECONCILIATION MESSAGES

* Includes Professional Fees, Contract Administrator Fees and Investment Advisory Fees

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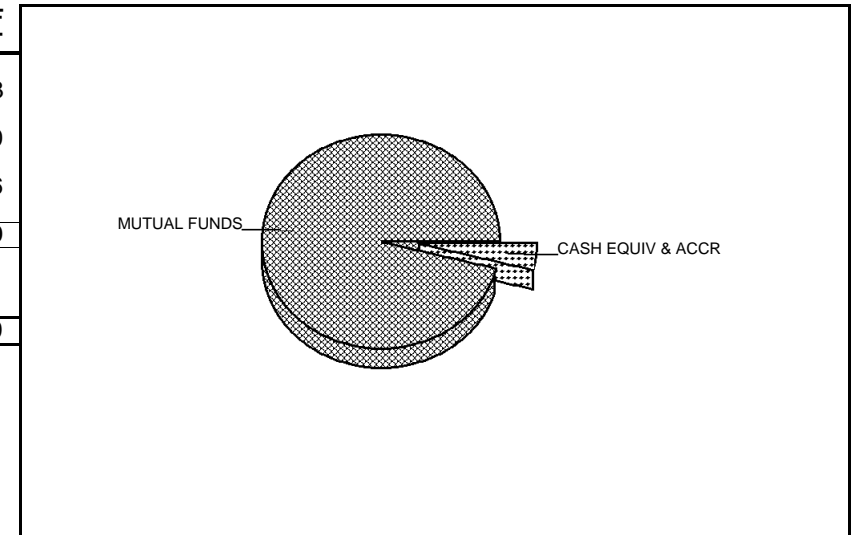
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ASSET SUMMARY

ASSETS	02/28/2025 MARKET	02/28/2025 BOOK VALUE	% OF MARKET
Cash And Equivalents	11,493.76	11,493.76	2.53
Mutual Funds-Equity	229,690.52	226,478.71	50.70
Mutual Funds-Fixed Income	211,845.18	208,149.10	46.76
Total Assets	453,029.46	446,121.57	99.99
Accrued Income	38.16	38.16	0.01
Grand Total	453,067.62	446,159.73	100.00

Estimated Annual Income **12,880.83**



ASSET SUMMARY MESSAGES

Estimated Annual Income is an estimate provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.

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ASSET DETAIL

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Cash And Equivalents						
Money Markets						
First Am Govt Ob Fd Cl X 31846V336 Asset Minor Code 1	11,493.760	11,493.76 1.0000	11,493.76	.00 .00	38.16	4.27
Total Money Markets	11,493.760	11,493.76	11,493.76	.00 .00	38.16	4.26
Total Cash And Equivalents	11,493.760	11,493.76	11,493.76	.00 .00	38.16	4.26
Mutual Funds						
Mutual Funds-Equity						
Cohen & Steers Instl Realty Shares 19247U106 Asset Minor Code 98	358.601	18,087.83 50.4400	17,563.70	524.13 717.20	.00	2.82
Columbia Small Cap Growth Inst3 19765Y340 Asset Minor Code 98	57.304	1,634.88 28.5300	1,577.00	57.88 - 133.52	.00	0.00
Columbia Contrarian Core Fund 19766M709 Asset Minor Code 98	956.156	35,377.77 37.0000	36,029.43	- 651.66 - 678.87	.00	0.68
Fidelity International Index Fund 315911727 Asset Minor Code 98	290.914	14,944.25 51.3700	14,489.52	454.73 424.73	.00	3.03
Emerald Growth Institutional 317609253 Asset Minor Code 98	62.872	1,561.74 24.8400	1,660.64	- 98.90 - 125.74	.00	2.72

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ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Goldman Sachs Ggg Ptnrs Intl Opps In 38147N293 Asset Minor Code 98	237.920	4,951.12 20.8100	5,498.30	- 547.18 111.83	.00	2.15
Hartford Schroders Emerging Markets 41665X859 Asset Minor Code 98	428.672	7,184.54 16.7600	7,298.72	- 114.18 - 81.45	.00	1.32
Lazard CI List Infrastr Inst 52106N459 Asset Minor Code 98	346.732	5,679.47 16.3800	5,766.61	- 87.14 138.69	.00	3.17
Mfs International Growth R6 552746356 Asset Minor Code 98	127.580	5,640.31 44.2100	5,515.72	124.59 96.96	.00	1.59
Nyli Cbre Global Infrastructure Fd I 56064L298 Asset Minor Code 98	405.090	5,537.58 13.6700	5,269.99	267.59 186.34	.00	2.00
Putnam Core Equity Fund Y 74676P839 Asset Minor Code 98	346.432	15,111.36 43.6200	15,040.65	70.71 - 287.54	.00	0.72
Schwab U S Large Cap Etf 808524201 Asset Minor Code 94	4,642.000	109,133.42 23.5100	105,967.43	3,165.99 - 1,671.12	.00	1.20
Undiscovered Mgrs Behavioral Value 904504479 Asset Minor Code 98	57.776	4,846.25 83.8800	4,801.00	45.25 - 169.28	.00	1.98
Total Mutual Funds-Equity	8,318.049	229,690.52	226,478.71	3,211.81 - 1,471.77	.00	1.45
Mutual Funds-Fixed Income						
Baird Aggregate Bond Fd Instl 057071854 Asset Minor Code 99	5,599.302	55,265.11 9.8700	54,375.97	889.14 1,061.11	.00	4.00

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ASSET DETAIL (continued)

DESCRIPTION	SHARES/ FACE AMOUNT	MARKET PRICE/UNIT	BOOK VALUE	UNREALIZED GAIN (LOSS) SINCE INCEPTION/ CURRENT PERIOD	ENDING ACCRUAL	YIELD ON MARKET
Dodge Cox Income 256210105 Asset Minor Code 99	4,154.666	52,971.99 12.7500	51,875.97	1,096.02 1,246.40	.00	4.12
Ishares Core U.S. Aggregate Bond Etf 464287226 Asset Minor Code 95	399.000	39,600.75 99.2500	38,882.07	718.68 738.15	.00	3.70
Nyli MacKay High Yield Corp Bd Fd R6 56063N881 Asset Minor Code 99	2,013.304	10,509.45 5.2200	10,400.44	109.01 .00	.00	6.17
Pgim Total Return Bond CI R6 74440B884 Asset Minor Code 99	4,424.969	53,497.88 12.0900	52,614.65	883.23 969.99	.00	4.74
Total Mutual Funds-Fixed Income	16,591.241	211,845.18	208,149.10	3,696.08 4,015.65	.00	4.26
Total Mutual Funds	24,909.290	441,535.70	434,627.81	6,907.89 2,543.88	.00	2.80
Total Assets	36,403.050	453,029.46	446,121.57	6,907.89 2,543.88	38.16	2.84
Accrued Income	.000	38.16	38.16			
Grand Total	36,403.050	453,067.62	446,159.73			

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ASSET DETAIL MESSAGES

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your account manager or relationship manager.

Yield on Market and Accrued Income are estimates provided for informational purposes only and should not be relied on for making investment, trading, or tax decisions. The estimates may not represent the actual value earned by your investments and they provide no guarantee of what your investments may earn in the future.

The asset categories used in this statement may be general in nature. For example, assets listed under the "Mutual Funds" category may include open-end investment companies registered under the Investment Company Act of 1940 (which are commonly known as "mutual funds") but may also include closed-end investment companies, unit investment trusts, common trust funds, collective trust funds or other investments that are registered with (or not subject to registration with) the Securities and Exchange Commission.

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INCOME ACCRUAL DETAIL

SHARES/ FACE AMOUNT	DESCRIPTION	EX DATE	PAY DATE	ANN RATE	BEGINNING ACCRUAL	INCOME EARNED	INCOME RECEIVED	ENDING ACCRUAL
Cash And Equivalents								
11,493.760	First Am Govt Ob Fd CI X 31846V336		03/03/25	0.04	42.44	38.16	42.44	38.16
Total Cash And Equivalents					42.44	38.16	42.44	38.16
Mutual Funds-Fixed Income								
5,599.302	Baird Aggregate Bond Fd Instl 057071854	02/26/25	02/27/25	0.40	.00	170.07	170.07	.00
399.000	Ishares Core U.S. Aggregate Bond Etf 464287226	02/03/25	02/06/25	3.68	.00	128.60	128.60	.00
2,013.304	Nyli MacKay High Yield Corp Bd Fd R6 56063N881	02/28/25	02/28/25	0.32	.00	51.29	51.29	.00
4,424.969	Pgim Total Return Bond CI R6 74440B884	12/22/22	02/28/25	0.57	.00	192.44	192.44	.00
Total Mutual Funds-Fixed Income					.00	542.40	542.40	.00
Grand Total					42.44	580.56	584.84	38.16

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INVESTMENT ACTIVITY

DATE	DESCRIPTION	CASH
Interest		
First Am Govt Ob Fd CI X 31846V336		
02/03/2025	Interest From 1/1/25 To 1/31/25	42.44
Total Interest		42.44
Dividends		
Baird Aggregate Bond Fd Instl 057071854		
02/26/2025	0.030468 USD/Share On 5,582.018 Shares Due 2/27/25 Dividend Payable 02/27/25	170.07
Ishares Core U.S. Aggregate Bond Etf 464287226		
02/06/2025	0.322301 USD/Share On 399 Shares Due 2/6/25	128.60
Nyli MacKay High Yield Corp Bd Fd R6 56063N881		
02/28/2025	0.0256 USD/Share On 2,003.478 Shares Due 2/28/25 Dividend Payable 02/28/25	51.29
Pgim Total Return Bond CI R6 74440B884		
02/28/2025	Dividend From 2/1/25 To 2/28/25	192.44
Total Dividends		542.40

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PLAN EXPENSES

DATE	DESCRIPTION	CASH
Administrative Expenses		
Contract Administrator Fees		
Administrative Fee		
02/28/2025	Paid To Phase II Systems Pars Trust Admin Fee Per Directive Dated 2/26/25	- 63.52
Total Administrative Fee		- 63.52
Total Contract Administrator Fees		- 63.52
Total Administrative Expenses		- 63.52
Trust Fees		
Trust Fees		
02/26/2025	Collected Charged For Period 01/01/2025 Thru 01/31/2025	- 71.50
Total Trust Fees		- 71.50
Total Trust Fees		- 71.50
Total Plan Expenses		- 135.02

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PURCHASES

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
Cash And Equivalents					
02/04/2025	Purchased 42.44 Units Of First Am Govt Ob Fd CI X Trade Date 2/4/25 31846V336	42.440	.00	- 42.44	42.44
02/06/2025	Purchased 128.6 Units Of First Am Govt Ob Fd CI X Trade Date 2/6/25 31846V336	128.600	.00	- 128.60	128.60
Total First Am Govt Ob Fd CI X		171.040	.00	- 171.04	171.04
Total Cash And Equivalents		171.040	.00	- 171.04	171.04
Mutual Funds-Fixed Income					
02/26/2025	Purchased 17.284 Shares Baird Aggregate Bond Fd Instl @ 9.84 USD Through Reinvestment Of Cash Dividend Due 2/27/25 057071854	17.284	.00	- 170.07	170.07
Total Baird Aggregate Bond Fd Instl		17.284	.00	- 170.07	170.07
02/28/2025	Purchased 9.826 Shares Nyli MacKay High Yield Corp Bd Fd R6 @ 5.22 USD Through Reinvestment Of Cash Dividend Due 2/28/25 56063N881	9.826	.00	- 51.29	51.29
Total Nyli MacKay High Yield Corp Bd Fd R6		9.826	.00	- 51.29	51.29

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PURCHASES (continued)

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	CASH	BOOK VALUE
02/28/2025	Purchased 15.917 Shares Pgim Total Return Bond CI R6 @ 12.09 USD Through Reinvestment Of Cash Dividend Due 2/28/25 74440B884	15.917	.00	- 192.44	192.44
Total Pgim Total Return Bond CI R6		15.917	.00	- 192.44	192.44
Total Mutual Funds-Fixed Income		43.027	.00	- 413.80	413.80
Total Purchases		214.067	.00	- 584.84	584.84

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SALES AND MATURITIES

DATE	DESCRIPTION	SHARES/ FACE AMOUNT	COMMISSION	TRANSACTION PROCEEDS	BOOK VALUE	REALIZED GAIN/LOSS
Cash And Equivalents						
02/26/2025	Sold 71.5 Units Of First Am Govt Ob Fd CI X Trade Date 2/26/25 31846V336	- 71.500	.00	71.50	- 71.50	.00
02/28/2025	Sold 63.52 Units Of First Am Govt Ob Fd CI X Trade Date 2/28/25 31846V336	- 63.520	.00	63.52	- 63.52	.00
Total First Am Govt Ob Fd CI X		- 135.020	.00	135.02	- 135.02	.00
Total Cash And Equivalents		- 135.020	.00	135.02	- 135.02	.00
Total Sales And Maturities		- 135.020	.00	135.02	- 135.02	.00

SALES AND MATURITIES MESSAGES

Realized gain/loss should not be used for tax purposes.



Glossary

Accretion - The accumulation of the value of a discounted bond until maturity.

Adjusted Prior Market Realized Gain/Loss - The difference between the proceeds and the Prior Market Value of the transaction.

Adjusted Prior Market Unrealized Gain/Loss - The difference between the Market Value and the Adjusted Prior Market Value.

Adjusted Prior Market Value - A figure calculated using the beginning Market Value for the fiscal year, adjusted for all asset related transactions during the period, employing an average cost methodology.

Amortization - The decrease in value of a premium bond until maturity.

Asset - Anything owned that has commercial exchange value. Assets may consist of specific property or of claims against others, in contrast to obligations due to others (liabilities).

Bond Rating - A measurement of a bond's quality based upon the issuer's financial condition. Ratings are assigned by independent rating services, such as Moody's, or S&P, and reflect their opinion of the issuer's ability to meet the scheduled interest and principal repayments for the bond.

Cash - Cash activity that includes both income and principal cash categories.

Change in Unrealized Gain/Loss - Also reported as Gain/Loss in Period in the Asset Detail section. This figure shows the market appreciation (depreciation) for the current period.

Cost Basis (Book Value) - The original price of an asset, normally the purchase price or appraised value at the time of acquisition. Book Value method maintains an average cost for each asset.

Cost Basis (Tax Basis) - The original price of an asset, normally the purchase price or appraised value at the time of acquisition. Tax Basis uses client determined methods such as Last-In-First-Out (LIFO), First-In-First-Out (FIFO), Average, Minimum Gain, and Maximum Gain.

Ending Accrual - (Also reported as Accrued Income) Income earned but not yet received, or expenses incurred but not yet paid, as of the end of the reporting period.

Estimated Annual Income - The amount of income a particular asset is anticipated to earn over the next year. The shares multiplied by annual income rate.

Estimated Current Yield - The annual rate of return on an investment expressed as a percentage. For stocks, yield is calculated by taking the annual dividend payments divided by the stock's current share price. For bonds, yield is calculated by the coupon rate divided by the bond's market price.

Ex-Dividend Date - (Also reported as Ex-Date) For stock trades, the person who owns the security on the ex-dividend date will earn the dividend, regardless of who currently owns the stock.

Income Cash - A category of cash comprised of ordinary earnings derived from investments, usually dividends and interest.

Market Value - The price per unit multiplied by the number of units.

Maturity Date - The date on which an obligation or note matures.

Payable Date - The date on which a dividend, mutual fund distribution, or interest on a bond will be made.

Principal Cash - A category of cash comprised of cash, deposits, cash withdrawals and the cash flows generated from purchases or sales of investments.

Realized Gain/Loss Calculation - The Proceeds less the Cost Basis of a transaction.

Settlement Date - The date on which a trade settles and cash or securities are credited or debited to the account.

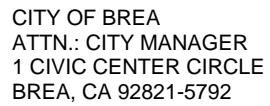
Trade Date - The date a trade is legally entered into.

Unrealized Gain/Loss - The difference between the Market Value and Cost Basis at the end of the current period.

Yield on/at Market - The annual rate of return on an investment expressed as a percentage. For stocks, yield is calculated by the annual dividend payments divided by the stock's current share price. For bonds, yield is calculated by the coupon rate divided by the bond's market price.

The terms defined in this glossary are only for use when reviewing your account statement. Please contact your Relationship Manager with any questions.

U.S. Bank
1555 N. Rivercenter Dr.
Suite 300
Milwaukee, WI 53212





MONTHLY ACCOUNT STATEMENT

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

Custodian:

Bank of New York Mellon Trust Company

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures at the end of the statement.

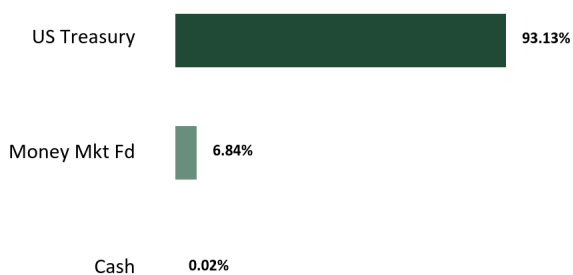
PORTFOLIO SUMMARY

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Portfolio Characteristics

Average Modified Duration	1.75
Average Coupon	2.06%
Average Purchase YTM	3.22%
Average Market YTM	4.09%
Average Credit Quality*	AAA
Average Final Maturity	1.86
Average Life	1.86

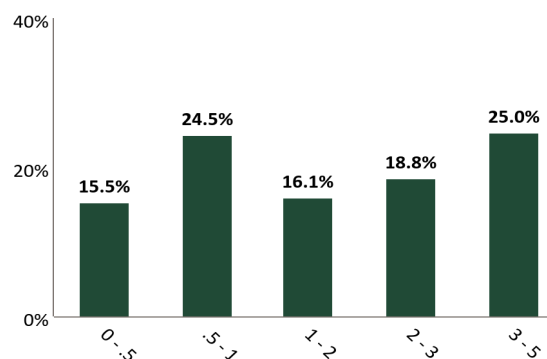
Sector Allocation



Account Summary

	End Values as of 01/31/2025	End Values as of 02/28/2025
Market Value	686,161.09	690,377.01
Accrued Interest	2,474.78	3,451.05
Total Market Value	688,635.87	693,828.06
Income Earned	1,896.66	1,727.03
Cont/WD	0.00	0.00
Par	712,251.76	712,406.24
Book Value	694,224.07	694,958.42
Cost Value	682,301.57	682,456.05

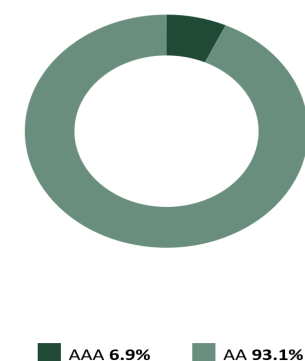
Maturity Distribution



Top Issuers

Government of The United States	93.13%
Money Market Fund	6.84%

Credit Quality (S&P)



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (07/01/18)
Brea CFD 2008 2 17 Reserve	0.75%	1.30%	1.19%	5.41%	5.02%	2.52%	1.60%	--	2.39%
Benchmark Return	1.42%	1.46%	2.00%	5.38%	4.58%	0.76%	0.27%	--	1.75%

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

**Periods over 1 year are annualized.

Benchmark: ICE BofA 3-5 Year Unsubordinated US Treasury & Agency Index Secondary Benchmark:

STATEMENT OF COMPLIANCE

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
MONEY MARKET FUND				
Max % (MV)	20.0	6.8	Compliant	
Max % Issuer (MV)	20.0	6.8	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	93.1	Compliant	
Max Maturity (Years)	5.0	4.2	Compliant	

RECONCILIATION SUMMARY

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Maturities / Calls

Month to Date	0.00
Fiscal Year to Date	(40,000.00)

Principal Paydowns

Month to Date	0.00
Fiscal Year to Date	0.00

Purchases

Month to Date	283.39
Fiscal Year to Date	47,664.06

Sales

Month to Date	0.00
Fiscal Year to Date	(10,213.53)

Interest Received

Month to Date	170.89
Fiscal Year to Date	7,664.06

Purchased / Sold Interest

Month to Date	0.00
Fiscal Year to Date	0.00

Accrual Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Book Value	694,224.07	692,611.76
Maturities/Calls	0.00	(40,000.00)
Principal Paydowns	0.00	0.00
Purchases	283.39	47,664.06
Sales	0.00	(10,213.53)
Change in Cash, Payables, Receivables	(128.91)	(100.98)
Amortization/Accretion	579.87	4,997.11
Realized Gain (Loss)	0.00	0.00
Ending Book Value	694,958.42	694,958.42

Fair Market Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Market Value	686,161.09	675,077.78
Maturities/Calls	0.00	(40,000.00)
Principal Paydowns	0.00	0.00
Purchases	283.39	47,664.06
Sales	0.00	(10,213.53)
Change in Cash, Payables, Receivables	(128.91)	(100.98)
Amortization/Accretion	579.87	4,997.11
Change in Net Unrealized Gain (Loss)	3,481.57	12,952.57
Realized Gain (Loss)	0.00	0.00
Ending Market Value	690,377.01	690,377.01

HOLDINGS REPORT



Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	154.50	-- 0.00%	154.50 154.50	1.00 0.00%	154.50 0.00	0.02% 0.00	AAA/AAA AAA	0.00 0.00
Total Cash		154.50	0.00%	154.50 154.50	1.00 0.00%	154.50 0.00	0.02% 0.00		0.00 0.00
MONEY MARKET FUND									
X9USDINVE	INVESCO TREASURY INST	47,251.74	-- 4.26%	47,251.74 47,251.74	1.00 4.26%	47,251.74 0.00	6.84% 0.00	AAA/AAA AAA	0.00 0.00
Total Money Market Fund		47,251.74	4.26%	47,251.74 47,251.74	1.00 4.26%	47,251.74 0.00	6.84% 0.00		0.00 0.00
US TREASURY									
91282CEU1	UNITED STATES TREASURY 2.875 06/15/2025	60,000.00	07/05/2023 5.01%	57,658.59 59,650.44	99.57 4.36%	59,743.59 360.16	8.65% 93.16	AAA/AA AA	0.29 0.28
91282CBC4	UNITED STATES TREASURY 0.375 12/31/2025	115,000.00	12/30/2020 0.38%	114,986.52 114,997.75	96.95 4.16%	111,487.11 71.48	16.15% (3,510.64)	AAA/AA AA	0.84 0.81
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	60,000.00	01/19/2022 1.52%	57,309.38 59,385.84	96.62 4.18%	57,970.31 18.02	8.40% (1,415.53)	AAA/AA AA	0.92 0.89
912828R36	UNITED STATES TREASURY 1.625 05/15/2026	55,000.00	01/19/2022 1.56%	55,154.69 55,043.19	97.14 4.09%	53,425.20 261.71	7.74% (1,617.99)	AAA/AA AA	1.21 1.17
912828U24	UNITED STATES TREASURY 2.0 11/15/2026	60,000.00	07/05/2023 4.52%	55,328.91 57,626.42	96.70 4.03%	58,017.19 351.38	8.40% 390.77	AAA/AA AA	1.71 1.64
912828X88	UNITED STATES TREASURY 2.375 05/15/2027	75,000.00	06/28/2022 3.28%	71,906.25 73,601.65	96.61 4.00%	72,457.03 521.58	10.50% (1,144.62)	AAA/AA AA	2.21 2.10
9128283F5	UNITED STATES TREASURY 2.25 11/15/2027	60,000.00	07/05/2023 4.35%	55,035.94 56,918.11	95.62 3.97%	57,372.66 395.30	8.31% 454.55	AAA/AA AA	2.71 2.57
9128284N7	UNITED STATES TREASURY 2.875 05/15/2028	60,000.00	07/05/2023 4.28%	56,332.03 57,580.17	96.71 3.98%	58,024.22 505.11	8.40% 444.05	AAA/AA AA	3.21 2.99
9128285M8	UNITED STATES TREASURY 3.125 11/15/2028	60,000.00	05/17/2024 4.45%	56,793.75 57,350.93	97.03 3.99%	58,218.78 549.03	8.43% 867.85	AAA/AA AA	3.71 3.42
9128286T2	UNITED STATES TREASURY 2.375 05/15/2029	60,000.00	05/17/2024 4.43%	54,543.75 55,397.69	93.76 4.00%	56,254.69 417.27	8.15% 856.99	AAA/AA AA	4.21 3.91
Total US Treasury		665,000.00	3.14%	635,049.81 647,552.18	96.70 4.08%	642,970.77 3,451.05	93.13% (4,581.41)		2.00 1.88



HOLDINGS REPORT

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
Total Portfolio		712,406.24	3.22%	682,456.05	90.13	690,377.01	100.00%		1.86
Total Market Value + Accrued				694,958.42	4.09%	3,451.05	(4,581.41)		1.75
						693,828.06			



TRANSACTION LEDGER

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest	Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS											
Purchase	02/03/2025	X9USDINVE	112.50	INVESCO TREASURY INST	1.000	4.28%	(112.50)		0.00	(112.50)	0.00
Purchase	02/05/2025	X9USDINVE	170.89	INVESCO TREASURY INST	1.000	4.28%	(170.89)		0.00	(170.89)	0.00
Total Purchase			283.39				(283.39)		0.00	(283.39)	0.00
TOTAL ACQUISITIONS											
			283.39				(283.39)		0.00	(283.39)	0.00
OTHER TRANSACTIONS											
TOTAL OTHER TRANSACTIONS											
			0.00				0.00		0.00	0.00	0.00

INCOME EARNED

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENTS						
CCYUSD	Cash	0.00	112.50	0.00	0.00	0.00
			0.00	0.00	0.00	
			0.00	0.00	0.00	
			0.00	0.00	0.00	
CCYUSD	Receivable	154.50	170.91	0.00	0.00	0.00
			0.00	0.00	0.00	
			0.00	0.00	0.00	
			154.50	0.00	0.00	
X9USDINVE	INVESCO TREASURY INST	47,251.74	46,968.35	0.00	0.00	170.89
			283.39	170.89	0.00	
			0.00	0.00	0.00	
			47,251.74	170.89	170.89	
			47,251.76	0.00	0.00	
			283.39	170.89	0.00	
			0.00	0.00	0.00	
Total Cash & Equivalents		47,406.24	47,406.24	170.89	170.89	170.89
FIXED INCOME						
9128283F5	UNITED STATES TREASURY 2.25 11/15/2027	07/05/2023	56,830.85	290.88	87.25	191.67
		07/06/2023	0.00	0.00	0.00	
		60,000.00	0.00	395.30	87.25	
			56,918.11	104.42	191.67	
9128284N7	UNITED STATES TREASURY 2.875 05/15/2028	07/05/2023	57,522.31	371.69	57.86	191.29
		07/06/2023	0.00	0.00	0.00	
		60,000.00	0.00	505.11	57.86	
			57,580.17	133.43	191.29	
9128285M8	UNITED STATES TREASURY 3.125 11/15/2028	05/17/2024	57,296.19	404.01	54.74	199.77
		05/20/2024	0.00	0.00	0.00	
		60,000.00	0.00	549.03	54.74	
			57,350.93	145.03	199.77	
9128286T2	UNITED STATES TREASURY 2.375 05/15/2029	05/17/2024	55,313.80	307.04	83.90	194.12
		05/20/2024	0.00	0.00	0.00	
		60,000.00	0.00	417.27	83.90	
			55,397.69	110.22	194.12	

INCOME EARNED



Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828R36	UNITED STATES TREASURY 1.625 05/15/2026	01/19/2022 01/20/2022 55,000.00	55,045.94 0.00 0.00 55,043.19	192.58 0.00 261.71 69.13	0.00 (2.75) (2.75) 66.38	66.38
912828U24	UNITED STATES TREASURY 2.0 11/15/2026	07/05/2023 07/06/2023 60,000.00	57,519.91 0.00 0.00 57,626.42	258.56 0.00 351.38 92.82	106.51 0.00 106.51 199.32	199.32
912828X88	UNITED STATES TREASURY 2.375 05/15/2027	06/28/2022 06/29/2022 75,000.00	73,553.01 0.00 0.00 73,601.65	383.81 0.00 521.58 137.78	48.64 0.00 48.64 186.41	186.41
91282CBC4	UNITED STATES TREASURY 0.375 12/31/2025	12/30/2020 12/31/2020 115,000.00	114,997.54 0.00 0.00 114,997.75	38.12 0.00 71.48 33.36	0.21 0.00 0.21 33.56	33.56
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	01/19/2022 01/20/2022 60,000.00	59,334.66 0.00 0.00 59,385.84	0.62 0.00 18.02 17.40	51.18 0.00 51.18 68.58	68.58
91282CEU1	UNITED STATES TREASURY 2.875 06/15/2025	07/05/2023 07/06/2023 60,000.00	59,558.10 0.00 0.00 59,650.44	227.47 0.00 360.16 132.69	92.34 0.00 92.34 225.03	225.03
			646,972.31 0.00 0.00	2,474.78 0.00 3,451.05	582.62 (2.75) 579.87	
Total Fixed Income		665,000.00	647,552.18	976.27	1,556.14	1,556.14
			694,224.07 283.39 0.00	2,474.78 170.89 3,451.05	582.62 (2.75) 579.87	
TOTAL PORTFOLIO		712,406.24	694,958.42	1,147.16	1,727.03	1,727.03

CASH FLOW REPORT



Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
MARCH 2025							
03/03/2025	Dividend	825252406	0.00		154.50		154.50
March 2025 Total					154.50		154.50
MAY 2025							
05/15/2025	Coupon	9128283F5	60,000.00	UNITED STATES TREASURY 2.25 11/15/2027		675.00	675.00
05/15/2025	Coupon	9128284N7	60,000.00	UNITED STATES TREASURY 2.875 05/15/2028		862.50	862.50
05/15/2025	Coupon	9128285M8	60,000.00	UNITED STATES TREASURY 3.125 11/15/2028		937.50	937.50
05/15/2025	Coupon	9128286T2	60,000.00	UNITED STATES TREASURY 2.375 05/15/2029		712.50	712.50
05/15/2025	Coupon	912828R36	55,000.00	UNITED STATES TREASURY 1.625 05/15/2026		446.88	446.88
05/15/2025	Coupon	912828U24	60,000.00	UNITED STATES TREASURY 2.0 11/15/2026		600.00	600.00
05/15/2025	Coupon	912828X88	75,000.00	UNITED STATES TREASURY 2.375 05/15/2027		890.63	890.63
May 2025 Total						5,125.00	5,125.00
JUNE 2025							
06/16/2025	Coupon	91282CEU1	60,000.00	UNITED STATES TREASURY 2.875 06/15/2025		862.50	862.50
06/16/2025	Final Maturity	91282CEU1	60,000.00	UNITED STATES TREASURY 2.875 06/15/2025	60,000.00		60,000.00
06/30/2025	Coupon	91282CBC4	115,000.00	UNITED STATES TREASURY 0.375 12/31/2025		215.63	215.63
June 2025 Total					60,000.00	1,078.13	61,078.13
JULY 2025							
07/31/2025	Coupon	91282CBH3	60,000.00	UNITED STATES TREASURY 0.375 01/31/2026		112.50	112.50
July 2025 Total						112.50	112.50
NOVEMBER 2025							
11/17/2025	Coupon	9128283F5	60,000.00	UNITED STATES TREASURY 2.25 11/15/2027		675.00	675.00
11/17/2025	Coupon	9128284N7	60,000.00	UNITED STATES TREASURY 2.875 05/15/2028		862.50	862.50
11/17/2025	Coupon	9128285M8	60,000.00	UNITED STATES TREASURY 3.125 11/15/2028		937.50	937.50
11/17/2025	Coupon	9128286T2	60,000.00	UNITED STATES TREASURY 2.375 05/15/2029		712.50	712.50
11/17/2025	Coupon	912828R36	55,000.00	UNITED STATES TREASURY 1.625 05/15/2026		446.88	446.88
11/17/2025	Coupon	912828U24	60,000.00	UNITED STATES TREASURY 2.0 11/15/2026		600.00	600.00
11/17/2025	Coupon	912828X88	75,000.00	UNITED STATES TREASURY 2.375 05/15/2027		890.63	890.63
November 2025 Total						5,125.00	5,125.00
DECEMBER 2025							
12/31/2025	Coupon	91282CBC4	115,000.00	UNITED STATES TREASURY 0.375 12/31/2025		215.63	215.63



CASH FLOW REPORT

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
12/31/2025	Final Maturity	91282CBC4	115,000.00	UNITED STATES TREASURY 0.375 12/31/2025	115,000.00		115,000.00
December 2025							
Total					115,000.00	215.63	115,215.63
Grand Total			1,385,000.00		175,154.50	11,656.25	186,810.75



IMPORTANT DISCLOSURES

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a high rating by S&P, Moody's and Fitch respectively.

BENCHMARK INDEX & DISCLOSURES

Brea CFD 2008 2 17 Reserve Fund | Account #10600 | As of February 28, 2025

Benchmark	Disclosure
ICE BofA 3-5 Yr US Treasury & Agency Index	The ICE BofA 3-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least three years remaining term to final maturity and less than five years remaining term to final maturity, at least three years to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.



City Council Regular Meeting Communication

H. February Outgoing Payment Log and City Disbursement Registers for February 28, 2025 and March 7, 2025

Meeting	Agenda Group
Tuesday, March 18, 2025, 7:00 PM	CONSENT CALENDAR Item: 4H.
TO	FROM
Honorable Mayor and City Council Members	Kristin Griffith, City Manager

RECOMMENDATION

Staff recommends City Council to receive and file.

RESPECTFULLY SUBMITTED:

Kristin Griffith, City Manager

Prepared by: Faith Madrazo, Financial Services Manager

Concurrence: Monica Lo, Deputy Director of Administrative Services

Attachments

[City Outgoing Payment Log-Feb 25.pdf](#)

[City Disbursement Register 02.28.25.pdf](#)

[City Disbursement Register 03.07.25.pdf](#)

City of Brea
Outgoing Payment Log
February 2025

Effective Date	Vendor	Description	Amount
<u>General Account Electronic payments</u>			
2/4/2025	Golfnow	Golf credit card processing fees	\$ 7,455.55
2/4/2025	Citizens Business Bank	FIN, PD, Ambulance credit card processing fees	653.37
2/5/2025	CALPERS	Medical payment	426,976.86
2/7/2025	ADP	ILJAO Payroll service fee	147.12
2/7/2025	Brea Payroll	Brea staff payroll	1,117,754.34
2/7/2025	IRS	Payroll Federal taxes	209,641.03
2/7/2025	EDD	Payroll State taxes	66,637.74
2/7/2025	Brea Payroll	Employee deductions	92,674.03
2/7/2025	CA SDU	Child support payments	549.23
2/10/2025	Tsys-Transfirst	Golf credit card processing fees	236.73
2/10/2025	CALPERS	Member retirement	304,329.06
2/20/2025	CA Dept of Tax	Sales tax	1,294.85
2/20/2025	ICMA	Retiree medical benefit	39,757.16
2/20/2025	Paymentus	Monthly service fee	38,859.68
2/20/2025	Telecheck	Telecheck processing fees	59.74
2/21/2025	Brea Payroll	Brea staff payroll	1,052,611.56
2/21/2025	IRS	Payroll Federal taxes	200,868.88
2/21/2025	EDD	Payroll State taxes	61,844.12
2/21/2025	Brea Payroll	Employee deductions	94,538.12
2/21/2025	CA SDU	Child support payments	549.23
2/21/2025	CALPERS	Member retirement	305,592.38
2/24/2025	Citizens Business Bank	Monthly banking service fee	3,061.58
2/27/2025	ILJAO Payroll	ILJAO staff salary & payroll taxes	19,968.18
Subtotal			\$ 4,046,060.54
<u>Imprest Accounts</u>			
	Various	Workers Compensation Claims	\$ 1,014,366.95
	Various	General Liability Claims	18,651.13
Subtotal			\$ 1,033,018.08
Total			\$ 5,079,078.62

City Disbursement Register

Between Feb 24, 2025 12:00 AM and Feb 28, 2025 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197388	911 VEHICLE	02/28/2025	12372	110222223	STARLINK INSTALLATION	\$2,269.38
911 VEHICLE					Total Check Amount:	\$2,269.38
197389	AMERICAN LEGAL PUBLISHING CORP	02/28/2025	3794	110111161	JAN 2025 S-28 EDITING	\$354.99
AMERICAN LEGAL PUBLISHING CORP					Total Check Amount:	\$354.99
197390	AT&T	02/28/2025	22050	475141471	3365568903 2-11-25	\$1,944.77
		02/28/2025	22050	475141471	7647758901 2-11-25	\$1,295.65
AT&T					Total Check Amount:	\$3,240.42
197391	AT&T	02/28/2025	22390	475141471	7149110022 2/14-3/13	\$208.66
AT&T					Total Check Amount:	\$208.66
197392	AT&T CALNET	02/28/2025	20391	475141471	CALNET JANUARY 2025	\$189.06
		02/28/2025	20391	361515143	CALNET JANUARY 2025	\$122.63
AT&T CALNET					Total Check Amount:	\$311.69
197393	AT&T MOBILITY	02/28/2025	32747	110404311	BB-BREAMSM 2/13-3/12	\$103.75
AT&T MOBILITY					Total Check Amount:	\$103.75
197394	BREA EXPRESS CAR WASH	02/28/2025	32008	480515161	CARWASH JANUARY 2025	\$552.00
BREA EXPRESS CAR WASH					Total Check Amount:	\$552.00
197395	CALLYO 2009 CORP	02/28/2025	30811	110212121	CALLYO SUBSCRIP INVGTN	\$5,328.00
CALLYO 2009 CORP					Total Check Amount:	\$5,328.00
197396	CATALYZE HOLDINGS LLC	02/28/2025	33349	420	WATER ACCT REFUND	\$101.10
CATALYZE HOLDINGS LLC					Total Check Amount:	\$101.10
197397	ALISON CHEN	02/28/2025	33299	110404541	ONE-TIME HONORARIUM	\$200.00
ALISON CHEN					Total Check Amount:	\$200.00
197398	YICHEN CHENG	02/28/2025	33347	420	WATER ACCT REFUND	\$8.64
YICHEN CHENG					Total Check Amount:	\$8.64
197399	CSUF AUXILIARY SERVICES CORP	02/28/2025	23887	902009100	RES FAM STAFF AUG24	\$1,827.25
		02/28/2025	23887	902009100	RES FAM STAFF OCT24	\$3,788.95
		02/28/2025	23887	902009100	RES FAM EXP OCT24	\$150.00
		02/28/2025	23887	902009100	YR5 PROJ EVAL APR-NOV	\$250.00
		02/28/2025	23887	902009100	YR6 PROJ EVAL NOV24	\$5,877.85
CSUF AUXILIARY SERVICES CORP					Total Check Amount:	\$11,894.05
197400	THE DEMOCRACY CHAIN/	02/28/2025	32553	110404541	MARKETING EMAILS	\$280.00
THE DEMOCRACY CHAIN/					Total Check Amount:	\$280.00
197401	DOTY BROTHERS EQUIPMENT CO.	02/28/2025	26695	420515131	WELDING JOB	\$1,062.60
DOTY BROTHERS EQUIPMENT CO.					Total Check Amount:	\$1,062.60
197402	JAMES DRIVDAHL	02/28/2025	33345	420	WATER ACCT REFUND	\$4.90
JAMES DRIVDAHL					Total Check Amount:	\$4.90
197403	SOUTHERN CALIFORNIA EDISON	02/28/2025	3343	110515143	ELECTRICITY JAN/FEB25	\$880.86
		02/28/2025	3343	360515145	ELECTRICITY JAN/FEB25	\$1,004.69

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197403	SOUTHERN CALIFORNIA EDISON	02/28/2025	3343	110515121	ELECTRICITY JAN/FEB25	\$8,604.03
		02/28/2025	3343	110515141	ELECTRICITY JAN/FEB25	\$3,259.77
		02/28/2025	3343	110515144	ELECTRICITY JAN/FEB25	\$2,358.31
		02/28/2025	3343	110515148	ELECTRICITY JAN/FEB25	\$70.78
SOUTHERN CALIFORNIA EDISON					Total Check Amount:	\$16,178.44
197404	EMPLOYMENT DEVELOPMENT DEPT	02/28/2025	21188	470141483	94400736 UI OCT-DEC24	\$5,984.00
EMPLOYMENT DEVELOPMENT DEPT					Total Check Amount:	\$5,984.00
197405	EMPLOYMENT DEVELOPMENT DEPT	02/28/2025	7464	110	616106806 022125 PR	\$100.00
EMPLOYMENT DEVELOPMENT DEPT					Total Check Amount:	\$100.00
197406	EVERNORTH CARE SOLUTIONS, INC.	02/28/2025	32734	110141481	EAP SVCS MAR 2025	\$1,185.84
EVERNORTH CARE SOLUTIONS, INC.					Total Check Amount:	\$1,185.84
197407	FRONTIER COMMUNICATIONS	02/28/2025	26183	475141471	PHONE SVCS 2/16-3/15	\$42.15
FRONTIER COMMUNICATIONS					Total Check Amount:	\$42.15
197408	THE GAS COMPANY	02/28/2025	3749	490515151	GAS JAN/FEB 2025	\$3,866.07
THE GAS COMPANY					Total Check Amount:	\$3,866.07
197409	GMS ELEVATOR SERVICES, INC.	02/28/2025	29109	490515151	MO. SVC:11 ELEV FEB25	\$1,345.00
		02/28/2025	29109	110515125	MO. SVC:11 ELEV FEB25	\$1,110.00
GMS ELEVATOR SERVICES, INC.					Total Check Amount:	\$2,455.00
197410	GISELE GRAYS	02/28/2025	33350	420	WATER ACCT REFUND	\$123.27
GISELE GRAYS					Total Check Amount:	\$123.27
197411	TAMMY HONDA	02/28/2025	33352	420	WATER ACCT REFUND	\$41.01
TAMMY HONDA					Total Check Amount:	\$41.01
197412	HYDROPRO SOLUTIONS	02/28/2025	31845	420515131	METERS	\$6,757.93
HYDROPRO SOLUTIONS					Total Check Amount:	\$6,757.93
197413	JONES MAYER	02/28/2025	12144	110212111	LEGAL SVCS PD JAN25	\$475.00
JONES MAYER					Total Check Amount:	\$475.00
197414	JANET KIM	02/28/2025	33348	420	WATER ACCT REFUND	\$27.32
JANET KIM					Total Check Amount:	\$27.32
197415	FRED KINNEY	02/28/2025	33341	110404541	DESIGN&CONSTRCTN SVCS	\$600.00
FRED KINNEY					Total Check Amount:	\$600.00
197416	KM HAZMAT SERVICES	02/28/2025	25331	480515161	REGULATION REGISTRATN	\$500.00
KM HAZMAT SERVICES					Total Check Amount:	\$500.00
197417	LU'S LIGHTHOUSE, INC.	02/28/2025	28330	480515161	WORK LIGHTS	\$137.62
LU'S LIGHTHOUSE, INC.					Total Check Amount:	\$137.62
197418	ODP BUSINESS SOLUTIONS, LLC	02/28/2025	31709	110212111	OFFICE SUPPLIES	\$335.73
ODP BUSINESS SOLUTIONS, LLC					Total Check Amount:	\$335.73
197419	PACIFIC TRUCK EQUIPMENT INC	02/28/2025	24755	480515161	DOOR SLIDES	\$312.32
PACIFIC TRUCK EQUIPMENT INC					Total Check Amount:	\$312.32

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197420	JAYUN PAK	02/28/2025	33346	420	WATER ACCT REFUND	\$24.12
JAYUN PAK					Total Check Amount:	\$24.12
197421	PATRICK POLK	02/28/2025	33351	420	WATER ACCT REFUND	\$104.73
PATRICK POLK					Total Check Amount:	\$104.73
197422	PTM DOCUMENT SYSTEMS	02/28/2025	17036	110141431	W2/1099 FORMS	\$259.96
PTM DOCUMENT SYSTEMS					Total Check Amount:	\$259.96
197423	PTS MARKETING GROUP	02/28/2025	31560	110111151	SPRNG BREALINE NEWSLT	\$15,528.00
PTS MARKETING GROUP					Total Check Amount:	\$15,528.00
197424	PUENTE HILLS FORD	02/28/2025	25742	480515161	FUEL DOOR ASSEMBLY	\$98.33
		02/28/2025	25742	480515161	DOOR PLATE	\$114.91
		02/28/2025	25742	480515161	HOOD SUPPORT	\$245.82
		02/28/2025	25742	480515161	HOSE ASSEMBLY	\$95.27
		02/28/2025	25742	480515161	SENSOR	\$150.48
		02/28/2025	25742	480515161	DOOR SEAL	\$112.56
PUENTE HILLS FORD					Total Check Amount:	\$817.37
197425	SLAY EVENTS	02/28/2025	32795	110212111	PD BANQUET 2/28/25	\$8,000.00
SLAY EVENTS					Total Check Amount:	\$8,000.00
197426	JASON SMITH	02/28/2025	33344	420	WATER ACCT REFUND	\$0.59
JASON SMITH					Total Check Amount:	\$0.59
197427	SHANNON Y SOLANO	02/28/2025	29142	110000000	STARTUP SPR BTQ MAR25	\$2,000.00
SHANNON Y SOLANO					Total Check Amount:	\$2,000.00
197428	BRIAN SONIA-WALLACE	02/28/2025	33342	110404541	ONE-TIME HONORARIUM	\$1,000.00
BRIAN SONIA-WALLACE					Total Check Amount:	\$1,000.00
197429	TURNOUT MAINTENANCE COMPANY, LLC	02/28/2025	19898	110222221	TURNOUT CLEANING	\$250.00
TURNOUT MAINTENANCE COMPANY, LLC					Total Check Amount:	\$250.00
197438	UNIFIRST CORPORATION	02/28/2025	27988	110515121	UNIFORM SVCS JAN 2025	\$71.19
		02/28/2025	27988	110515121	UNIFORM SVCS SEP 2024	\$104.00
		02/28/2025	27988	110515125	UNIFORM SVCS DEC 2024	\$29.48
		02/28/2025	27988	110515141	UNIFORM SVCS JAN 2025	\$170.68
		02/28/2025	27988	110515141	UNIFORM SVCS SEP 2024	\$126.75
		02/28/2025	27988	110515143	PO ADJ	(\$318.33)
		02/28/2025	27988	110515143	UNIFORM SVCS DEC 2024	\$38.20
		02/28/2025	27988	110515143	UNIFORM SVCS NOV 2024	\$87.06
		02/28/2025	27988	110515143	UNIFORM SVCS OCT 2024	\$16.29
		02/28/2025	27988	110515144	UNIFORM SVCS AUG 2024	\$96.50
		02/28/2025	27988	110515144	UNIFORM SVCS SEP 2024	\$119.70
		02/28/2025	27988	110515148	PO ADJ	(\$40.83)

City Disbursement Register

Between Feb 24, 2025 12:00 AM and Feb 28, 2025 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197438	UNIFIRST CORPORATION	02/28/2025	27988	110515148	UNIFORM SVCS JAN 2025	\$7.20
		02/28/2025	27988	360515145	UNIFORM SVCS OCT 2024	\$5.34
		02/28/2025	27988	361515148	UNIFORM SVCS AUG 2024	\$2.56
		02/28/2025	27988	361515148	UNIFORM SVCS FEB 2025	\$3.60
		02/28/2025	27988	420515131	UNIFORM SVCS JAN 2025	\$270.86
		02/28/2025	27988	420515131	UNIFORM SVCS NOV 2024	\$131.78
		02/28/2025	27988	420515131	UNIFORM SVCS SEP 2024	\$148.95
		02/28/2025	27988	430515123	PO ADJ	(\$363.60)
		02/28/2025	27988	430515123	UNIFORM SVCS DEC 2024	\$74.12
		02/28/2025	27988	440515126	UNIFORM SVCS DEC 2024	\$13.47
		02/28/2025	27988	440515126	UNIFORM SVCS FEB 2025	\$8.19
		02/28/2025	27988	480515161	UNIFORM SVCS AUG 2024	\$120.89
		02/28/2025	27988	480515161	UNIFORM SVCS FEB 2025	\$58.18
		02/28/2025	27988	490515151	UNIFORM SVCS JAN 2025	\$302.62
		02/28/2025	27988	490515151	UNIFORM SVCS NOV 2024	\$309.92
		02/28/2025	27988	490515151	UNIFORM SVCS SEP 2024	\$445.89
		02/28/2025	27988	110515121	UNIFORM SVCS DEC 2024	\$91.52
		02/28/2025	27988	110515125	UNIFORM SVCS JAN 2025	\$20.64
		02/28/2025	27988	110515125	UNIFORM SVCS SEP 2024	\$39.20
		02/28/2025	27988	110515141	UNIFORM SVCS OCT 2024	\$51.07
		02/28/2025	27988	110515143	UNIFORM SVCS AUG 2024	\$23.35
		02/28/2025	27988	110515143	UNIFORM SVCS FEB 2025	\$14.82
		02/28/2025	27988	110515143	UNIFORM SVCS SEP 2024	\$115.83
		02/28/2025	27988	110515144	UNIFORM SVCS DEC 2024	\$121.81
		02/28/2025	27988	110515144	UNIFORM SVCS OCT 2024	\$48.63
		02/28/2025	27988	110515148	UNIFORM SVCS FEB 2025	\$3.60
		02/28/2025	27988	360515145	UNIFORM SVCS JAN 2025	\$11.73
		02/28/2025	27988	360515145	UNIFORM SVCS SEP 2024	\$13.35
		02/28/2025	27988	420515131	UNIFORM SVCS DEC 2024	\$159.71
		02/28/2025	27988	420515131	UNIFORM SVCS FEB 2025	\$75.75
		02/28/2025	27988	430515123	UNIFORM SVCS FEB 2025	\$23.51
		02/28/2025	27988	430515123	UNIFORM SVCS JAN 2025	\$61.22
		02/28/2025	27988	440515126	UNIFORM SVCS JAN 2025	\$10.76
		02/28/2025	27988	440515126	UNIFORM SVCS NOV 2024	\$10.75
		02/28/2025	27988	440515126	UNIFORM SVCS SEP 2024	\$13.35
		02/28/2025	27988	480515161	PO ADJ	(\$850.52)
		02/28/2025	27988	480515161	UNIFORM SVCS NOV 2024	\$103.05

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197438	UNIFIRST CORPORATION	02/28/2025	27988	490515151	UNIFORM SVCS DEC 2024	\$374.60
		02/28/2025	27988	490515151	UNIFORM SVCS FEB 2025	\$148.14
		02/28/2025	27988	110515121	PO ADJ	(\$459.71)
		02/28/2025	27988	110515121	UNIFORM SVCS AUG 2024	\$62.77
		02/28/2025	27988	110515121	UNIFORM SVCS FEB 2025	\$34.26
		02/28/2025	27988	110515121	UNIFORM SVCS NOV 2024	\$79.06
		02/28/2025	27988	110515121	UNIFORM SVCS OCT 2024	\$34.04
		02/28/2025	27988	110515141	PO ADJ	(\$821.81)
		02/28/2025	27988	110515141	UNIFORM SVCS AUG 2024	\$112.04
		02/28/2025	27988	110515141	UNIFORM SVCS DEC 2024	\$214.49
		02/28/2025	27988	110515141	UNIFORM SVCS FEB 2025	\$141.23
		02/28/2025	27988	110515141	UNIFORM SVCS NOV 2024	\$122.21
		02/28/2025	27988	110515143	UNIFORM SVCS JAN 2025	\$30.19
		02/28/2025	27988	110515144	PO ADJ	(\$726.17)
		02/28/2025	27988	110515144	UNIFORM SVCS FEB 2025	\$159.04
		02/28/2025	27988	110515144	UNIFORM SVCS NOV 2024	\$217.72
		02/28/2025	27988	110515148	UNIFORM SVCS AUG 2024	\$2.52
		02/28/2025	27988	110515148	UNIFORM SVCS DEC 2024	\$9.00
		02/28/2025	27988	110515148	UNIFORM SVCS SEP 2024	\$20.31
		02/28/2025	27988	360515145	PO ADJ	(\$75.50)
		02/28/2025	27988	360515145	UNIFORM SVCS AUG 2024	\$10.68
		02/28/2025	27988	360515145	UNIFORM SVCS DEC 2024	\$13.35
		02/28/2025	27988	360515145	UNIFORM SVCS FEB 2025	\$15.89
		02/28/2025	27988	360515145	UNIFORM SVCS NOV 2024	\$10.68
		02/28/2025	27988	430515123	UNIFORM SVCS AUG 2024	\$63.61
		02/28/2025	27988	430515123	UNIFORM SVCS NOV 2024	\$57.00
		02/28/2025	27988	480515161	UNIFORM SVCS DEC 2024	\$231.66
		02/28/2025	27988	480515161	UNIFORM SVCS JAN 2025	\$159.26
		02/28/2025	27988	480515161	UNIFORM SVCS OCT 2024	\$58.18
		02/28/2025	27988	480515161	UNIFORM SVCS SEP 2024	\$148.39
		02/28/2025	27988	110515125	PO ADJ	(\$193.17)
		02/28/2025	27988	110515125	UNIFORM SVCS AUG 2024	\$32.08
		02/28/2025	27988	110515125	UNIFORM SVCS FEB 2025	\$9.86
		02/28/2025	27988	110515125	UNIFORM SVCS NOV 2024	\$51.16
		02/28/2025	27988	110515125	UNIFORM SVCS OCT 2024	\$15.68
		02/28/2025	27988	110515144	UNIFORM SVCS JAN 2025	\$97.87
		02/28/2025	27988	361515148	PO ADJ	(\$40.90)

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197438	UNIFIRST CORPORATION	02/28/2025	27988	361515148	UNIFORM SVCS DEC 2024	\$9.00
		02/28/2025	27988	361515148	UNIFORM SVCS JAN 2025	\$7.20
		02/28/2025	27988	361515148	UNIFORM SVCS SEP 2024	\$20.34
		02/28/2025	27988	420515131	PO ADJ	(\$967.39)
		02/28/2025	27988	420515131	UNIFORM SVCS AUG 2024	\$158.65
		02/28/2025	27988	420515131	UNIFORM SVCS OCT 2024	\$59.58
		02/28/2025	27988	430515123	UNIFORM SVCS OCT 2024	\$52.78
		02/28/2025	27988	430515123	UNIFORM SVCS SEP 2024	\$44.55
		02/28/2025	27988	440515126	PO ADJ	(\$70.23)
		02/28/2025	27988	440515126	UNIFORM SVCS AUG 2024	\$11.22
		02/28/2025	27988	440515126	UNIFORM SVCS OCT 2024	\$8.01
		02/28/2025	27988	490515151	PO ADJ	(\$2,020.39)
		02/28/2025	27988	490515151	UNIFORM SVCS AUG 2024	\$309.39
		02/28/2025	27988	490515151	UNIFORM SVCS OCT 2024	\$203.90
UNIFIRST CORPORATION					Total Check Amount:	\$450.11
197439	VERIZON CONNECT NWF, INC.	02/28/2025	25293	480515161	PW GPS SVC JAN 2025	\$951.83
VERIZON CONNECT NWF, INC.					Total Check Amount:	\$951.83
197440	WESTRUX INTERNATIONAL	02/28/2025	25302	480515161	TURBO REPAIR	\$6,643.56
WESTRUX INTERNATIONAL					Total Check Amount:	\$6,643.56
197441	WITTMAN ENTERPRISES, LLC	02/28/2025	33176	174222225	BILLING SVCS JAN25	\$9,302.16
WITTMAN ENTERPRISES, LLC					Total Check Amount:	\$9,302.16
Check Subtotal						\$110,374.31
V58374	ADAMSON POLICE PRODUCTS	02/28/2025	4023	110212131	SAFETY VESTS	\$812.44
ADAMSON POLICE PRODUCTS					Total Check Amount:	\$812.44
V58375	ADMINISTRATIVE & PROF	02/28/2025	3344	110	4010 APEA MEMB 022125	\$540.00
ADMINISTRATIVE & PROF					Total Check Amount:	\$540.00
V58376	THE ADVANTAGE GROUP	02/28/2025	24539	110	808B FSADEPCAR 022125	\$2,659.21
		02/28/2025	24539	110	808C FSA URMED 022125	\$5,375.49
THE ADVANTAGE GROUP					Total Check Amount:	\$8,034.70
V58377	ANAHEIM ICE MANAGEMENT	02/28/2025	15170	110404145	ICE SKATING	\$545.00
ANAHEIM ICE MANAGEMENT					Total Check Amount:	\$545.00
V58378	AZTECA SYSTEMS, LLC	02/28/2025	24556	475141471	CITYWORKS SUPPORT	\$562.50
AZTECA SYSTEMS, LLC					Total Check Amount:	\$562.50
V58379	B & S GRAPHICS INC.	02/28/2025	24357	480515161	DECALS	\$378.37
B & S GRAPHICS INC.					Total Check Amount:	\$378.37
V58380	BADGE FRAME, INC.	02/28/2025	24424	110	NAME PLATES S.TAX	(\$21.62)
		02/28/2025	24424	110212111	NAME PLATES S.TAX	\$21.62

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58380	BADGE FRAME, INC.	02/28/2025	24424	110212111	NAME PLATES	\$279.99
BADGE FRAME, INC.					Total Check Amount:	\$279.99
V58381	CHRISTINE E BAIR	02/28/2025	8743	110212111	CAPE 2025 TRNG SEMINR	\$490.00
CHRISTINE E BAIR					Total Check Amount:	\$490.00
V58382	CAMERON STEFAN BASHTA	02/28/2025	28493	110212111	PAS CERTIFICATION	\$23.00
CAMERON STEFAN BASHTA					Total Check Amount:	\$23.00
V58383	BEST LAWN MOWER SERVICE	02/28/2025	16230	480515161	MUFFLER COVER	\$18.38
BEST LAWN MOWER SERVICE					Total Check Amount:	\$18.38
V58384	BOYS & GIRLS CLUBS	02/28/2025	26980	902009105	PROGRAM STAFF NOV24	\$2,832.00
BOYS & GIRLS CLUBS					Total Check Amount:	\$2,832.00
V58385	BPSEA MEMORIAL FOUNDATION	02/28/2025	14990	110	4050 MEMORIAL 022125	\$115.50
BPSEA MEMORIAL FOUNDATION					Total Check Amount:	\$115.50
V58386	BRAVO ROOFING INC	02/28/2025	28437	490515151	BCC ROOF REPAIR	\$1,540.00
BRAVO ROOFING INC					Total Check Amount:	\$1,540.00
V58387	BREA CITY EMPLOYEES ASSOCIATION	02/28/2025	3236	110	4005 BCEA MEMB 022125	\$780.00
BREA CITY EMPLOYEES ASSOCIATION					Total Check Amount:	\$780.00
V58388	BREA FIREFIGHTERS ASSOCIATION	02/28/2025	3237	110	4016 ASSOCMEMB 022125	\$4,159.00
BREA FIREFIGHTERS ASSOCIATION					Total Check Amount:	\$4,159.00
V58389	BREA POLICE ASSOCIATION	02/28/2025	3769	110	4030 BPA REG 022125	\$3,550.00
BREA POLICE ASSOCIATION					Total Check Amount:	\$3,550.00
V58390	BREA POLICE ATHLETIC LEAGUE	02/28/2025	1068	110	5010 B.P.A.L. 022125	\$130.00
BREA POLICE ATHLETIC LEAGUE					Total Check Amount:	\$130.00
V58391	BREA POLICE MANAGEMENT ASSOCIATION	02/28/2025	21189	110	4020 PMA MEMB 022125	\$162.50
		02/28/2025	21189	110	4019 LDF MEMB 022125	\$57.00
BREA POLICE MANAGEMENT ASSOCIATION					Total Check Amount:	\$219.50
V58392	BROWN MOTOR WORKS, INC	02/28/2025	19934	480515161	TIRE	\$370.86
BROWN MOTOR WORKS, INC					Total Check Amount:	\$370.86
V58393	BUTLER CHEMICALS, INC.	02/28/2025	6515	490515151	ST CTR D/W SVC DEC24	\$199.34
		02/28/2025	6515	490515151	SR CTR D/W SVC SEPT24	\$199.34
BUTLER CHEMICALS, INC.					Total Check Amount:	\$398.68
V58394	CANON SOLUTIONS AMERICA, INC	02/28/2025	15260	110141441	COPIER LEASE FEB 2025	\$1,196.93
		02/28/2025	15260	110141441	PRINT CHGS FEB 2025	\$517.78
CANON SOLUTIONS AMERICA, INC					Total Check Amount:	\$1,714.71
V58395	JOSE JAVIER CANTORAN	02/28/2025	32738	110212111	SFST CLASS	\$69.00
JOSE JAVIER CANTORAN					Total Check Amount:	\$69.00
V58396	CARRIER CORPORATION	02/28/2025	20023	490515151	CHILLER SERVICE	\$2,877.18
CARRIER CORPORATION					Total Check Amount:	\$2,877.18
V58397	CDW GOVERNMENT INC.	02/28/2025	18205	475141471	25/26 ADOBE SW/LIC	\$21,852.21

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CDW GOVERNMENT INC.					Total Check Amount:	\$21,852.21
V58398	CHRYSLIS, CHRYSLIS ENTERPRISES	02/28/2025	32584	902009100	PROGRAM STAFF DEC24	\$1,936.39
CHRYSLIS, CHRYSLIS ENTERPRISES					Total Check Amount:	\$1,936.39
V58399	COMLOCK SECURITY-GROUP	02/28/2025	13625	490515151	KEYS	\$41.21
COMLOCK SECURITY-GROUP					Total Check Amount:	\$41.21
V58400	DARTCO TRANSMISSION SALES	02/28/2025	17719	480515161	TRANSMISSION REPAIR	\$1,492.81
DARTCO TRANSMISSION SALES					Total Check Amount:	\$1,492.81
V58401	DOOLEY ENTERPRISES INC	02/28/2025	5421	110212134	SWAT AMMUNITION	\$4,410.21
DOOLEY ENTERPRISES INC					Total Check Amount:	\$4,410.21
V58402	FIRE SAFETY ADVISORS LLC	02/28/2025	33294	84022223P	PLAN CHECK SVCS JAN25	\$10,407.25
		02/28/2025	33294	110000000	PLAN CHECK SVCS JAN25	(\$1,408.50)
FIRE SAFETY ADVISORS LLC					Total Check Amount:	\$8,998.75
V58403	FIREMASTER	02/28/2025	2398	490515151	ANNUAL HOOD INSP-SC	\$260.61
FIREMASTER					Total Check Amount:	\$260.61
V58404	FLEET SERVICES	02/28/2025	5658	480515161	SAFETY VALVE	\$145.82
FLEET SERVICES					Total Check Amount:	\$145.82
V58405	FUSCOE ENGINEERING, INC.	02/28/2025	18052	410515132	NPDES SVCS JAN25	\$1,187.25
FUSCOE ENGINEERING, INC.					Total Check Amount:	\$1,187.25
V58406	GUARANTEED JANITORIAL SERVICES, INC	02/28/2025	28695	110515125	JAN25 JAN SVCS: DT	\$2,984.83
		02/28/2025	28695	490515151	AUG24 DAY PORTERS-BCC	\$5,225.83
		02/28/2025	28695	490515151	AUG24 DAY PORTERS-CCC	\$5,225.83
		02/28/2025	28695	490515151	AUG24 JAN SVCS:SR CTR	\$2,840.16
		02/28/2025	28695	490515151	DEC24 DAY PORTERS-BCC	\$5,225.83
		02/28/2025	28695	490515151	JAN25 DAY PORTERS-BCC	\$5,225.83
		02/28/2025	28695	490515151	JAN25 JAN SVCS: BCC	\$4,793.75
		02/28/2025	28695	490515151	JAN25 JAN SVCS:P.HALL	\$1,239.75
		02/28/2025	28695	490515151	JAN25 JAN SVCS:PLUNGE	\$185.50
		02/28/2025	28695	490515151	NOV24 DAY PORTERS-BCC	\$5,225.83
		02/28/2025	28695	490515151	NOV24 JAN SVCS: BCC	\$4,793.75
		02/28/2025	28695	490515151	NOV24 JAN SVCS: CCC	\$9,994.25
		02/28/2025	28695	490515151	NOV24 JAN SVCS:SR CTR	\$2,840.16
		02/28/2025	28695	110515125	NOV24 JAN SVCS: DT	\$2,984.83
		02/28/2025	28695	490515151	AUG24 JAN SVCS: BCC	\$4,793.75
		02/28/2025	28695	490515151	DEC24 DAY PORTERS-CCC	\$5,225.83
		02/28/2025	28695	490515151	DEC24 JAN SVCS: BCC	\$4,793.75
		02/28/2025	28695	490515151	DEC24 JAN SVCS: CCC	\$9,994.25
		02/28/2025	28695	490515151	DEC24 JAN SVCS: YARD	\$1,344.75
		02/28/2025	28695	490515151	DEC24 JAN SVCS:SR CTR	\$2,840.16

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V58406	GUARANTEED JANITORIAL SERVICES, INC	02/28/2025	28695	490515151	JAN25 DAY PORTERS-CCC	\$5,225.83
		02/28/2025	28695	490515151	JAN25 JAN SVCS: YARD	\$1,344.75
		02/28/2025	28695	490515151	JAN25 JAN SVCS:SR CTR	\$2,840.16
		02/28/2025	28695	490515151	NOV24 DAY PORTERS-CCC	\$5,225.83
		02/28/2025	28695	490515151	NOV24 JAN SVCS:P.HALL	\$1,239.75
		02/28/2025	28695	490515151	NUT CRACKER PORTERS	\$840.00
		02/28/2025	28695	110515125	DEC24 JAN SVCS: DT	\$2,984.83
		02/28/2025	28695	490515151	AUG24 JAN SVCS: YARD	\$1,344.75
		02/28/2025	28695	490515151	AUG24 JAN SVCS:P.HALL	\$1,239.75
		02/28/2025	28695	490515151	DEC24 JAN SVCS:PLUNGE	\$185.50
		02/28/2025	28695	490515151	JAN25 JAN SVCS: CCC	\$9,994.25
		02/28/2025	28695	110515125	AUG24 JAN SVCS: DT	\$2,984.83
		02/28/2025	28695	490515151	AUG24 JAN SVCS: CCC	\$9,994.25
		02/28/2025	28695	490515151	AUG24 JAN SVCS:PLUNGE	\$185.50
		02/28/2025	28695	490515151	DEC24 JAN SVCS:P.HALL	\$1,239.75
		02/28/2025	28695	490515151	NOV24 JAN SVCS: YARD	\$1,344.75
		02/28/2025	28695	490515151	NOV24 JAN SVCS:PLUNGE	\$185.50
GUARANTEED JANITORIAL SERVICES, INC					Total Check Amount:	\$136,178.60
V58407	HCI SYSTEMS INC	02/28/2025	25112	110515125	PS3 SPRINKLER INSP	\$440.00
		02/28/2025	25112	110515125	PS3 FIRE ALARM INSP	\$440.00
		02/28/2025	25112	490515151	FS2 SPRINKLER INSP	\$600.00
HCI SYSTEMS INC					Total Check Amount:	\$1,480.00
V58408	JOANNA HODSON	02/28/2025	17998	110212111	CAPE 2025 TRNG SEMINR	\$404.00
JOANNA HODSON					Total Check Amount:	\$404.00
V58409	HOPE BUILDERS	02/28/2025	32608	902009100	PROG STAFF OCT-DEC24	\$1,324.50
HOPE BUILDERS					Total Check Amount:	\$1,324.50
V58410	ICON PRINTING AND PACKAGING INC.	02/28/2025	32744	110404421	GO SERVE BREA BANNERS	\$452.55
ICON PRINTING AND PACKAGING INC.					Total Check Amount:	\$452.55
V58411	JONATHAN INFANTE	02/28/2025	24628	110404542	24/25 BCKM DIRCTR PMT	\$2,000.00
JONATHAN INFANTE					Total Check Amount:	\$2,000.00
V58412	L.N. CURTIS & SONS	02/28/2025	1053	110212111	UNIFORM	\$174.59
		02/28/2025	1053	174222225	UNIFORMS	\$544.55
		02/28/2025	1053	110212111	UNIFORMS	\$242.93
L.N. CURTIS & SONS					Total Check Amount:	\$962.07
V58413	MARY E LOGUE	02/28/2025	16039	110212111	CAPE 2025 TRNG SEMINR	\$318.00
MARY E LOGUE					Total Check Amount:	\$318.00
V58414	ELIZABETH A. LUSK	02/28/2025	16911	110212111	CALNENA CONFERENCE	\$256.00
ELIZABETH A. LUSK					Total Check Amount:	\$256.00

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58415	MAR-CO EQUIPMENT COMPANY	02/28/2025	20329	480515161	SWEEPER REPAIR	\$951.94
MAR-CO EQUIPMENT COMPANY					Total Check Amount:	\$951.94
V58416	TINA M MEYER	02/28/2025	12786	110212111	CALNENA CONFERENCE	\$256.00
TINA M MEYER					Total Check Amount:	\$256.00
V58417	MINER, LTD	02/28/2025	27173	490515151	SERVICE P-2 SECURITY GATE	\$250.00
MINER, LTD					Total Check Amount:	\$250.00
V58418	MITSUBISHI ELECTRIC POWER PROD INC.	02/28/2025	32398	490515151	UPS MAINTENANCE	\$1,768.57
MITSUBISHI ELECTRIC POWER PROD INC.					Total Check Amount:	\$1,768.57
V58419	MUNICIPAL WATER DISTRICT	02/28/2025	3784	420515131	WATER DELIVERY JAN25	\$7,232.33
MUNICIPAL WATER DISTRICT					Total Check Amount:	\$7,232.33
V58420	OC UNITED TOGETHER, INC.	02/28/2025	32617	902009104	SFYC PROG STAFF DEC24	\$3,746.00
		02/28/2025	32617	902009100	THRIVE PROG STF DEC24	\$4,096.00
OC UNITED TOGETHER, INC.					Total Check Amount:	\$7,842.00
V58421	ORANGE COUNTY SANITATION DIST.	02/28/2025	14689	110	RES SEWER FEES JAN25	\$1,348.76
		02/28/2025	14689	110000000	RES SF 5% COLL JAN25	(\$67.44)
ORANGE COUNTY SANITATION DIST.					Total Check Amount:	\$1,281.32
V58422	JOSHUA STEVE ORDONEZ	02/28/2025	32406	110212111	SFST CLASS	\$69.00
JOSHUA STEVE ORDONEZ					Total Check Amount:	\$69.00
V58423	APPLEDORE, INC DBA OUTREACH GRID	02/28/2025	32440	902009100	O/R GRID LICENSE #2	\$91,188.00
APPLEDORE, INC DBA OUTREACH GRID					Total Check Amount:	\$91,188.00
V58424	PLUMBING WHOLESALE OUTLET, INC.	02/28/2025	18392	490515151	SLOAN PARTS	\$320.50
		02/28/2025	18392	490515151	CAST IRON PIPE	\$56.60
PLUMBING WHOLESALE OUTLET, INC.					Total Check Amount:	\$377.10
V58425	QUANTUM SIGNS & GRAPHICS INC.	02/28/2025	32568	110404215	HLTH&WLLNSS DATEPATCH	\$191.88
QUANTUM SIGNS & GRAPHICS INC.					Total Check Amount:	\$191.88
V58426	RAPID FIRE SAFETY & SECURITY, LLC	02/28/2025	17760	110222221	FIRE EXT SVC 1/25/25	\$326.32
RAPID FIRE SAFETY & SECURITY, LLC					Total Check Amount:	\$326.32
V58427	READWRITE EDUCATIONAL	02/28/2025	3444	110404145	READING DEVELOPEMENT	\$238.00
READWRITE EDUCATIONAL					Total Check Amount:	\$238.00
V58428	RICHARDS, WATSON & GERSHON	02/28/2025	8978	110515111	0173 TRACKS EXT DEC	\$112.00
RICHARDS, WATSON & GERSHON					Total Check Amount:	\$112.00
V58429	SC FUELS	02/28/2025	16654	480515161	UNL ETH 3938.1 GALS	\$15,137.77
SC FUELS					Total Check Amount:	\$15,137.77
V58430	SOUTHERN CALIFORNIA NEWS GROUP	02/28/2025	32570	110212111	LEGAL NOTICE JAN 2025	\$236.19
SOUTHERN CALIFORNIA NEWS GROUP					Total Check Amount:	\$236.19
V58431	SYA FOUNDATION	02/28/2025	32610	902009100	PROF SVCS OCT-NOV24	\$3,167.00
SYA FOUNDATION					Total Check Amount:	\$3,167.00

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58432	MISTY TERRANCE	02/28/2025	32955	110404145	CANDLE MAKING WORKSHP	\$90.00
MISTY TERRANCE					Total Check Amount:	\$90.00
V58433	TUMBLE-N-KIDS INC.	02/28/2025	32167	110404145	GYMNASTICS	\$2,095.50
TUMBLE-N-KIDS INC.					Total Check Amount:	\$2,095.50
V58434	UNITED ROTARY BRUSH CORPORATION	02/28/2025	16649	480515161	SWEeper BROOMS	\$533.88
UNITED ROTARY BRUSH CORPORATION					Total Check Amount:	\$533.88
V58435	NINA VASQUEZ VALENCIA	02/28/2025	33343	110212111	PUBLIC RECORDS ACT	\$46.00
NINA VASQUEZ VALENCIA					Total Check Amount:	\$46.00
V58436	VISIX, INC.	02/28/2025	26536	110404211	25/26 S/W SUPPORT+MNT	\$365.00
VISIX, INC.					Total Check Amount:	\$365.00
V58437	VISTA PAINT CORPORATION	02/28/2025	4573	490515151	PAINT	\$390.29
VISTA PAINT CORPORATION					Total Check Amount:	\$390.29
V58438	MATTHEW ERIC WENDLING	02/28/2025	27564	110212111	LE K9 WORKSHOP	\$92.00
MATTHEW ERIC WENDLING					Total Check Amount:	\$92.00
Voucher Subtotal						\$348,379.88
TOTAL						\$458,754.19

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197442	AARON ADAM	03/07/2025	32649	110212111	NHTSA LIFESAVERS CONF	\$69.00
AARON ADAM						Total Check Amount: \$69.00
197443	ALL ACES BACKFLOW	03/07/2025	32455	420515131	BACKFLOW TESTING	\$210.00
ALL ACES BACKFLOW						Total Check Amount: \$210.00
197444	ARDURRA GROUP, INC.	03/07/2025	29147	510707631	PROF ENGG SVCS DEC24	\$590.00
		03/07/2025	29147	510707631	PROF ENGG SVCS JAN25	\$295.00
ARDURRA GROUP, INC.						Total Check Amount: \$885.00
197445	AT&T CALNET	03/07/2025	20391	420515131	CALNET FEBRUARY 2025	\$287.79
		03/07/2025	20391	475141471	CALNET FEBRUARY 2025	\$7,445.85
		03/07/2025	20391	110404311	CALNET FEBRUARY 2025	\$545.32
		03/07/2025	20391	360515147	CALNET FEBRUARY 2025	\$33.08
		03/07/2025	20391	360515145	CALNET FEBRUARY 2025	\$62.09
AT&T CALNET						Total Check Amount: \$8,374.13
197446	CITY OF LA HABRA HEIGHTS	03/07/2025	21056	420515131	2025 WTRCOST/ASSESMNT	\$12,409.38
CITY OF LA HABRA HEIGHTS						Total Check Amount: \$12,409.38
197447	CIVILTEC ENGINEERING INC.	03/07/2025	2581	510707473	PROF SVCS THRU 8/2	\$2,695.00
CIVILTEC ENGINEERING INC.						Total Check Amount: \$2,695.00
197448	COUNTY OF ORANGE	03/07/2025	4799	110111161	NOV 2024 ELECTION	\$65,511.98
COUNTY OF ORANGE						Total Check Amount: \$65,511.98
197449	CSUF AUXILIARY SERVICES CORP	03/07/2025	23887	902009100	YR6 PROJ EVAL DEC24	\$5,345.08
CSUF AUXILIARY SERVICES CORP						Total Check Amount: \$5,345.08
197450	DEPARTMENT OF JUSTICE	03/07/2025	13406	110141481	FINGERPRNT APPS JAN25	\$352.00
DEPARTMENT OF JUSTICE						Total Check Amount: \$352.00
197451	DEPARTMENT OF TRANSPORTATION	03/07/2025	13722	510707251	COOPAGRMNT 0771 JAN25	\$1,760.80
		03/07/2025	13722	510707251	COOP 0771 JAN-FEB25	\$7,227.16
		03/07/2025	13722	510707306	COOP 0852 JAN-FEB25	\$610.98
DEPARTMENT OF TRANSPORTATION						Total Check Amount: \$9,598.94
197452	SOUTHERN CALIFORNIA EDISON	03/07/2025	3343	110515121	ELECTRICITY FEB 25	\$2,253.29
		03/07/2025	3343	110515125	ELECTRICITY FEB 25	\$9,385.64
SOUTHERN CALIFORNIA EDISON						Total Check Amount: \$11,638.93
197453	ERIC W. GRUVER PHD	03/07/2025	7856	110141481	PRE-EMPL EVAL 2/20	\$485.00
ERIC W. GRUVER PHD						Total Check Amount: \$485.00
197454	FLAGPOLES INC.	03/07/2025	32171	110515121	STREET LIGHT POLE	\$2,060.00
FLAGPOLES INC.						Total Check Amount: \$2,060.00
197455	THE GAS COMPANY	03/07/2025	3749	490515151	GAS FEB 2025	\$351.91
THE GAS COMPANY						Total Check Amount: \$351.91
197456	HYDROPRO SOLUTIONS	03/07/2025	31845	420515131	METERS	\$33,222.50
HYDROPRO SOLUTIONS						Total Check Amount: \$33,222.50

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197457	ITERIS INC.	03/07/2025	17448	510707719	CCTV THRU 12/31	\$11,823.49
ITERIS INC. Total Check Amount:						\$11,823.49
197458	JASMEET GILL AND RICHARD KENNINGTON	03/07/2025	21673	840000000	PLN-2024-00027 REFUND	\$612.00
		03/07/2025	21673	84032323P	PLN-2024-00027 REFUND	\$1.25
		03/07/2025	21673	110000000	PLN-2024-00027 REFUND	(\$1.25)
JASMEET GILL AND RICHARD KENNINGTON Total Check Amount:						\$612.00
197459	LISA HALL & ASSOCIATES INC	03/07/2025	24913	110222213	TRANSLATN-3747 01/14	\$277.50
		03/07/2025	24913	110222213	TRANSLATN-3746 01/14	\$225.60
LISA HALL & ASSOCIATES INC Total Check Amount:						\$503.10
197460	MATAX	03/07/2025	25580	490515151	2324CONFEE:20 NBREA	\$822.61
		03/07/2025	25580	490515151	2324CONFEE:440SWALNT	\$397.39
		03/07/2025	25580	490515151	2324CONFEE:500SMDRNA	\$1,486.63
		03/07/2025	25580	490515151	2324CONFEE:555NBERRY	\$528.26
MATAX Total Check Amount:						\$3,234.89
197461	MONJARAS & WISMEYER GROUP INC.	03/07/2025	32179	110141481	PROFSVCS 9248 NOV-FEB	\$157.50
MONJARAS & WISMEYER GROUP INC. Total Check Amount:						\$157.50
197462	NATIONAL TESTING NETWORK, INC	03/07/2025	25909	110141481	25/26 MEMB - ECOMM	\$500.00
NATIONAL TESTING NETWORK, INC Total Check Amount:						\$500.00
197463	PALICON GROUP	03/07/2025	33132	110212111	BACKGROUND CHECK	\$1,950.00
PALICON GROUP Total Check Amount:						\$1,950.00
197464	BRIDGET PINSKY	03/07/2025	33355	840000000	PLN-2024-00060 REFUND	\$500.00
BRIDGET PINSKY Total Check Amount:						\$500.00
197465	POWER PLUS	03/07/2025	19076	420515131	POWER EQUIP RENTAL	\$6,980.00
POWER PLUS Total Check Amount:						\$6,980.00
197466	ROBERTSON'S	03/07/2025	3464	420515131	FINANCE CHARGE	\$32.04
		03/07/2025	3464	420515131	SLURRY	\$527.85
ROBERTSON'S Total Check Amount:						\$559.89
197467	STAGED CINEMA PRODUCTIONS, INC.	03/07/2025	26808	110404542	BEAUTIFUL PROP RENTAL	\$1,162.70
STAGED CINEMA PRODUCTIONS, INC. Total Check Amount:						\$1,162.70
197468	JONPAUL UGAY	03/07/2025	33353	840000000	PLN-2024-00054 REFUND	\$20.65
		03/07/2025	33353	84032323P	PLN-2024-00054 REFUND	\$0.04
		03/07/2025	33353	110000000	PLN-2024-00054 REFUND	(\$0.04)
JONPAUL UGAY Total Check Amount:						\$20.65
197469	URBAN GRAFFITI ENTERPRISES INC.	03/07/2025	4352	110515121	GRAFFITIREMOVAL DEC24	\$2,450.00
		03/07/2025	4352	110515121	GRAFFITIREMOVAL JAN25	\$2,450.00
URBAN GRAFFITI ENTERPRISES INC. Total Check Amount:						\$4,900.00
197471	VERIZON WIRELESS	03/07/2025	21122	110111161	6106654682 1/23-2/22	\$185.49
		03/07/2025	21122	110141424	6106654682 1/23-2/22	\$42.06

City Disbursement Register

Between Mar 3, 2025 12:00 AM and Mar 7, 2025 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
197471	VERIZON WIRELESS	03/07/2025	21122	110323231	6106654682 1/23-2/22	\$52.18
		03/07/2025	21122	110323241	6106654682 1/23-2/22	\$89.12
		03/07/2025	21122	110323243	6106654682 1/23-2/22	\$42.06
		03/07/2025	21122	110404311	6106654682 1/23-2/22	\$1,242.81
		03/07/2025	21122	174222225	6106654682 1/23-2/22	\$306.30
		03/07/2025	21122	110141481	6106654682 1/23-2/22	\$173.24
		03/07/2025	21122	110222223	6106654682 1/23-2/22	\$1,987.42
		03/07/2025	21122	430515123	6106654682 1/23-2/22	\$674.40
		03/07/2025	21122	440515122	6106654682 1/23-2/22	\$84.12
		03/07/2025	21122	960000000	6106654682 1/23-2/22	\$42.06
		03/07/2025	21122	110111143	6106654682 1/23-2/22	\$84.12
		03/07/2025	21122	110212121	6106654682 1/23-2/22	\$5,842.64
		03/07/2025	21122	110323212	6106654682 1/23-2/22	\$84.12
		03/07/2025	21122	110404525	6106654682 1/23-2/22	\$42.06
		03/07/2025	21122	110515125	6106654682 1/23-2/22	\$11.89
		03/07/2025	21122	410515124	6106654682 1/23-2/22	\$162.09
		03/07/2025	21122	420141421	6106654682 1/23-2/22	\$120.03
		03/07/2025	21122	420515131	6106654682 1/23-2/22	\$920.67
		03/07/2025	21122	460141474	6106654682 1/23-2/22	\$47.06
		03/07/2025	21122	475141471	6106654682 1/23-2/22	\$539.41
		03/07/2025	21122	110111151	6106654682 1/23-2/22	\$131.18
		03/07/2025	21122	110141411	6106654682 1/23-2/22	\$20.02
		03/07/2025	21122	110141431	6106654682 1/23-2/22	\$20.02
		03/07/2025	21122	110141441	6106654682 1/23-2/22	\$42.06
		03/07/2025	21122	110515141	6106654682 1/23-2/22	\$62.08
		03/07/2025	21122	110515171	6106654682 1/23-2/22	\$168.24
		03/07/2025	21122	174222222	6106654682 1/23-2/22	\$570.15
VERIZON WIRELESS					Total Check Amount:	\$13,789.10
197472	VERIZON WIRELESS	03/07/2025	21122	234212143	6106654683 1/23-2/22	\$1,200.70
VERIZON WIRELESS					Total Check Amount:	\$1,200.70
197473	XEROX CORPORATION	03/07/2025	3349	110141441	SUPPLIES	\$337.90
XEROX CORPORATION					Total Check Amount:	\$337.90
Check Subtotal						\$201,440.77
V58439	AFLAC-ACCOUNT #EZA73	03/07/2025	22923	110	ACC/CANCER INS FEB25	\$939.36
AFLAC-ACCOUNT #EZA73					Total Check Amount:	\$939.36
V58440	LARRY ALANIS	03/07/2025	32661	110404424	UMPIRE FEES 2/17/25	\$111.00
LARRY ALANIS					Total Check Amount:	\$111.00

City Disbursement Register

Between Mar 3, 2025 12:00 AM and Mar 7, 2025 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58441	ALL CITY MANAGEMENT SERVICES INC	03/07/2025	6604	110212132	CRSNG GRDS 1013-10/26	\$3,431.25
		03/07/2025	6604	110212132	CRSNG GRDS 9/15-9/28	\$3,431.25
		03/07/2025	6604	110212132	CRSNG GRDS 1/05-1/18	\$3,431.25
		03/07/2025	6604	110212132	CRSNG GRDS 10/27-11/9	\$2,745.00
		03/07/2025	6604	110212132	CRSNG GRDS 11/24-12/7	\$1,715.63
		03/07/2025	6604	110212132	CRSNG GRDS 1110-1123	\$3,088.13
		03/07/2025	6604	110212132	CRSNG GRDS 2/2-2/15	\$3,088.13
		03/07/2025	6604	110212132	CRSNG GRDS 9/29-10/12	\$3,431.25
		03/07/2025	6604	110212132	CRSNG GRDS 1208-1221	\$3,428.78
		03/07/2025	6604	110212132	PO ADJ	(\$24,702.54)
ALL CITY MANAGEMENT SERVICES INC					Total Check Amount:	\$3,088.13
V58442	ALTA LANGUAGE SERVICES, INC	03/07/2025	25953	110141481	BILINGUAL TEST FEB25	\$165.00
ALTA LANGUAGE SERVICES, INC					Total Check Amount:	\$165.00
V58443	AMERICAN VETERAN LIGHTING, INC.	03/07/2025	31163	346515112	LIGHT POLE	\$1,476.18
AMERICAN VETERAN LIGHTING, INC.					Total Check Amount:	\$1,476.18
V58444	BADGE FRAME, INC.	03/07/2025	24424	110	NAME PLATES S.TAX	(\$19.38)
		03/07/2025	24424	110212111	NAME PLATES	\$250.00
		03/07/2025	24424	110212111	NAME PLATES S.TAX	\$19.38
BADGE FRAME, INC.					Total Check Amount:	\$250.00
V58445	BEST BEST & KRIEGER LLP	03/07/2025	25940	902009100	PROF SVCS THRU 6/30	\$897.50
		03/07/2025	25940	902009100	PROF SVCS THRU 7/31	\$459.50
BEST BEST & KRIEGER LLP					Total Check Amount:	\$1,357.00
V58446	BOYS & GIRLS CLUBS	03/07/2025	32582	902009100	PROGRAM STAFF JAN25	\$5,090.00
BOYS & GIRLS CLUBS					Total Check Amount:	\$5,090.00
V58447	BRAVO ROOFING INC	03/07/2025	28437	465515149	BIRCH HLLS ROOF RPR	\$3,490.00
BRAVO ROOFING INC					Total Check Amount:	\$3,490.00
V58448	THE BREA EDUCATION FOUNDATION	03/07/2025	32587	902009111	PROGRAM EXP NOV24	\$776.89
		03/07/2025	32587	902009111	PROGRAM EXP OCT24	\$1,050.65
		03/07/2025	32587	902009111	PROGRAM STAFF NOV24	\$4,630.37
		03/07/2025	32587	902009111	PROGRAM STAFF OCT24	\$5,064.69
		03/07/2025	32587	902009111	PROGRAM EXP SEPT24	\$743.97
		03/07/2025	32587	902009111	PROGRAM STAFF SEPT24	\$4,630.37
THE BREA EDUCATION FOUNDATION					Total Check Amount:	\$16,896.94
V58449	OMAR F. BRIOSO	03/07/2025	15737	110212111	NHTSA LIFESAVERS CONF	\$69.00
OMAR F. BRIOSO					Total Check Amount:	\$69.00
V58450	BUCKNAM INFRASTRUCTURE GROUP, INC	03/07/2025	23775	260515121	BIENNIAL PMP UPDATE	\$9,007.43
BUCKNAM INFRASTRUCTURE GROUP, INC					Total Check Amount:	\$9,007.43

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58451	C. WELLS PIPELINE MATERIALS INC	03/07/2025	13055	420515131	PLUMBING SUPPLIES	\$3,162.46
C. WELLS PIPELINE MATERIALS INC						Total Check Amount: \$3,162.46
V58452	CARNEY MEHR, A LEGAL CORPORATION	03/07/2025	28329	950000000	ILJAOC LGL SVCS JAN25	\$1,020.00
CARNEY MEHR, A LEGAL CORPORATION						Total Check Amount: \$1,020.00
V58453	CLINICAL LABORATORY OF	03/07/2025	3390	420515131	WATER QUALITY-JAN25	\$2,232.00
CLINICAL LABORATORY OF						Total Check Amount: \$2,232.00
V58454	COMLOCK SECURITY-GROUP	03/07/2025	13625	110515125	KEYS	\$67.56
		03/07/2025	13625	420515131	KEYS	\$135.77
		03/07/2025	13625	110515141	KEYS	\$406.87
COMLOCK SECURITY-GROUP						Total Check Amount: \$610.20
V58455	COMMUNICATIONS LAB	03/07/2025	32590	902009100	PROF SVCS JAN 2025	\$4,000.00
COMMUNICATIONS LAB						Total Check Amount: \$4,000.00
V58456	DELTA DENTAL INSURANCE COMPANY	03/07/2025	26074	110	79395 DENTALHMO MAR25	\$2,022.08
DELTA DENTAL INSURANCE COMPANY						Total Check Amount: \$2,022.08
V58457	ENTENMANN ROVIN COMPANY	03/07/2025	3457	110212111	BADGES	\$227.85
ENTENMANN ROVIN COMPANY						Total Check Amount: \$227.85
V58458	EQUIPMENT DIRECT INC	03/07/2025	4522	420515131	SAFETY GEAR	\$169.37
		03/07/2025	4522	110515121	BOMBER JACKET	\$31.73
		03/07/2025	4522	110515121	RAIN GEAR	\$213.60
		03/07/2025	4522	480515161	SAFETY EQUIPMENT	\$176.75
EQUIPMENT DIRECT INC						Total Check Amount: \$591.45
V58459	FIREFIGHTERS SAFETY CENTER	03/07/2025	18485	110222221	BOOTS	\$595.64
FIREFIGHTERS SAFETY CENTER						Total Check Amount: \$595.64
V58460	DESTINY ANGEL GARCIA	03/07/2025	32045	110212111	IACP SFTY&WLLNSS CONF	\$69.00
DESTINY ANGEL GARCIA						Total Check Amount: \$69.00
V58461	KRISTIN MICHELLE GRIFFITH	03/07/2025	32046	110111143	TRAINING REIMB	\$10.93
KRISTIN MICHELLE GRIFFITH						Total Check Amount: \$10.93
V58462	GABRIEL HANNAH	03/07/2025	17533	110404424	UMPIRE FEES 2/17/25	\$148.00
GABRIEL HANNAH						Total Check Amount: \$148.00
V58463	HOLLY ELECTRIC INC.	03/07/2025	27530	344515112	MD 4 LIGHT REPAIR	\$366.20
HOLLY ELECTRIC INC.						Total Check Amount: \$366.20
V58464	HOUSING PROGRAMS	03/07/2025	26542	290323215	HSB REHAB FEB25	\$1,504.50
HOUSING PROGRAMS						Total Check Amount: \$1,504.50
V58465	THE HUB OC	03/07/2025	32579	902009109	PROGRAM EXP JAN25	\$34.43
		03/07/2025	32579	902009109	PROGRAM STAFF JAN25	\$5,453.91
THE HUB OC						Total Check Amount: \$5,488.34
V58466	CECILIA HUPP	03/07/2025	25261	110111111	TRAINING REIMB	\$55.95
CECILIA HUPP						Total Check Amount: \$55.95

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58467	IDEAL STRIPING	03/07/2025	18839	110515127	PARKING LOT STRIPING	\$1,800.00
IDEAL STRIPING					Total Check Amount:	\$1,800.00
V58468	INFOSEND, INC.	03/07/2025	19016	110111151	JAN25 COMM & MKTG	\$54.31
		03/07/2025	19016	110404521	JAN25 SR. CENTER	\$54.31
		03/07/2025	19016	420141421	JAN25 PRNT IMAGE ARCH	\$289.40
		03/07/2025	19016	420141421	JAN25 WTR: PRNT/MAIL	\$1,760.55
		03/07/2025	19016	420141421	JAN25 WTR: POSTAGE	\$5,431.06
		03/07/2025	19016	420515131	JAN25 PW MAINT	\$108.62
INFOSEND, INC.					Total Check Amount:	\$7,698.25
V58469	INLAND ROUND BALL OFFICIALS INC.	03/07/2025	31906	110404424	REFEREE FEE 2/16-2/18	\$1,130.00
INLAND ROUND BALL OFFICIALS INC.					Total Check Amount:	\$1,130.00
V58470	INTERWEST CONSULTING GROUP, INC.	03/07/2025	28473	510707978	CIP MGMT SVCS JAN25	\$1,600.00
INTERWEST CONSULTING GROUP, INC.					Total Check Amount:	\$1,600.00
V58471	KELLY SPICERS STORES	03/07/2025	31267	110141441	PAPER	\$253.79
KELLY SPICERS STORES					Total Check Amount:	\$253.79
V58472	KREUZER CONSULTING GROUP	03/07/2025	22072	510707251	PRELIM DESIGN AUG-DEC	\$9,137.00
KREUZER CONSULTING GROUP					Total Check Amount:	\$9,137.00
V58473	L.N. CURTIS & SONS	03/07/2025	1053	110212111	UNIFORMS	\$458.10
L.N. CURTIS & SONS					Total Check Amount:	\$458.10
V58474	STEVEN MACIAS	03/07/2025	30457	110212111	IACP SFTY&WLLNSS CONF	\$69.00
STEVEN MACIAS					Total Check Amount:	\$69.00
V58475	MADISON RAE MAHER	03/07/2025	30612	110212111	AICC CERT. COURSE	\$115.00
MADISON RAE MAHER					Total Check Amount:	\$115.00
V58476	ANALISA MARTINEZ	03/07/2025	33354	234212143	PARKING REIMB	\$30.00
ANALISA MARTINEZ					Total Check Amount:	\$30.00
V58477	METRO CITIES FIRE AUTHORITY	03/07/2025	23145	110222211	23/24 METRONET PAGERS	\$270.16
METRO CITIES FIRE AUTHORITY					Total Check Amount:	\$270.16
V58478	MICHAEL BAKER INTERNATIONAL, INC.	03/07/2025	31634	84032323E	AMAZON EIR 1/26/25	\$15,082.75
MICHAEL BAKER INTERNATIONAL, INC.					Total Check Amount:	\$15,082.75
V58479	JOSEPH SAMUEL MIRAGLIA	03/07/2025	32557	110212111	NHTSA LIFESAVERS CONF	\$69.00
JOSEPH SAMUEL MIRAGLIA					Total Check Amount:	\$69.00
V58480	MUNICIPAL WATER DISTRICT	03/07/2025	3784	420515131	INSPECTIONS JAN 2025	\$208.00
MUNICIPAL WATER DISTRICT					Total Check Amount:	\$208.00
V58481	ZULEYMA SARMIENTO MURPHY	03/07/2025	31281	110212111	IACP SFTY&WLLNSS CONF	\$69.00
ZULEYMA SARMIENTO MURPHY					Total Check Amount:	\$69.00
V58482	MYERS AND SONS	03/07/2025	21624	110515121	INVENTORY SIGN POST	\$704.70
		03/07/2025	21624	110515121	NEW STREET SIGN	\$252.34
		03/07/2025	21624	110515121	SANTA FE&CARBON CYN	\$536.57

City Disbursement Register

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Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58482	MYERS AND SONS	03/07/2025	21624	110515121	TRAFFIC CONTROL MTRL	\$368.53
		03/07/2025	21624	110515121	TRFFC CONTROL MATRL	\$34.87
		03/07/2025	21624	510707219	ROUNDAABOUT CIRCLE	\$409.44
		03/07/2025	21624	110515121	ISLAND MAKERS	\$287.54
		03/07/2025	21624	110515121	ROAD SIGNS	\$1,022.84
		03/07/2025	21624	110515121	YARD SIGNS	\$81.56
MYERS AND SONS					Total Check Amount:	\$3,698.39
V58483	ANTHONY NGUYEN	03/07/2025	25978	110212111	NHTSA LIFESAVERS CONF	\$69.00
ANTHONY NGUYEN					Total Check Amount:	\$69.00
V58484	NIEVES LANDSCAPE, INC.	03/07/2025	31375	110515141	PARKS MOWING FEB25	\$10,912.19
		03/07/2025	31375	110515143	MED/GREENBELTS FEB25	\$13,425.58
		03/07/2025	31375	346515112	MD#6 LANDSCAPE FEB25	\$6,460.62
		03/07/2025	31375	346515112	MD6 HANDRAIL REPAIR	\$995.00
		03/07/2025	31375	360515145	WC PARK LNDSCPE FEB25	\$2,675.72
		03/07/2025	31375	346515112	MD6 DEBRIS PICKUP	\$125.00
		03/07/2025	31375	347515112	MD#7 LANDSCAPE FEB25	\$1,028.22
		03/07/2025	31375	420515131	CARBON CYN TREE TRIM	\$5,200.00
		03/07/2025	31375	420515131	TREE TRIMMING	\$2,800.00
		03/07/2025	31375	341515112	MD#1 LANDSCAPE FEB25	\$1,518.72
		03/07/2025	31375	343515112	MD#3 LANDSCAPE FEB25	\$2,574.29
		03/07/2025	31375	345515112	MD5 INSTALL PLANT	\$360.00
		03/07/2025	31375	346515112	MD6 PLANTING	\$216.00
NIEVES LANDSCAPE, INC.					Total Check Amount:	\$48,291.34
V58485	OCCC	03/07/2025	22532	902009100	PROG STAFF DEC-JAN25	\$6,608.00
OCCC					Total Check Amount:	\$6,608.00
V58486	PLUMBERS DEPOT INC.	03/07/2025	14542	430515123	SOFTWARE	\$73.08
		03/07/2025	14542	430515123	CAMERA REPAIR	\$211.62
PLUMBERS DEPOT INC.					Total Check Amount:	\$284.70
V58487	PHILIP A RODRIGUEZ	03/07/2025	6580	110212111	CAL CHIEFS TRAINING	\$215.00
PHILIP A RODRIGUEZ					Total Check Amount:	\$215.00
V58488	ROMANA R RUIZ	03/07/2025	32454	110212111	IACP SFTY&WLLNSS CONF	\$69.00
ROMANA R RUIZ					Total Check Amount:	\$69.00
V58489	MACY CYMANTHA SANCHEZ	03/07/2025	27495	110212111	NHTSA LIFESAVERS CONF	\$69.00
MACY CYMANTHA SANCHEZ					Total Check Amount:	\$69.00
V58490	MARTIN L SIMONOFF	03/07/2025	2750	110111111	TRAINING REIMB	\$89.32
MARTIN L SIMONOFF					Total Check Amount:	\$89.32
V58491	SITEONE LANDSCAPE SUPPLY, LLC	03/07/2025	25942	110515141	IRRIGATION SUPPLIES	\$722.46
		03/07/2025	25942	110515141	IRRIGATION REPAIR	\$722.45

City Disbursement Register

Between Mar 3, 2025 12:00 AM and Mar 7, 2025 11:59 PM

Check #	Vendor Name	Check Date	Vendor #	Budget Unit	Description	Amount
V58491	SITEONE LANDSCAPE SUPPLY, LLC	03/07/2025	25942	110515141	PLUMBING SUPPLIES	\$101.49
		03/07/2025	25942	110515141	CREDIT	(\$722.46)
SITEONE LANDSCAPE SUPPLY, LLC					Total Check Amount:	\$823.94
V58492	SNAP-ON INDUSTRIAL	03/07/2025	17125	480515161	SHOP TOOL	\$528.19
SNAP-ON INDUSTRIAL					Total Check Amount:	\$528.19
V58493	SUPERCO SPEC PROD/MOMAR, INC.	03/07/2025	16084	110515121	GRAFFITI REMOVER	\$2,469.88
SUPERCO SPEC PROD/MOMAR, INC.					Total Check Amount:	\$2,469.88
V58494	TIM SHAW & ASSOCIATES	03/07/2025	32567	902009100	PROGRAM STAFF JAN25	\$525.00
TIM SHAW & ASSOCIATES					Total Check Amount:	\$525.00
V58495	TMK INDUSTRIAL FASTENERS	03/07/2025	20181	420515131	NUTS AND BOLTS	\$161.63
TMK INDUSTRIAL FASTENERS					Total Check Amount:	\$161.63
V58496	TROPICAL PLAZA NURSERY, INC	03/07/2025	2062	345515112	MD5 LANDSCAPE FEB25	\$2,926.71
		03/07/2025	2062	110515143	GATEWAY CTR FEB25	\$1,543.93
		03/07/2025	2062	420515131	CITY RESERVOIRS FEB25	\$1,783.97
TROPICAL PLAZA NURSERY, INC					Total Check Amount:	\$6,254.61
V58497	VIRTUAL PROJECT MANAGER	03/07/2025	23508	510515171	CIP SW BCKUP/ST FEB25	\$500.00
VIRTUAL PROJECT MANAGER					Total Check Amount:	\$500.00
V58498	VISTA PAINT CORPORATION	03/07/2025	4573	110515125	PAINT	\$375.41
		03/07/2025	4573	420515131	PAINT	\$808.19
VISTA PAINT CORPORATION					Total Check Amount:	\$1,183.60
V58499	WILLDAN ENGINEERING	03/07/2025	12445	510707483	PROF SVCS DEC24	\$6,314.99
		03/07/2025	12445	510707476	INSP SVCS THRU 12/27	\$564.50
		03/07/2025	12445	510707251	INSP SVCS THRU 12/27	\$3,808.00
WILLDAN ENGINEERING					Total Check Amount:	\$10,687.49
V58500	CHRISTOPHER MICHAEL FRANCIS WINGER	03/07/2025	26711	110212111	IACP SFTY&WLLNSS CONF	\$69.00
CHRISTOPHER MICHAEL FRANCIS WINGER					Total Check Amount:	\$69.00
Voucher Subtotal						\$184,631.78
W25014	U.S. BANK OF CALIFORNIA	03/03/2025	14102	930	LAIF CONTRIBUTION	\$2,500,000.00
U.S. BANK OF CALIFORNIA					Total Check Amount:	\$2,500,000.00
Wire Subtotal						\$2,500,000.00

TOTAL \$2,886,072.55



City Council Regular Meeting Communication

Monthly Report of Investments for the Successor Agency to the Brea Redevelopment Agency for Period Ended February 28, 2025

Meeting	Agenda Group	
Tuesday, March 18, 2025, 7:00 PM	CITY/SUCCESSOR AGENCY - CONSENT	Item: 5A.
TO	FROM	
Honorable Mayor and City Council Members	Kristin Griffith, City Manager	

RECOMMENDATION

Receive and file.

BACKGROUND/DISCUSSION

The Monthly Report of Investments is prepared in accordance with Government Code Sections (GCS) 41004 and 53607 and contains information on the Successor Agency's investment activities for the month of February. Funds received by the Successor Agency are typically spent within three to six months of receipt and are therefore not invested long-term. The Successor Agency's Local Agency Investment Fund (LAIF) is used for short-term investments and functions like a savings account until funds are required to meet expenditure needs.

Attachment A includes an Investment Information Summary and a Monthly Account Statement prepared by Chandler Asset Management (Chandler) for the funds invested on behalf of the Successor Agency. As of February 28, 2025, the market value, including accrued interest on the Successor Agency's Local Agency Investment Fund (LAIF), was \$387,921 as compared to \$386,597 at January 31, 2025. The Successor Agency to the Brea Redevelopment Agency has sufficient cash flow to meet its expected expenditures for the next six months.

The Successor Agency also has restricted (fiscal agent) investment accounts related to its various bond reserve accounts, which are managed by Chandler and held by the Agency's third-party custodian, The Bank of New York Mellon Trust Company, N.A. (BNY). BNY acts as an agent of the Successor Agency and all securities are held in the name of the Successor Agency. Attachment A includes a portfolio report from Chandler for each bond reserve account that is invested. As of February 28, 2025, the market value of these funds, including short-term cash and accrued interest, was \$12,478,634 as compared to \$13,429,134 as of January 31, 2025.

FISCAL IMPACT/SUMMARY

During the month of February, the total value of the Successor Agency's investment portfolio increased by \$1,324, attributed to favorable market rate conditions. Additionally, the total value of restricted investments decreased by \$950,500 primarily due to payments sent to the bondholders for the 2017 Tax Allocation Bonds that were due on February 1, 2025.

RESPECTFULLY SUBMITTED:

Kristin Griffith, City Manager

Prepared by: Faith Madrazo, Financial Services Manager, Revenue

Concurrence: Monica Lo, Deputy Director of Administrative Services

Attachments

Successor Agency to the Brea Redevelopment Agency
Cash and Investment Information
February 28, 2025

		Book Value	Market Value*
Demand and Interest-Bearing Checking Accounts	Citizen's Bank	\$ 716,978.56	\$ 716,978.56
Local Agency Investment Fund	LAIF	\$ 385,139.12	\$ 387,920.55
<u>Fiscal Agent Cash & Investments</u>			
2013 Tax Allocation Bonds	Chandler/BNY	\$ 7,569,668.61	\$ 7,569,668.61
2016 Tax Allocation Refunding Bonds, Series A & B	Chandler/BNY	\$ 1,354,271.79	\$ 1,354,271.79
2017 Tax Allocation Refunding Bonds, Series A & B	Chandler/BNY	\$ 3,554,693.20	\$ 3,554,693.20
Sub-total - Fiscal Agent Cash & Investments		\$ 12,478,633.60	\$ 12,478,633.60
Grand Total		\$ 13,580,751.28	\$ 13,583,532.71

* Includes accrued interest on invested funds

Successor Agency to the Brea Redevelopment Agency
Cash and Investment Information
February 28, 2025

Fiscal Agent Cash & Investments Detail	Book Value	Market Value
2013 Tax Allocation Bonds - CHANDLER	\$ -	\$ -
Short-Term Treasury Funds - BNY	\$ 7,569,668.61	\$ 7,569,668.61
Sub-total	\$ 7,569,668.61	\$ 7,569,668.61
2016 Tax Allocation Refunding Bonds, Series A & B - CHANDLER	\$ -	\$ -
Short-Term Treasury Funds - BNY	\$ 1,354,271.79	\$ 1,354,271.79
Sub-total	\$ 1,354,271.79	\$ 1,354,271.79
2017 Tax Allocation Refunding Bonds, Series A & B - CHANDLER	\$ -	\$ -
Short-Term Treasury Funds - BNY	\$ 3,554,693.20	\$ 3,554,693.20
Sub-total	\$ 3,554,693.20	\$ 3,554,693.20
Report Grand Total	\$ 12,478,633.60	\$ 12,478,633.60



MONTHLY ACCOUNT STATEMENT

Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

Custodian:

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures at the end of the statement.

PORTFOLIO SUMMARY

Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

Portfolio Characteristics

Average Modified Duration	0.00
Average Coupon	4.29%
Average Purchase YTM	4.29%
Average Market YTM	4.29%
Average Credit Quality*	AAA
Average Final Maturity	0.00
Average Life	0.00

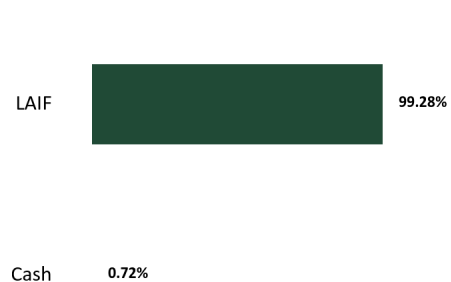
Account Summary

	End Values as of 01/31/2025	End Values as of 02/28/2025
Market Value	386,596.94	387,920.55
Accrued Interest	0.00	0.00
Total Market Value	386,596.94	387,920.55
Income Earned	8,731.04	0.00
Cont/WD	(4,303.26)	0.00
Par	386,596.94	387,920.55
Book Value	386,596.94	387,920.55
Cost Value	386,596.94	387,920.55

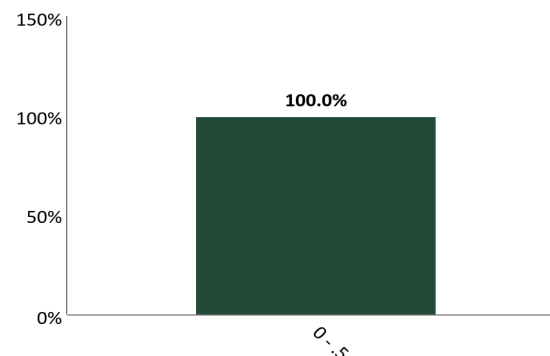
Top Issuers

LAIF	99.28%
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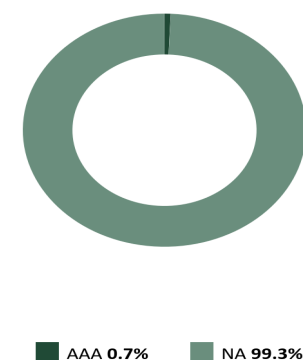
Sector Allocation



Maturity Distribution



Credit Quality (S&P)



*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

Execution Time: 03/05/2025 03:10:27 PM

Chandler Asset Management | info@chandlerasset.com | www.chandlerasset.com | 800.317.4747

RECONCILIATION SUMMARY

Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

Maturities / Calls

Month to Date	0.00
Fiscal Year to Date	0.00

Principal Paydowns

Month to Date	0.00
Fiscal Year to Date	0.00

Purchases

Month to Date	0.00
Fiscal Year to Date	13,090.54

Sales

Month to Date	0.00
Fiscal Year to Date	0.00

Interest Received

Month to Date	0.00
Fiscal Year to Date	17,393.80

Purchased / Sold Interest

Month to Date	0.00
Fiscal Year to Date	0.00

Accrual Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Book Value	386,596.94	376,089.15
Maturities/Calls	0.00	0.00
Principal Paydowns	0.00	0.00
Purchases	0.00	13,090.54
Sales	0.00	0.00
Change in Cash, Payables, Receivables	1,323.61	(1,259.14)
Amortization/Accretion	0.00	0.00
Realized Gain (Loss)	0.00	0.00
Ending Book Value	387,920.55	387,920.55

Fair Market Activity Summary

	Month to Date	Fiscal Year to Date (07/01/2024)
Beginning Market Value	386,596.94	376,089.15
Maturities/Calls	0.00	0.00
Principal Paydowns	0.00	0.00
Purchases	0.00	13,090.54
Sales	0.00	0.00
Change in Cash, Payables, Receivables	1,323.61	(1,259.14)
Amortization/Accretion	0.00	0.00
Change in Net Unrealized Gain (Loss)	0.00	0.00
Realized Gain (Loss)	0.00	0.00
Ending Market Value	387,920.55	387,920.55

HOLDINGS REPORT



Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	2,781.43	-- 0.00%	2,781.43 2,781.43	1.00 0.00%	2,781.43 0.00	0.72% 0.00	AAA/AAA AAA	0.00 0.00
Total Cash		2,781.43	0.00%	2,781.43	1.00 0.00%	2,781.43 0.00	0.72% 0.00		0.00 0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	385,139.12	-- 4.32%	385,139.12 385,139.12	1.00 4.32%	385,139.12 0.00	99.28% 0.00	NA/NA NA	0.00 0.00
Total LAIF		385,139.12	4.32%	385,139.12	1.00 4.32%	385,139.12 0.00	99.28% 0.00		0.00 0.00
Total Portfolio		387,920.55	4.29%	387,920.55	1.00 4.29%	387,920.55 0.00	100.00% 0.00		0.00 0.00
Total Market Value + Accrued						387,920.55			



TRANSACTION LEDGER

Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest	Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS											
TOTAL OTHER TRANSACTIONS			0.00				0.00		0.00	0.00	0.00

INCOME EARNED

Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

Cusip	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
CASH & EQUIVALENTS						
CCYUSD	Receivable	2,781.43	1,457.82	0.00	0.00	0.00
			0.00	0.00	0.00	
			0.00	0.00	0.00	
			2,781.43	0.00	0.00	
			1,457.82	0.00	0.00	
			0.00	0.00	0.00	
			0.00	0.00	0.00	
Total Cash & Equivalents		2,781.43	2,781.43	0.00	0.00	0.00
LAIF						
90LAIF\$00	Local Agency Investment Fund State Pool	385,139.12	385,139.12	0.00	0.00	0.00
			0.00	0.00	0.00	
			0.00	0.00	0.00	
			385,139.12	0.00	0.00	
			385,139.12	0.00	0.00	
			0.00	0.00	0.00	
			0.00	0.00	0.00	
Total LAIF		385,139.12	385,139.12	0.00	0.00	0.00
TOTAL PORTFOLIO		387,920.55	386,596.94	0.00	0.00	0.00
			0.00	0.00	0.00	
			0.00	0.00	0.00	
			387,920.55	0.00	0.00	



CASH FLOW REPORT

Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
MARCH 2025							
03/03/2025	Dividend		0.00		1,323.61		1,323.61
March 2025 Total					1,323.61		1,323.61
APRIL 2025							
04/15/2025	Dividend	90LAIF\$00	385,139.12	Local Agency Investment Fund State Pool	1,457.82		1,457.82
April 2025 Total					1,457.82		1,457.82
Grand Total			385,139.12		2,781.43		2,781.43



IMPORTANT DISCLOSURES

Successor Agency to the Brea RDA LAIF | Account #10166 | As of February 28, 2025

Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at www.chandlerasset.com.

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a high rating by S&P, Moody's and Fitch respectively.