

AGREEMENT FOR THE TRANSPORTATION OF BIOSOLIDS

This Agreement for the Transportation of Biosolids (“**Agreement**”) is between COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY, a county sanitation district organized and existing under the provision of the County Sanitation District Act, Health and Safety Code Section 4700 et seq. (the "**District**"), DIR Registration No. 100010096 and TCI Environmental Services Inc. ("**Vendor**"), DIR Registration No. 1000972176. The District and the Vendor are referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties.**” The terms and conditions of this Agreement become effective upon the date of execution by both parties (the “**Effective Date**”).

The District owns and operates the A.K. Warren Water Resource Facility (“**Warren Facility**”) in the County of Los Angeles, California. The Warren Facility produces approximately 430,000 wet tons per year of Biosolids at approximately 28 percent solids content. The District owns and operates the Tulare Lake Compost Facility (“**TLC**”) in Kings County, California and partially owns the Inland Empire Regional Compost Facility (“**IERCF**”) in San Bernardino County, California. Approximately 130,000 wet tons of Biosolids are allocated to be delivered to IERCF and TLC annually. IERCF, TLC, and the Warren Facility are referred to collectively in this Agreement as the “**Facilities.**”

The District and Vendor desire to provide for Vendor’s transportation of Biosolids from the Warren Facility to the IERCF and TLC, DIR Project ID No. _____.

The Parties therefore agree as follows:

1. Definitions

Capitalized terms in this Agreement will have the meanings set forth in this Section 1, or as otherwise defined in this Agreement.

- 1.1 “**Agreement**” means this Agreement for the Transportation of Biosolids as it may be amended or modified from time to time.
- 1.2 “**Alternative Fuel**” means compressed or liquefied natural gas, liquefied petroleum gas, electricity, fuel cells, or other advanced technologies that do not rely on diesel fuel.
- 1.3 “**Belt Trailer**” means a bulk commodity hauling trailer that is designed for self-unloading using a conveyor belt at the bottom of the trailer.
- 1.4 “**Beneficial Reuse Facility**” means a facility that repurposes waste into a reusable product such as a facility that produces compost from Biosolids.
- 1.5 “**Biosolids**” means solid organic matter recovered from a wastewater treatment process that have undergone anaerobic digestion treatment and are qualified as non-hazardous as defined in Title 22, Division 4.5, Chapter 11, Section 66261.3 of the California Code of Regulations, and meet all 40 CFR Part 503 Rule minimum quality standards for Class B biosolids.

- 1.6 “**CARB**” means California Air Resources Board.
- 1.7 “**Chief Engineer**” means the District’s Chief Engineer and General Manager, or his or her designee who is an employee of the District.
- 1.8 “**CHP**” means California Highway Patrol.
- 1.9 “**CNG**” means Compressed Natural Gas.
- 1.10 “**Duration**” has the meaning set forth in Section 2.
- 1.11 “**EPA**” means the United States Environmental Protection Agency.
- 1.12 “**Facility**” or “**Facilities**” means the IERCF, TLC, or the Warren Facility.
- 1.13 “**FPA**” means Fuel Price Adjustment (surcharge or discount) as described in Section 7.1.
- 1.14 “**Fuel Cost Component of the Price Per Load**” is a component of the gross per load charge, which is calculated dividing the round-trip mileage by the estimated MPG, then multiplying by the CNG base price of \$3.20 per GGE as detailed in Table 1.
- 1.15 “**GGE**” means gasoline gallon equivalent.
- 1.16 “**IERCF**” means the Inland Empire Regional Compost Facility partially owned by the District and operated by the Inland Empire Utilities Agency. This facility is located at 12645 6th Street, Rancho Cucamonga, CA 91739.
- 1.17 “**MPG**” means miles per gallon.
- 1.18 “**RNG**” mean renewable natural gas.
- 1.19 “**SCAQMD**” means South Coast Air Quality Management District.
- 1.20 “**Side Dump Trailer**” means a bulk commodity hauling trailer that is designed for self-unloading using hydraulic cylinders to unload by tilting to one side.
- 1.21 “**SJVAPCD**” means San Joaquin Valley Air Pollution Control District.
- 1.22 “**Standby Time**” means the Vendor’s unproductive time due to unplanned incidents not caused by the Vendor, as further described in Section 8.2.
- 1.23 “**Subcontractor**” refers to a person or company performing work under contract with the Vendor.
- 1.24 “**TLC**” means the Tulare Lake Compost owned and operated by the District. This facility is located at 34318 23rd Avenue, Kings County, CA 93239.

1.25 “**Warren Facility**” means the A.K. Warren Water Resource Facility (previously known as Joint Water Pollution Control Plant) owned and operated by the District. This facility is located at 24501 S. Figueroa Street, Carson, CA 90745.

1.26 “**Work**” is the transportation of Biosolids to a Beneficial Reuse Facility or landfill.

2. Term

This Agreement will commence on April 1, 2025, and continue until June 30, 2030 (“**Initial Term**”). This Agreement may be extended for two consecutive 24-month terms (each an “**Extended Term**”) if agreed in writing by the District and Vendor. At least 12-months prior to the expiration of the Initial Term (or any Extended Term), the Vendor must provide written notice to the District of its request to enter into an Extended Term (“**Extension Request**”). If an extension to the Agreement is executed in writing by the District and the Vendor, then the Vendor will continue to furnish the services according to the conditions set forth in the Agreement throughout the Extended Term(s).

3. Vendor’s Scope of Work

3.1 **Responsibility.** Throughout the Duration of this Agreement, the Vendor must perform the Work in the manner directed by the District and in accordance with all applicable federal, state, and local laws and regulations. The Vendor warrants that the services performed under the Agreement will be completed in a manner consistent with the standards practiced among those firms within the Vendor’s industry, doing the same or similar work under the same or similar circumstances. The Vendor shall be responsible for the quality, services and reports furnished by the Vendor. The Vendor must, at no additional cost to the District, correct or revise any errors, omissions, or other deficiencies in the reports, calculations, and other services it provides pursuant to this Agreement.

Ownership of Biosolids will pass to the Vendor at the time Biosolids are loaded in the Vendor’s trailers for transportation. Ownership of Biosolids will pass to the Beneficial Reuse Facility or landfill when Biosolids are unloaded from the trailer at one of the Facilities. The District will not be held responsible for the unloading of Biosolids at an unauthorized location or any leaks after the Biosolids are loaded.

The proper documentation required for transportation, vehicles, and drivers from the Warren Facility is the sole responsibility of the Vendor.

3.2 **Scheduling Loads.** The District will provide a weekly load schedule and provide at least 24 hours advance notice regarding changes to the weekly load schedule for the number of loads required during the next working day. The Vendor must be present at the time and at the Facilities designated by the District with tractors and trailers sufficient to transport the number of loads of Biosolids identified by the District in the schedule. It is the District intent to provide a uniform weekly load schedule for transportation of Biosolids. If the District increases the number of scheduled loads by more than 20 percent of the previous one month average, the Vendor will review its available capacity and provide notice to the District within 48 hours, either accepting or declining the increase in number of loads. The Vendor will not be obligated to meet any increase in the number of scheduled Biosolids loads that the Vendor does not accept.

3.3 **Loading Times.** The truck loading stations at the Warren Facility are open 24 hours per day. The Vendor shall work with the District to develop a reasonable loading schedule to minimize queuing times for other contractors using the truck loading stations at the Warren Facility.

3.4 **Delivery Destinations.** The Vendor must deliver the Biosolids loads from the Warren Facility to the Beneficial Reuse Facility or landfill identified by the District and defined in Section 5. The Vendor must return all receipts received from the Beneficial Reuse Facility or landfill to the District on a weekly basis. All receipts collected in one week must be submitted to the District by Wednesday of the following week.

3.5 **Equipment Requirements.** The Vendor must provide tractors that are powered by near-zero emission engines that utilize RNG. The fifth wheel on the tractors and king-pin on trailers shall be set to facilitate and maximize the additional allowable weight on the drive axle of the tractor as detailed in Section 3.8. The trailers must be belt or side dump type transfer trailers depending upon the request, as per the below requirements.

- a) **Belt Trailers.** Shall be designed for top loading of material, have belt driven floors for unloading, have a vinyl tarp (or equivalent) for covering the load, and have seals on trailer's floor and rear discharge door to prevent liquids leaking from the trailers.
- b) **Side Dump Trailers.** Shall be designed for top loading of material, have hydraulic cylinders for side unloading to the left-hand side, have a vinyl tarp (or equivalent) for covering the load, and have a sealed body to prevent liquids leaking from the trailers.

3.6 **Tare Weights.** The District will use the assigned tare weight by the Warren Facility as approved tare weight for any cost adjustments. The District may verify those weights from time to time by requiring that the Vendor's equipment weigh in at the weigh scales before loading. After loading, each tractor and trailer must drive to the onsite scales for weighing at which time the District's personnel in the scale will provide the Vendor with a gross weight. The Vendor shall enter the weight on the driver's manifest log.

3.7 **Maximum Allowable Tare Weight.** The maximum allowable tare weight for loads using belt trailers (combined weight of a tractor and empty trailer) is no more than 16.0 tons. The maximum allowable tare weight for loads using side dump trailers (combined weight of a tractor and empty trailer) is no more than 17.0 tons.

3.8 **Maximum Gross Vehicle Weight.** As approved by Assembly Bill No. 2061, Chapter 580, a near-zero-emission vehicle, which includes tractors powered by the Cummins ISX12N natural gas engine, may exceed the weight limits on the power unit by up to 2,000 pounds, increasing the gross vehicle weight limit to 82,000 pounds. This authorizes a vehicle operated by an engine fueled primarily by natural gas to exceed these weight limits by an amount equal to the difference between the weight of the vehicle attributable to the natural gas tank and fueling system carried by that vehicle and the weight of a comparable diesel tank and fueling system. The Vendor must provide any necessary documentation for CHP or local law enforcement required to operate vehicles that exceed the weight limits on the power unit by up to 2,000 pounds.

3.9 **Covering Loads.** The Vendor must cover all trailers with tarps made from vinyl material or equivalent immediately after pulling out of the truck loading station.

3.10 **Compliance with Site Safety and Health Rules.** The Vendor must strictly adhere to all applicable safety rules in its performance of the Agreement. When driving or present on Facilities, Vendor, its employees, and its Subcontractors must strictly adhere to all traffic safety signs and directions and use the required personal protective equipment (“PPE”). At a minimum, while present at Facilities, all employees of the Vendor must wear long pants, work boots, hard hats, and a Class 2 or Class 3 safety vest. Additional PPE may be required.

No later than 10 working days prior to the commencement date, the Vendor must submit to the District for approval an Injury and Illness Prevention Program (“IIPP”), a Hazard Communication Program, and a Fire Response Plan. District’s written acceptance of all safety submittals is required before the Vendor can commence Work. The Vendor must report to the District all accidents involving vehicles transporting District’s Biosolids, regardless of whether the accident involved any spill.

The Vendor will provide the District a list of drivers with their license numbers and expiration dates at least five (5) days prior to start of Work. This list will be required for drivers to enter the Warren Facility and must be updated by the Vendor throughout the term of the Agreement as drivers are added or removed as required by Vendor to perform Work.

Additionally, the Vendor will provide to the District an accident and emergency spill response plan for approval prior to commencing Work. The plan shall describe notification, cleanup, remediation, and reporting actions to be taken in the event of an accident or in the event that any leakage or spill of Biosolids occurs during transportation. The Vendor will ensure that cleanup is completed in accordance with the approved accident and spill plan in effect.

The Vendor must ensure all drivers possess all required valid documents when driving.

3.11 **Vendor’s Responsibility as a Motor Carrier.** Vendor must maintain adequate records and comply with all requirements under the State of California’s Basic Inspection of Terminals (“BIT”) Program and maintain a good standing motor carrier record based on the California Performance Safety Score (“CPSS”).

3.12 **Vendor’s Responsibility for Equipment.** The Vendor is responsible for any costs it incurs arising from normal wear and tear on its equipment. Each time a trailer is loaded, the Vendor’s driver must visually inspect the tractor and trailer for any damage and ensure it is safe to transport the load to the Beneficial Reuse Facility or landfill. Before leaving the Facilities, the Vendor shall bring to the attention of the District’s site personnel, any damage to the Vendor’s equipment caused by loading. Vendor reserves the right to bring to the Districts attention any damages upon discovery. Once the Vendor’s tractors and trailers leave the Facilities, the Vendor is responsible for any damage to its tractors and trailers during transportation.

If the Vendor can provide evidence that the equipment is being utilized to exclusively perform Work at the Facilities and identifies through routine inspections that damage occurred due to loading, the Vendor can submit a damage claim to the District. The District will not unreasonably deny the Vendor’s claims for compensation assuming the following conditions are met:

- a) The equipment was adequately designed for the application;
- b) Damage is not normal wear and tear for the application;
- c) Damage did not result from the driver's operation of the live floor on the trailer or by other actions in the course of delivering the loads to the destination Beneficial Reuse Facility or landfill;
- d) The cost to repair damage is fair and reasonable for the scope of work;
- e) No markup is claimed on repair costs.

3.13 **Use of Liquid Polymer.** The Vendor can apply liquid polymer to the interior of trailers to facilitate unloading. The use of dry polymer is prohibited. The Vendor will thoroughly clean any polymer that spills during application to prevent slip hazards. The District will not be held responsible for any accidents and/or injuries caused by the Vendor's failure to properly handle and clean spilled polymer.

4. The District's Activities at the Facilities

4.1 **Loading.** The District will be solely responsible for loading the Biosolids into the Vendor's trailers at the Warren Facility truck loading station. The only labor provided by the Districts will be for loading of Biosolids.

5. Destination Locations

The Vendor must deliver the Biosolids loads from the Warren Facility to a Beneficial Reuse Facility or landfill set forth below. The Vendor must adhere to the Facility guidelines when on their property.

- a) Inland Empire Regional Compost Facility (IERCF)
12645 6th Street
Rancho Cucamonga, CA 91739

Hours of Operation: 06:00 – 15:30 Monday through Friday

- b) Tulare Lake Compost Facility
34318 23rd Ave
Kettleman City, CA 93239

Hours of Operation: 04:00 – 14:30 Monday through Thursday and
04:00 – 12:30 Friday

- c) Liberty Composting
12421 Holloway Road
Lost Hills, CA 93249

Hours of Operation: 06:00 – 18:00 Monday through Friday

- d) Holloway Landfill
13850 Holloway Road
Lost Hills, CA 93249

Hours of Operation: 07:00 – 16:00 Monday through Sunday

Approved routes and roads: Biosolids that are loaded for transportation will be immediately removed from the Warren Facility after loading and tarping of the load. After exiting the Warren Facility, trucks will proceed directly to the Interstate 110 (Harbor Freeway) using the Sepulveda on-ramp. The routes taken will be in accordance with all regulations or directives of the US Department of Transportation, the California Highway Patrol, the California Department of Transportation, and any other authorized regulatory agency. The Vendor will submit to the District the planned routes for approval prior to starting Work. Approval will not be unreasonably withheld by the District. The Vendor may change routes temporarily in response to weather or road conditions without prior authorization.

If the normal route to TLC, Holloway Landfill, or Liberty Composting is not accessible due to the 5 Freeway being closed, the District may approve an alternative route using Highway 58. The alternative route using Highway 58 adds 116 roundtrip miles to the route. The Vendor will be compensated an additional amount of \$300 per load for the alternative route in lieu of Standby Time. If the alternative route was used, the corresponding weekly invoice should include backup documentation with cause and approval for the alternative route. Invoices must include a separate line-item listing "Alternative Route Surcharge". If the alternative route was used, Vendor may be relieved of any minimum load commitments during that period.

6. Site Facilities and Parking

6.1 **Use of Site Facilities.** Vendor's personnel may use the District's lavatory facilities and break rooms as designated by site staff. The Vendor must strictly follow all facility traffic routes and speed limits as designated at the Facilities or by site staff. The Vendor must only park tractors and trailers at Facilities if they are in line awaiting loading or are preparing to immediately leave the site after being loaded.

6.2 **Parking Permit.** The Chief Engineer, in his or her sole and absolute discretion, may permit the Vendor to park its tractors and trailers at the Facilities overnight and on weekends and holidays. The District will not be liable for any theft or damage to Vendor's equipment while parked at the Facilities. The Vendor may not perform any maintenance or repairs of tractors and trailers at the Facilities. The Chief Engineer may revoke this parking permit at any time for cause of emergency, or upon 90 days written notice without cause. The District will facilitate parking of up to five tractors and trailers at the Warren Facility. If the District reduces the number of available parking spots to any number less than five at the Warren Facility, the Vendor may request a rate adjustment based on the additional cost incurred.

7. Cost Adjustments

7.1 **Fuel Adjustment.** To account for fluctuations in the CNG fuel price, Vendor will make fuel cost adjustments on invoices if the cost per gallon of CNG fuel is greater or lower than the reference price per gasoline gallon equivalent ("GGE"). The fuel cost component of the price

per load will use a set CNG base price of \$3.20 per GGE. The Fuel Price Adjustment (“FPA”) formula will be calculated monthly as follows and rounded to the nearest whole cent:

$$\text{FPA} = [\text{Fuel Commodity Cost} - \text{Fuel Commodity Basis Price}] \times \frac{\text{Round Trip Mileage}}{\text{(MPG)}}$$

The Fuel Commodity Cost and Fuel Commodity Basis Price will be expressed in dollars per GGE. The Fuel Commodity Cost means the Natural Gas Intelligence (NGI) Bidweek Survey Average First of the Month Index Price, California, SoCal Citygate for the applicable month of delivery. NGI pricing stated in \$/MMBtu will be divided by 8 to convert to \$/GGE. The Fuel Commodity Basis Price will be \$0.70 per GGE.

For the purpose of the FPA calculations the Round Trip Mileage and MPG detailed in Table 1 will be used. The FPA will be calculated monthly and remain fixed each month based on latest monthly publication, which is generally available on the first calendar day of each month. The FPA will be multiplied by the number of loads hauled and added to or subtracted from the weekly invoice amount as an itemized line item.

7.2 Tare Weight Adjustment. The maximum allowable tare weight (combined weight of a tractor and empty trailer) is detailed in Section 3.7. If a combined tare weight for any tractor and empty trailer exceeds the weights specified in Section 3.7, then Vendor must credit the District a Tare Weight Adjustment calculated as follows and rounded to the nearest whole cent:

$$\text{Tare Weight Adjustment Credit} = \frac{(\text{Actual Tare Weight} - \text{Maximum Allowable Tare Weight}) \times \text{Gross per Load Charge}}{(41.0 - \text{Maximum Allowable Tare Weight})}$$

The weights in the above formula are in tons.

7.3 Use of the Warren Facility RNG Station. Vendor will commit to exclusively utilizing the RNG fuel station on the District’s Warren Facility property located at 23924 S. Figueroa St., Carson, CA 90745, to obtain RNG for trucks used to transport Biosolids. Clean Energy Fuels is the current operator of the station, but Vendor understands that the operator may change during the duration of the Agreement. If the operator of the station changes during the duration of the Agreement, the Vendor may request a rate adjustment based on the additional cost incurred. Vendor will provide monthly transaction summaries to the District for all fuel purchased from the Warren Facility RNG Station. Use of other RNG stations by Vendor shall be permitted for unscheduled events such as repairs or routine maintenance required at out of route locations, substitutions of tractors/trailers, or the Warren Facility RNG Station being out-of-service. If the Warren Facility RNG Station is out-of-service, Vendor can only utilize other RNG stations during the period the station is out-of-service. If Vendor cannot verify exclusive use of the Warren Facility RNG Station, Vendor will provide an invoice credit per load equal to the amount of the Fuel Cost Component of the Price Per Load as detailed in Table 1.

8. Compensation and Payment for Services

8.1 Cost per Load. For Biosolids loaded into the Vendor’s trailers at the Warren Facility, the District will separately pay all tipping fees to the Beneficial Reuse Facility or landfill owner. The District will pay the Vendor for transportation of each Biosolid load delivered to the

Beneficial Reuse Facility or landfill in accordance with the fee schedule in Table 1 plus or minus the FPA. The payment per-load should be considered an all-inclusive fee for transportation services performed, except as provided in Section 8.2.

8.2 **Standby Time.** A standby charge is a charge to cover Vendor's unproductive time due to unplanned incidents not caused by the Vendor. This can include delays due to loading or unloading at Facilities. If seeking compensation for standby time, Vendor must submit, with its invoice, a Transport Delay Report detailing truck information, load destination, location, date, time, length of delay, and reason for delay. The agreed rate is \$75.00 per hour, per tractor and trailer (combination) or a flat rate of \$150 per full day for a trailer. Charged hours should not exceed eight hours per day per tractor and trailer (combination) and must not include time for Sundays or holidays.

8.3 **The Vendor's Invoice.** The Vendor shall invoice the District weekly. In addition to the invoice, the Vendor must provide weekly hauling reports to the District. The following information must, at a minimum, be included for each invoice type and for any weekly hauling report. Invoices for Work must contain a line item for each load hauled. The line items must be grouped together by origination site. For each origination site, the line items must be listed by date. Each line item must contain the following information:

- a. Transaction number
- b. Date of transaction
- c. Originating site
- d. Destination site
- e. Type of material hauled (i.e. Biosolids)
- f. The Gross Per Load Charge
- g. The FPA for the load
- h. Tare Weight Adjustment Credit (if applicable)

The Vendor must document the information required to be contained on invoices.

8.4 **Time for Payment by the District.** The District will pay all undisputed invoiced amounts within 30 days after receiving a weekly invoice from the Vendor, subject to Section 8.5.

8.5 **Disputed Invoices.** If the District disputes the amount of any invoice, the District will provide written notice to the Vendor of the dispute and the specific grounds for the dispute, no later than 20 days after receiving the invoice. In the written notice of dispute, the District will provide the required information with sufficient specificity to allow the Vendor to investigate the District's claim. If a dispute occurs, the District will process the invoice for payment of the amount of the undisputed portion of the invoice. The Parties shall make a good faith effort to settle any dispute or claim arising under this Agreement.

8.6 **Vendor's Maintenance of Records.** The Vendor must maintain all records relating to the Work and this Agreement, including financial records, in their original form. These records must be maintained by Vendor for a period of no less than three years following (1) the last payment made by the District to the Vendor under this Agreement or (2) the expiration of the Duration of this Agreement, whichever is later. The Vendor must timely provide any additional reports requested by the District with respect to this Agreement or the Work. Any subcontract

entered into by the Vendor for the work described in this Agreement, to the extent allowed by the Agreement, must include a like provision for work to be performed under the Agreement.

8.7 District Audits. The District's authorized personnel or representatives may examine and audit any or all of the Vendor's records relating to this Agreement or the Work at any time during the retention period set forth in Section 8.6. In addition, the District may audit the Vendor's Work to verify the Vendor's compliance with this Agreement.

8.8 Minimum Load Guarantee. The Districts will schedule a minimum of 1,230 loads per quarter with approximately 684 loads to IERCF and 546 loads to TLC, Liberty Composting, or Holloway Landfill. If the number of quarterly loads transported falls below 1,230, at no fault of TCI, then the Districts shall compensate TCI at a rate of \$400 per load for the number of loads less than 1,230. If the number of quarterly loads transported falls below 1,230 at the fault of TCI, then TCI shall compensate the District at a rate of \$400 per load for the number of loads less than 1,230.

9. Rate Adjustment

The Gross per Load Charges in Table 1 are comprised of the sum of the Fuel Cost Component and Non-Fuel Cost Component. Starting on July 1, 2026, and each July 1st thereafter, the Non-Fuel Components in Table 1 will be adjusted by the percentage change in the March (year ending) Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles-Long Beach-Anaheim region, as promulgated by the Bureau of Labor Statistics, U.S. Department of Labor. The data for "year ending March" is typically published on the second Wednesday in April. The revised table for Gross per Load Charges must be submitted, in writing, by the Vendor to the District no later than April 30 each year for the Initial Duration and any extended duration(s) of this Agreement. The District will review the revised table of Gross per Load Charges for accuracy and will submit a written response no later than 30 calendar days after receiving the information, either approving the revised Gross per Load Charges or requesting adjustments due to factors such as errors in calculations or incorrect data used in calculations.

10. Prevailing Wage

10.1 Wage Rates, Travel, and Subsistence.

a. **Wage Rates.** Pursuant to the provisions of Article 2 Chapter 1, Part 7, Division 2, of the Labor Code (§ 1770 et seq.), the Vendor shall obtain the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality in which this work is to be performed for each craft, classification, or type of worker needed to provide the work contemplated under this Agreement from the Director of the DIR. The Vendor shall submit a copy of the general rate of per diem wages for each craft, classification, or type of work that the Vendor intends to use to execute the work to the District for review. A copy of these rates are listed in Attachment 1 of this Agreement, on file with the District, and copies will be made available to any interested party upon request. Vendor shall also post a copy of such wage rates at Site and Plant ("**Facilities**").

For any worker employed to perform work, where such work is not covered by any classification listed in the published general prevailing wage rates determinations or per diem wages determined

by the DIR, said worker shall be paid not less than the minimum rate of wages specified in the classification which most nearly corresponds to the employment of such person in such classification.

b. Holiday and Overtime Pay. Holiday and overtime work, when permitted by law, shall be paid for at a rate set forth in the prevailing wage determinations issued by the DIR or at least one and one-half (1½) times the specified basic rate of per diem wages, plus employer payments, unless otherwise specified in this Agreement, or authorized by law for all work performed during the term of this Agreement.

c. Wage Rates Not Affected By Other Contracts. Vendor shall pay and shall cause to be paid to each employee to whom prevailing wage rates apply not less than the general prevailing rate of per diem wages determined by the DIR, regardless of any contractual relationship which may be alleged to exist between Vendor and employee.

d. Travel and Subsistence. Vendor shall pay and shall cause to be paid to each employee performing work travel and subsistence payments, as such travel and subsistence payments are defined by the DIR and in accordance with Labor Code § 1773 *et seq.*, including but not limited to Labor Code § 1773.1.

e. Change In Prevailing Wage. Vendor shall comply with the prevailing wage determinations in effect as of the execution date and shall comply with any predetermined increases required under the determinations.

f. Minimum Wage Rates. Any worker employed to perform work, which work is not covered by any craft or classification listed in the general prevailing rate of per diem wages determined by the DIR, shall be paid not less than the minimum rate of wages specified therein for the craft or classification which most nearly corresponds to the work to be performed by them.

g. Per Diem Wages. Vendor shall pay and shall cause to be paid to each employee performing work per diem wages including, but not limited to, employer payments for health and welfare, pension, vacation, travel time, and subsistence pay as provided for in Labor Code § 1773.1.

h. Posting of Wage Rates. Vendor shall post the required notice/poster required under the California Code of Regulations and Labor Code § 1771.4 in both English and Spanish at a conspicuous, weatherproof area at the Facilities. The required notice/poster is available on the Labor Commissioner's website.

i. Forfeiture and Payments. Pursuant to Labor Code § 1775, Vendor shall forfeit to District not more than Two Hundred Dollars (\$200.00) for each calendar day, or portion thereof, for each worker paid less than the prevailing rate of per diem wages, determined by the DIR, for such craft or classification in which such worker is employed for any work performed. The amount of the penalty shall be determined by the Labor Commissioner and shall be based on consideration of Vendor's mistake, inadvertence, or neglect in failing to pay the correct prevailing rate of per diem wage, the previous record of Vendor in meeting his or her prevailing rate of per diem wage obligations, or Vendor's willful failure to pay the correct prevailing rate of per diem wages. A

mistake, inadvertence, or neglect in failing to pay the correct prevailing rate of per diem wage is not excusable if Vendor had knowledge of it or the obligations under this part. The difference between such prevailing rate of per diem wage and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing rate of per diem wage shall be paid to each worker by Vendor.

j. **Monitoring and Enforcement by Labor Commissioner.** Monitoring and enforcement of the prevailing wage laws and related requirements will be performed by the Labor Commissioner/ Department of Labor Standards Enforcement (DLSE). Vendor shall be required to furnish, at least once every thirty days while work is being performed on the Project, certified payroll records directly to the Labor Commissioner in accordance with Labor Code § 1771.4. All payroll records shall be furnished in a format required by the Labor Commissioner. Vendor must sign up for, and utilize, the Labor Commissioner's electronic Certified Payroll Records (CPR) submission system. The District will have direct and immediate access to all CPRs for work performed under this Agreement that are submitted through the Labor Commissioner's system. The District can use this information for any appropriate purpose, including monitoring compliance, identifying suspected violations, and responding to Public Records Act requests.

The Labor Commissioner and DLSE may conduct various compliance monitoring and enforcement activities including, but not limited to, confirming the accuracy of payroll records, conducting worker interviews, conducting audits, requiring submission of itemized statements prepared in accordance with Labor Code § 226, and conducting random in-person inspections of the Facilities ("**On-Site Visits**"). On-Site Visits may include inspections of records, inspections of the work site and observation of work activities, interviews of workers and others involved with the Facilities, and any other activities deemed necessary by the Labor Commissioner/DLSE to ensure compliance with prevailing wage requirements. The Labor Commissioner/DLSE shall have free access to any construction site or other place of labor and may obtain any information or statistics pertaining to the lawful duties of the Labor Commissioner/DLSE.

Any lawful activities conducted, or any requests made by the Labor Commissioner/DLSE shall not be the basis for any delays, claims, costs, damages or liability of any kind against the District by Vendor. Vendor and all employees shall cooperate and comply with any lawful requests by the Labor Commissioner/ DLSE. The failure of the Labor Commissioner, DLSE, or any other entity related to the Department of Industrial Relations to comply with any requirement imposed by the California Code of Regulations, Title 8, Chapter 8 shall not, of itself, constitute a defense to the failure to pay prevailing wages or to comply with any other obligation imposed by Division 2, Part 7, Chapter 1 of the Labor Code.

10.2 Records of Wages Paid: Certified Payroll Submissions and Inspection.

The obligations set forth below apply to all work performed under this Agreement.

a. Payroll Records.

- i. Pursuant to § 1776 of the Labor Code, Vendor shall keep an accurate payroll record showing the name, address, social security number, work classification and straight time and overtime hours worked each day and week, and the actual

per diem wages paid to each journeyman, apprentice, worker or other employee employed by him or her in connection with the work.

- ii. All payroll records, as specified in Labor Code § 1776, of Vendor shall be certified and furnished directly to the Labor Commissioner in accordance with Labor Code § 1771.4(a)(3) on a monthly basis (or more frequently if required by the District or the Labor Commissioner) and in a format prescribed by the Labor Commissioner. Payroll records as specified in Labor Code § 1776 shall be certified and submitted to the District in hard copy (not electronic) with each application for payment or invoice. All payroll records shall be available for inspection at all reasonable hours at the principal office of Vendor on the following basis:
 - a. A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.
 - b. A certified copy of all payroll records shall be made available for inspection or furnished upon request to a representative of the District, the DLSE or the Division of Apprenticeship Standards of the Department of Industrial Relations.
 - c. A certified copy of all payroll records shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through the District, the Division of Apprenticeship Standards or the DLSE. If the requested payroll records have not been provided pursuant to Paragraph (2) above, the requesting party shall, prior to being provided the records, reimburse the costs, according to law for the preparation by Vendor, and the entity through which the request was made. The public shall not be given access to such records at the principal office of Vendor.
- iii. The certified payroll records shall be on forms provided by the DLSE or shall contain the same information as the forms provided by the DLSE.
- iv. Vendor shall file a certified copy of all payroll records with the entity that requested such records within 10 calendar days after receipt of a written request.
- v. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the District, the Division of Apprenticeship Standards or the DLSE shall be marked or redacted to prevent disclosure of an individual's name, address and social security number. The name and address of the Vendor awarded the work shall not be marked or redacted. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (Section 175a of Title 29 of the United States Code) shall be marked or redacted only to prevent disclosure of

an individual's name and social security number. Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided non-redacted copies of certified payroll records.

- vi. The Vendor shall inform the District of the location of all payroll records, including the street address, city, and county, and shall provide notice of a change of location and address within five (5) days of same.
- vii. Vendor shall have 10 calendar days in which to comply subsequent to receipt of a written notice requesting payroll records. In the event that Vendor fails to comply within the 10-day period, the Vendor shall, as a penalty to the District, forfeit One Hundred Dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the DLSE, these penalties shall be withheld from payments then due to Vendor.
- viii. Responsibility for compliance with this Article shall rest upon Vendor.

b. Withholding of Contract Payments & Penalties.

The District may withhold or delay contract payments to Vendor if:

- i. The required prevailing rate of per diem wages determined by the DIR is not paid to all employees performing work;
- ii. Vendor fails to submit all required certified payroll records with each application for payment or invoice, but not less than once per month;
- iii. Vendor submits incomplete or inadequate payroll records;
- iv. Vendor fails to comply with the Labor Code requirements concerning apprentices; or
- v. Vendor fails to comply with any applicable state laws governing workers on public works projects.

10.3 Apprentices.

a. Apprentice Wages and Definitions. All apprentices employed by Vendor to perform work shall be paid the standard wage paid to apprentices under the regulations of the craft or trade for which he or she is employed, as determined by the DIR, and shall be employed only at the work of the craft or trade to which he or she is registered. Only apprentices, as defined in § 3077 of the Labor Code, who are in training under apprenticeship standards that have been approved by the chief of the Division of Apprenticeship Standards and who are parties to written

apprenticeship agreements under Chapter 4 (commencing with section 3070) of Division 3, are eligible to be employed under this Agreement. The employment and training of each apprentice shall be in accordance with the apprenticeship standards and apprentice agreements under which he or she is training, or in accordance with the rules and regulations of the California apprenticeship Council.

b. Apprentice Labor Pool. When Vendor employs workers in any apprenticeable craft or trade, Vendor shall apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade in the area of the site of the work, for a certificate approving the Vendor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, approval as established by the joint apprenticeship committee or committees shall be subject to the approval of the Administrator of Apprenticeship. The joint apprenticeship committee or committees, subsequent to approving Vendor, shall arrange for the dispatch of apprentices to Vendor in order to comply with this section. Vendor shall submit the contract award information to the applicable joint apprenticeship committee which shall include an estimate of journeyman hours to be performed under the Agreement, the number of apprentices to be employed, and the approximate dates the apprentices will be employed. There shall be an affirmative duty upon the joint apprenticeship committee or committees administering the apprenticeship standards of the crafts or trade in the area of the Facility of the work, to ensure equal employment and affirmative action and apprenticeship for women and minorities. Vendor shall not be required to submit individual applications for approval to local joint apprenticeship committees provided they are already covered by the local apprenticeship standards. The ratio of work performed by apprentices to journeymen, who shall be employed in the craft or trade at the Facility, may be the ratio stipulated in the apprenticeship standards under which the joint apprenticeship committee operates, but, except as otherwise provided in this section, in no case shall the ratio be less than one (1) hour of apprentice work for every five (5) hours of labor performed by a journeyman. However, the minimum ratio for the land surveyor classification shall not be less than one (1) apprentice for each five (5) journeymen.

c. Journeyman/Apprentice Ratio; Computation of Hours. Any ratio shall apply during any day or portion of a day when any journeyman, or the higher standard stipulated by the joint apprenticeship committee, is employed at the job site and shall be computed on the basis of the hours worked during the day by journeymen so employed, except for the land surveyor classification. Vendor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the job site. Where an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Division of Apprenticeship Standards, upon application of a joint apprenticeship committee, may order a minimum ratio of not less than one (1) apprentice for each five (5) journeymen in a craft or trade classification.

d. Journeyman/Apprentice Ratio. Vendor, if covered by this section upon the issuance of the approval certificate, or if previously approved in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen stipulated in the apprenticeship standards. Upon proper showing by Vendor that it employs apprentices in the craft or trade in the state on all of its contracts on an annual average of not less than one (1) hour of apprentice work for every five (5) hours of labor performed by a journeyman, or in the land surveyor classification, one (1)

apprentice for each five (5) journeymen, the Division of Apprenticeship Standards may grant a certificate exempting Vendor from the 1-to-5 hourly ratio as set forth in this section. This section shall not apply to contracts, when the contracts of general Vendors or those specialty Vendors involve less than Thirty Thousand Dollars (\$30,000) or twenty (20) working days. Any work performed by a journeyman in excess of eight (8) hours per day or forty (40) hours per week, shall not be used to calculate the hourly ratio required by this section.

e. Apprenticeable Craft or Trade. "Apprenticeable craft or trade" as used in this Article means a craft or trade determined as an apprenticeable occupation in accordance with the rules and regulations prescribed by the Apprenticeship Council. The joint apprenticeship committee shall have the discretion to grant a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting Vendor from the 1-to-5 ratio set forth in this Article when it finds that any one of the following conditions is met:

- i. Unemployment for the previous three-month period in the area exceeds an average of fifteen percent (15%).
- ii. The number of apprentices in training in such area exceeds a ratio of 1-to-5.
- iii. There is a showing that the apprenticeable craft or trade is replacing at least one- thirtieth (1/30) of its journeymen annually through the apprenticeship training, either on a statewide basis or on a local basis.
- iv. Assignment of an apprentice to any work performed under this Agreement would create a condition which would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large or if the specific task to which the apprentice is to be assigned is of such a nature that training cannot be provided by a journeyman.

f. Ratio Exemption. When exemptions are granted to an organization which represents Vendors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member Vendors will not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

12.3.7. Apprentice Fund. If Vendor employs journeymen or apprentices in any apprenticeable craft or trade and is not contributing to a fund or funds to administer and conduct the apprenticeship program in any such craft or trade in the area of the site of the Facility, to which fund or funds other Vendors in the area of the site of the Facility are contributing, Vendor shall contribute to the fund or funds in each craft or trade in which he or she employs journeymen or apprentices on the Facility in the same amount or upon the same basis and in the same manner as the other Vendors do, but if the trust fund administrators are unable to accept the funds, Vendor shall pay a like amount to the California Apprenticeship Council. Vendor may add the amount of the contributions in computing its bid for the contract. The DLSE is authorized to enforce the payment of the contributions to the fund or funds as set forth in the Labor Code § 227.

g. Vendor Compliance. The responsibility of compliance with paragraph 12.3 and § 1777.5 of the Labor Code for all apprenticeable occupations is with Vendor.

h. Decisions Of Joint Apprenticeship Committee. All decisions of the joint apprenticeship committee under this paragraph 12.3 and Labor Code § 1111.5 are subject to Labor Code § 3081.

i. No Bias. It shall be unlawful for an employer or a labor union to refuse to accept otherwise qualified employees as registered apprentices on any public works on the grounds of race, religious creed, color, national origin, ancestry, sex, or age, except as provided in the Labor Code § 3077.

j. Violation of Labor Code. Pursuant to Labor Code § 1777.7, in the event Vendor willfully fails to comply with the provisions of this paragraph 11.3 and Labor Code § 1777.5:

- i. The DIR shall deny to Vendor the right to bid on, or to receive, any public works contract for a period of up to one year for the first violation and for a period of up to three years for the second and subsequent violations. Each period of debarment shall run from the date the determination of noncompliance by the Administrator of Apprenticeship becomes an order of the California Apprenticeship Council.
- ii. If Vendor violates § 1777.5 it shall forfeit as a civil penalty the sum of two hundred dollars (\$200) for each calendar day of noncompliance. Notwithstanding § 1727, upon receipt of a determination that a civil penalty has been imposed, District shall withhold the amount of the civil penalty from the contract progress payments then due or to become due.
- iii. In lieu of the penalty provided for in subdivision (a) or (b), the DIR may for a first-time violation and with the concurrence of the joint apprenticeship committee, order Vendor to provide apprentice employment equivalent to the work hours that would have been provided for apprentices during the period of noncompliance.
- iv. Any funds withheld by District pursuant to this section shall be deposited in the General Fund if the awarding body is a state entity, or in the equivalent fund of an awarding body if the awarding body is an entity other than the state.
- v. The interpretation and enforcement of § 1777.5 and this section shall be in accordance with the rules and procedures of the California Apprenticeship Council.

10.4 DIR Registration.

a. Registration by Vendor and All Sub Vendors of Any Tier. Strict compliance with all DIR registration requirements in accordance with Labor Code § 1725.5 and § 1771.1 is a material obligation of Vendor under the Agreement. The foregoing includes, without limitation, compliance with DIR registration requirements at all times during performance of the work by Vendor. The failure of Vendor to be properly registered with DIR, at all times, during performance of the work is a material breach of the Agreement and subject to termination for cause. An

affirmative and ongoing obligation of Vendor under the Agreement is the verification that all sub Vendors of any tier are at all times during performance of the work in full and strict compliance with the DIR registration requirements. Vendor shall not permit or allow any sub Vendor, of any tier, to perform any work without Vendor's verification that all sub Vendors are in full and strict compliance with the DIR registration requirements. Any sub Vendors of any tier not properly registered with DIR shall be substituted in accordance with Labor Code § 1771.1.

11. Termination

11.1 **Termination for Cause.** Prior to terminating the Agreement, the District must notify the Vendor in writing if Vendor is in breach of any of its obligations under this Agreement. In the event that the Vendor does not diligently prosecute that cure to completion or does not complete the cure within 30 business days following its receipt of the notice, the District will have the right, but not the obligation, to terminate the Agreement. The termination will be effective ten calendar days after the District's notice to the Vendor provided pursuant to Section 18. Without limiting the responsibilities of Vendor with respect to other matters, any of the following occurrences will constitute a material breach of this Agreement, entitling the District to immediately terminate the Agreement:

- a) Repeated or excessive failure to pick up or deliver loads in a timely manner pursuant to the agreed schedule between the parties, and in accordance with the provisions stated or referenced in this Agreement. In such cases, the District may make use of alternative transportation options to ensure that no stockpiling of Biosolids occurs and may charge the Vendor any difference in cost. The difference in cost shall not exceed 25 percent of the per load cost as defined in Table 1. The District will make a reasonable effort to obtain alternative services at the lowest cost. The District must notify the Vendor, in writing, 24 hours prior to the District's intent to use an alternative transportation option if the Vendor will be responsible for the difference in cost.
- b) Failure to maintain the fleet of trucks and trailers in a clean and orderly manner and in good working order;
- c) Failure to comply with the Vendor's safety program or with the District's safety requirements;
- d) Interference with the operations of Facilities, including but not limited to physical obstruction, failure to follow operational or safety procedures, disruption due to a lack of timeliness in meeting load requests, or damage to District's property or Facilities;
- e) Failure to weigh in or weigh out in accordance with arrangements established by the District;
- f) Any assignment, subletting, or transfer of the Vendor's obligations under or interest in the Agreement, either in whole or in part, without prior written approval by the District;
- g) Failure to provide the notice for termination or non-renewal of the Agreement;

- h) Any unauthorized unloading of Biosolids at locations not designated by the District;
- i) Repeated or excessive stops in route while loaded where odors could affect a member of the public.

If either party intends to terminate the Agreement at the end of the initial or first extended duration, the party proposing to terminate the Agreement must written notification to the other party no later than one year before the end of the initial or first extended duration. If the Vendor fails to provide adequate notice, the Vendor will be liable for any additional costs incurred by the District to employ alternate service providers as a result of Vendor's failure to timely provide the required notice.

In the case of suspension or early termination for cause or default, the District may arrange for the work to be performed by another entity. If the cost of such services is greater than that provided for under the Agreement, the Vendor must reimburse the District for any additional costs incurred by the District due to the suspension or early termination. The difference in cost shall not exceed 25 percent of the per load cost as defined in Table 1. The District will make a reasonable effort to obtain alternative services at the lowest cost.

11.2 Complaints. The Vendor must notify the District, within 24 hours of receipt of any oral or written complaints, reports, notices, or correspondence alleging odor or other nuisance conditions related to transportation of Biosolids. Failure to provide this notification within that time period will be considered a breach of the Agreement, and the District may immediately terminate the Agreement.

12. Indemnity

To the fullest extent permitted by law, Vendor will, with respect to its duties in connection with this Agreement, defend, indemnify, and hold free and harmless the District, its officers, directors, agents and employees from and against any and all claims, demands, actions, loss or liability arising out of negligent errors, negligent omissions or negligent acts of the Vendor in performing the Vendor's obligations under this Agreement. This indemnity extends to the payment of all reasonable costs of litigation including reasonable attorneys' fees and court costs with respect to any cause of action referred to above. Vendor's obligation to indemnify District, in both amount and degree shall be proportionately reduced by District's contributory acts.

To the fullest extent permitted by law, the District will, with respect to its duties in connection with this Agreement, defend, indemnify and hold free and harmless the Vendor, its officers, directors, agents and employees from and against any and all claims, demands, actions, loss or liability arising out of negligent errors, negligent omissions or negligent acts of the District in performing the District's obligations. This indemnity extends to the payment of all reasonable costs of litigation including reasonable attorneys' fees and court costs with respect to any cause of action referred to above. District's obligation to indemnify Vendor, in both amount and degree shall be proportionately reduced by Vendor's contributory acts.

The Vendor's and the District's indemnity obligations will survive the expiration or earlier termination of this Agreement.

13. Insurance

13.1 **Required Coverage.** The Vendor must obtain and keep in force during the Duration of this Agreement, at its sole expense, comprehensive general liability, automotive, and worker’s compensation insurance with endorsements naming the District as an additional insured on all liability policies, covering all Work undertaken in accordance with this Agreement, in any vehicle, including those leased by the Vendor, whether liability is attributable to the Vendor or the District. The foregoing provision also applies to any activity or operation performed by the Vendor through a contract with others. Within seven (7) calendar days of execution of Agreement, Vendor shall provide Certificates of Insurance, with endorsements, verifying coverage. The District reserves the right to require complete and accurate copies of all insurance policies under the Agreement. Coverage provided by the selected firm’s policies shall be primary coverage without right of contribution of any other insurance carrier or on behalf of the District. The District must receive thirty (30) calendar days prior written notice of a policy cancellation or reduction in coverage. The insurance coverage shall be through insurers that have at least an “A” policyholders rating and an “X” financial rating in accordance with the current Best’s Key Rating Guide. The coverage must provide the following minimum limits, which may be increased during the Duration of this Agreement as requested by the Chief Engineer:

General Liability	\$1MM per Occurrence \$2MM per Aggregate \$2MM per Completed Operations <i>Also required: Additional Insured and Waiver of Subrogation</i>
Automobile Liability	\$5MM Combined Single Limit including MCS90 <i>Also required: Additional Insured and Waiver of Subrogation</i>
Workers’ Compensation	per CA Statutes
Employers Liability	Statutory/\$1MM per Accident/Disease <i>Also required: Waiver of Subrogation</i>
Umbrella/Excess Liability	\$10MM required if deficiency to General Liability and/or Automotive Liability <i>Also required: Additional Insured and Waiver of Subrogation</i>
Pollution Liability	\$5MM
Description: Must include contract number and project description	
Endorsement Name: “County Sanitation District No. 2 of Los Angeles County, the public entities, Authorities, and Sanitation Districts for which County Sanitation District No. 2 of Los Angeles County is the appointed administrative agent, and their respective elected officials, officers, employees, boards of directors, agents, and volunteers”	

Certificate Holder name

Los Angeles County Sanitation
Districts Insurance Compliance
PO Box 100085-LJ
Duluth, GA 30096

14. Independent Contractor

Each party is and will perform this Agreement as an independent contractor and will have and maintain complete control over all of its employees, agents and their conduct. Neither of the parties, nor anyone employed by them will represent, act, purport to act or be deemed to be the agent, representative, or employee of the other party.

15. Regulatory Compliance

The Vendor, at no additional cost to the District, must obtain and renew all necessary permits and licenses required for the performance of the services included in this Agreement. The Vendor shall comply with all operating permits as well as all applicable Federal, State, and local regulations pertaining to transportation of Biosolids.

The Vendor must comply with all applicable CARB, EPA, SCAQMD, SJVAPCD regulations, both current and future, for on-road heavy-duty trucks. This includes the CARB Advanced Clean Fleets Regulation requiring the transition to zero-emission vehicles.

The Vendor is responsible to determine which permits, entitlements, and approvals are necessary for its equipment, and which rules and regulations are applicable to its operations. The Vendor is responsible for all resulting reporting requirements.

The Vendor is responsible for compliance with all applicable transportation regulations of the U.S. Department of Transportation (DOT), the California Highway Patrol, the California Department of Transportation, and any agencies having jurisdiction over the Work, including but not limited to highway weight limitations, hours of service regulations, driver documentation, and reporting requirements.

The Vendor will conduct all Biosolids transportation activities in accordance with the California Water Environment Association Manual of Good Practice. The Vendor will not allow the vehicles used to haul Biosolids material to be used to haul animal feed or food, except if authorized to do so by the Regional Water Board after consultation with the District, the EPA, and the California Department of Food and Agriculture.

16. Force Majeure

Neither Party will be responsible or liable for failure to meet their respective obligations under this Agreement during the force majeure event if that failure is due to causes beyond the Vendor's or the District's control. Such causes include, but are not limited to: strikes, fire, flood, civil disorder, act of God, act of the public enemy, act of the federal government, or any unit of state or local government in either sovereign or contractual capacity, epidemics, freight embargoes or delays in transportation, and changes in federal, state, or local law. The Party claiming excuse

from performance shall immediately provide written notice to the other party and take commercially reasonable efforts required to recommence performance.

17. Additional Provisions

17.1 **No Exclusivity.** The District may allocate any portion of the Work available at the Facilities among multiple vendors, including the Vendor.

17.2 **Entire Agreement.** This Agreement represents the entire understanding between District and Vendor as to transportation services. No prior oral or written understanding is of any force or effect with respect to the matters provided in this Agreement.

17.3 **Assignment.** The Vendor may not sell or assign its interest in this Agreement without the prior written approval of the Chief Engineer, in his or her sole and absolute discretion. The provisions of this Agreement will be binding upon the Vendor and any successors or assigns.

17.4 **Litigation Costs.** If either Party initiates any legal or administrative proceeding relating to any issues arising out of this Agreement, the prevailing party will be entitled to recover all reasonable attorneys' fees and legal expenses, in addition to any other relief granted.

17.5 **Governing Law.** The provisions of this Agreement will be interpreted and enforced in accordance with the laws of the State of California. Venue for any action will be in the Superior Court of Los Angeles County.

17.6 **Waiver.** Either Party may waive compliance by the other Party with respect to any provisions of this Agreement. No waiver of any provision may be construed as a waiver of any other provision. No waiver may be construed as an ongoing waiver, with respect to subsequent events, unless it expressly so provides. Any waiver must be in writing, signed by the waiving Party, and recite the provisions being waived.

17.7 **Remedies.** The remedies and relief set forth in this Agreement are cumulative and not in the alternative and are in addition to any other remedies or relief that may otherwise be available to the Parties, at law or in equity. The Parties may pursue any and all available remedies and relief, either sequentially or in concert, including without limitation, the right to enjoin any violation, or threatened violation, of this Agreement.

17.8 **Action by Chief Engineer.** Except as otherwise provided in this Agreement, the Chief Engineer may take all actions on behalf of the District in connection with any approvals or actions required of or by the District under this Agreement and may execute amendments to this Agreement.

17.9 **No Publication of Wage Information.** In no event shall Vendor's provided wage information, open positions, payroll records and employee records ("**Information**"), be published by the District on any public forum and website. The Information shall not be utilized by the District for any other purpose, other than to confirm Vendor's compliance with applicable prevailing wage laws.

17.10 **Reimbursement for Apprentices.** If a governing body determines that the work performed by TCI under this contract becomes apprenticeable, as defined under applicable

California prevailing wage laws, and the Vendor's labor cost for work performed under this Agreement is financially impacted by such determination, the Vendor can submit a request for reimbursement ("**Request**") to the Districts capturing the actual costs incurred by Vendor as a direct result of complying with applicable apprenticeship laws, with zero mark up. Requests shall be submitted no less than thirty (30) days apart, and, if approved by the District, shall be paid as per terms outlined in Section 8 of the Agreement. The District approval of any Request will not be unreasonably withheld, assuming the Vendor can provide written evidence both that apprenticeship compliance applies to current work under this Agreement, and evidence substantiating all line-item costs submitted by the Vendor in the Request. This evidence is in addition to, and separate from, any other legally required documentation including without limitation Certified Payroll as required by the Department of Industrial Relations.

18. Notice

All notices or other communications to be given under this Agreement must be in writing and will be deemed given when mailed by United States mail, or by nationally recognized overnight courier with proof of delivery or acceptable electronic communication.

If to District:

County Sanitation Districts of Los Angeles County
Attn: David Bolderoff
1955 Workman Mill Road
Whittier, CA 90601
Email: dbolderoff@lacsds.org

If to Vendor:

TCI Environmental Services Inc.
Attn: Andrew Flynn
4950 Triggs Street
Commerce, CA 90040
Email: flynna@tcilogistics.com

19. Severability

If any term, provision, condition or covenant of this Agreement or its application to any Party or circumstance is, to any extent, held invalid or unenforceable, the remainder of this Agreement will not be affected, and each provision of this Agreement will be valid and enforceable to the fullest extent permitted by law.

[This area intentionally left blank. Signatures on following page.]

**COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY**

By _____
Chairperson, Board of Directors

Date _____

ATTEST:

By _____
Secretary to the Board

Date _____

APPROVED AS TO FORM:
LEWIS, BRISBOIS, BISGAARD & SMITH LLP

By _____
District Counsel

Date _____

TCI Environmental Services Inc.

By _____

Name Andrew Flynn

Title Co-President

Date 9/30/2024

TABLE 1

<u>Origination</u>	<u>Material Type</u>	<u>Trailer Type</u>	<u>Destination</u>	<u>MPG</u>	<u>Round Trip Miles Per Load</u>	<u>Fuel Cost Component of the Price Per load</u>	<u>Non-Fuel Cost Component of the Price Per Load</u>	<u>Gross Per Load Charge</u>
Warren Facility	Biosolids	Belt	IERCF	4.8	122	\$81.33	\$505.05	\$586.38
Warren Facility	Biosolids	Belt	TLC	5.0	382	\$244.48	\$867.08	\$1,111.56
Warren Facility	Biosolids	Side Dump	TLC	5.0	382	\$244.48	\$853.55	\$1,098.03
Warren Facility	Biosolids	Belt	Holloway Landfill	5.0	336	\$215.04	\$780.46	\$995.50
Warren Facility	Biosolids	Side Dump	Holloway Landfill	5.0	336	\$215.04	\$766.93	\$981.97
Warren Facility	Biosolids	Belt	Liberty Composting	5.0	344	\$220.16	\$790.46	\$1,010.62
Warren Facility	Biosolids	Side Dump	Liberty Composting	5.0	344	\$220.16	\$776.93	\$997.09

ATTACHMENT 1

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS
PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1
FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS

Craft: Driver (On/Off-Hauling To/From Construction Site)

Determination:

C-DT-830-261-10-2021-1

Issue Date:

February 22, 2021

Expiration date of determination:

March 31, 2021* Effective until superseded by a new determination issued by the Director of Industrial Relations. Contact the Office of the Director - Research Unit at (415) 703-4774 for the new rates after 10 days from the expiration date, if no subsequent determination is issued.

Localities:

All localities within Imperial, Inyo, Los Angeles, Mono, Orange, Riverside, San Bernardino and San Diego Counties.

Wages and Employer Payments:

Classification	Basic Hourly Rate	Health and Welfare ^a	Pension	Vacation and Holiday ^b	Training	Other	Hours	Total Hourly Rate	Daily Overtime Hourly Rate (1 ½ X) ^c	Sunday/Holiday Overtime Hourly Rate (1 ½ X)
Driver: Dump Truck	\$17.00	\$2.05	\$0.085	\$0.33	\$0.00	\$0.00	8.0	\$19.465	\$27.965	\$27.965

Recognized holidays:

Holidays upon which the general prevailing hourly wage rate for Holiday work shall be paid, shall be all holidays in the collective bargaining agreement, applicable to the particular craft, classification, or type of worker employed on the project, which is on file with the Director of Industrial Relations. If the prevailing rate is not based on a collectively bargained rate, the holidays upon which the prevailing rate shall be paid shall be as provided in Section 6700 of the Government Code. You may obtain the holiday provisions for the current determinations on the [Director's General Prevailing Wage Determinations Website](http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm) (<http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>). Holiday provisions for current or superseded determinations may be obtained by contacting the Office of the Director -- Research Unit at (415) 703-4774.

Travel and/or subsistence payment:

In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. You may obtain the travel and/or subsistence provisions for the current determinations on the [Director's General Prevailing Wage Determinations Website](http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm) (<http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>). Travel and/or subsistence requirements for current or superseded determinations may be obtained by contacting the Office of the Director -- Research Unit at (415) 703-4774.

* There is no predetermined increase applicable to this determination

^a The contribution applies to all work up to \$355.00 per month.

^b \$0.65 after 2 years of service

\$0.98 after 5 years of service

\$1.31 after 9 years of service

^c Rate applies to work in excess of eight (8) hours daily and forty (40) hours weekly.