

Gridley City Council – Regular Meeting Agenda

Monday, December 18, 2023; 6:00 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

The Public is encouraged to attend and participate in person. Comments from the public on agenda items will be accepted until 4 pm on December 18th, 2023, via email to csantana@gridley.ca.us or via the payment/document drop box at Gridley City Hall and will be conveyed to the Council for consideration.

You may view using the following link, ID, and passcode:

<https://us06web.zoom.us/j/88046992377?pwd=7qB3JqoP6uneHe5qhCZU8oy0ozWaQ.bbCFyknauPpJGkIA>

Webinar ID: 880 4699 2377

Passcode: 384621

CALL TO ORDER - Mayor Farr

ROLL CALL

PLEDGE OF ALLEGIANCE – Councilmember Calderon

INVOCATION – Bishop Mclean, Church of Jesus Christ of Latter-day Saints

PROCLAMATION – None

INTRODUCTION OF NEW EMPLOYEES

- Police Officer Rollin Luntney

RECOGNITION OF RETIRING CITY ADMINISTRATOR, CLIFF WAGNER AND RETIRING FIRE CHIEF, SEAN NORMAN

BRIEF RECESS

COMMUNITY PARTICIPATION FORUM - *Members of the public may address the City Council on matters not listed on the agenda. The City Council may not discuss nor take action on any community participation item brought forward by a member of the community. Comments are requested to be limited to three (3) minutes.*

CONSENT AGENDA

1. City Council Minutes Dated December 4th, 2023
2. Council Meeting Dates for 2024

ITEMS FOR CONSIDERATION

3. Resolution Nos. 2023-R-041 and 2023-R-042: Conduct a Public Hearing and Consider Water and Sewer Rate Adjustments
4. Solid Waste Contract Extension
5. Bucket Truck – Terex TL60

CITY STAFF AND COUNCIL COMMITTEE REPORTS - *Brief updates from City staff and brief reports on conferences, seminars, and meetings attended by the Mayor and City Council members, if any.*

CITY ADMINISTRATOR REPORTS - *Brief updates and reports on conferences, seminars, and meetings attended by the City Administrator, if any.*

POTENTIAL FUTURE CITY COUNCIL ITEMS - *(Appearing on the Agenda within 30-90 days):*

Proposal for Shared Fire Department Mechanic	1/15/2024
Finance Policies	1/15/2024
Housing Element Review and Discussion	1/15/2024

CLOSED SESSION - None

ADJOURNMENT – adjourning to a Regular meeting on January 16th, 2023.

NOTE 1: POSTING OF AGENDA- This agenda was posted on the public bulletin board at City Hall at or before 6:00 p.m., December 15th, 2023. This agenda along with all attachments is available for public viewing online at www.gridley.ca.us and at the Administration Counter in City Hall, 685 Kentucky Street, Gridley, CA.

NOTE 2: REGARDING UNSCHEDULED MATTERS – In accordance with state law, it shall be the policy of this Council that no action shall be taken on any item presented during the public forum or on unscheduled matters unless the Council, by majority vote, determines that an emergency situation exists, or, unless the Council by a two-thirds vote finds that the need to take action arose subsequent to the posting of this agenda.

Gridley City Council – Regular Meeting Minutes

Monday, December 4, 2023; 6:00 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

CALL TO ORDER

Mayor Farr called the meeting to order at 6:00 pm.

ROLL CALL

Councilmembers

Present: Farr, Johnson, Calderon, Roberts, Sanchez
Absent: None
Arriving after roll call: None

Staff Present: Cliff Wagner, City Administrator
Rodney Harr, Police Chief
Tony Galyean, City Attorney
Ross Pippitt, Public Works Director
Jake Carter, Utility Director
Elisa Arteaga, Finance Director
Dave Harden, City Engineer

PLEDGE OF ALLEGIANCE

Councilmember Sanchez led the Pledge of Allegiance.

INVOCATION – None

PROCLAMATION – None

INTRODUCTION OF NEW OR PROMOTED EMPLOYEES – None

COMMUNITY PARTICIPATION FORUM

The forum was open, and seeing there was no one to speak, was closed.

CONSENT AGENDA

1. City Council Minutes Dated November 20th, 2023
2. Finance Director Employment Agreement (Pineda)

3. Approval of Police Vehicle Pickup Packs

4. Resolution 2023-R-039: A Resolution of the City Council of the City of Gridley Adopting the Local Road Safety Plan

Motion to approve the consent agenda was made by Councilmember Roberts, seconded by Vice Mayor Johnson.

ROLL CALL VOTE

Ayes: Roberts, Johnson, Farr, Sanchez, Calderon

Motion passed, 5-0

ITEMS FOR CONSIDERATION

5. Service Bucket Truck Purchase – Versalift VST-47-MHI

Utility Director Jake Carter requested Council approve the service bucket truck purchase to replace the current 2016 bucket truck. Carter explained the 2016 truck would be transferred to the Public Works Department for their use.

Motion to approve the purchase was made by Councilmember Calderon, seconded by Councilmember Sanchez.

ROLL CALL VOTE

Ayes: Calderon, Sanchez, Farr, Roberts, Johnson

Motion passed, 5-0

6. Resolution 2023-R-040: A Resolution of the City Council of the City of Gridley Authorizing the City Administrator to Represent the City for the Gridley Water Resiliency Project

City Engineer, Dave Harden, presented the resolution that would authorize the City Administrator to represent the City as grant applications are submitted for the Gridley Water Resiliency Project.

Motion to approve was made by Councilmember Roberts, seconded by Councilmember Sanchez.

ROLL CALL VOTE

Ayes: Roberts, Farr, Calderon, Johnson, Sanchez

Motion passed, 5-0

CITY STAFF AND COUNCIL COMMITTEE REPORTS

Councilmember Calderon informed Council that he was contacted by Chico State to set up an interview with him and the Mexican Consulate.

Councilmember Roberts reported on his attendance at the Chamber of Commerce meeting in preparation for the Winter Wonderland Parade on December 6th. He also mentioned that the Moose Lodge served 350-400 free Thanksgiving meals.

Mayor Farr expressed gratitude to our Electric Department for the Christmas lights displayed throughout Downtown Gridley. He also invited the public to the Pearl Harbor Day memorial taking place at the Gridley-Biggs Cemetery on December 7th at approximately 9:30 am.

Councilmember Sanchez reported on her attendance at the monthly NCPA meeting.

Utility Director Jake Carter informed Council he plans to have two items for consideration at the December 18th meeting agenda: a large bucket truck purchase and the purchase of electrical transformers.

CITY ADMINISTRATOR REPORTS

City Administrator Cliff Wagner informed Council that he recently completed department managers and administration employee evaluations and will share the results with Council upon request. Wagner reported that Fire Chief Sean Norman will be retiring December 18th and that he plans to attend the next regular meeting. Wagner also reminded Council of the December 19th City staff holiday party.

POTENTIAL FUTURE CITY COUNCIL ITEMS - (*Appearing on the Agenda within 30-90 days*):

Proposal for Shared Fire Department Mechanic	12/18/2023
Finance Policies	12/18/2023
Water, Wastewater Rate Schedule Change	12/18/2023
Solid Waste Agreement Renewal	12/18/2023
Housing Element Review and Discussion	1/15/2024

CLOSED SESSION

7. Closed Session Discussion with Legal Counsel Pursuant to Government Code 54957.8: Case Review/Planning, 1 Matter

Council went into closed session at 6:40 pm and came out with no reportable action.

ADJOURNMENT

With no further items left to discuss, Mayor Farr adjourned to the next regular Council meeting on December 18th, 2023.

City of Gridley
2024 City Council Meeting Schedule
All Regular Meetings Start at 6:00 p.m.

January 1 (Cancel due to New Year's Day)
January 16 (Tuesday, due to Martin Luther King Day)
February 5
February 20 (Tuesday, due to President's Day)
March 4
March 18
April 1
April 15
May 6 (Includes Budget Study Session)
May 20 (Includes Budget Study Session)
June 3 (Includes Budget Study Session)
June 17 (Budget Adoption)
July 1 (Cancel due to 4th of July)
July 15
August 5
August 19
September 3 (Tuesday, due to Labor Day)
September 16
October 7
October 21
November 4
November 18
December 2
December 16

City Council Agenda Item #3
Staff Report

Date: December 18, 2023

To: Mayor and City Council

From: Cliff Wagner, City Administrator

X	Regular
	Special
	Closed
	Emergency

Subject: Resolution Nos. 2023-R-041 and 2023-R-042: Conduct a Public Hearing and Consider Water and Sewer Rate Adjustments

Abstract

The City Council received an informational report on the final water and Sewer cost of service studies on August 7, 2023 and conducted a Study Session on September 14, 2023 where the cost of service studies were approved. Council directed the contractor, Utility Financial Solutions to prepare a two-year rate design reflecting a baseline increase of 7% for water and an increase of 5% for Sewer services. The completed studies analyze the cost of services, revenues, and reserves, and recommend increases to the water and sewer rates. Increases are needed to fund the increased costs to operate the system, and to fund necessary Capital Improvement Program investments to rehabilitate and maintain the City of Gridley's (City) water and sewer infrastructure for the long term. Staff has sent notices to all affected property owners and customers per state law. The City Council is asked to conduct a public hearing, tabulate the results of protests received, and if a majority of protest is not received, approve the two-year water and sewer rate increase effective January 1, 2024 and January 1, 2025.

Recommendation

- a) Conduct a public hearing to accept comments on the proposed water and wastewater rates and at the conclusion of the hearing close the 45-day notice period;
- b) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- c) Direct the City Clerk to tabulate the results of the protests received from property owners and customers and announce the findings;
- d) Adopt Resolution No. 2023-R-041, *A Resolution of the City Council of the City of Gridley, California, Establishing Water Rates and Charges Effective January 1, 2024 and January 1, 2025; and*
- e) Adopt Resolution No. 2023-R-042, *A Resolution of the City Council of the City of Gridley, California, Establishing Sewer Rates and Charges Effective January 1, 2024 and January 1, 2025.*

Background

The City of Gridley has established and implemented rates (or service charges) to offset the operation and maintenance expenses of the City's water and sewer system. In 2022 the City of Gridley contracted with Utility Financial Solutions LLC to conduct an independent, comprehensive Cost of Services Study of the City of Gridley water and sewer systems.

Utility Financial Solutions provided a detailed and lengthy report on the Cost of Services Study to the City Council at the August 7, 2023 City Council meeting. This was followed by an in-depth public discussion of the analysis and findings at a City Council Study Session on September 14, 2023. The public report focused on the significant financial challenges facing both enterprise funds, including growing year over year enterprise fund operating deficits that are currently impacting both funds. These operating deficits will only increase if no corrective actions are taken to bring rates into alignment with costs.

Table 1. Water Fund Balance Projections Assuming No Changes to Current Rates

Fiscal Year	Projected Rate Adjustments	Adjusted Operating Income	Optimal Operating Income	Projected Cash Balances	Recommended Minimum Cash Reserve
2024	0.0%	\$ (145,131)	\$ 141,374	\$ 967,984	\$ 616,731
2025	0.0%	(204,332)	149,801	671,071	632,860
2026	0.0%	(266,389)	158,094	319,601	649,345
2027	0.0%	(331,448)	166,258	(89,429)	666,205
2028	0.0%	(372,920)	174,293	(532,430)	680,157

Table 2. Wastewater Fund Balance Projections Assuming No Changes to Current Rates

Fiscal Year	Projected Rate Adjustments	Adjusted Operating Income	Optimal Operating Income	Projected Cash Balances	Recommended Minimum Cash Reserve	Debt Coverage Ratio
2024	0.0%	\$ (682,574)	\$ 380,907	\$ 2,695,356	\$ 1,050,713	(0.14)
2025	0.0%	(762,389)	388,685	2,033,129	1,067,826	(0.50)
2026	0.0%	(846,006)	395,882	1,307,334	1,083,289	(0.90)
2027	0.0%	(933,615)	403,655	513,722	1,267,963	(1.34)
2028	0.0%	(989,896)	411,399	(319,028)	1,284,488	(1.61)

The Water and Wastewater Fund Balance projections are the result over 13 years with no rate adjustment to keep pace with inflationary pressures and costs of service. Originally identified as an area of concern in the 2015-2016 City Audit, no corrective actions have been undertaken to address the deterioration of the trajectory of the Water and Wastewater Funds. Inflationary pressures have only been exacerbated by supply chain interruptions, and the unstable and costly environmental regulatory demands imposed by the State of California, which is now facing its own budget deficit of over \$68 billion.

Failure to keep pace with inflation and cost of service has placed both funds into a “cash burn” status, which, as outlined (above), have resulted in operational deficits that necessitate corrective action.

Rate Discussion and Overview

If approved, the water and sewer rate adjustments will commence on January 1, 2024, and will adjust again on January 1, 2025, consistent with the proposed rate design. For the average single-family household, the proposed new sewer rate schedule represents an average monthly bill increase of \$1.90 (year 1) and \$1.99 (year 2). The rate schedule sections describe these bill components for residential and non-residential customers. The proposed new water rates schedule represents an increase in consumption rate of .97 cents per 1,000 gallons to \$1.06 (year 1) and \$1.15 (year 2). The proposed new water rate schedule represents an average monthly bill increase of \$2.11 (year 1) and \$2.23 (year 2) for the average single-family residential household in Gridley.

Table 3. Year 1 Sample Residential Rate Design Including Previously Approved Electric Rate Adjustments

Utility	Current Bill	Year 1 Bill	Percent Change	Dollar Change
Electric	\$ 136.80	\$ 148.44	8.5%	\$ 11.64
Water	37.26	39.37	5.7%	2.11
Wastewater	37.96	39.86	5.0%	1.90
Total	\$ 212.02	\$ 227.67	7.4%	\$ 15.65

Immediate Actions Recommended to avoid Water and Wastewater Fund Crisis

The City of Gridley has the fiduciary duty to ensure the City can collect revenue adequate to safely operate, maintain, and build water and wastewater infrastructure as well as meet financial policies, obligations, and maintain regulatory compliance. Past City Audits, budget summaries and the 2022 Cost of Services Study clearly establish the serious deficit condition of both the Water and Wastewater Fund balances. On September 14, 2023 the City Council directed Utility Financial Solutions President, Mark Beauchamp, to develop proposed rate adjustments to be implemented on January 1, 2024 and January 1, 2025 respectively. Reference Table 4 and 5 Two Year Proposed Rate Adjustment Proposal for overview of adjustments necessary to ensure Gridley can continue to meet financial policies, obligations, and adequate levels of service.

The Two-Year Proposed Rate Adjustments Place the Water and Wastewater Funds on Track

As directed by the City Council of the City of Gridley, Utility Financial Solutions rate adjustments for 2024 and 2025 correct the deficit trajectory of the Fund balances ensuring sufficient cash balances necessary to continue the community's high level of customer service, maintain infrastructure and respond to the unpredictability of the national economy and California's changing regulatory demands.

Table 4. Financial Projection Summary of Water Rate Proposed Adjustments for 2024 & 2025

Fiscal Year	Projected Rate Adjustments	Adjusted Operating Income	Optimal Operating Income	Projected Cash Balances	Recommended Minimum Cash Reserve
2023					
2024	7.0%	\$ (63,024)	\$ 141,374	\$ 1,050,091	\$ 616,731
2025	7.0%	(33,521)	149,801	923,989	632,860
2026	7.0%	221	158,094	839,130	649,345
2027	7.0%	38,596	166,258	800,144	666,205
2028	7.0%	108,768	174,293	838,831	680,157

Table 5. Financial Projection Summary of Sewer Rate Proposed Adjustments for 2024 & 2025

Fiscal Year	Projected Rate Adjustments	Adjusted Operating Income	Optimal Operating Income	Projected Cash Balances	Recommended Minimum Cash Reserve	Debt Coverage Ratio
2024	5.0%	\$ (608,592)	\$ 380,907	\$ 2,774,338	\$ 1,050,713	28%
2025	5.0%	(615,269)	388,685	2,259,233	1,067,826	34%
2026	5.0%	(621,359)	395,882	1,758,084	1,083,289	41%
2027	5.0%	(626,810)	403,655	1,271,278	1,267,963	48%
2028	5.0%	(596,044)	411,399	832,379	1,284,488	77%

Public Notice and Compliance Process

In accordance with Proposition 218, the City of Gridley has conducted multiple public hearings in furtherance of deliberations regarding the findings of the cost of services study for water and wastewater. On September 14, 2023, the City Council approved the rate studies and directed Utility Financial Solutions President, Mark Beauchamp, to develop proposed rate adjustments to be implemented on January 1, 2024 and January 1, 2025 respectively. Proposition 218 requires local agencies to provide a 45-day notice period whereby property owners and customers may submit in writing a protest objecting to the proposed water and sewer rates. At the conclusion of the notice period, the City is required to conduct a public hearing and tabulate the protests received. In the absence of a majority of property owners or customers objecting to the rate, the City Council may adjust the rate and/or structure. The 45-day period will conclude at the end of the December 18, 2023 public hearing.

Fiscal Impact and Public Notice

The recommended rate adjustments are projected to increase annual Water and Wastewater revenues sufficient to stabilize cash balances and ensure the near-term stability and operational viability of these essential City Enterprise Funds. Public Notices were published in the Gridley Herald and Notices were posted on the City's Website and several public spaces.

Compliance with City Council Strategic Plan or Budget Goals

This report is consistent with our efforts to ensure that our community members are fully informed of all City activities and all budgetary and financial efforts.

Attachments

Attachment A - Resolution 2023-R-041 including the proposed January 1, 2024 and January 1, 2025 Water Rates

Attachment B - Resolution 2023-R-042 including the proposed January 1, 2024 and January 1, 2025 Sewer Rates

Attachment C - Proposed Gridley Water Rate Design

Attachment D - Proposed Gridley Sewer Rate Design

Public Notice Mailer Proposed Water and Sewer Rates for Beginning 2024-2025 (English)

Public Notice Mailer Proposed Water and Sewer Rates for Beginning 2024-2025 (Spanish)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY, CALIFORNIA,
ESTABLISHING WATER RATES AND CHARGES EFFECTIVE JANUARY 1, 2024 AND
JANUARY 1, 2025**

WHEREAS, the City of Gridley has established and implemented rates (or service charges) to offset the operation and maintenance expenses of the City's water and sewer system. In 2022 the City of Gridley, contracted with Utility Financial Solutions LLC to conduct an independent, comprehensive Cost of Services Study of the City of Gridley water and sewer systems and recommend appropriate rate structure and water charges; and

WHEREAS, on August 7, 2023, Utility Financial Solutions provided a detailed and lengthy report on the Cost of Services Study to the City Council at the City Council meeting. The public report focused on the significant financial challenges facing both enterprise funds, including growing year over year enterprise fund operating deficits that are currently impacting both funds. These operating deficits will only increase if no corrective actions are taken to bring rates into alignment with costs.

WHEREAS, on September 14, 2023, Staff and Utility Financial Solutions presented the Cost of Service Studies findings and recommendations during a City Council Study session for Council approval and to request to set a public hearing, authorize the mailing of over 2,000 notices to property owners and customers informing them of the proposed adjustments to water rates and charges, and commence the 45-day notice period in accordance with Proposition 218; and

WHEREAS, following a public hearing held on December 18, 2023, in conformity with Proposition 218, the City Council determined that no majority protest against the proposed water rates and changes existed.

NOW, THEREFORE, the City Council of the City of Gridley resolves as follows:

Section 1: The City Council does hereby adopt the water rates and changes set forth in Exhibit "A," which is attached hereto and incorporated herein by reference effective January 1, 2024, with a year two phased in increase thereto effective January 1, 2025 as identified in Exhibit "A." The City Council directs staff to include the newly established water rates and charges and phased-in increases thereto, as adopted by this resolution, in the City's Master Fee Schedule, or other successor document thereto as amended from time to time.

Section 2: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 3: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof,

irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 4: The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 5: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

Exhibit A – City of Gridley Water Rate Design Effective January 1, 2024 and January 1, 2025

PASSED, ADOPTED and APPROVED this 18th day of December, 2023.

AYES:	AGENCY MEMBERS	_____
NOES:	AGENCY MEMBERS	_____
ABSTAIN:	AGENCY MEMBERS	_____
ABSENT:	AGENCY MEMBERS	_____

ATTEST:	APPROVE:
_____	_____
Cliff Wagner, City Clerk	Michael W. Farr, Mayor

Exhibit A

Water Rates and Charges

WATER RATES		
	Effective	Effective
Rates	JAN 1, 2024	JAN 1, 2025
Monthly Service Charge - Water (Based on meter size)		
Up to 1" meter (01)	\$26.00	\$27.00
COMM/INST - MTRD Water (10)	\$26.00	\$27.00
LAND/IRRIG - MTRD Water (20)	\$26.00	\$27.00
Up to 1" meter (31)	\$26.00	\$27.00
1.5 Inch meter (35)	\$39.50	\$41.50
2 Inch Meter (32)	\$52.50	\$55.00
3 Inch meter (33)	\$79.00	\$83.00
4 Inch meter (34)	\$105.00	\$110.00
Flat Rate (R1)	\$63.00	\$66.75
Hydrant	\$26.00	\$27.00
Bulk Water	\$122.00	\$129.00
Usage Charge per 1,000 Gallons All Usage	\$1.06	\$1.15

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRIDLEY, CALIFORNIA,
ESTABLISHING SEWER RATES AND CHARGES EFFECTIVE JANUARY 1, 2024 AND
JANUARY 1, 2025**

WHEREAS, the City of Gridley has established and implemented rates (or service charges) to offset the operation and maintenance expenses of the City's sewer and water system. In 2022 the City of Gridley, contracted with Utility Financial Solutions LLC to conduct an independent, comprehensive Cost of Services Study of the City of Gridley sewer and water systems and recommend appropriate rate structure and sewer charges; and

WHEREAS, on August 7, 2023, Utility Financial Solutions provided a detailed and lengthy report on the Cost of Services Study to the City Council at the City Council meeting. The public report focused on the significant financial challenges facing both enterprise funds, including growing year over year enterprise fund operating deficits that are currently impacting both funds. These operating deficits will only increase if no corrective actions are taken to bring rates into alignment with costs.

WHEREAS, on September 14, 2023, Staff and Utility Financial Solutions presented the Cost of Service Studies findings and recommendations during a City Council Study session for Council approval and to request to set a public hearing, authorize the mailing of over 2,000 notices to property owners and customers informing them of the proposed adjustments to sewer rates and charges, and commence the 45-day notice period in accordance with Proposition 218; and

WHEREAS, following a public hearing held on December 18, 2023, in conformity with Proposition 218, the City Council determined that no majority protest against the proposed sewer rates and changes existed.

NOW, THEREFORE, the City Council of the City of Gridley resolves as follows:

Section 1: The City Council does hereby adopt the sewer rates and changes set forth in Exhibit "A," which is attached hereto and incorporated herein by reference effective January 1, 2024, with a year two phased-in increase thereto effective January 1, 2025 as identified in Exhibit "A." The City Council directs staff to include the newly established sewer rates and charges and phased-in increases thereto, as adopted by this resolution, in the City's Master Fee Schedule, or other successor document thereto as amended from time to time.

Section 2: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 3: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof,

irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 4: The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 5: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

Exhibit A – City of Gridley Sewer Rate Design Effective January 1, 2024 and January 1, 2025

PASSED, ADOPTED and APPROVED this 18th day of December, 2023.

AYES:	AGENCY MEMBERS	_____
NOES:	AGENCY MEMBERS	_____
ABSTAIN:	AGENCY MEMBERS	_____
ABSENT:	AGENCY MEMBERS	_____

ATTEST:	APPROVE:
_____	_____
Cliff Wagner, City Clerk	Michael W. Farr, Mayor

Exhibit A

Sewer Rates and Charges

SEWER RATES		
	Effective	Effective
Rates	JAN 1, 2024	JAN 1, 2025
Monthly Service Charge - Sewer		
Single Family Residential	\$39.86	\$41.85
Multi-Family Residential	\$35.21	\$36.97
Hotels & Motels	\$12.94	\$13.58
BCHA (14)	\$44.14	\$46.35
Retail & Commercial	\$49.00	\$51.45
Service Stations	\$114.75	\$120.49
Beauty/Barber Shops	\$31.11	\$32.67
Restaurants - Small	\$132.27	\$138.88
Restaurants - Large	\$220.21	\$231.22
Small Markets	\$176.05	\$184.86
Supermarkets	\$358.19	\$376.10
Industrial (16)	\$228.20	\$239.61
Gridley Inn Offices	\$568.88	\$597.32
Retail/Commercial (4)	\$129.11	\$135.56
Schools	\$49.71	\$52.19
Churches	\$22.33	\$23.45
Hospitals	\$1,277.98	\$1,341.87
Butte County Fair	\$244.99	\$257.24
Industrial (17)	\$309.83	\$325.33
Unclassified	\$47.66	\$50.04

Exhibit - A

City of Gridley
Rate Design
Revenue Summary

Rate Class	Current Revenue	Proposed Revenue Year 1	Proposed Revenue Year 2	Variance Year 1	Variance Year 2
Up to 1" meter (01)	\$ 883,003	\$ 933,127	\$ 985,961	5.7%	5.7%
COMM/INST - MTRD Water (10)	5,836	6,289	6,785	7.8%	7.9%
LAND/IRRIG - MTRD Water (20)	768	808	849	5.1%	5.1%
Up to 1" meter (31)	100,085	105,779	111,783	5.7%	5.7%
1.5 Inch meter (35)	31,824	34,154	36,647	7.3%	7.3%
2 Inch Meter (32)	77,898	83,755	90,086	7.5%	7.6%
3 Inch meter (33)	31,721	34,125	36,714	7.6%	7.6%
4 Inch meter (34)	39,686	43,025	46,701	8.4%	8.5%
Flat Rate (R1)	2,130	2,268	2,403	6.5%	6.0%
Total Revenue	\$ 1,172,951	\$ 1,243,328	\$ 1,317,928		
Percent Change		6.0%	6.0%		

City of Gridley

Water Rate Design

Rates	Current	Year 1	Year 2
Monthly Facilities Charge			
Meter Size			
Up to 1" meter (01)	\$ 24.99	\$ 26.00	\$ 27.00
COMM/INST - MTRD Water (10)	24.99	26.00	27.00
LAND/IRRIG - MTRD Water (20)	24.99	26.00	27.00
Up to 1" meter (31)	24.99	26.00	27.00
1.5 Inch meter (35)	37.48	39.50	41.50
2 Inch Meter (32)	49.97	52.50	55.00
3 Inch meter (33)	74.95	79.00	83.00
4 Inch meter (34)	99.93	105.00	110.00
Flat Rate (R1)	59.18	63.00	66.75
Hydrant	24.99	26.00	27.00
Bulk Water	114.89	122.00	129.00
Usage Charge Per 1,000 Gallons			
All Usage	\$ 0.97	\$ 1.06	\$ 1.15
Revenue from Rate	\$ 1,172,951	\$ 1,243,328	\$ 1,317,928
Change from Previous		6.0%	6.0%

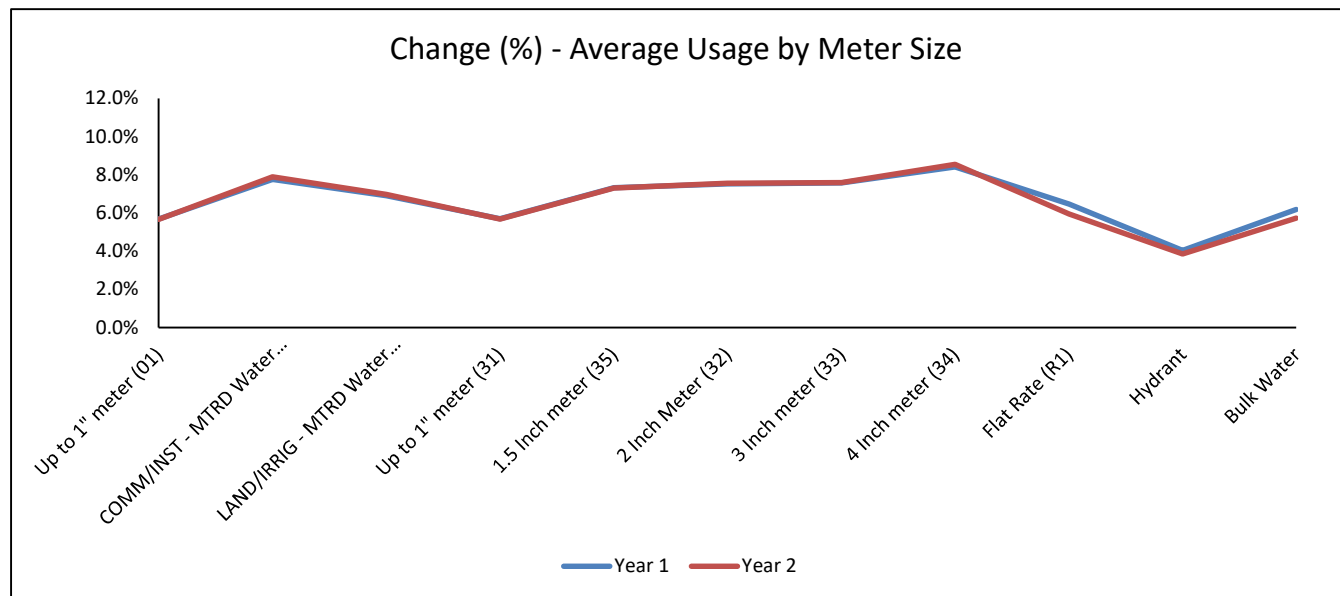


Exhibit - B

City of Gridley
Wastewater Rate Design
Projected Rates

Rate Class	Monthly Rate Current	Monthly Rate Year 1	Monthly Rate Year 2	Class Revenue Current	Class Revenue Year 1	Class Revenue Year 2	\$ Change Year 1	\$ Change Year 2	Variance Year 1	Variance Year 2
Single Family Residential	\$ 37.96	\$ 39.86	\$ 41.85	\$ 896,653	\$ 941,486	\$ 988,560	\$ 1.90	\$ 1.99	5%	5%
Multi-Family Residential	33.53	35.21	36.97	192,529	202,156	212,264	1.68	1.76	5%	5%
Hotels & Motels	12.32	12.94	13.58	5,322	5,588	5,868	0.62	0.65	5%	5%
BCHA	42.04	44.14	46.35	6,558	6,886	7,230	2.10	2.21	5%	5%
Retail & Commercial	46.67	49.00	51.45	84,566	88,794	93,234	2.33	2.45	5%	5%
Service Stations	109.29	114.75	120.49	2,623	2,754	2,892	5.46	5.74	5%	5%
Beauty/Barber Shops	29.63	31.11	32.67	1,778	1,867	1,960	1.48	1.56	5%	5%
Restaurants - Small	125.97	132.27	138.88	19,651	20,634	21,666	6.30	6.61	5%	5%
Restaurants - Large	209.72	220.21	231.22	13,632	14,313	15,029	10.49	11.01	5%	5%
Small Markets	167.67	176.05	184.86	1,006	1,056	1,109	8.38	8.80	5%	5%
Supermarkets	341.13	358.19	376.10	15,010	15,760	16,548	17.06	17.91	5%	5%
Rio Pluma	217.33	228.20	239.61	2,608	2,738	2,875	10.87	11.41	5%	5%
Gridley Inn Offices	541.79	568.88	597.32	6,501	6,827	7,168	27.09	28.44	5%	5%
Caldwell Building	122.96	129.11	135.56	1,476	1,549	1,627	6.15	6.46	5%	5%
Schools	47.34	49.71	52.19	60,785	63,824	67,015	2.37	2.49	5%	5%
Churches	21.27	22.33	23.45	4,339	4,556	4,784	1.06	1.12	5%	5%
Hospitals	1,217.12	1,277.98	1,341.87	29,211	30,671	32,205	60.86	63.90	5%	5%
Butte County Fair	233.32	244.99	257.24	2,800	2,940	3,087	11.67	12.25	5%	5%
Mary's Gone Crackers	295.08	309.83	325.33	3,541	3,718	3,904	14.75	15.49	5%	5%
Unclassified	45.39	47.66	50.04	545	572	601	2.27	2.38	5%	5%
Total				\$ 1,351,134	\$ 1,418,690	\$ 1,489,625				
% Revenue Change					5.0%	5.0%				



Proposed Water and Sewer Rates Beginning 2024-2025

Every day, the City of Gridley delivers reliable, high-quality water to Gridley customers, and protects the environment and public health by treating wastewater and stormwater for Gridley residents and businesses. Our work is almost exclusively funded by the rates that customers pay. Our systems work 24 hours a day, 7 days a week. We are a not-for-profit public utility whose rates reflect the true cost of operating, maintaining, and upgrading our water and sewer systems. To continue delivering the services that Gridley residents depend on, for the first time in 13 years, the city is proposing water and sewer rate increases, effective January 1, 2024.

Your Dollars at Work

Water and sewer systems are critical to public health. The city is committed to providing customers with safe, reliable, and affordable drinking water and a combined sewer system that reduces flooding and protects the environment from pollution. These systems require ongoing maintenance and upgrades. Some of the oldest parts of the water system date all the way back to 1954. It is vital to continue to maintain and upgrade aging systems to prevent breaks, meet regulatory requirements, improve seismic safety, and adapt to storms as the climate changes. Your dollars pay for essential services and projects that protect public health.

Your Rates Pay For:

- 24/7 Operations
- Routine Maintenance and Emergency Repairs
- Infrastructure Improvements
- Conveyance and Treatment
- Environmental Monitoring
- Community Programs

Our Public Rate Setting Process

The City of Gridley is committed to a transparent public rate setting process assisted by an independent, third party rate consultant which has completed a comprehensive cost-of-service study. The rate study findings provide the basis for our rate proposal, which goes through an extensive public approval process. That process provided multiple public presentations before the Gridley City Council, which holds public meetings and provides recommendations to ensure affordability, stability, and fairness. Interested customers and other parties can provide comments on the proposed rates at public meetings. To learn more about our rates and upcoming meetings, visit our city website www.gridley.ca.us.

Proposed Rates Schedule

The City of Gridley is proposing to update the water and sewer rates effective January 1, 2024. The City of Gridley's combined sewer system treats both wastewater and stormwater runoff. Bills contain two core elements: fixed charges that cover shared costs relevant to all customers and volumetric rates based on the amount of water used. The proposed new sewer rate schedule represents an average monthly bill increase of \$1.90 (year 1) and \$ 1.99 (year 2) for the average single-family residential household in Gridley. The rate schedule sections describe these bill components for residential and non-residential customers. The proposed new water rates schedule represents an increase in consumption rate of .97 cents per 1,000 gallons to \$1.06 (year 1) and \$1.15 (year 2). The proposed new water rate schedule represents an average monthly bill increase of \$2.11 (year 1) and \$2.23 (year 2) for the average single-family residential household in Gridley.

Monthly Fixed Charges for Water & Sewer Services

Service charges are the same every month, regardless of water consumption. Water service charges vary by meter size and recover fixed costs, like customer service and billing, maintenance of water meters, and facilities used to provide water for fire protection that benefits all customers. Water consumption rates are all billed based on metered water usage and have no tiers. Sewer service charges are fixed but they vary for all sewer customers based on use classes. The charges allow for recovery of fixed costs associated maintenance and operation and with customer service and billing, which are the same for all customers.



For further information, visit www.gridley.ca.us or contact Gridley Municipal Services (530) 846-5695 and reference your most recent bill to obtain your meter size and water use (per month). You may also use the QR code above.

NOTICE OF PUBLIC HEARING
And Important Information Regarding Water and Sewer Rates
Proposed for 2024-2025

Public Hearing Before: Gridley City Council

Hearing Date: Monday, December 18, 2023, at 6:00 p.m.

Location: Gridley City Hall - Council Chambers, 685 Kentucky Street, Gridley, CA 95948

This is a notice regarding these proposed water and sewer rates. The meeting date for the rate hearing has been scheduled for December 18th, 2023 at 6:00 pm. In accordance with Article XIII D, Section 6, of the California Constitution (also known as Proposition 218), you have the right to submit a written protest against the proposed water and sewer rates. The proposed rate increases will not take effect if the City of Gridley receives written protests from a majority of the affected property owners and customers.

Written protests must be mailed to address below or may also be hand delivered to the City Clerk at the December 18th, 2023 at the City Council Meeting - Public Hearing in order to be counted. Protests may not be delivered electronically or verbally. Any written protest must: (1) state that the identified property owner or customer is in opposition to the proposed rates increase; (2) provide the location of the identified parcel (by assessor's parcel number, street address, or customer account); and (3) include the name and signature of the person submitting the protest. Although oral comments at the public hearing will not qualify as a formal protest unless accompanied by a written protest, the City of Gridley welcomes input from the community during the public hearing on the proposed water and sewer rates. Only one protest may be registered per property.

Mail Protests to: City of Gridley, City Clerk, 685 Kentucky Street, Gridley, CA 95948

If you have questions or would like more information, please visit www.gridley.ca.us or email finance@gridley.ca.us. Under California Government Code section 53759, there is a 120-day statute of limitations for challenging any new, increased, or extended fee or charge. This statute of limitations applies to the water and sewer service rates and charges proposed in this notice. It also applies to future changes to water and sewer rates and charges.

PROPOSED WATER RATES			
Rates	Current	2024	2025
Monthly Service Charge - Water (Based on meter size)			
Up to 1" meter (01)	\$24.99	\$26.00	\$27.00
COMM/INST - MTRD Water (10)	\$24.99	\$26.00	\$27.00
LAND/IRRIG - MTRD Water (20)	\$24.99	\$26.00	\$27.00
Up to 1" meter (31)	\$24.99	\$26.00	\$27.00
1.5 Inch meter (35)	\$37.38	\$39.50	\$41.50
2 Inch Meter (32)	\$49.97	\$52.50	\$55.00
3 Inch meter (33)	\$74.95	\$79.00	\$83.00
4 Inch meter (34)	\$99.93	\$105.00	\$110.00
Flat Rate (R1)	\$59.18	\$63.00	\$66.75
Hydrant	\$24.99	\$26.00	\$27.00
Bulk Water	\$114.89	\$122.00	\$129.00
Usage Charge per 1,000 Gallons All Usage	\$0.97	\$1.06	\$1.15

For further information, visit www.gridley.ca.us Reference your most recent bill to obtain your meter size and water use (per month).



Proposed Water and Sewer Rates
Continued

PROPOSED WASTE WATER RATES			
Rates	Current	2024	2025
Monthly Service Charge - Waste Water			
Single Family Residential	\$37.96	\$39.86	\$41.85
Multi-Family Residential	\$33.53	\$35.21	\$36.97
Hotels & Motels	\$12.32	\$12.94	\$13.58
BCHA (14)	\$42.04	\$44.14	\$46.35
Retail & Commercial	\$46.67	\$49.00	\$51.45
Service Stations	\$109.29	\$114.75	\$120.49
Beauty/Barber Shops	\$29.63	\$31.11	\$32.67
Restaurants - Small	\$125.97	\$132.27	\$138.88
Restaurants - Large	\$209.72	\$220.21	\$231.22
Small Markets	\$167.67	\$176.05	\$184.86
Supermarkets	\$341.13	\$358.19	\$376.10
Industrial (16)	\$217.33	\$228.20	\$239.61
Gridley Inn Offices	\$541.79	\$568.88	\$597.32
Retail/Commercial (4)	\$122.96	\$129.11	\$135.56
Schools	\$47.34	\$49.71	\$52.19
Churches	\$21.27	\$22.33	\$23.45
Hospitals	\$1,217.12	\$1,277.98	\$1,341.87
Butte County Fair	\$233.32	\$244.99	\$257.24
Industrial (17)	\$295.08	\$309.83	\$325.33
Unclassified	\$45.39	\$47.66	\$50.04

**Other business rates not listed above will increase by 5% of their current rate*





Tarifas Propuestas de Agua y Alcantarillado de la Ciudad de Gridley de 2024-2025

Todos los días, la ciudad de Gridley entrega agua confiable de alta calidad a los clientes de Gridley y protege el medio ambiente y la salud pública al tratar las aguas residuales y pluviales de los residentes y empresas de Gridley. Nuestro trabajo se financia casi exclusivamente con las tarifas que pagan los clientes. Nuestros sistemas y equipos trabajan las 24 horas del día, los 7 días de la semana. Somos una empresa de servicios públicos sin fines de lucro cuyas tarifas reflejan el costo real de operar, mantener y mejorar nuestros sistemas de agua y alcantarillado. Para continuar brindando los servicios de los que dependen los residentes de Gridley, por primera vez en 13 años, la ciudad propone aumentos en las tarifas de agua y alcantarillado, a partir del 1 de Enero de 2024.

Sus Dólares en el Trabajo

Los sistemas de agua y alcantarillado son fundamentales para la salud pública. La ciudad se compromete a brindar a los clientes agua potable segura, confiable y asequible y un sistema de alcantarillado combinado que reduzca las inundaciones y proteja el medio ambiente de la contaminación. Estos sistemas requieren mantenimiento y actualizaciones continuos. Algunas de las partes más antiguas del sistema de agua datan de 1954. Es vital continuar manteniendo y mejorando los sistemas antiguos para evitar roturas, cumplir con los requisitos reglamentarios, mejorar la seguridad sísmica y adaptarse a las tormentas a medida que cambia el clima. Su dinero paga servicios y proyectos esenciales que protegen la salud pública.

Nuestro Proceso de Fijación de Tarifas Públicas

La Ciudad de Gridley está comprometida con un proceso transparente de fijación de tarifas públicas con la asistencia de un consultor de tarifas externo independiente que ha completado estudios integral de costo de servicio. Los hallazgos del estudio de tarifas proporcionan la base para nuestra propuesta de tarifas, que pasa por un extenso proceso de aprobación pública. Ese proceso proporcionó múltiples presentaciones públicas ante el Ayuntamiento de Gridley, reuniones públicas y ofrece recomendaciones para garantizar la asequibilidad, la estabilidad y la equidad. Los clientes interesados y otras partes pueden proporcionar comentarios sobre las tarifas propuestas en reuniones públicas. Para obtener más información sobre nuestras tarifas y próximas reuniones, visite el sitio web de nuestra ciudad www.gridley.ca.us.

Lista de Tarifas Propuestas

La Ciudad de Gridley propone actualizar las tarifas de agua y alcantarillado a partir del 1 de Enero de 2024. El sistema de alcantarillado combinado de la ciudad de Gridley trata tanto las aguas residuales como las escorrentías pluviales. Las facturas contienen dos elementos principales: cargos fijos que cubren los costos compartidos relevantes para todos los clientes y tarifas volumétricas basadas en la cantidad de agua utilizada. El nuevo programa de tarifas de alcantarillado propuesto representa un aumento promedio en la factura mensual de \$1.90 (año 1) y \$1.99 (año 2) para el hogar residencial unifamiliar promedio en Gridley. Las secciones del programa de tarifas describen estos componentes de la factura para clientes residenciales y no residenciales. El nuevo programa de tarifas de agua propuesto representa un aumento en el consumo de 0.97 centavos por 1,000 galones, a \$1.06 dólares (año 1) y \$1.15 dólares (año 2).

Cargos Fijos Mensuales por Servicios de Agua y Alcantarillado

Los cargos por el servicio de agua varían según el tamaño del medidor y recuperan costos fijos, como servicio al cliente y facturación, mantenimiento de medidores de agua e instalaciones utilizadas para proporcionar agua para protección contra incendios que benefician a todos los clientes. Todas las tarifas de consumo de agua se facturan en función del uso de agua medido y no tienen niveles. Los cargos por servicio de alcantarillado son fijos y varían para todos los clientes de alcantarillado según las clases de uso. Los cargos permiten recuperar los costos fijos asociados a mantenimiento y operación, atención al cliente y facturación, que son los mismos para todos los clientes.

Sus Tarifas Pagan Por:

- Operaciones 24 horas al día, 7 días a la semana
- Monitoreo Ambiental
- Mantenimiento de rutina y reparaciones de emergencia
- Mejoras de infraestructura
- Transporte y tratamiento
- Gestión de cuencas y tierras



Para obtener más información, visite www.gridley.ca.us o comuníquese con Servicios Municipales de Gridley (530) 846-5695 y consulte su factura más reciente para obtener el tamaño de su medidor y el uso de agua (por mes).

AVISO DE AUDIENCIA PÚBLICA

E Información Importante Sobre Tarifas de Agua y Alcantarillado

Propuesto para los años 2024-2025

Audiencia Pública Antes: Ayuntamiento de Gridley

Fecha de Audiencia: Lunes 18 de Diciembre de 2023, a las 6:00 de la tarde.

Ubicación: Ayuntamiento de Gridley - Cámaras del Consejo, 685 Kentucky Street, Gridley, CA 95948

Este es un aviso sobre estas tarifas propuestas de agua y alcantarillado. La fecha de reunión para la audiencia de tarifas ha sido programada para el 18 de Diciembre de 2023 a las 6:00 pm. De acuerdo con el Artículo XIII D, Sección 6, de la Constitución de California (también conocida como Proposición 218), usted tiene derecho a presentar una protesta por escrito contra las tarifas propuestas de agua y alcantarillado. Los aumentos de tarifas propuestos no entrarán en vigor si la ciudad de Gridley recibe protestas por escrito de la mayoría de los propietarios y clientes afectados.

Las Protestas por Escrito: Deben enviarse por correo a la dirección a continuación o también pueden entregarse personalmente al Secretario Municipal el 18 de Diciembre de 2023 en la Reunión del Concejo Municipal - Audiencia Pública para poder ser contadas. Las protestas no podrán entregarse de forma electrónica ni verbal. Cualquier protesta escrita debe: (1) declarar que el propietario o cliente identificado se opone al aumento de tarifas propuesto; (2) proporcionar la ubicación del paquete identificado (por número de paquete del tasador, dirección postal o cuenta del cliente); e (3) incluir el nombre y la firma de la persona que presenta la protesta. Aunque los comentarios orales en la audiencia pública no calificarán como una protesta formal a menos que vayan acompañados de una protesta por escrito, la ciudad de Gridley agradece los aportes de la comunidad durante la audiencia pública sobre las tarifas propuestas de agua y alcantarillado. Sólo se podrá registrar una protesta por propiedad.

Envíe las Protestas por Correo a: Ciudad de Gridley, Secretario Municipal, 685 Kentucky Street, Gridley, CA 95948

Si tiene preguntas o desea obtener más información, visite www.gridley.ca.us o envíe un correo electrónico al secretario municipal (csantana@gridley.ca.us). Según la sección 53759 del Código de Gobierno de California, existe un plazo de prescripción de 120 días para impugnar cualquier tarifa o cargo nuevo, aumentado o ampliado. Este estatuto de limitaciones se aplica a las tarifas y cargos del servicio de agua y alcantarillado propuestos en este aviso. También se aplica a cambios futuros en las tarifas y cargos de agua y alcantarillado.

PROPOSED WATER RATES			
Rates	Current	2024	2025
Monthly Service Charge - Water (Based on meter size)			
Up to 1" meter (01)	\$24.99	\$26.00	\$27.00
COMM/INST - MTRD Water (10)	\$24.99	\$26.00	\$27.00
LAND/IRRIG - MTRD Water (20)	\$24.99	\$26.00	\$27.00
Up to 1" meter (31)	\$24.99	\$26.00	\$27.00
1.5 Inch meter (35)	\$37.38	\$39.50	\$41.50
2 Inch Meter (32)	\$49.97	\$52.50	\$55.00
3 Inch meter (33)	\$74.95	\$79.00	\$83.00
4 Inch meter (34)	\$99.93	\$105.00	\$110.00
Flat Rate (R1)	\$59.18	\$63.00	\$66.75
Hydrant	\$24.99	\$26.00	\$27.00
Bulk Water	\$114.89	\$122.00	\$129.00
Usage Charge per 1,000 Gallons All Usage	\$0.97	\$1.06	\$1.15

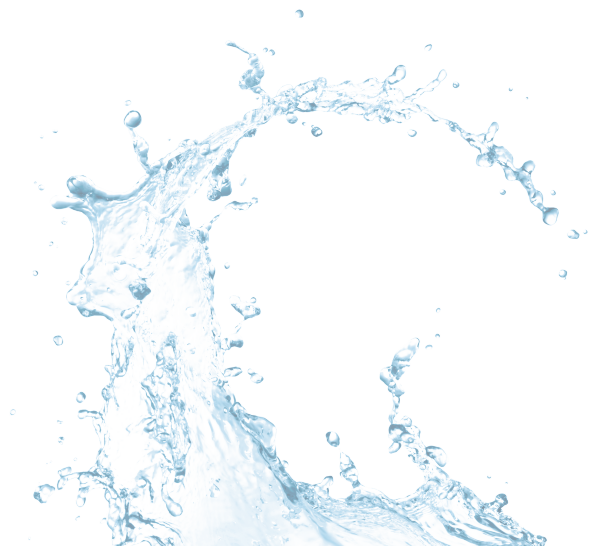
Para obtener más información, visite www.gridley.ca.us o comuníquese con Servicios Municipales de Gridley (530) 846-5695 y consulte su factura más reciente para obtener el tamaño de su medidor y el uso de agua (por mes).



Tarifas propuestas de agua y alcantarillado
Continuado

PROPOSED WASTE WATER RATES			
Rates	Current	2024	2025
Monthly Service Charge - Waste Water			
Single Family Residential	\$37.96	\$39.86	\$41.85
Multi-Family Residential	\$33.53	\$35.21	\$36.97
Hotels & Motels	\$12.32	\$12.94	\$13.58
BCHA (14)	\$42.04	\$44.14	\$46.35
Retail & Commercial	\$46.67	\$49.00	\$51.45
Service Stations	\$109.29	\$114.75	\$120.49
Beauty/Barber Shops	\$29.63	\$31.11	\$32.67
Restaurants - Small	\$125.97	\$132.27	\$138.88
Restaurants - Large	\$209.72	\$220.21	\$231.22
Small Markets	\$167.67	\$176.05	\$184.86
Supermarkets	\$341.13	\$358.19	\$376.10
Industrial (16)	\$217.33	\$228.20	\$239.61
Gridley Inn Offices	\$541.79	\$568.88	\$597.32
Retail/Commercial (4)	\$122.96	\$129.11	\$135.56
Schools	\$47.34	\$49.71	\$52.19
Churches	\$21.27	\$22.33	\$23.45
Hospitals	\$1,217.12	\$1,277.98	\$1,341.87
Butte County Fair	\$233.32	\$244.99	\$257.24
Industrial (17)	\$295.08	\$309.83	\$325.33
Unclassified	\$45.39	\$47.66	\$50.04

*Otras tarifas comerciales no enumeradas anteriormente aumentarán en un 5% de su tarifa actual



City Council Agenda Item #4

Staff Report

Date: December 18, 2023

To: Mayor and City Council

From: Cliff Wagner, City Administrator

Subject: Solid Waste Contract Extension Proposal

x	Regular
	Special
	Closed
	Emergency

Recommendation

Staff respectfully requests that the Mayor and City Council consider and approve the contract proposal for extension of solid waste services with USA Waste of California Inc. (WM) titled, "Amended and Restated Agreement Between the City of Gridley and USA Waste of California, Inc., for Collection of Solid Waste, Green Waste, Recyclables, and Franchise Agreement", for the term expiring December 31, 2028.

Background

The current franchise with Waste Management approved in 2021 extended the franchise for two years and is set to expire December 31, 2023. Waste Management Representatives were present in a recent council meeting discussing the details and recommendations of the contract extension, services and collections. Furthermore, a committee has met with WM Representatives to discuss the options for extension and details of current service practices, SB1383 regulation requirements, transfer station, proposed rate increases, multi-annual RFP process and terms of extension for the contract which is set to expire. There are only two providers in the area that would be competing for the contract. Waste Management staff has provided rate information which confirms the existing rates under the current contract are set at lower rates than surrounding jurisdictions which have recently approved solid waste contracts. City staff and City Attorney have reviewed the language in the extension proposal submitted by Waste Management which incorporated recommended changes.

Staff is recommending approval of the proposal and setting an extension for the term of the contract that will allow the City to properly prepare for the Request for Proposal (RFP) process and will also continue to allow solid waste services while the RFP is set in motion.

Fiscal Impact

There is no negative fiscal impact to the current fiscal year budget as the city receives franchise revenue.

Compliance with City Council Strategic Plan or Budget Goals

The City Council and City staff are committed to provide the best possible financial practices and the highest possible transparency regarding all financial transactions.

Attachments

Waste Management Extension Proposal

**AMENDED AND RESTATED AGREEMENT
BETWEEN THE CITY OF GRIDLEY AND
USA WASTE OF CALIFORNIA, INC.,
FOR COLLECTION OF SOLID WASTE, GREEN WASTE, RECYCLABLES, AND
TRANSFER STATION OPERATION SERVICES
FRANCHISE AGREEMENT**

THIS AMENDED AND RESTATED AGREEMENT (this “Agreement”) is made and entered into effective as of _____, 2023, between the City of Gridley (the “City”), and USA Waste of California Inc. (the “Company”). Unless otherwise specified in this Agreement, any action authorized, or required to be taken by the City may be taken by the City Council (the “Council”) or by the City Administrator.

In consideration of the mutual covenants in this Agreement, as amended and restated, and intending to be legally bound, the parties agree as follows:

1. **DEFINITIONS.** For purposes of this Agreement the following words or phrases shall have the following meanings.
 - 1.1. **Act.** Act means the California Integrated Waste Management Act of 1989, California Public Resources Code (“PRC”) sections 40000 et seq., as amended, supplemented, superseded, and replaced by the California legislature from time to time. All state code references are to the PRC unless otherwise noted. In the event of any inconsistency between the definitions set forth below and those in the PRC or the California Code of Regulations (“CCR”) related to solid waste, the PRC and/or the CCR shall prevail.
 - 1.2. **Applicable Law.** Applicable Law means all laws, ordinances, municipal code, resolutions, regulations, rules, orders, judgments, decrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the collection, handling, processing, and disposition of Franchise Materials that are in force on the Effective Date and as they may be enacted, issued or amended during the term of this Agreement.
 - 1.3. **Bins.** Bins shall mean those containers provided by the Company for Commercial Customers and Multiple-Family Dwellings. The Bins are of two types: (i) Bins which are picked up by trucks designed for Solid Waste, C&D and Recycling by means of front-loading apparatus; and (ii) roll-off Bins (also known as a Debris Box or Drop Box) (which are usually much larger in size).
 - 1.4. **Bulky Waste.** Bulky Waste means large household items that do not properly fit in the Customer’s Cart, or bundled or bagged Solid Waste, that do not exceed four feet by four feet by two feet (4’x4’x2’) and weigh no more than sixty (60) pounds, which are attributed to the normal activities of a Single-Family Premises. Such materials may include furniture, area and floor rugs properly prepared (cut and bundled), mattresses (must be wrapped in plastic), appliances, and tires without rims. All liquids must be

drained; no item may contain Freon. Bulky Waste excludes any Excluded Waste, as well as automotive parts, tree stumps, oil and gas, propane tanks, C&D Debris, and batteries.

- 1.5. **City Representative.** City Representative means the City Administrator, or designee.
- 1.6. **Cart.** Cart means an industry standard receptacle for disposal of Franchise Materials, in a range of sizes including approximately 35, 64, or 96 gallons. A Cart will have wheels, a handle for ease of movement and a fitted, attached lid, and is designed to be dumped mechanically into a Solid Waste or Recyclables collection vehicle.
- 1.7. **Collection or Collection Service.** Collection or Collection Service shall mean all or any part of the activities involved in the Collection of Franchise Materials specified in this Agreement and its transportation to and disposal at a Disposal Site or Recycling facility.
- 1.8. **Commercial Customer.** Commercial Customer is a Customer that receives Commercial Service including, but not limited to, those Multiple-Family Dwellings and Mobile Home Park Customers that use Bin service.
- 1.9. **Commercial Premises.** Commercial Premises shall mean all industrial, manufacturing, warehouse, wholesale or retail stores, service establishments, professional offices, other business establishments, and government facilities and schools and construction sites, and Multiple-Family Dwellings.
- 1.10. **Commercial Recycling.** Commercial Recycling means the collection, processing and marketing of those Recyclable Materials that are collected from Commercial Customers under this Franchise on an exclusive basis.
- 1.11. **Commercial Service.** Commercial Service means Bin or Cart service provided under this Franchise to Commercial Premises and Bin service provided to Multiple-Family Dwellings and Mobile Home Parks.
- 1.12. **Compactor.** Compactor means a compacting unit that loads a detachable or non-detachable Bin or Debris Box. The detachable or non-detachable Bin or Debris Box serves as a receptacle of Solid Waste, and has a capacity of one (1) cubic yard or larger. The Bin or Debris Box is picked up by a collection vehicle for emptying at a separate location.
- 1.13. **Company Service Fee.** Company Service Fee means the compensation provided to the Company for services performed pursuant to this Agreement.
- 1.14. **Construction and Demolition Debris or C&D.** Construction and Demolition Debris or C&D has the meaning provided in Title 14, Division 7, Section 17388(c) of the CCR or successor laws and regulations as may be amended from time to time, but not including any Excluded Waste.

- 1.15. **CPI Adjustment.** CPI Adjustment means the annual Service Rates adjustment as specified in Section 6.2.
- 1.16. **Curb or Curbside.** Curb or Curbside shall mean that part of the homeowner's property, within five feet of the Public Street or alley without blocking sidewalks, driveways or on-street parking. If extraordinary circumstances preclude such a location, Curbside shall be considered a placement suitable to the resident, convenient to the Company's equipment, and mutually agreed to by the homeowner and the Company.
- 1.17. **Customer.** Customer means an individual or entity that receives Franchise Services provided by the Company. Customer shall also mean the person, organization or corporation receiving Disposal service for Franchise Materials to which billing statements are sent. Customer also means those Generators of Recyclable Materials in the Service Area to whom the Company provides and the Customer pays for Collection Service under this Agreement.
- 1.18. **Debris Box/Temporary Bins.** Debris Box means a receptacle for Solid Waste and C&D having a capacity of twenty (20) cubic yards or greater that is picked up in its entirety by a dedicated truck for emptying at a separate location. Also known as a roll-off box or drop box. Temporary Bins or "temp bins" will be containers with a capacity greater than a 96 gallon cart and less than the twenty cubic yard debris box.
- 1.19. **Discretionary Adjustment.** Discretionary Adjustment is defined in Section 6.5.
- 1.20. **Disposal.** Disposal has the meaning provided in PRC Section 40120.1 or successor laws and regulations as may be amended from time to time.
- 1.21. **Disposal Fees.** Disposal Fees shall mean the charges imposed by the Disposal Site.
- 1.22. **Disposal Site.** Disposal Site has the meaning provided in PRC Section 40122 or successor laws and regulations as may be amended from time to time.
- 1.23. **Effective Date.** Effective Date means January 1, 2024, the date that Franchise Services shall commence under this Agreement, as amended.
- 1.24. **Electronic Waste or E-Waste.** Electronic Waste or E-Waste means waste containing or consisting of electronic devices and components, such as computers, monitors, terminals, computer cards and components, computer peripheral devices, main frame computers, keyboards, mice, printers and scanners, mini-systems, power supply units, servers, connectors/cables, storage discs, consumer electronics, printed circuit boards, televisions, chips and components, cellular and other phones, telecommunications equipment, and fax machines and copiers, but not including Excluded Waste.

- 1.25. **Excluded Waste.** Excluded Waste means Hazardous Waste, Medical and Infectious Waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that Company 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, waste that in Company's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Company or City to potential liability, and Special Waste; not including 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 batteries and paint in compliance with PRC 41500 and 41802.
- 1.26. **Franchise.** Franchise means the rights granted to the Company under the terms and conditions of this Agreement.
- 1.27. **Franchise Fee.** Franchise Fee means an amount paid to the City by Company for the right to provide Collection Services, as further agreed in Section 3.1 of this Agreement.
- 1.28. **Franchise Materials.** Franchise Materials means all Solid Waste, Recyclable Materials, Construction & Demolition Debris and Green Waste generated in the Service Area and included within the Franchise. At the Company's option, "Franchise Materials" shall also include any other materials that can now or in the future be disposed of in Class III landfills. It is the intention of the Parties to maximize the scope of the Company's exclusive franchise within the Service Area by including within the definition of "Franchise Materials" those materials that can be safely Collected, Transported, Disposed of or Recycled using commercially reasonable methods.
- 1.29. **Franchise Services.** Franchise Services means all of the duties and obligations of the Company hereunder as stated in this Agreement. Company shall notify the City should there be more than a 24-hour delay in the service schedules included in this Agreement or as amended to this Agreement.
- 1.30. **Fuel Cost Adjustment.** Fuel Cost Adjustment is defined in Section 6.3.
- 1.31. **Generator.** Generator has the meaning used in the laws governing Hazardous Waste, but applies in this Agreement not only to Hazardous Waste but also to all other materials.
- 1.32. **Green Waste.** Green Waste means all tree and plant trimmings, grass cuttings, dead plants, weeds, leaves, branches, and similar materials that fit into a Green Waste Cart, but not including Excluded Waste or items with a diameter greater than 10 inches.
- 1.33. **Green Waste Processing Facility.** Green Waste Processing Facility means the facility(ies) used by the Company for handling, processing, and preparing collected Green Waste for marketing.

- 1.34. **Gross Revenues.** Gross Revenues has the meaning provided in Section 3.1
- 1.35. **Hazardous Waste.** Hazardous Waste has the meaning provided in PRC Section 40141 or successor laws and regulations as may be amended from time to time.
- 1.36. **Household Hazardous Waste (or HHW).** Household Hazardous Waste shall have the meaning set forth in California Health and Safety Code Section 25218 and in Title 14, CCR, Section 18502 or successor laws and regulations as may be amended from time to time, but not including any Excluded Waste.
- 1.37. **Inaccessible Area.** Inaccessible Area shall mean any road, alley or property that does not allow safe access, turn-around, or clearance for standard collection vehicles.
- 1.38. **Medical and Infectious Waste.** Medical and Infectious Waste means biomedical waste generated at residences in excess of legal limits or at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities and other similar establishments.
- 1.39. **Mobile Home Parks.** Mobile Home Parks means a site at which mobile home spaces are rented for residential use. Mobile Home Parks, at the Owner's request, may be provided with Residential Service using Carts or Commercial Service using Bins.
- 1.40. **Multiple-Family Dwellings.** Multiple-Family Dwellings means any building or structure, or portion thereof used for residential purposes and having four (4) or more distinct living units. Multiple-Family Dwellings, at the Owner's request, may be provided with Residential Service using Carts or Commercial Service using Bins.
- 1.41. **Owner.** Owner shall mean the person, organization or corporation holding legal title to the real property constituting the Residential Premises to which Collection Service for Franchise Materials is provided. For the purposes of provisions in this Agreement pertaining to the sending of notices, billings or other communications by Company to an Owner, Company may regard as Owner the person, organization, corporation or other entity shown in the records of the assessor of Nevada County or as may be indicated by documents recorded in the Nevada County Clerk-Recorder's Office.
- 1.42. **Parties.** Parties mean the City and the Company.
- 1.43. **PRC.** PRC has the meaning provided in Section 1.1.
- 1.44. **Private Drive(s).** Private Drive(s) shall mean a privately owned or maintained way.
- 1.45. **Private Road(s).** Private Road(s) shall mean a privately owned or maintained way that allows for access by a small wheel base service truck and which serves four or more Residences.

- 1.46. **Processing or Process.** Processing or Process shall mean treatment, sorting, or other activities intended to improve the market value of a Recyclable.
- 1.47. **Public Street(s).** Public Street(s) shall mean a public way used for public travel.
- 1.48. **Recyclable Construction and Demolition Debris or Recyclable C&D.** “Recyclable Construction and Demolition Debris” or “Recyclable C&D” means Construction and Demolition Debris or C&D that is disposed of in a Cart or Debris Box or other receptacle that contains no more than 5% non-Recyclables.
- 1.49. **Recycle, Recycling.** Recycle, Recycling has the meaning provided in PRC Section 40180 or successor laws and regulations as may be amended from time to time.
- 1.50. **Recycling Carts.** Recycling Carts shall mean a Recycling Cart or other wheeled Cart owned by the Company, suitable for on-site collection, storage, and set-out of Recyclables.
- 1.51. **Recyclable Materials, Recyclables.** Recyclable Materials or Recyclables means that portion of Solid Waste which is material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace, but not including Excluded Waste. Recyclable means that portion of Franchise Materials which may be separated on a commercially reasonable basis from other Franchise Materials and returned to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace. As of the Effective Date, the Recyclable Materials are as provided in Exhibit 1.
- 1.52. **Recyclables Processing Facility.** Recyclables Processing Facility means the facility(ies) used by the Company for handling, processing, and preparing collected Recyclable Materials for marketing.
- 1.53. **Recycling Program.** Recycling Program shall mean an effort by the City to offer convenient and affordable recycling opportunities to all residents of City.
- 1.54. **Recycling Revenues.** Recycling Revenues means all revenues, net of transportation or processing costs, resulting from the sale of Recyclable Materials, Construction and Demolition Debris and Green Waste collected through provision of Franchise Services.
- 1.55. **Residential Customer.** Residential Customer is a Customer that receives Residential Service including those Multiple-Family Dwellings and Mobile Home Park Customers that use Solid Waste Cart Service.

- 1.56. **Residential Recycling.** Residential Recycling means the collection, processing and marketing of those Recyclable Materials that are collected from Residential Customers under this Franchise on an exclusive basis.
- 1.57. **Residential Service.** Residential Service means Collection Service for Franchise Materials normally provided under this Franchise to all Single-Family Residences and those Multiple-Family Dwellings and Mobile Home Parks that receive Solid Waste Cart Service.
- 1.58. **SB 1383 Regulations.** SB 1383 Regulations means to the Short-Lived Climate Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle and adopted in 2020 that created Chapter 12 of 14 CCR, Division 7 and amended portions of regulations of 14 CCR and 27 CCR., as they may be amended.
- 1.59. **Self Haul.** Self Haul means the transport of Franchise Materials from a residence or Commercial Premises, where the materials being generated are taken directly to an authorized landfill or transfer station. The transport must be accomplished by the resident, Owner or commercial/business/industrial entity that generates the Franchise Materials and may not be transported by a company, agent or other third-party hired for such use except as provided in Section 2.3 of this Agreement.
- 1.60. **Service Area.** Service Area shall mean the jurisdictional boundary of the City including all areas hereafter annexed or otherwise added to the territorial limits of the City.
- 1.61. **Service Rates.** Service Rates means the Company fees for providing the Franchise Services, as initially set forth in Exhibit 2. The Service Rates include the Franchise Fee.
- 1.62. **Signature Date.** Signature Date means the date of execution of this Agreement by both Parties.
- 1.63. **Single-Family Residence(s).** Single-Family Residence(s) shall mean all one unit houses and mobile homes, any building or structure, or portion thereof, that is used for residential housing purposes and has two (2) or fewer distinct living units.
- 1.64. **Solid Waste.** Solid Waste shall mean and include all Solid Waste as defined in PRC Section 40191 and regulations or successor laws and regulations as may be amended from time to time generated within the Service Area that can be disposed of in Class III landfills. Excluded from the definition of Solid Waste are Excluded Waste, Bulky Wastes, Special Wastes, Recyclable Materials, Green Waste, and Construction and Demolition Debris. Notwithstanding any provision to the contrary, "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 batteries and paint in compliance with PRC Sections 41500 and 41802.

- 1.65. **Special Services.** Special Services are specific service-related activities, including without limitation lock, gate, and long walk services, or other services for which no Service Rate is established by the City, that is provided by the Company to Customers for which the Company may charge an additional fee.
- 1.66. **Special Waste.** Special Wastes include flammable waste, waste transported in a bulk tanker, liquid waste, sewage sludge, pollution control process waste, residue and debris from the cleanup of a hazardous material spill or release of chemical substances, commercial products or any other Special Wastes; contaminated soil, waste, residue, debris and articles from the cleanup of a site or facility formerly used for the generation, storage, treatment, Recycling, reclamation, or Disposal of any other Special Wastes; dead animals, manure, waste water, explosive substances, and radioactive substances.
- 1.67. **State.** State means the State of California.
- 1.68. **Ton.** Ton means a “short ton” of 2,000 pounds.
- 1.69. **Transfer Station Operations/Transfer Station Operation Services.** Transfer Station Operations/Transfer Station Operation Services means all of the services associated with the operation of the Ord Ranch Road Transfer Station, as provided in this Agreement.
- 1.70. **Transport.** Transport means the hauling of Franchise Materials to a Disposal Site.
- 1.71. **Uncontrollable Circumstances.** Uncontrollable Circumstances are any acts of God, such as landslides, lightning, fires, storms, floods, pestilence, freezing, and earthquakes; explosions, sabotage, civil disturbances, acts of a public enemy, wars, blockades, riots, labor unrest, eminent domain, condemnation or other taking, or other events of a similar nature, not caused or maintained by the City or Company, which event is not reasonably within the control of the party claiming the excuse from its obligations due to such event, to the extent such event has a material adverse effect on the ability or costs of a Party to perform its obligations thereunder. Events which could have been prevented by reasonable precautions, including compliance with agreements and applicable laws, shall not be considered an Uncontrollable Circumstance. Labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job action lawfully conducted by the Company’s employees or lawfully directed at the Company, or a subsidiary, are not considered Uncontrollable Circumstances, but shall excuse performance to the extent provided in Section 9.5.

2. GRANT OF EXCLUSIVE AGREEMENT.

2.1. SCOPE OF EXCLUSIVE FRANCHISE.

2.1.1. City hereby grants to Company, for the term hereinafter set forth, the exclusive right and privilege to collect and transport Franchise Materials to any legally authorized Disposal Site, Green Waste Processing Facility, or Recyclables Processing Facility, unless otherwise exempt from Collection pursuant to the terms and conditions of Section 2.3 of this Agreement. Participation in the Company's Solid Waste, Recycling and Green Waste programs shall be mandatory for Residential and Commercial Customers.

2.1.2. The Company shall have the exclusive right and responsibility for the operation of the Ord Ranch Road Transfer Station, in accordance with the provisions of this Agreement, for the term of this Agreement and any extensions thereof.

2.1.3. The Company shall dispose of all Solid Waste collected under this Agreement at the designated Disposal Site. The Disposal Site the Company has designated shall be the Neal Road Landfill owned by the County of Butte. The Company reserves the right to direct the Company to dispose of Solid Waste at a particular licensed Disposal Site (which must be a Class III disposal site) suitable for municipal waste.

2.2. **COMPANY RESPONSIBILITY.** The Company hereby accepts and assumes responsibility to perform and fulfill all the terms, covenants, conditions, and obligations required under this Agreement. Company agrees to perform all of its obligations under this Agreement for the term hereof. Company shall furnish all the labor and equipment necessary for the Collection, Processing, Transport and Disposal of all Franchise Materials, subject to the terms, conditions and provisions of this Agreement.

2.3. **EXCEPTIONS TO FRANCHISE.** The following services and materials are expressly excluded from this Agreement. However, the granting of this Franchise shall not preclude an Owner or Customer from contracting for the categories of services and materials described below to be delivered to, collected and/or transported by the Company or others, provided that nothing in this Franchise is intended to or shall be construed to excuse any person from any authorization from the City which is otherwise required by law.

2.3.1. Compactors for Recyclables. Rental, lease or sale of Compactors, provided that the Company shall have the exclusive right to provide hauling services for Compactors unless used exclusively for the collection of Recyclable Materials, including Recyclable C&D, in which at least ninety-five percent (95%) of each load is actually Recycled and for which the Generator receives payment.

2.3.2. Self-Hauling. Self-Haul materials, which are delivered by a person or entity directly to a disposal facility. Persons or entities cannot subcontract any portion of the Self-Haul to any entity other than the Company. This provision does not allow persons or entities to purchase, borrow or rent Bins or Carts or other containers and have them collected by a third-party.

2.3.3. Incidental Hauling. Materials which would otherwise constitute Franchise Materials that are removed from a premise by a company as an incidental part of a gardening, landscaping, tree trimming, cleaning, maintenance, construction, handyman, tractor or similar service offered by that company rather than as a waste hauling service. This provision does not allow the hauling of materials by any business hired solely for the purposes of hauling and/or removal of debris.

2.3.4. Construction and Demolition Debris. Construction and Demolition Debris materials removed from a work or construction/demolition site by a company or business generating the C&D and Self Hauled or incidentally hauled as provided in Sections 2.3.2 and 2.3.3.

2.3.5. Recyclable C&D. Recyclable C&D, in which at least ninety-five percent (95%) of each load is actually Recycled and for which the Generator receives payment.

2.3.6. Residential Recyclables. Recyclable Materials donated or sold by Residential Customers from Single-Family Residences or Multiple-Family Dwellings, or from Mobile Home Parks, to any party of their choice, in which at least ninety-five percent (95%) of each load is actually Recycled and that the Generator donated or for which the Generator receives payment.

2.3.7. Commercial Recyclables. Commercial Recyclable Materials in which at least ninety-five percent (95%) of each load is actually Recycled and for which the Generator receives payment.

2.3.8. Governmental Entities. The Company's exclusive Franchise in this Agreement shall not include governmental entities if and to the extent the City has no legal power to include them in the exclusive Franchise.

2.4. **TERM OF AGREEMENT**. The initial term of this Agreement shall commence January 1, 2024 and end at the close of business on December 31, 2028. Thereafter, the parties may agree in writing to extend the term for up to two five-year periods.

2.5. **TITLE TO FRANCHISE MATERIALS**. It is expressly understood that all Franchise Materials collected under this Franchise shall remain the property of the resident or commercial Owner until such time as they are collected for Disposal, Transport or Recycling. That ownership shall transfer to Company once the Franchise Materials are collected. The Company is hereby granted the right to retain, dispose of, and otherwise use such Franchise Materials, or any part thereof, in any fashion or for any lawful purpose desired by the Company, and to retain any benefit or profit resulting therefrom.

2.6. **ANTI-SCAVENGING ENFORCEMENT; UNAUTHORIZED COMPACTION**. The City will cooperate with the Company in the Company's enforcement of the exclusive rights granted to the Company in this Agreement and anti-scampering laws, including without limitation the institution of civil actions against a person or entity alleged to have violated the exclusive rights created in Section 2.1 of this Agreement or

the anti-scavenging provisions of PRC Section 41950 (which provides for treble damages, as measured by the value of the material removed, or a civil penalty of not more than \$2,000.00, whichever is greater, for each unauthorized removal, in accordance with PRC Section 41953). If City is required to take administrative, law enforcement, or other legal action against any person who infringes on the Company's exclusive rights, the Company shall reimburse the City for all reasonable costs, staff time and legal costs related to any such action. Nothing herein precludes the Company from taking such legal action against third parties as it deems appropriate to protect the exclusive nature of its franchise.

Customers shall not permit Franchise Materials to be compacted in Company-provided Bins or Debris Boxes, unless such compaction is provided by Company under this Agreement.

3. FRANCHISE FEE.

- 3.1. **CITY FRANCHISE FEE.** As of the Effective Date of this Agreement, five percent (5%) of all revenues collected by the Company resulting from all revenue or compensation to the Company from Service Rates established pursuant to Article 6 for Collection of Solid Waste, including for operation of the Ord Ranch Road Transfer Station service and without subtracting the other cost of doing business, on or after the Effective Date of this Agreement within the Service Area, but excluding revenue for services provided by the Company prior to the Effective Date and from services other than Collection Services, non-exclusive or excepted services, exempt materials, or sales of recycled materials (collectively, "Gross Revenues"), shall be paid by the Company to the City as a Franchise Fee. If the Franchise Fee is increased after the date of this Agreement, the Service Rates shall be adjusted in the same manner as adjustments for increases in Disposal Fees as provided in Section 6.4. The Franchise Fee shall be computed and paid on the basis of the Company's cash receipts from Gross Revenues after the Effective Date of this Agreement. Company shall make payments to City on a quarterly basis within 30 days following the completion of each calendar quarter. The Company shall remit the Franchise Fee as part of the quarterly remittance.
- 3.2. **UNDER AND OVER PAYMENTS.** If the Company fails to pay the entire amount of compensation due the City through error or otherwise, the difference due the City shall be paid by the Company within thirty (30) days from discovery of the error or determination of the correct amount. Any overpayment to the City through error or otherwise shall be offset against the next payment due from the Company.
- 3.3. **FINANCIAL REVIEW.** The relevant books and records of the Company shall be subject to review and inspection for the purpose of reviewing billing operations, accounts receivable and customer service, by either party, its auditors or other agents, at any reasonable time upon reasonable notice.

4. SERVICES OF COMPANY.

4.1. **SB 1383.** City has received a low-population waiver from CalRecycle pursuant to 14 CCR Section 18984.12(a) and, unless expressly provided in this Agreement, Company is not providing services required by SB 1383 Regulations.

4.2. **SERVICES PROVIDED BY COMPANY.** The Company shall, in accordance with the terms of this Agreement, Applicable Law and best industry practices, provide all labor, materials, facilities, services and equipment necessary to Collect, Process, Recycle or Dispose of (as appropriate), market and transport all set out Franchise Materials. Services not within the scope of this Agreement will be provided upon terms and pricing determined by Company.

4.3. **SOLID WASTE COLLECTION.**

4.3.1. Bin Service. Company shall furnish or provide Carts to all Residences and Bins or Carts for collection use, as appropriate, to all Multiple-Family Dwellings that receive Bin service and Commercial Premises that generate Solid Waste within City. The size of the Bins and the frequency of their collection (which shall not be less than once a week) shall be determined between the Customer and Company. Bins shall be placed on hard surface locations which are accessible to Company and consistent with applicable municipal code and development approvals. Bins supplied by Company shall, at all times, be maintained by Company in a well-kept appearance. Front load bins must be maintained with lids. Customers shall be responsible for sanitation and deodorizing of such Bins; provided, however, Company shall provide in its Bin rental contracts for a Bin cleaning service to be performed at the request of the Customer for a fee specified in such contract. The initial delivery of such Bins and Carts shall occur as provided in accordance with the implementation schedule agreed upon by the Parties.

4.3.2. Curbside Single-Family Residence. Company shall, once per week, collect the Solid Waste that has been placed, kept or accumulated in a Cart (other than a Bin) at Single-Family Residences within the Service Area and placed at curbside or roadside prior to Company's normal weekly collection time, provided that in no event shall Company be required to collect any additional Solid Waste placed at curbside which is not placed in the Cart. The standard service level for a Single-Family Residence shall be a 64-gallon Cart. The Company may also collect Solid Waste at Single-Family Residences within the Service Area at additional times or in excess volumes for an additional fee as agreed upon in separate contracts between Company and each customer requesting such service.

4.3.3. City Facilities' Collection. The Company shall collect, transport and dispose of all Solid Waste generated at public facilities identified in Exhibit 3 according to the specified service levels and collection frequency. The Company shall make collections from containers Monday through Friday or on Saturdays following non-working holidays. Collections from bins and debris boxes shall be scheduled at a time mutually agreed upon by the Company and City. The Company shall provide, at City's direction, additional Solid Waste services entailing:

4.3.3.1. Collection of Solid Waste, Recyclable Materials and Green Waste from City facilities and parks;

4.3.3.2. Provision of debris box service as directed by City; and,

4.3.3.3. Review of plans for land use or property developments with regard to Solid Waste service issues.

At the option of the City, exercised in writing, these additional services may be provided at no charge to the City but shall be reimbursed to the Company through the Service Rates charged other service recipients.

4.3.4. Permanent Containers/Debris Box Service. Company shall provide permanent /debris box Containers for the purpose of Collection of Solid Waste. Company shall deliver to and Collect debris boxes from the location identified by the service recipient. Containers shall be free of graffiti and in good repair. Containers must be clearly marked and identifiable as belonging to Company. Special consideration shall be given when determining the pick-up area for temporary Containers to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. The designated pick up area, if disputed by service recipient or Company, shall be determined by City. Additionally, if in City's opinion the location of an existing pick-up area is inappropriate, City may require the service recipient or Company to relocate the pick-up area.

4.3.5. Roll-Off Boxes. The Company will provide 10 roll-off box hauls to the City at no additional charge for the purpose of code enforcement and blight abatement within the City. The Company will deliver the boxes within the City as requested by the City. The Company will provide information for code enforcement to discourage the placement of hazardous materials in these abatement boxes; City will be responsible for any hazardous materials placed in the abatement boxes. Should the City decide not to implement this program, it may use the 10 roll-off box hauls for other clean-up programs or for the City's use.

4.3.6. Hours of Collection. Collection Service of all Bins and Carts shall not start before 5:00 a.m. for commercial and 6:00 a.m. for residential or continue after 6:00 p.m., subject to change by action of the City Council.

4.3.7. Multiple-Family Dwellings. Multiple-Family Dwellings shall be provided with Solid Waste Service as frequently as negotiated with the Customer but in no event less than once per week, to collect the Solid Waste that has been placed, kept or accumulated in Bins; an exception is where the facility self-hauls and provides proof to the City that all waste materials are being properly disposed or diverted according to applicable law. Waste Management will work with each complex to customize the appropriate level of service. Multiple-Family Dwellings will have the option to

select the appropriate cart size or 2, 3, 4, and 6-cubic yard bins for Solid Waste collection. The 6-cubic yard bins will not have wheels.

4.3.8. Commercial Customers. Commercial Customers shall be provided with Solid Waste Service as frequently as negotiated with the Commercial Customer but in no event less than once per week, to collect the Solid Waste that has been placed, kept or accumulated in Bins; an exception is where the facility self-hauls and provides proof to the City that all waste materials are being properly disposed or diverted according to applicable law. Waste Management will work with each Commercial Customer to customize the appropriate level of service. Commercial Customers will have the option to select the appropriate cart size or 2, 3, 4, and 6-cubic yard bins for Solid Waste collection. The 6-cubic yard bins will not have wheels.

4.3.9. Cart Replacement. The Company, without expense to the City or Customer, and within seventy-two hours after notice, shall replace Solid Waste Carts that are lost, stolen or damaged, unless due to customer neglect such as putting hot ashes in the Cart in which case the Company may charge the Customer for the retail costs of the replacement Cart. In addition, the Company will replace Solid Waste Carts damaged due to normal wear and tear and provide free replacements for graffiti on Solid Waste Carts without charge within 14 days of the Customer's or City's request. Customers will be able to make a change in Cart size or number of Carts once every twelve months at no additional replacement cost. The Company, without expense to the City or the Customer, and within five working days after notice, shall provide a Solid Waste Cart to a new Residential Customer that has no such Cart or to a new Multi-Family Customer who elects Cart service. The Company shall own and maintain all Solid Waste Carts at its expense, except as provided in this paragraph.

4.3.10. Clean-Up Event. The Company shall hold one clean-up event per year for the collection of Solid Waste, which shall be open to Residential Customers of the Company in the Service Area (one load per Customer). The actual date and time will be set by the Company in coordination with the City at least ninety (90) days in advance. The Company shall reasonably inform Residential Customers within the Service Area, at least two weeks in advance of the clean-up event, of the date, time, location and other information pertinent to the clean-up event.

4.3.11. Senior Residential Service. Senior citizens may receive a 35-gallon Solid Waste Cart at the Service Rate provided in Exhibit 2. In order to qualify for the reduced senior Service Rate all inhabitants at the property, shown by driver's license or other identification acceptable to Company, must be sixty-five (65) years of age and older.

4.4. RECYCLING.

4.4.1. Residential Recycling. The Company shall, once every other week, Collect, Process, Recycle, and Transport all Recyclables from all Residential Customers. Recycling Carts shall be collected using an automated collection system. The

Company will only provide Recycling services to Residential Customers that receive and pay for Solid Waste services.

- 4.4.2. Residential Recycling Carts Provided. Company shall provide Residential Customers with Recycling Carts and promotional information within fourteen (14) days of notice of, or request for, Solid Waste service. Customers may co-mingle all Recyclables listed on Exhibit 1 in the Recycling Cart. The Company shall provide and distribute to each Residential Customer one (1) Recycling Cart, but, upon request of the Customer and as needed, will provide no more than one additional Recycling Cart at no additional charge. The standard service level for a Single-Family Residence shall be a 64-gallon Recycling Cart.
- 4.4.3. Residential Recycling Carts Replaced. The Company, without expense to the City or the Customer, and within seventy-two hours after notice, shall provide free replacements of Recycling Carts that are lost, stolen or damaged, unless due to customer neglect such as putting hot ashes in the Cart in which case the Company may charge the Customer for the retail costs of the replacement Cart. In addition, the Company will replace Recycling Carts damaged due to normal wear and tear and provide free replacements for graffiti on Recycling Carts without charge. The Company, without expense to the City or Customer, and within five working days after notice from the City or the Customer, shall provide a Recycling Cart to a new Residential Customer that has no such Recycling Cart. The Company shall own and maintain all Recycling Carts at its expense.
- 4.4.4. Commercial and Multiple-Family Dwelling Recycling. The Company shall Collect, Process, and Transport all Recyclables from all Commercial and Multiple-Family Dwelling Premises, unless it has received a self-haul exemption. The Company shall notify City of locations where Recycling services are not selected by customer or not possible to provide. Multiple-Family Dwellings will have the option at varying Service Rates to select the appropriate cart size or 2, 3, 4, and 6-cubic yard bins for Recycling collection. The 6-cubic yard bins will not have wheels.
- 4.4.5. Commercial Recycling Carts Provided. The Company shall provide recycling Carts to each Commercial Premises, except those that properly self-haul. Recycling Carts shall be provided within fifteen (15) working days of sign-up and Owner's, Customer's or property manager's permission and provision of a proper site. Recycling Carts shall be sited in accordance with all policies and regulations of the City.
- 4.4.6. Collection Days and Times. To the maximum extent possible, Collection of Recyclables from all Residential Customers shall be made bi-weekly and will be scheduled on the same day as Solid Waste collection. Collection from Commercial Premises shall be made on a regular schedule as negotiated between the Commercial Business and the Company.

4.4.7. Construction and Demolition. The Company shall encourage builders and demolition companies to source separate their C&D for future recycling. Prior to disposal, Company shall have the right to salvage C&D collected pursuant to this Agreement and to retain funds derived therefrom.

4.4.8. Materials to be Recycled. Company shall collect and Recycle all of the materials listed in Exhibit 1.

4.5. GREEN WASTE.

4.5.1. Green Waste Program. Residential Customers and Commercial Customers will participate in a Green Waste Program.

4.5.2. Green Waste Collection. The Company shall, once every other week, Collect and Transport Green Waste set out in Carts. Green Waste Carts shall be collected using an automated collection system. The standard service level for a Single-Family Residence shall be a 96-gallon Cart. Company will provide one additional Green Waste Cart upon the request of the Customer, and service such Cart at no extra cost.

4.5.3. Cart Replacement. The Company, without expense to the City or Customer, and within seventy-two hours after notice, shall provide free replacements of Green Waste Carts that are lost, stolen or damaged, unless due to customer neglect such as putting hot ashes in the Cart in which case the Company may charge the Customer for the retail costs of the replacement Cart. In addition, the Company will replace Green Waste Carts damaged due to normal wear and tear and provide free replacements for graffiti on Green Waste Carts without charge to the City or Customer within 14 days of request by the City or the Customer. Customers will be able to make a change in Green Waste Cart size or number of Carts once every six months at no additional replacement cost. The Company, without expense to the City or the Customer, and within five working days after notice, shall provide a Green Waste Cart to a new Residential Customer that has no Green Waste Cart. The Company shall own and maintain all Green Waste Carts at its expense, except as provided in this paragraph.

4.5.4. Additional Green Waste Carts. During leaf season (beginning October 1st of each year and ending November 30th of each year), the Company, at the request of a residential customer and at no additional cost to the customer, will provide three additional Green Waste Carts.

4.6. OTHER COMPANY REQUIREMENTS.

4.6.1. Company Provided Equipment and Vehicles. Company shall provide an adequate number of vehicles and equipment for the Collection, Disposal and Transportation services for which it is responsible under this Agreement. All vehicles used by Company under this Agreement shall be registered with the Department of Motor Vehicles of the State of California, shall be kept clean and in good repair, shall be,

uniformly painted and shall be washed at least once every seven (7) calendar days during good weather. Company's name, phone number and vehicle number shall be prominently displayed on its vehicles. Company shall furnish a listing of equipment utilized to perform all services included in this Agreement upon request by City.

- 4.6.1.1. The City and Company agree that Company's obligations and/or scope of services under this Agreement exclude any existing requirements regarding the future conversion of fleets, or any part thereof, to Zero-emissions (ZEV) or Near-zero-emissions (NZEV) vehicle(s) or the future acquisition, hiring or use of ZEVs or NZEVs under Applicable Law, including without limitation Sections 2015 et seq. of Title 13 of the California Code of Regulations. Should such existing Applicable Law apply to any Company's vehicles used in the provision of services under this Agreement during the Term, then the City and Company agree to meet and confer in good faith to amend this Agreement to incorporate provisions and obligations reasonably necessary to comply with such Applicable Law, and Company shall be entitled to a Service Rates adjustment in accordance with Section 6.5 for such change in Company's obligations and/or scope of services under this Agreement.
- 4.6.2. Collection on Holidays. If the day of Collection on any given route falls on Christmas Day, New Year's Day, Thanksgiving Day or a holiday observed by the Disposal Site to which the City's Franchise Materials are disposed, Company shall provide Collection Service for such route on the next workday following such holiday, thereby adjusting subsequent workdays that week.
- 4.6.3. Private Drives and Inaccessible Areas. For Residential Customers on Private Drives or other inaccessible areas, the Company shall Collect Solid Waste, Green Waste and Recyclables on the nearest Public Street or Private Road connecting to the Private Drive or other inaccessible area.
- 4.6.4. Employees. Company shall exercise reasonable care to hire responsible Employees, to supervise the work of such Employees, and to discipline and, if necessary and consistent with Company's legal and contractual obligations, discharge an Employee failing to meet reasonable standards for performance of work under this Agreement. Company shall comply with applicable state and federal law pertaining to employment including, but not limited to, applicable equal opportunity employment and affirmative action requirements.
- 4.6.5. Manner of Collection. The Company shall perform all Collection Services in a quiet and courteous manner and ensure that all Carts and Bins are placed on the premises from which they were removed in an upright position, with lids closed, and within five (5) feet of where they were originally placed before collection.
- 4.6.6. Service Schedule. In January of each calendar year, the Company shall provide all customers with calendars (which may be in "PDF" or other similar format) identifying the schedule for Solid Waste, Recyclables, and Green Waste Collection

for that calendar year. The calendar shall provide adequate detail for customers to identify specific service days for specific service areas. Hard copies of the calendars shall be made available to Customers upon request.

4.6.7. Code Revisions. The City shall use reasonable efforts to update the municipal code to be consistent with the terms of this Agreement and to reflect new program requirements if requested by the Company.

4.6.8. Service Complaints. All service complaints shall be directed to Company. Company shall record all complaints duly received and Company agrees to use its best efforts to resolve all such complaints within the two (2) business days next following the date on which such complaint is received.

4.6.8.1. Complaint. The Company agrees to maintain a written log of all oral and written service complaints registered with the Company from Customers, service recipients, or the public within Franchise area (“Complaint Log”). The Company shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all complaints. Complaints that cannot be reasonably resolved may be appealed to the City Administrator or designee for final resolution. The Company shall record in the Complaint Log all written and oral complaints, noting the name and address of complainant, date and time of complaint, nature of complaint, and nature and date of resolution. Such log shall be kept so that representatives of the City, upon request, may conveniently inspect it.

4.6.8.2. Complaint Response. The Company shall respond to all complaints, other than missed pickups, within twenty-four (24) hours if the complaint is received during a weekday or by the next business day if the complaint is received on a Saturday, Sunday or a holiday.

4.6.8.3. Missed Pickups. In the event of a missed pickup, the Company shall complete the pickup the same day if the complaint is received by 12:00 p.m. or by 12:00 p.m. the following day if the complaint is received after 12:00 p.m.

4.6.8.4. Telephone. The Company shall maintain a toll-free telephone system during office hours (8:00 a.m. to 5:00 p.m.), which will have available service representatives sufficient to handle the volume of calls typically experienced by the Company. Customers must be able, with reasonable convenience, to reach the Company’s office by phone during office hours.

4.7. **CHANGE IN OPERATIONS, ADMINISTRATION OR SCHEDULE**. The Company shall notify the City in writing of any material changes in, or to the operation to provide Franchise Services (e.g. vehicle routes, equipment type, crew size), administration (e.g., management), and schedule five (5) days in advance of the time such material change is implemented. Any changes to the Company’s Collections operation shall meet the service requirements and performance standards and all other

terms of this Agreement. In the case of changes to the Collection schedule the Company must notify all affected Customers at least (14) days prior to any change in the Collection day. The Company shall not permit any Customer to go more than seven (7) days without Solid Waste Collection Service in connection with a Collection schedule change other than in the event of an Uncontrollable Circumstance.

- 4.8. **ADDITION OF NEW NON-FRANCHISE SERVICES.** Upon receiving a written request from the City, the Company shall provide any other exclusive or non-exclusive services not covered by this Franchise, and that it is qualified to provide, including, but not limited to, assistance to the City in the event of natural disasters, subject to establishment of appropriate and mutually agreed upon compensation for providing the service.

5. **TRANSFER STATION OPERATION SERVICES.**

- 5.1. **TRANSFER STATION OPERATIONS.** The Company shall, with the consent of the County of Butte, operate the Ord Ranch Road Transfer Station (the “Transfer Station”) for the receipt of Franchise Materials collected by Company under this Agreement, as well as Self-Haul waste from residences and businesses of the City and surrounding areas of Butte County (including the area of the City and adjacent territory).

City shall have the right to enter and inspect the Transfer Station during normal operating hours.

Company shall have the right to utilize the Transfer Station for Solid Waste, Recyclable Materials, Green Waste, Construction and Demolition Debris collection and transfer purposes, and all of the property, buildings and appurtenances located at the Transfer Station.

City’s responsibilities. City shall be responsible for ordinary maintenance of the Transfer Station and repairs thereto necessitated by normal wear and tear. City shall not be responsible for damages or extraordinary wear to its facilities caused by Company’s active negligence or intentional misconduct. City shall construct, where necessary, fences, walls, paving or appurtenances as may be necessary for the collection, sorting and handling of Franchise Materials.

Company’s responsibilities. Company shall be responsible for keeping the Transfer Station in a clean and workable condition at all times during the term of this agreement. Company shall not be responsible for any repairs to buildings, grounds and appurtenances on the premises during the term of this agreement, except to the extent the damage was caused by the Company’s active negligence or intentional misconduct. Company shall be responsible for the payment of all utility charges and fees connected to the operation of the Transfer Station. Company shall provide, and have complete responsibility for all necessary personnel, vehicles, equipment and containers necessary for the collection and handling of Franchise Materials. Company shall be responsible for transferring all material received at the Transfer Station to ultimate disposal or

processing facilities. Company shall be required to ensure that unloaded materials are properly placed in the designated areas. For example, Company shall be required to deposit batteries and cell phones, used motor oil and used motor oil filters in the containers designated for storage of these materials.

- 5.1.1. Transfer Operations. Transfer operations to be performed by the Company include, but are not necessarily limited to: the screening of incoming loads for hazardous waste, or other unacceptable material at a level consistent with or greater than that required by the applicable regulations; receipt of acceptable Solid Waste; the transfer of Solid Waste from the designated tipping area to the Company provided (40) to sixty five (65) yard transfer containers; and transport of Solid Waste to the Disposal Site.
- 5.1.2. Residential Household Hazardous Waste Program. Company agrees to conduct a Residential Customer household hazardous waste program at the Transfer Station free of charge to City residents. As a part of this program, the Company shall conduct appropriate public awareness and education programs concerning the need to separately dispose of certain hazardous wastes used commonly for residential use. Company shall further institute a once a month collection of household hazardous waste at the Transfer Station, including a load check program at the landfill site. Materials to be accepted shall include, at a minimum, antifreeze, batteries, oil, paint and materials containing chlorofluorocarbon (CFC).
- 5.1.3. Transfer Station Voucher. City will provide each dwelling unit receiving residential services with one "Transfer Station Voucher" on a schedule and on a form to be approved by the Company. Each voucher will entitle a resident of that dwelling unit to dispose at no cost of up to two (2) cubic yards of refuse at the Transfer Station during the term of this Agreement. To be valid, the voucher must be presented upon entrance to the transfer station. Notwithstanding the foregoing, the voucher shall not permit the disposal of commercial waste or any materials that under current or future statute, ordinance or regulation require the application of special treatment, handling, or disposal practices beyond those normally required for solid waste, including without limitation dirt, concrete, tires, liquids, toxic or hazardous materials, cathode ray tubes (CRT), materials containing CFC's, and large or heavy metal objects such as auto bodies, engines, transmissions, refrigerators, and air-conditioners; provided, however, that Company may, in its discretion, accept such waste and materials for an additional charge to be determined by Company.
- 5.1.4. Senior Bulky Waste Collection. Upon request by the City, the Company will provide at no additional charge curbside collection of Bulky Waste for Residential Customers who request such service, are over 65 years of age and do not have a vehicle to use the voucher at the transfer station; provided that the Company's obligation shall be limited to collecting Bulky Waste consisting of no more than four cubic yards in aggregate per household per year. The Company's obligations shall be limited to the first 25 qualifying individuals requesting service during each

calendar year. Such services will be provided on a schedule mutually agreed upon by City and the Company. The Company may charge an additional charge of \$35 for special handling items, such as a refrigerator requiring refrigerant evacuation. Should the City decide not to implement this program, the City may utilize the 25 four cubic yard cleanup bins for code enforcement, other clean-up programs or for the City's use. For purposes of this paragraph "Bulky Waste" excludes Hazardous Waste, items larger than four cubic yards and items of excessive size or density, such as engine blocks, spas, boats and trailers.

- 5.1.5. Drop-Off Recycling Center. As part of the Transfer Station Operation Services the Company agrees to provide and maintain a drop-off recycling center at the Ord Ranch Road Transfer Station. Materials to be accepted are to include, but are not necessarily limited to: aluminum cans, glass bottles and jars, e-waste, metal cans and narrow neck plastic containers (plastic 1 & 2), and newspaper, mixed paper (including but not limited to magazines, junk mail, brown paper bags, and white and colored paper), and corrugated cardboard.

5.2. MATERIALS TO BE TRANSFERRED AND DISPOSED OF AT THE TRANSFER STATION.

- 5.2.1. The Company shall accept and transfer all self-hauled Solid Waste within the jurisdiction of the City and in the Gridley-Biggs County areas and delivered to the Transfer Station.
- 5.2.2. Company shall have sufficient bins on hand such that no one be turned away who presents acceptable Solid Waste during the hours the Transfer Station is open. Delivery of Solid Waste, Recyclable Materials, Green Waste or any other materials to the Transfer Station by a commercial hauler or collector other than Company is not permitted without the written authorization of the City.

- 5.3. DAYS AND HOURS OF OPERATION.** The Transfer Station will be open to the public, at a minimum, every Saturday and Sunday, unless Saturday or Sunday falls on a recognized holiday, between the hours of 9:00 a.m. and 5:00 p.m. Company may remain open additional days and additional hours if the volume of Solid Waste is such that additional time is warranted. In the event that Company does desire to operate on additional days, Company shall give the City thirty (30) days' notice of its intention to do so.

- 5.4. CITY USE OF TRANSFER STATION.** The City reserves the right to enter the Ord Ranch Road Transfer Station at any time, including non-operating hours, for its own use for the purpose of dumping street sweepings and refuse. There shall be no charge to the City for this material.

- 5.5. COMPANY AND OTHER COMMERCIAL HAULER USE OF TRANSFER STATION.**

5.5.1. Company Use of Transfer Station. The Company shall have the right to use the Ord Ranch Road Transfer Station for the transfer of Solid Waste, Recyclable Materials and Green Waste. Should the Company not be able to use the Ord Ranch Road Transfer Station for this intended purpose due to regulatory prohibitions or inability to effectively operate the transfer station as proposed due to lack of effective due diligence or other factors within its control, it shall make alternative arrangements for handling of this material at no additional cost to the City; if Company is not able to use the Transfer Station for reasons beyond its reasonable control, and alternate facilities are used at an increased cost to Company, then Company shall be entitled to additional compensation (Section 6.4). Company shall notify the City in writing of any proposed material changes to the use of the Ord Ranch Road Transfer Station. Approval of any such proposed changes shall be entirely at the discretion of the City, and shall be provided to the Company in writing.

5.5.2. Commercial Hauler Delivery to Transfer Station. The City and Company may agree in writing to authorize other commercial haulers to deliver Solid Waste, Recyclable Materials or Green Waste to the Ord Ranch Road Transfer Station.

5.6. **APPLICATION AND PERMIT.** Attached hereto and made a part hereof is a copy of the Solid Waste Facilities Permit for the Ord Ranch Road Transfer Station (Attachment A). The requirements and the provisions of said Permit are incorporated herein and made a part of this Agreement, and Company agrees to abide in all respects by the requirements of said Permit.

5.7. **AGREEMENT WITH COUNTY.** Attached hereto (Attachment B) and made a part hereof is a copy of the “Agreement Between the County of Butte and the City of Gridley for the City’s Use of Certain Premises” (City/County Transfer Station Agreement). The requirements and the provisions of said City/County Transfer Station Agreement are incorporated herein and made a part of this Agreement, and Company agrees to abide in all respects by the requirements of said City/County Transfer Station Agreement. The City shall make a good faith effort to extend the term of the City/County Transfer Station Agreement for an additional period ending no earlier than eight years following the end of the Initial Term. Should the County decline to extend or renew the Transfer Station Agreement, the City and Company will meet to determine impacts and options.

5.8. **INSPECTIONS.** To ensure that the regulations and laws for the operation of the Ord Ranch Road Transfer Station are met, the site and operation may be inspected during the term of this Agreement by a representative of the City, State or other authorized agency to assure compliance.

6. SERVICE RATES.

6.1. **AMOUNT OF SERVICE RATES.** As of the Effective Date of this Agreement, Company may not charge Service Rates in excess of those set forth in Exhibit “2.” The Company may establish charges for Special Services that are not specified in Exhibit 2.

6.2. CPI ADJUSTMENT. The Service Rates set forth in Exhibit 2 shall be adjusted on January 1st of each year, beginning January 1, 2025 and annually thereafter to reflect one-hundred percent (100%) of the annual change in the Consumer Price Index, series CUUR0000SEHG CPI-U Water and Sewer and Trash Collection Services, US City Average, not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics (CPI). This annual adjustment to the rates will be based on 100-percent of the annual percentage change in the CPI for September of the current year as compared to September of the prior year (CPI 100% Rate Adjustment Factor). Annual CPI adjustments shall have a 2% floor and 5% cap. If an annual CPI adjustment would otherwise be lower than 2% or above 5%, such difference will be applied to the following year's CPI adjustment. For example, if a CPI adjustment would be 6% if not for the cap, the adjustment shall be 5%, and 1% shall be added to the following year's CPI adjustment. The Company shall submit a formal Request for Service Rates Adjustment to the City on an annual basis no later than November 1st of the current year.

6.3. FUEL COST ADJUSTMENT.

6.3.1. Entitlement to Fuel Cost Adjustment. The Service Rates set by this Agreement are calculated to pay certain expenses and costs that are of a contingent and uncertain nature. Therefore, in addition to the CPI Adjustment and other rate adjustments provided by this Article 6, the Service Rates shall be further adjusted for changes in fuel costs associated with performance of the services hereunder in the manner provided below.

6.3.2. Procedural Requirements. The Fuel Cost Adjustment shall be made annually concurrently with and using the same time frames as the adjustment for changes in the Consumer Price Index as contemplated by Section 6.2.

6.3.3. Formula for Fuel Cost Adjustments. The Fuel Cost Adjustment shall be calculated by the following formula:

$$(1 + [(Fuel\ Cost\ Change - CPI\ Change) \times Fuel\ Percentage]) \times Old\ Rate = New\ Rate$$

The terms used in the preceding formula shall have the following meanings:

"Fuel Cost Change" means, for No. 2 diesel fuel, the average price for California No. 2 diesel fuel for the most recently completed calendar year divided by such average price for the calendar year preceding the most recent calendar year. The price used to compute the Fuel Cost Change shall be the price reported by the United States Department of Energy, Energy Information Administration. In the event that price is no longer reported, the parties will designate a new methodology for determining the price based on comparable data. For fuels other than No. 2 diesel, the Company shall calculate the change in fuel cost using the same time periods and a reasonably comparable fuel price index.

“CPI Change” means the average CPI index for the U.S. City Average, All Items, 1982-84 = 100, for All Urban Consumers, for the most recently completed calendar year divided by such average price for the calendar year preceding the most recent calendar year.

“Fuel Percentage” means the Company’s total cost for diesel fuel (or such other fuel as is employed by Company) incurred during the most recent calendar year divided by Company’s total operating revenue for such calendar year, in both cases calculated for Company’s operations district that includes the City.

“Old Rate” means each of the rates for services as they may have been previously adjusted or amended.

“New Rate” means the new rate calculated pursuant to the preceding formula that will replace the Old Rate.

6.3.4. Fuel Cost Floor. This rate adjustment for fuel costs shall be in addition to, and not in lieu of, any other rate increase to which Company may be entitled under this Agreement. Under no circumstances may an adjustment for fuel costs reduce a rate below the initial rates as of the Effective Date, as increased thereafter pursuant to this Article 6 or other provisions of this Agreement. Adjustments for fuel costs shall only be made to increase or reduce (but not below zero) prior adjustments for fuel costs.

6.4. **REDIRECTION OF FRANCHISE MATERIALS.** In the event that the Company redirects Solid Waste, Recyclable Materials and/or Green Waste to a facility other than the Ord Ranch Road Transfer Station and such changes result in a material increase or decrease in costs and/or increase or decrease in revenues to the Company, the Company and the City shall have the right to receive an adjustment in the Service Rates sufficient to offset in full such increase or decrease, and in no event shall the Company be required to implement any redirection until such time as adjustments in the Service Rates rates have been made in order to compensate the Company for such increase in costs and/or decrease in revenues.

6.5. **EXTRAORDINARY SERVICE RATE REVIEW REQUEST.** In addition to the annual adjustment provided by Sections 6.2, 6.3 and 6.4 above, the Service Rates shall, upon written request of Company, be further adjusted to fully capture increased expenses and lost revenue associated with performance of the services hereunder due to any one or more of the following causes:

6.5.1. Uncontrollable Circumstance;

6.5.2. Changes in Applicable Law that is effective after the Effective Date of this Agreement;

- 6.5.3. Increase in surcharges, fees, assessments or taxes levied by federal, state or local regulatory authorities or other governmental entities related to the Franchise Services;
- 6.5.4. Processing facility and disposal facility/landfill tip fees that are not regulated by the Company or an affiliate of the Company.
- 6.5.5. Any other extraordinary circumstances or causes or reasons that are not within the reasonable control of Company.

If Company requests a Service Rates adjustment pursuant to this Section 6.5, it shall prepare a Service Rates adjustment request setting forth its calculations of the increased costs/lost revenue and accompanying adjustment to the Service Rates necessary to offset such increased costs/lost revenue. The City may request documentation and data reasonably necessary to evaluate such request by Company, and may retain, at its own expense, an independent third party to audit and review such documentation and request. If such third party is retained, the City shall take reasonable steps, consistent with Applicable Law, to protect the confidential or proprietary nature of any data or information supplied by Company. The City shall approve all properly calculated Service Rates adjustments within ninety (90) days of Company's request, and the adjusted Service Rates shall be deemed to take effect as of the date of Company's request. In addition, if the request is based upon any new or increased third party fees, taxes, assessments or charges, the City shall approve the Service Rates adjustment within such time period as necessary to ensure that such fees, taxes, assessments or charges are passed on to Service Recipients by the date the same are effective.

6.6. BILLING AND COLLECTION OF ACCOUNTS. Company shall bill Customers for all Collection Services (including Disposal) for Franchise Materials as part of a single all-inclusive Service Rate. Such billings may cover the periods and be collected by the methods hereinafter set forth.

6.6.1. Residential. Single-Family Residence and Multiple-Family Dwellings Customers may be billed for up to three (3) months in advance or based on arrears/advanced billing combinations implemented at the discretion of the Company. Payment shall be due within 30-days of the billing date. If not paid when due, the bill may thereafter bear a late charge of 1.5% per month which shall be collectible along with the charge for service. If the bill is not within 90-days of billing, and after notice of delinquency has been sent to the Customer by Company, the Company may discontinue service and may continue charge interest not to exceed 1.5% per month, for such time as the bill remains unpaid after the due date.

6.6.2. Non-Residential. All non-residential Customers shall be billed monthly in advance, except for roll-off services, which may be billed in arrears. Payment with respect to each such bill shall be due on or before the 30th day following the end of the service period for which the bill is rendered; thereafter the bill shall be considered delinquent, and the Company may discontinue service and may charge interest, not to exceed 1.5% per month, for such time as the bill remains unpaid after the due date.

6.6.3. Special Assessment Procedure. During each quarterly billing period, Company shall determine which Customers (SFD, MFD and Commercial) are ninety (90) days or more delinquent in payment of their bill. Company shall prepare and mail a bill to each such Customer indicating that the Customer has incurred a bill that is ninety (90) days delinquent. Company shall also mail a notice to each affected property Owner, if not the Customer, advising the Owner that the Customer's tenant has incurred a bill that is ninety (90) days delinquent, including tenants who have cancelled their service. Company agrees that it will use the most current data of property Owners compiled by the County Tax Assessor's Office when mailing such notices.

Company will mail three (3) notices to delinquent Customers and each affected property Owner. Such notices shall be mailed in February, March and April, with a payment due date of June 1st. Company shall provide the City a list of the delinquent accounts that have not paid. A bill must be past due at least one hundred twenty (120) days and the Company shall exercise reasonable efforts as described in this Section to achieve collection of the bill prior to passing it on to the City for placement on the tax rolls. City shall reimburse Company for delinquent payments that are placed on the tax roll upon collection of those payments from the property Owner and within thirty (30) days of receipt by the City.

6.6.4. Special Services. Company shall also receive fees for performance of special services as agreed upon in separate contracts between Company and each Customer requesting such special service. Company shall provide the City with notice of such special services and the fees charged.

6.7. CONTAMINATION AND OVERAGE.

6.7.1. Definitions:

6.7.1.1. Contamination: Materials placed in a Recyclable Materials container other than Recyclable Materials, or material placed in a Green Waste container other than Green Waste.

6.7.1.2. Overage: (i) Solid Waste, Recyclable Materials or Green Waste exceeding its container's intended capacity such that the lid is lifted (or would be lifted if lowered) or (ii) Solid Waste, Recyclable Materials or Green Waste placed on top of or in the immediate vicinity of the container, in bags or otherwise.

6.7.1.3. Violation Notice: An electronic notice to the customer (if such contact information is provided by customer) with the following information: (a) Date of the offense; (b) description of the offense; (c) if available, a photograph or video (or link to photograph or video); (d) description of the materials that are appropriate for collection in said container and a link to view online with

educational materials; and (e) website to obtain additional information and/or receive responses to questions the customer may have.

6.7.2. The following shall apply regarding occurrences of Contamination and Overage:

6.7.2.1. Contamination.

6.7.2.1.1. First and Second Occurrences. Company shall service containers with Contamination except where there is visible Excluded Waste. Company shall provide a Violation Notice, where such contact information has been provided.

6.7.2.1.2. Third and Subsequent Occurrences. Company may opt to not collect Recyclable Materials or Green Waste containers with Contamination; in such event, the customer may request the container be collected as Solid Waste, and an additional fee will apply. Alternatively, Company may collect a container with Contamination and invoice the customer a Contamination Charge in the amount set forth in Exhibit A. In either case, the Company shall provide a Violation Notice where such electronic contact information has been provided.

6.7.2.2. Overage. Company may opt to not collect Overage, unless caused by Company spillage of non-overloaded containers during collection; in such event, the customer may correct the Overage and request that Company return to service the container (an additional fee will apply). Alternatively, Company may collect the container with Overage and invoice the customer an Overage Charge in the amount set forth in Exhibit A. In either case, the Company shall provide a Violation Notice where such electronic contact information has been provided. If there have been more than three instances of Overage in any 12-month period for a particular service (i.e., Solid Waste, Recyclable Materials, or Green Waste), Company may increase the customer's service level (i.e., larger container or more frequent service) to mitigate the Overage, and may increase the charges to such Customer according to the increased service level.

6.7.2.3. Overweight Containers. The Company may refuse to collect any Solid Waste, Recyclable Materials, or Green Waste Container which the Company reasonably believes to be overweight. A container shall be considered "overweight" if the total weight of the container and contents exceeds two times the volume capacity of said container (e.g., 192 pounds for a 96-gallon Cart). The Company shall provide notification to the customer regarding each instance of non-collection.

7. **REPORTS**. The Company will provide the City with reports that contain the information required by the City for compliance with AB 939 and for the City to measure the Company's performance of items in this Agreement, but limited to information directly attributable to the

Collection Services provided under this Agreement. The frequency and content of the reports shall be determined by agreement of the City and the Company.

8. INDEMNITY, INSURANCE.

8.1. INDEMNIFICATION OF THE CITY.

8.1.1. General Indemnity. The Company agrees to and shall indemnify, defend, with counsel acceptable to the City, and hold harmless City, its officers, officials, employees, volunteers, agents and assigns from and against any and all damages (whether special, general or punitive), loss, liability, fines, penalties, forfeitures, claims, demands, actions, proceedings or suits (whether administrative or judicial), in law or in equity, of every kind and description, (including, but not limited to, injury to and death of any person and damage to property, strict liability, product liability, or for contribution or indemnity claimed by third parties) arising or resulting from or in any way connected with: (i) the operation of the Company, its agents, employees, affiliates and subcontractors, in performing or failing to perform this Agreement; (ii) the failure of the Company, its agents, employees, affiliates and subcontractors to comply in all respects with the provisions of this Agreement, Applicable Laws; (iii) the acts of Company, its officers, employees, agents, affiliates and subcontractors in performing services under this Agreement (whether or not third parties may also be contributorily negligent); (iv) the acts of the Company, its officers, employees, agents, affiliates and/or subcontractors in performing services under this Agreement for which strict liability is imposed by law (including without limitation strict liability under environmental laws), subject to the Company's right of contribution, if any, against the City; and (v) the processing, marketing, and end use of Recyclable Materials and Green Waste. The foregoing indemnity shall only apply to the extent such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is not caused by the negligence or willful misconduct of the City, its officers, employees, agents or volunteers.

8.2. **INSURANCE SCOPE AND LIMITS.** The Company shall procure and maintain for the duration of the contract 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 the Company, his agents, representatives, employees or subcommands. With respect to General Liability and Pollution and/or Environmental Impairment Liability coverage shall be maintained for a minimum of five (5) years after contract completion, which continuing coverage may be maintained through continuous policy renewals. The maintenance of claims made against any insurance required of the Company shall not be considered a waiver by City of any claim or liabilities it may have against the Company.

8.2.1. Minimum Limits of Insurance. The Company shall maintain insurance coverage of the following type and with limits no less than:

- 8.2.1.1. General Liability: \$5,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
 - 8.2.1.2. Automobile Liability: \$5,000,000 combined single limit per accident for bodily injury and property damage.
 - 8.2.1.3. Worker's Compensation and Employer's Liability: \$3,000,000 each accident, \$1,000,000 policy limit bodily injury or disease, \$3,000,000 each employee bodily injury by disease.
 - 8.2.1.4. Pollution and/or Environmental Impairment Liability: \$5,000,000 each occurrence/\$10,000,000 policy aggregate covering liability arising from the release of waste materials and/or irritants, contaminants or pollutants.
- 8.2.2. Deductible and Self-Insured Retentions. The deductibles or self-insured retentions for the General Liability and Auto Liability policies are for the account of the Company and shall be the sole responsibility of the Company.
- 8.2.3. Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:
- 8.2.3.1. Automobile liability and general liability: The City, its officers, officials, employees and volunteers are to be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Company; and with respect to liability arising out of work or operations performed by or on behalf of the Company including materials, parts or equipment furnished in connection with such work or operations.
 - 8.2.3.2. Worker's Compensation and Employers Liability Coverage. The Insurance company shall agree to waive all rights of subrogation against the City, its officers, officials, employees and volunteers for losses arising from work performed by the Grantee for the City.
 - 8.2.3.3. All Coverages. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party except after thirty (30) days prior written notice has been given to the City.
 - 8.2.3.4. Verification of Coverage. The Company shall furnish the City with certificates of insurance and endorsements effecting coverage required by this clause or certificates evidencing such coverage. The endorsements or certificates are to be signed by a person authorized by that Insurance Company to bind coverage on its behalf.
- 8.3. **REVOCATION OF PREVIOUS AGREEMENTS.** This Agreement, rather than any preceding agreements between the City and Company, shall govern with respect to the Company and City's rights, duties and obligations relating to this Franchise. Upon execution of this Agreement, all previous Agreements shall terminate and be of no further force and effect except with respect to covenants therein for acts and omissions occurring prior to the date of termination.

8.4. COMPLIANCE WITH APPLICABLE LAW AND MUNICIPAL CODE. Company agrees that it will comply with all Applicable Law and those provisions of the Gridley Municipal Code which are applicable to the work or business in which it is herein franchised, and with any and all amendments to such applicable provisions during the term hereof, but only to the extent they are not inconsistent with or do not conflict with the terms and conditions of this Agreement without regard to this Section.

9. DEFAULT; DISPUTE RESOLUTION.

9.1. EVENTS OF DEFAULT. Each of the following shall constitute an event of default (“Event of Default”) hereunder, in each case subject to any applicable cure rights, including without limitation the cure rights provided in Section 9.2:

9.1.1. Failure to correct breach. Failure to correct any breach of this Agreement within the applicable cure period (as defined below).

9.1.2. Company bankruptcy. The Company files a voluntary petition for debt relief under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, or consents to the appointment of or taking of possession by a receiver, liquidator, assignee (other than as a part of a transfer of equipment no longer useful to the company or necessary for this Agreement), trustee (other than as security for an obligation under a deed of trust), custodian, sequestrator (or similar official) of the company for a part of the Company’s operating assets or any substantial part of the Company’s property, or shall make any general assignment for the benefit of the Company’s creditors, or shall fail generally to pay the Company’s debts as they become due.

9.1.3. Court order or decree. Any court having jurisdiction shall enter a decree or order for relief in respect of the Company, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or the Company shall consent to or shall fail to oppose any such proceeding, or any such court shall enter a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or for any part of the Company’s operating equipment or assets, or order the winding up or liquidation of the affairs of the Company.

9.2. CURE RIGHTS. Notwithstanding any other provision of the Agreement to the contrary, the City shall provide the Company with reasonable notice of and a reasonable opportunity to cure any breach of this Agreement during the time periods set forth below or such longer period as may otherwise be provided in the Agreement (the “Cure Period”). Any breach that is timely cured by the Company shall not be determined to constitute an event of default or give rise to the City’s right to terminate or suspend the Agreement or pursue its other remedies for breach. The Company shall begin cure of any breach or default as soon as it becomes aware of the breach or default, whether

discovered by the Company or through notice from the City. Upon becoming cognizant of the default, the Company shall proceed to cure such default as follows:

9.2.1. Immediately, if the default is such that in the determination of the City, the health, safety, or welfare of the public is endangered thereby; or

9.2.2. Within thirty (30) days of giving or receiving notice of default; provided that if the nature of the default is such that it will reasonably require more than thirty (30) days to cure, the Company shall have such additional time as is reasonably needed to expeditiously complete a cure. During any default cure period, the Company shall provide the City weekly written status of progress in curing such default.

9.3. **RIGHT TO TERMINATE UPON DEFAULT.** Upon an Event of Default by the Company, the City shall have the right to terminate this Agreement, subject to review as provided in Section 9.6.

9.4. **CUMULATIVE SPECIFIC PERFORMANCE.** The City's right to terminate the Agreement under Section 9.3 is not exclusive, and the City's termination of the Agreement shall not constitute an election of remedies. Instead, all remedies provided for in this Agreement shall be in addition to any and all other non-duplicative legal and equitable rights and remedies which the City may have under law or as otherwise provided in this Agreement.

9.5. **EXCUSE FROM PERFORMANCE.**

9.5.1. Excuse from Performance. The Parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by Uncontrollable Circumstances beyond the control of and not the fault of the Party claiming excuse from performance hereunder. In the event of labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job action, the Company shall not be required to adhere strictly to the specific requirements of this Agreement regarding routes, collection times or similar matters; provided, however, that: (i) in no event shall more than nine days elapse between pickups for customers, and (ii) all customers shall receive at least 24 hours' notice of deviations from collection routes or times.

9.5.2. Notice. The Party claiming excuse from performance shall, within two (2) business days after such party has notice of such cause, give the other party notice of the facts constituting such cause, efforts undertaken by the Company to attempt to perform this Agreement, the estimated timelines for such performance, and asserting its claim to excuse under this Section; provided, that failure to give such notice shall not eliminate the excuse from performance except to the extent the other Party shall have been prejudiced by such failure.

9.6. **DISPUTE RESOLUTION.**

9.6.1. Reference of dispute. Any dispute seeking damages and any dispute seeking other legal or equitable relief, including but not limited to specific enforcement of any provision hereof, shall be heard and determined as provided below in this Section 9.6.

9.6.2. Dispute Resolution Procedures.

9.6.2.1. Negotiations. In the event that any dispute may arise, the parties shall first seek to resolve any disputes by negotiations between a senior executive of the Company and the City Administrator (the “Senior Executives”).

9.6.2.1.1. Notification. When a party believes there is a dispute relating to the Agreement, the party will give the other party written notice of the dispute.

9.6.2.1.2. Meeting among Senior Executives. The Senior Executives shall meet at a mutually acceptable time and place within thirty (30) days after the date of the notice to exchange relevant information and to attempt to resolve the dispute. If a Senior Executive intends to be accompanied at a meeting by an attorney, the other party’s Senior Executive shall be given at least three (3) business days’ notice of such intention and may also be accompanied by an attorney.

9.6.2.1.3. Confidentiality. All negotiations are confidential and shall be treated as compromise and settlement negotiations under the State of California Rules of Evidence.

9.6.2.2. City Council. If the dispute has not been resolved within thirty (30) days after the date of the notice of a dispute, or if the party receiving such notice fails or refuses to meet within such time period, either party may submit the dispute to the City Council for resolution by making written request to the City Council. The City Council shall consider the dispute at a meeting to be held within thirty (30) days following receipt of such request.

9.6.2.3. Litigation. If a dispute has not been resolved to the satisfaction of the parties within sixty (60) days after the written submission to the City Council, then either party may initiate litigation in the courts of the State of California, which shall have exclusive jurisdiction over such disputes. The exclusive venue for such disputes shall be Butte County.

9.6.3. Interim Measures. Notwithstanding the requirements for alternative dispute resolution procedures (such as negotiation and submission to the City Council), either party may apply to the courts of the State of California for equitable relief, including temporary restraining orders, injunctions, attachments and conservation orders in appropriate circumstances.

9.6.4. Costs and Attorney's Fees. In the event of any action or litigation to enforce this Agreement, for interpretation or construction of this Agreement, or on account of any default under or breach of this Agreement, each party to such action, arbitration or litigation shall bear its own costs and expenses in connection with such action or litigation.

9.6.5. Punitive Damages. Penal, punitive, treble, multiple, consequential, incidental or similar damages may not be recovered or awarded as damages for a breach of this Agreement. However, notwithstanding the preceding sentence, in the case of a finding of tortious liability by either party, there shall be no prohibition on the award of punitive, exemplary or treble damages where such damages are based upon a judicial finding of "fraud", "oppression" or "malice" as those terms are defined in California Civil Code 3294.

10. ASSIGNMENT.

10.1. "Assignment" means: (i) a sale, exchange or other transfer of this Agreement, the Company's rights hereunder, or substantially all of the Company's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of thirty (30) percent or more of the outstanding common stock of the Company; (iii) any reorganization, consolidation, merger re-capitalization, stock issuance or re-issuance, voting trust, pooling Agreement, escrow arrangement, liquidation or other transaction to which the Company or any of its shareholders is a party which results in a change of ownership or control of thirty (30) percent or more of the value or voting rights in the stock of the Company; and (iv) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership; provided that the effect of such occurrence is to change control of the Company or responsibility for this Agreement to an entity that is not controlled by Company's ultimate parent entity (as defined on the effective date of this Agreement in 16 CFR §801.1(a)(3)). For purposes of this Section, the term "proposed assignee" shall refer to the proposed assignee(s) or other successor(s) in interest pursuant to the assignment. If the Company is a subsidiary of another corporation or business entity, any "Assignment," as defined above, by the parent company or corporation shall be considered an Assignment by the Company; provided, however, that no such occurrence shall constitute an "Assignment" if, following such occurrence, the surviving ultimate parent entity is owned by a large, fluid aggregation of shareholders where no shareholder owns more than ten percent (10%) of the voting securities of the surviving ultimate parent entity (excluding, however, any such shareholder that prior to such transaction owned 10% or more of the voting securities of the ultimate parent entity of Company). Notwithstanding any other provision of this Section 10, reorganizations, mergers, consolidations, sales of equity or assets or similar transactions between or among entities owned by the same ultimate parent, including but not limited to Company and regardless of which entity is the survivor, do not constitute an Assignment.

10.2. In connection with any proposed Assignment, the Company shall furnish the City with satisfactory proof that any proposed assignee has the demonstrated technical and financial capability to perform all Franchise Services, including:

10.2.1. That the proposed assignee has at least 10 years of Solid Waste management experience on a scale equal to or exceeding the scale of operations conducted by Company under this Agreement.

10.2.2. In the last five (5) years, the proposed assignee has not suffered any significant citations or other censure from any State, federal or local laws and the assignee has provided City with a complete list of such citations and censures.

10.2.3. The proposed assignee has at all times conducted its operations in an environmentally safe and conscientious fashion.

10.2.4. The proposed assignee conducts its Solid Waste management practices in accordance with sound Solid Waste management practices in full compliance with all federal, State and local laws regulating the collection and Disposal of Solid Waste including hazardous substances.

10.2.5. Assignee has experience in billing Customers for a city of comparable size to City of Gridley in which the company has provided residential and Commercial Service, and has successfully performed the billing and collection services for a minimum of five years for Residential and Commercial Customers.

10.2.6. Financial assurances that confirm the assignee's financial ability to perform the Agreement, and the City may require changes to the insurance coverage provided in this Agreement (including without limitation insurance products, coverage limits, deductibles and self-insured retentions) as appropriate in view of the assignee's financial capability and to confirm the assignee's financial ability to perform all Franchise Services and its other responsibilities under this Agreement.

10.2.7. Any other information required by City to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.

The City shall consent to such an assignment if such information reasonably demonstrates that the proposed assignee has the demonstrated technical and financial capability to perform all Franchise Services.

10.3. If the City consents to an Assignment at the point of transition, the Company shall cooperate with the City and subsequent Company(s) or subcontractor(s) to assist in an orderly transition which shall include the Company providing route lists and billing information. If any entity succeeds to the rights duties and obligations of the Company under this Agreement in conformity with the terms of this Section 10 (including with the City's consent, where required), then the City shall execute a novation whereby such new entity shall assume all of the rights, duties and obligations of the Company under

this Agreement and the City shall release the Company of all obligation and liability under this Agreement.

- 10.4. The Company shall not delegate or subcontract its obligations under this Agreement to any other person or entity without the prior written consent of the City, other than a delegation or subcontract to an affiliate of the Company.

11. MISCELLANEOUS.

- 11.1. **AMENDMENT.** Except for rate and fee adjustments made pursuant to Section 6 of this Agreement, this Agreement may be amended or modified only by a written agreement duly authorized and executed by both City and Company.
- 11.2. **INDEPENDENT COMPANY.** It is expressly understood and agreed that Company shall perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of City; that Company shall have the exclusive control over the details of the services and work performed hereunder and all persons performing the same; that Company shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any; and that nothing herein shall be construed as creating a partnership or joint venture between City and Company. Neither Company nor its officers, employees, agents or subcontractors shall obtain any rights to retirement benefits, workers' compensation benefits or any other benefits which accrue to City employees.
- 11.3. **RIGHT OF ENTRY.** Company shall have the right, until receipt of written notice revoking permission to pass is delivered to Company, to enter or drive on any private street, court, place, easement or other private property for the purpose of collecting or transporting Franchise Materials of the Owner of or Customer located on the private street, easement, or property, or its lawful occupant.
- 11.4. **LAW TO GOVERN.** It is understood and agreed by the parties hereto that the laws of the State of California shall govern the rights, obligation, duties and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement.
- 11.5. **FEES AND GRATUITIES.** Company shall not, nor shall it permit any agent, employee or subcontractor employed by it to, request, solicit, demand or accept, either directly or indirectly, any compensation or gratuity for the collection of Franchise Materials otherwise required to be collected under this Agreement, other than acceptance by drivers of holiday gifts offered by customers of a reasonable value.
- 11.6. **NOTICES.** All notices, demands, requests, consents or other communications which this Agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, or a nationally recognized overnight delivery service (receipt requested), addressed to the respective party as follows:

To CITY: City of Gridley
City Hall
685 Kentucky Street
Gridley, CA 95948
Attn: City Administrator

With Copy to: Anthony E. Galyean, Esq.
Gridley City Attorney
1129 D Street, PO Box "A"
Marysville, CA 95901

To COMPANY: USA Waste of California, Inc.
Attn: President
333 E. Turner Road
Lodi, CA 95240

or to such address as either party may from time to time designate by notice to the other given in accordance with this Section. Such notice shall be deemed effective on the date personally served or, if mailed, three (3) business days from the date such notice is deposited in the mail.

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

11.8. **GOOD FAITH AND EXERCISE OF OPTIONS.** Parties will exercise any approval, disapproval, consent, option, discretion, election, opinion or choice under this Agreement, make a requirement under this Agreement, or interpret this Agreement ("Discretionary Action") reasonably. Parties will exercise their rights and remedies in good faith in accordance with Applicable Law. Any referee, court or other decision-maker must find the party's exercise to be reasonable.

11.9. **ENTIRE AGREEMENT; PRIOR AGREEMENTS; WAIVER.** This Agreement, including all Exhibits and Attachments attached hereto, constitutes the full and entire agreement between the parties with respect to the matters covered herein. All prior and contemporaneous agreements, understandings, negotiations, writings and other communications between the parties are hereby superseded and are no longer of any force and effect, except to the extent that the terms of such communications are expressly addressed in this Agreement. As of the Effective Date, this Agreement shall supersede any and all prior agreements between the parties. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver.

- 11.10. **SECTION HEADINGS.** The section and subsection headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.
- 11.11. **INTERPRETATION.** The language of each and all paragraphs, terms and/or provisions of this Agreement, shall, in all cases and for any and all purposes, and in any way and all circumstances whatsoever, be construed as a whole, according to its fair meaning, and not for or against any party hereto and with no regard whatsoever to the identity or status of any person or persons who drafted all or any portion of this Agreement.
- 11.12. **THIRD PARTIES.** Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the Parties hereto and their successors and permitted assigns, any rights or remedies under or by reason of this Agreement.
- 11.13. **AUTHORITY.** All individuals executing this Agreement on behalf of the City or the Company represent and warrant that they are duly authorized to execute and deliver this Agreement to the other Party.

Signatures on following page

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

CITY OF GRIDLEY, CALIFORNIA

By: _____

Name: _____

Title: _____

USA WASTE OF CALIFORNIA, INC.

By: _____

Name: _____

Title: _____

Exhibit 1
Recyclable Materials

- Aluminum cans
- Glass jars and bottles
- Paper junk mail
- Colored paper and bags
- Steel, bi-metal, and tin cans
- Mixed paper
- Brown paper bags
- Plastic bottles and jugs
- Chip board
- Catalogs
- Plastic containers (#1-2)
- Clean foil containers
- Paper egg cartons
- Corrugated cardboard
- Small scrap and cast aluminum

Exhibit 2
First Year Service Rates



CITY OF GRIDLEY
Effective 1/1/2024
Residential Rates

Residential Carts	
Service	Rate
35 gallon - Senior	\$21.75
35 gallon	\$25.86
64 gallon	\$29.89
95 gallon	\$34.97
Add'l 35 gallon	\$12.93
Add'l 64 gallon	\$14.95
Add'l 90 gallon	\$17.48

Extra Pickup Charges	
Service	Rate
35 gallon	\$10.62
64 gallon	\$12.19
95 gallon	\$12.19
Bag	\$5.70

Ancillary Charges	
Service	Rate
Long walk service. Up to 100 feet	\$12.36
Long walk service. 101 to 200 feet	\$24.78
Overfull Container (Snapshot)	\$11.01
Contamination charge	\$13.22
Extra Pickup / Go Back Charge	\$56.58
Replace lost or stolen cart	\$106.89
Replace or Exchange damaged container (not caused by WM)	\$106.89
Account reactivation charge (from bad pay) - no cart delivery	\$56.58
Account reactivation charge (from bad pay) - w/ cart delivery	\$100.62
Late Payment charge	2.5% of balance (\$5.00 min. Chg.)



CITY OF GRIDLEY
Effective 1/1/2024
Commercial Rates

Commercial Carts	Rate
35 gallon	\$34.69
64 gallon	\$48.87
95 gallon	\$84.53
Add'l 35 gallon	\$33.38
Add'l 64 gallon	\$48.87
Add'l 90 gallon	\$84.53

	1 x Week	2 x Week	3 x Week	4 x Week	5 x Week	6 x Week
Commercial Bin Rates - Quantity 1	Rate	Rate	Rate	Rate	Rate	Rate
1 Yard	\$151.25	\$244.03	\$336.85	\$429.64	\$522.43	\$665.69
1.5 Yard	\$185.36	\$301.50	\$416.45	\$532.61	\$647.57	\$824.93
2 Yard	\$243.37	\$396.48	\$549.55	\$702.64	\$854.43	\$1,089.85
3 Yard	\$301.41	\$491.37	\$681.36	\$872.64	\$1,062.61	\$1,356.09
4 Yard	\$358.17	\$586.30	\$814.52	\$1,042.58	\$1,270.72	\$1,620.99
5 Yard	\$416.23	\$681.25	\$947.55	\$1,212.60	\$1,477.65	\$1,885.93
6 Yard	\$474.27	\$777.44	\$1,079.39	\$1,382.62	\$1,685.80	\$2,150.87
8 Yard	\$589.05	\$967.31	\$1,344.32	\$1,722.61	\$2,100.84	\$2,681.99

	1 x Week	2 x Week	3 x Week	4 x Week	5 x Week	6 x Week
Commercial Bin Rates - Quantity 2	Rate	Rate	Rate	Rate	Rate	Rate
1 Yard	\$295.07	\$480.62	\$666.20	\$851.78	\$1,038.67	\$1,323.88
1.5 Yard	\$363.17	\$594.22	\$825.34	\$1,056.47	\$1,287.62	\$1,642.36
2 Yard	\$479.22	\$785.44	\$1,090.29	\$1,396.52	\$1,702.62	\$2,173.50
3 Yard	\$594.05	\$975.27	\$1,356.50	\$1,736.53	\$2,117.76	\$2,703.35
4 Yard	\$710.14	\$1,165.08	\$1,621.56	\$2,076.43	\$2,532.65	\$3,234.48
5 Yard	\$825.00	\$1,356.30	\$1,886.35	\$2,417.69	\$2,947.86	\$3,764.32
6 Yard	\$941.02	\$1,546.10	\$2,151.28	\$2,757.74	\$3,362.88	\$4,295.52
8 Yard	\$1,170.59	\$1,927.13	\$2,682.38	\$3,437.68	\$4,192.93	\$5,356.49

	1 x Week	2 x Week	3 x Week	4 x Week	5 x Week	6 x Week
Commercial Bin Rates - Quantity 3	Rate	Rate	Rate	Rate	Rate	Rate
1 Yard	\$437.55	\$717.16	\$995.58	\$1,275.21	\$1,553.62	\$1,982.07
1.5 Yard	\$542.29	\$888.23	\$1,234.30	\$1,580.31	\$1,927.68	\$2,459.78
2 Yard	\$715.08	\$1,173.13	\$1,632.32	\$2,091.66	\$2,549.54	\$3,255.86
3 Yard	\$887.97	\$1,459.15	\$2,030.34	\$2,601.64	\$3,172.89	\$4,051.92
4 Yard	\$1,060.80	\$1,743.86	\$2,428.58	\$3,111.53	\$3,794.65	\$4,846.71
5 Yard	\$1,233.70	\$2,030.06	\$2,826.42	\$3,621.51	\$4,418.01	\$5,642.78
6 Yard	\$1,406.51	\$2,314.79	\$3,223.16	\$4,132.87	\$5,041.20	\$6,438.86
8 Yard	\$1,752.16	\$2,885.67	\$4,019.21	\$5,152.81	\$6,286.26	\$8,029.73

	1 x Week	2 x Week	3 x Week	4 x Week	5 x Week	6 x Week
Multi-Unit Residential Bin Rates	Rate	Rate	Rate	Rate	Rate	Rate
1 Yard	\$134.28	\$216.06	\$297.83	\$379.56	\$461.33	\$583.53
1.5 Yard	\$164.25	\$265.44	\$366.68	\$469.15	\$570.37	\$723.19
2 Yard	\$215.44	\$349.11	\$484.04	\$618.99	\$752.64	\$955.53
3 Yard	\$265.36	\$432.74	\$600.14	\$767.54	\$934.89	\$1,187.87
4 Yard	\$316.54	\$516.39	\$717.51	\$917.30	\$1,118.40	\$1,418.89
5 Yard	\$366.49	\$600.03	\$833.55	\$1,067.13	\$1,300.67	\$1,651.26
6 Yard	\$417.68	\$683.66	\$950.94	\$1,216.94	\$1,482.93	\$1,883.58
8 Yard	\$518.77	\$850.93	\$1,183.08	\$1,516.50	\$1,848.67	\$2,348.24

Commercial Recycling	Rate
64 Gallon - EOW	\$30.85
2 Yard - 1xWeek	\$91.44
3 Yard - 1xWeek	\$96.96
4 Yard - 1xWeek	\$104.67

6 Yard - 1xWeek	\$119.00
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Extra Pickup Charges	Rate
35 gallon	\$10.91
64 gallon	\$12.53
95 gallon	\$12.53
Bag	\$5.83
1 Yard	\$66.02
1.5 Yard	\$78.56
2 Yard	\$97.84
3 Yard	\$128.70
4 Yard	\$152.15
5 yard	\$177.23
6 Yard	\$202.31
7 Yard	\$227.42
8 Yard	\$252.43

Ancillary Charges	Rate
Extra pickup non-service day Trip Charge	\$125.74
Contamination Bin	\$60.60
Contamination Cart	\$18.73
Lock bar and lock - one time installation charge	\$169.75
Lock service charge	\$1.25
Container clean/exchange	\$188.64
Replace lost or stolen container	WM Replacement Cost + 25%
Replace container. Damage not caused by WM	WM Replace/Repair Cost + 25%
Overfull Bin (Snapshot)	\$88.15
Overfull Cart (Snapshot)	\$16.53
Account reactivation charge (from bad pay) - no delivery	\$56.58
Account reactivation charge (from bad pay) - w/ delivery	\$245.23
Late Payment charge	2.5% of balance (\$5.00 min. Chg.)



CITY OF GRIDLEY
Effective 1/1/2024
Debris Box Rates

Debris Box - Municipal Solid Waste	
Service	Rate
20 Yard - MSW	\$497.44
30 Yard - MSW	\$563.17
40 Yard - MSW	\$633.56
20 Yard - Tires	\$994.92
30 Yard - Tires	\$1,124.74
40 Yard - Tires	\$1,451.69

Debris Box - Clean Recyclable Materials	
Service	Rate
20 Yard - Wood or Metal	\$303.53
30 Yard - Wood or Metal	\$342.59
40 Yard - Wood or Metal	\$377.00
20 Yard - Masonry	\$303.53
10 Yard - Concrete	\$323.82

Ancillary Fees	
Service	Rate
Demurrage - Per Day	\$17.50
Waste Trip Charge	\$65.16
Compactor - Per Yard	\$31.26
Delivery	\$188.64
Exchange	\$188.64
Trip Charge	\$188.64
Relocate	\$188.64
Removal	\$188.64
Excessive Net Weight	\$880.27
Replace lost or stolen Roll Off Box	WM Replacement Cost + 25%
Replace Roll Off Box. Damage not caused by WM	WM Replace/Repair Cost + 25%
Account reactivation charge (from bad pay) - no delivery	\$55.82
Account reactivation charge (from bad pay) - w/ delivery	\$186.08
Late Payment charge	2.5% of balance (\$5.00 min. Chg.)



CITY OF GRIDLEY
Effective 1/1/2024
Ord Ranch Transfer Station

ORD Ranch Road Transfer Station Rate Schedule		
Service	Rate	Rounded Rate (to nearest dollar)
Minimum Charge	\$14.32	\$14.00
Up to 2 barrels	\$14.32	\$14.00
Up to 3 cans	\$14.32	\$14.00
Any size pickup	\$30.06	\$30.00
Bulky Items (each)	\$24.73	\$25.00
Appliances with Freon	\$54.03	\$54.00
Appliances without Freon	\$24.73	\$25.00
CRT's / Televisions up to 31" *	\$0.00	\$0.00
Wire (per approx yard)	\$21.38	\$21.00
Car Tires	\$7.31	\$7.00
Truck Tires	\$21.38	\$21.00

*(for Televisions over 32" call City offices for appropriate disposal)

Exhibit 3
City Facilities / Special Events

Company shall provide the following services at no charge to the City.

CITY FACILITIES*

City Hall/Police Facility	4-cubic yard container
Electric Warehouse	2 cubic yard container
Fire Station	2 cubic yard container

* Containers shall be emptied weekly or more often if necessary.

SPECIAL EVENTS

Solid waste containers and recycling containers for up to 4 community events, per year.

- A total of 20 solid waste containers ranging from 2-cubic yards to 4-cubic yards shall be provided on an annual basis.
- Recycling containers are to be provided as directed by the City.

City Council Agenda Item #5

Staff Report

Date: December 18, 2023
To: Mayor and City Council
From: Jake Carter, Electric Utility Director
Subject: Bucket Truck – Terex TL60

x	Regular
	Special
	Closed
	Emergency

Recommendation

Staff respectfully requests that the Mayor and City Council review and consider the approval to purchase a new Bucket Truck – Terex TL60 insulated Articulating Telescopic Aerial Platform Body for amount of \$388,908.24 + Tax through Sourcewell contract #110421-TER.

Background

The Electric Department currently has one 2007 International Bucket Truck in use and no backup. The current Bucket truck has been an ongoing mechanical menace for the Electric Department and will be surplusd after the delivery of the new Bucket Truck. Additionally, this will give us the ability to comply with the Advanced Clean Fleet rules and give us thirteen years of use before we must go with Zero Emission Vehicles.

Fiscal Impact

The Bucket Truck is budgeted in this year's CIP for equipment replacement.

Compliance with City Council Strategic Plan or Budget Goals

The City Council and City staff are committed to providing the best possible financial practices and the highest possible transparency regarding all financial transactions.

Attachments:

Proposal



CUSTOMER ORDER ACKNOWLEDGEMENT

Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

Date: 13-DEC-2023 **Quote Number:** QU31533-TU-V1 **Unit:** TL60
Sourcewell Contract Number: 110421-TER

City of Gridley Electric Department
444 Fairview Dr
Gridley , CA 95948

Baseline Price: \$388,908.24

Grand Total Each: **\$388,908.24**

This written description and attached specifications have been produced by Terex USA, LLC dba Terex Utilities and shall not be released, disclosed, nor duplicated without the written permission of Terex USA, LLC dba Terex Utilities, Inc.

Prices are subject to change until shipment. Applicable taxes and any applicable surcharges to be added. Taxes, shipping, handling and lead times are estimates and subject to change. Quoted prices are based on total package and subject to change if all items not purchased. All prices quoted are in U.S. dollars unless otherwise specified. Payment by cash or certified check only. Chassis price based off current pricing available at time of quote. Pricing is subject to change based on vehicle sourcing; final price to be confirmed prior to time of invoice. Chassis payment is due within 30 days of chassis receipt at our facility. Quote withdrawn after 60 days.

Please ensure the accuracy of the specifications and drawings you provide. Changes made after receipt of order may incur additional charges. If you are trading equipment in, you warrant that: You have good title to the trade-in; it is free of all liens and encumbrances; all information you have provided related to the trade-in is true and correct.

Terex purchased chassis through Terex preferred International Dealer will include at no additional cost a special tow package for 12 months/unlimited mileage to nearest International Dealership for a warrantable failure. Coverage limited to \$550 per incident. For roadside assistance call 1-800-448-7825.

Terex-purchased chassis through Terex preferred Freightliner Dealer will include at no additional cost a special tow package for 12 months/unlimited mileage/KM extended towing coverage \$550 cap FEX applies. For roadside assistance call 1-800-FTL-HELP.

Notes:

- 1) Delivery Terms are CPT - 2020 .
- Delivery to customer included.
- 2) Payment Terms are Net 30 Pending Approval .
- 3) Delivery days from receipt of order shall be 520-720 Days .

Buyer hereby agrees to purchase the products in this quotation, subject to acceptance by Seller. Buyer has read and agrees to Seller's Terms and Conditions of Sale.

Terex USA, LLC dba Terex Utilities

Project Leader: Steve Fedt

Account Manager: Matt Mayer

Accepted By: _____

PO Number: _____

Quantity: _____

Grand Total: _____

Date: _____

Options			
Date	12/13/23		
Quote(s) #	0		
Customer Name	0		
Customer PO #			
No.	Description	Selling Price	Options:
1	Single Conductor Wire Holder With 31" Adapter (A.B. Chance): * Tested for use up to 46 KV * Designed for lifting and holding up to 1.5 in. single line conductors. * Can be easily exchanged with jib sheave head.	\$3,845	<input type="checkbox"/> Add Option
2	Three Phase Lift Attachment, (A.B. Chance): * For use with articulating jib. * Includes the jib adapter for attaching the cross-arm which permits -- continuous crossarm rotation (pinning positions every 15 degrees), -- cantilever brace. * Note: Will not work on underslung jibs.	\$14,171	<input type="checkbox"/> Add Option
3		\$0	<input type="checkbox"/> Add Option
4		\$0	<input type="checkbox"/> Add Option
5		\$0	<input type="checkbox"/> Add Option
6		\$0	<input type="checkbox"/> Add Option
7		\$0	<input type="checkbox"/> Add Option
8		\$0	<input type="checkbox"/> Add Option
9		\$0	<input type="checkbox"/> Add Option
10		\$0	<input type="checkbox"/> Add Option
11		\$0	<input type="checkbox"/> Add Option
12		\$0	<input type="checkbox"/> Add Option



TEREX USA, LLC dba TEREX UTILITIES ("Seller")
TERMS AND CONDITIONS OF SALE
U.S. and CANADA (except Quebec)

1. Terms and Conditions. The provision by Seller to Buyer of any Equipment or Parts (collectively referred to as "Products") shall be exclusively governed by these Terms and Conditions of Sale ("Terms and Conditions") and Seller's sales order acknowledgement (collectively referred to as "Agreement"). This Agreement cancels and supersedes any and all terms and conditions previously issued by Seller and shall remain in effect unless and until superseded in writing by Seller. Acceptance of an order for Products by Seller shall be deemed to constitute a binding agreement between the parties pursuant to these Terms and Conditions and Buyer agrees that the order may not thereafter be countermanded or otherwise changed without the explicit prior written consent of Seller. No other terms and conditions shall apply, including the terms of any purchase order submitted to Seller by Buyer, whether or not objected to by Seller or whether or not such terms are inconsistent or conflict with or are in addition to these Terms and Conditions. These Terms and Conditions shall be deemed accepted by Buyer if any of the following occurs: (i) if confirmed by Buyer, (ii) if undisputed by Buyer within ten (10) days after receipt, or (iii) if Seller delivers Products to Buyer. Any communication construed as an offer by Seller and acceptance thereof is expressly limited to these Terms and Conditions. The Products are intended for industrial/commercial use by professional contractors and their trained employees and are not intended for use by consumers.

2. Terms of Payments. Payment for Products purchased by Buyer shall be made in accordance with any of the following terms, provided they have been previously arranged with and expressly approved by Seller in writing: (1) cash in advance; (2) confirmed, irrevocable letter of credit established in such amount and form and at such time and at such bank as shall be approved by Seller in respect of each order; (3) credit account purchases for which payment will be due and payable on net thirty (30) day terms, plus service and other charges applicable to past due amounts in accordance with Seller's written notices; or (4) other payment arrangements expressly approved by Seller in writing prior to or at the time the order is placed. If any Buyer credit account purchase is not paid in accordance with Seller's credit payment terms, in addition to any other remedies allowed in equity or by law, Seller may refuse to make further shipments without advance payment by Buyer. Nothing contained herein shall be construed as requiring Seller to sell any Products to Buyer on credit terms at any time, or prohibiting Seller from making any and all credit decisions which it, in its sole discretion, deems appropriate for Seller. Seller shall have the right, at its option, to charge interest on all amounts not paid when due and Buyer agrees to pay such interest calculated on a daily basis, from the date that payment was due until the Seller receives payment in full, at the rate of 1.5% per month or the maximum rate permitted by applicable law. Unless otherwise agreed in writing between Seller and Buyer, Seller may, in its sole discretion, increase or decrease the price of any Product, as Seller deems reasonably necessary, at any time prior to shipment and invoice Buyer for the same. If Buyer orders the chassis through Seller, the chassis payment is due upon receipt of chassis by Seller and the balance owed for the completed unit is due in accordance with agreed upon payment terms. When supplied by Buyer, Seller will inspect the chassis upon receipt and will notify Buyer of any chassis mounted components (including but not limited to fuel tanks, air tanks, battery boxes and exhaust systems) that require relocation. Buyer will be invoiced for such work upon completion of the finished Equipment.

3. Taxes and Duties. Unless otherwise noted, prices quoted do not include taxes or duties of any kind or nature. Buyer agrees that it will be responsible for filing all tax returns and paying applicable tax, duty, export preparation charge and export documentation charge resulting from the purchase of the Products. In addition, in the event any other similar tax is determined to apply to Buyer's purchase of the Products from Seller, Buyer agrees to indemnify and hold Seller harmless from and against any and all such other similar taxes, duties and fees. All prices quoted are U.S. dollars unless otherwise specified. The amount of any present or future taxes applicable to the sale, transfer, lease or use of the Products shall be paid by Buyer; or in lieu thereof, Buyer shall provide Seller with a tax exemption certificate satisfactory to the applicable taxing authority proving that no such tax is due and payable upon such sale, transfer, lease or use.

4. Title, Property, Risk and Delivery. Unless otherwise stated in writing, for all intra-continental United States shipments, all prices and delivery are FCA, point of manufacture (Incoterms 2020); for all other shipments, all prices and delivery are FAS, named port of shipment (Incoterms 2020). Title and all risk of loss or damage to Products shall pass to Buyer upon delivery, as per Incoterms 2020. Any claims for loss, damage or delay in transit must be entered and prosecuted by the Buyer directly with the carrier, who is hereby declared to be the agent of the Buyer. Seller shall not be liable for any delay in performance of this agreement or delivery of the Products, or for any damages suffered by Buyer by reason of delay, when the delay is caused, directly or indirectly, by a force majeure event described in Section 20 herein or any other cause beyond Seller's control. Claims for shortages in shipments shall be deemed waived and released by Buyer unless made in writing within five (5) days after Buyer's receipt of shipment. Seller's responsibility for shipment shall cease upon delivery of the Products to the place of shipment, and all claims occurring thereafter shall be made to or against the carrier by Buyer. Delivery shall generally be 240 to 270 days after receipt by Seller of a signed Order, provided that, where applicable: (1) Seller receives the chassis a minimum of 90 days prior to scheduled delivery, (2) drawings are timely sent by Buyer and the approved drawings are returned to Seller by Buyer by the requested date, (3) all vendor-supplied components and Buyer-supplied accessories are received by Seller by the date necessary to comply with scheduled delivery. Seller shall not be liable for any delay in performance of this agreement or delivery of the Products, or for any damages suffered by Buyer by reason of delay, when the delay is caused, directly or indirectly, by a force majeure event described in Section 20 herein or any other cause beyond Seller's control. Claims for shortages in shipments shall be deemed waived and released by Buyer unless made in writing within fifteen (15) days after Buyer's receipt of shipment. Seller's responsibility for shipment shall cease upon delivery of the Parts and or Equipment to the place of shipment, and all claims occurring thereafter shall be made to or against the carrier by Buyer.

5. Delays Caused By Buyer. In the event of a delay in shipment or delivery due to delay by Buyer in furnishing delivery instructions, arranging a method of payment satisfactory to Seller, submitting valid import permits or licenses, or any other delay caused by Buyer or at Buyer's request, if the Products are not shipped or delivered within five (5) days from the first date they are ready to be shipped or



delivered, then Seller shall be entitled to charge, as compensation, any additional costs incurred related to such delay. If the Products are not shipped or delivered by the date which is ten (10) days from the first date they are ready to be shipped or delivered, then Buyer's order shall be deemed cancelled and Seller may, in its sole discretion, sell such Products to another buyer without any liability or responsibility to Buyer whatsoever. Seller shall have the right to keep payments on account already received from Buyer, and the difference between the sales price (increased by any other and all further costs, including but not limited to attorney's fees and expenses, storage and other costs, and interest accrued thereon) and the price received from another buyer shall constitute a debt of Buyer and bear interest at the same rate set forth in Section 2 herein. Seller shall be entitled to claim for any further damages suffered as a consequence of Buyer's breach of its obligations hereunder.

6. Cancellation. Prior to delivery to place of shipment, a Product order may be cancelled only with Seller's prior consent and upon terms indemnifying Seller from all resulting losses and damages. Seller shall have the right to cancel and refuse to complete a Product order if any term and/or condition governing this agreement is not complied with by Buyer. In the event of cancellation by Seller, or in the event Seller consents to a request by Buyer to stop work or to cancel the whole or any part of any order, Buyer shall, in the event that Seller asks Buyer to do so, make reimbursement to Seller, as follows: (i) any and all work that can be completed within thirty (30) days from date of notification to stop work on account of cancellation shall be completed, shipped and paid in full; and (ii) for work in progress and any materials and supplies procured or for which definite commitments have been made by Seller in connection with the order, Buyer shall pay such sums as may be required to fully compensate Seller for actual costs incurred, plus fifteen percent (15%). Buyer may not cancel any order after Seller's delivery to place of shipment. Orders for "Special" Equipment may not be cancelled after acceptance, except by Seller. Items of "Special" Equipment are those that differ from standard Seller specifications, have a limited market, or incorporate specifications that have been determined for a specific application. Determination of whether an item of Equipment is "Special" shall be made by Seller in its sole discretion.

7. Inspection and Acceptance. Buyer agrees that it shall inspect the Products immediately after receipt and promptly (in no event later than fifteen (15) days after receipt) notify Seller in writing of any non-conformity or defect. Buyer further agrees that failure to give such prompt notice or the commercial use of the Products shall constitute acceptance. Acceptance shall be final and Buyer waives the right to revoke acceptance for any reason, whether or not known by Buyer at the time of such acceptance. The giving of any such notice by Buyer shall automatically cause the provisions of Seller's warranty to apply and govern the rights, obligations and liabilities of the parties with respect to such nonconformity or defect, provided under no circumstances shall rejection give rise to any liability of Seller for incidental or consequential damages or losses of any kind. Seller shall not be bound by any agent's, employee's or any other representation, promise or inducement not set forth herein. Seller's catalogues, technical circulars, price lists, illustrations, drawings and any other similar literature are for Buyer's general guidance only and the particulars contained in them shall not constitute representations by Seller and Seller shall not be bound by them.

8. Warranty for New Products. Seller warrants its new Equipment and Parts manufactured and sold worldwide, to be free, under normal use and service, of any defects in material or workmanship for a period of twelve (12) months from the date of delivery (as limited by Seller's Limited Product Warranty); provided that Buyer sends Seller written notice of the defect within thirty (30) days of its discovery and establishes that: (i) the Equipment has been operated and maintained in strict compliance with Seller's operating and maintenance manuals; and (ii) the defect did not result in any manner from the intentional or negligent action or inaction of Buyer, its agents or employees and (2) a new machine registration certificate has been completed, signed and delivered to the Seller within thirty (30) days of the Equipment's "in-service" date. If requested by Seller, Buyer must return any defective Product to Seller's manufacturing facility, or other location designated by Seller, for inspection, and if Buyer cannot establish that conditions (i) and (ii) above have been met, then this warranty shall not cover the alleged defect. Failure to give written notice of defect within such period shall be a waiver of this warranty and any assistance rendered thereafter shall not extend or revive it. Accessories, assemblies and components included in the Products of Seller, which are not manufactured by Seller, are subject to the warranty of their respective manufacturers. This warranty shall not cover any item on which serial numbers have been altered, defaced or removed. Maintenance and wear parts are not covered by this warranty and are the sole maintenance responsibility of Buyer. This warranty is limited to the original purchaser or end-user if sold to a distributor, and is not assignable or otherwise transferable without written agreement of Seller. **THIS WARRANTY IS EXPRESSLY IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED (INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) AND ALL OTHER OBLIGATIONS OR LIABILITY ON SELLER'S PART. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE LIMITED WARRANTY CONTAINED HEREIN.** Seller neither assumes nor authorizes any other person to assume for Seller any other liability in connection with the sale of Seller's Products. This warranty shall not apply to any of Seller's Products or any part thereof which has been subject to misuse, alteration, abuse, negligence, accident, acts of God or sabotage. No action by either party shall operate to extend or revive this limited warranty without prior written consent of Seller.

9. Warranty for Used Equipment. Used Equipment sold hereunder is sold on an "AS IS, WHERE IS, WITH ALL FAULTS" BASIS WITH NO WARRANTIES WHATSOEVER, EXCEPT AS TO TITLE, UNLESS OTHERWISE SPECIFICALLY AGREED IN WRITING BY BUYER AND SELLER. SELLER ASSUMES NO RESPONSIBILITY FOR THE CONDITION, SAFETY, LEGAL COMPLIANCE, OR USABILITY OF THE USED EQUIPMENT AND MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE USED EQUIPMENT INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER MAKES NO REPRESENTATION OR WARRANTY REGARDING THE CONDITION OF THE USED EQUIPMENT, NOR THE SUFFICIENCY OF ANY WARNINGS, INSTRUCTIONS OR MANUALS PROVIDED WITH THE USED EQUIPMENT. Seller recommends and Buyer acknowledges that Buyer should contact the original manufacturer to obtain all available information for the used Equipment, including but not limited to product manuals, warnings, safety bulletins, recall notices, and instructional placards before using the used Equipment. Seller shall not be responsible for providing such information. Buyer agrees not to assert any claims against Seller with respect to the used Equipment or its use. Buyer agrees that it shall inspect the used Equipment prior to issuance of a purchase order for such Equipment and acknowledges that it is not relying upon



any photographs, images, videos, representations, statements or other assertions made by Seller with respect to the used Equipment's condition, but is relying upon its own knowledge and/or inspection of the used Equipment.

10. Remedies for Breach. IN THE EVENT OF ANY BREACH OF THE WARRANTY BY SELLER, THE PARTIES AGREE THAT SELLER'S LIABILITY SHALL BE LIMITED EXCLUSIVELY TO THE REMEDIES OF REPAIR OR REPLACEMENT (AT SELLER'S SOLE DISCRETION) OF ANY DEFECTIVE EQUIPMENT COVERED BY THE WARRANTY. In no event shall any repair or replacement of any defective equipment covered by the Seller's warranty extend the length of the warranty beyond the period specified in Section 8 herein.

11. Limitation of Liability. NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, Seller and its affiliates shall not be liable for, and specifically disclaim, any liability for any: (a) LOST PROFITS and/or business interruption (WHETHER DIRECT OR INDIRECT); and (b) indirect, incidental, consequential (whether direct or indirect) or other damages or losses of any kind whatsoever, including, without limitation, labor costs, lost profits, loss of use of other equipment, third party repairs, personal injury, emotional or mental distress, improper performance or work, penalties of any kind, loss of service of personnel, or failure of Products to comply with any federal, state, provincial or local laws, regardless of whether arising from a breach of contract, or warranty, legal claims or otherwise. Nothing in this Section shall operate to exclude Seller's liability for death or personal injury when directly related to Seller's negligent act or omission.

12. Limitation of Actions. Any action for breach of this agreement must be commenced within one (1) year after the cause of action has accrued.

13. Specification Changes. In the event Seller incurs additional expense because of changes in specifications or drawings previously approved by Buyer, or in the event Seller is required to modify the ordered Equipment, perform any additional work or supply any additional Products, the additional expense shall be added to the purchase price. Buyer must submit to Seller a revised purchase order specifying any and all requested changes. Upon receipt of Buyer's revised purchase order, Seller shall have the right, in its sole discretion, to accept or reject any changes in specifications requested by Buyer.

14. Trade-in Offers. Trade-in offers are subject to Seller's inspection and acceptance of the equipment, which must have been maintained to U.S. Department of Transportation operating and safety standards. All accessories on the equipment, including without limitation jibs, winches, pintle hooks and trailer connectors, must remain with the equipment unless otherwise agreed by Seller and Buyer in writing. Seller reserves the right to cancel any trade-in offers or agreements if these conditions are not met, or if Buyer has misrepresented any information about the trade-in unit.

15. Insurance. Until the purchase price of any Products is paid in full, the Buyer shall provide and maintain insurance equal to the total value of the Equipment delivered hereunder against customary casualties and risks; including, but not limited to fire and explosion, and shall also insure against liability for accidents and injuries to the public or to employees, in the names of Seller and Buyer as their interest may appear, and in an amount satisfactory to Seller. If the Buyer fails to provide such insurance, it then becomes the Buyer's responsibility to notify the Seller so that the Seller may provide same; and the cost thereof shall be added to the contract price. All loss resulting from the failure to affect such insurance shall be assumed by the Buyer.

16. Patents, Copyrights, Trademarks, Confidentiality. No license or other rights under any patents, copyrights or trademarks owned or controlled by Seller or under which Seller is licensed are granted to Buyer or implied by the sale of Products hereunder. Buyer shall not identify as genuine products of Seller products purchased hereunder which Buyer has treated, modified or altered in any way, nor shall Buyer use Seller's trademarks to identify such products; provided, however, that Buyer may identify such products as utilizing, containing or having been manufactured from genuine products of Seller as treated, modified or altered by Buyer or Buyer's representative, upon prior written approval of Seller. All plans, photographs, designs, drawings, blueprints, manuals, specifications and other documents relating to the business of Seller ("Information") shall be and remain the exclusive property of Seller and shall be treated by Buyer as confidential information and not disclosed, given, loaned, exhibited, sold or transferred to any third party without Seller's prior written approval; provided, however, that these restrictions shall not apply to Information that Buyer can demonstrate: (a) at the time of disclosure, is generally known to the public other than as a result of a breach of this Agreement by Buyer; or (b) is already in Buyer's possession at the time of disclosure by from a third party having a right to impart such Information.

17. Default and Seller's Remedies. In the event of default by Buyer, all unpaid sums and installments owed to Seller, shall, at Seller's sole option, become immediately due and payable without notice of any kind to Buyer. In addition to its right of acceleration, Seller may pursue any and all remedies allowed by law or in equity, including but not limited to any and all remedies available to it under the Delaware Uniform Commercial Code. In addition to the foregoing, and not in limitation thereof, Seller shall have the right to set off any credits or amounts owed to Buyer against any amounts owed by Buyer to Seller.

18. Indemnification by Buyer. Buyer hereby agrees to indemnify, release, defend and hold harmless Seller, its directors, officers, employees, agents, representatives, successors, and assigns against any and all suits, actions or proceedings at law or in equity (including the costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) and from any and all claims demands, losses, judgments, damages, costs, expenses or liabilities, to any person whatsoever (including Buyer's and Seller's employees or any third party), or damage to any property (including Buyer's property) arising out of or in any way connected with the performance or the furnishing of Products under this agreement, regardless of whether any act, omission, negligence (including any act, omission or negligence, relating to the manufacture, design, repair, erection, service or installation of or warnings made or lack thereof with respect to any Products furnished hereunder) of Seller, its directors, officers, employees, agents, representatives,



successors or assigns caused or contributed thereto. If Buyer fails to fulfill any of its obligations under this paragraph or this agreement, Buyer agrees to pay Seller all costs, expenses and attorney's fees incurred by Seller to establish or enforce Seller's rights. The provisions of this paragraph are in addition to any other rights or obligations set forth in this agreement.

19. Installation. Unless otherwise expressly agreed in writing, Buyer shall be solely responsible for the installation and erection of the Products purchased. Although Seller may in some cases provide a serviceman, data and drawings to aid Buyer with installation or start-up, Seller assumes no responsibility for proper installation or support of any Products when installed and disclaims any express or implied warranties with respect to such installation and support. Notwithstanding whether data and drawings are provided or a serviceman aids in the installation, Buyer shall indemnify and hold Seller harmless and at Seller's request, defend Seller from all claims, demands or legal proceedings (including the costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) which may be made or brought against Seller in connection with damage or personal injury arising out of said installation or start-up.

20. Force Majeure. Seller shall not be liable to Buyer or be deemed to be in breach of this agreement by reason of any delay in performing, or any failure to perform, any of Seller's obligations in relation to the Products if the delay or failure was due to any cause beyond the reasonable control of Seller including (without limitation) strike, lockout, riot, civil commotion, fire, accident, explosion, tempest, act of God, war, epidemic, stoppage of transport, terrorist activity, supply shortage or changes in government, governmental agency, laws, regulations or administrative practices.

21. Anti-Corruption; Export Controls; No Boycotts. Buyer agrees that it shall, and that any party retained or paid by the Buyer ("Retained Party") shall, comply with all applicable laws including, but not limited to, laws prohibiting public corruption and commercial bribery. Buyer further agrees that it shall, and that any Retained Party shall, comply with all applicable export controls, economic sanctions, embargoes and regulations regarding the export, re-export, shipment, distribution and/or sale of Products, technology, information or warranty related services. Buyer further agrees that it shall not, and any Retained Party shall not, export or re-export Products, technology, information or warranty related services directly or with its knowledge indirectly into Iran, Sudan, Cuba, Syria, North Korea, the Crimea Region of the Ukraine or Russia without Buyer first obtaining written approval from Seller. Failure to comply strictly with this section and all applicable laws, regulations and licensing/approval requirements shall be grounds for immediate termination of this agreement by Seller. Notwithstanding anything to the contrary contained in any agreement between the Buyer and Seller or in any other document or agreement relating to the Products sold hereunder, Seller will not comply with requests related to the boycott of any country or other jurisdiction, except to the extent such boycott is required by or otherwise not inconsistent with United States law.

22. Telematics. If a telematics system is included with the Equipment, the telematics system is administered by a third party ("Teleservice Provider") and collects a range of operational data about the Equipment including, but not limited to, usage, performance and reliability. Buyer consents to Seller's obtaining such data from the Teleservice Provider for warranty, product improvement, marketing and customer support purposes and to Seller's management and reporting of data (personal and non-personal) about the Equipment including, but not limited to, fuel consumption, up/down times, operation, defects, parts replacement, movement and location. Buyer shall, to the extent required by applicable law, obtain consent from its customers and/or any third party for Seller and/or third parties to provide teleservices and data to Buyer. Buyer shall comply with all applicable laws relating to the provision of teleservices. Buyer agrees to be bound by the current version of the Terex Telematics Terms of Use at <https://www.terex.com/en/products/telematics-tou>.

23. Construction and Severability. These Terms and Conditions of Sale constitute the entire agreement between the parties regarding the subject matter hereof and shall be construed and enforced in accordance with the laws of Delaware. The United Nations Convention on Contracts for the International Sale of Goods (1980) (CISG) shall not apply. The invalidity or unenforceability of any provisions of this agreement shall not affect any other provision and this agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

24. Jurisdiction. The parties agree that the proper and exclusive forum and venue in all legal actions brought to enforce or construe any provisions herein shall be in United States District Court, District of Delaware or, if federal jurisdiction is lacking in such action, in New Castle County Superior Court in Delaware.

25. No Assignment. No rights arising under this agreement may be assigned by the Buyer unless expressly agreed to in writing by the Seller.

26. No Set-off. Buyer shall have no right to set-off any amounts it may owe Seller against amounts Seller may owe Buyer under this or any other agreement between Buyer and Seller.

27. Miscellaneous. Buyer represents that: (i) it is solvent and has the financial ability to pay for the Equipment and Parts purchased hereunder and (ii) it has all requisite right, power and authority to perform its obligations under this agreement.

Buyer's Initials: _____



LIMITED PRODUCT WARRANTY

TEREX USA, LLC dba TEREX UTILITIES ("Seller"), as to the equipment manufactured by each respective company, warrants its new equipment and parts manufactured and sold worldwide to be free, under normal use and service, of any defects in manufacture or materials for a period of **12 months from date of delivery to the first end user, but in no event longer than 18 months from date of shipment from the factory**; provided that (1) Seller receives written notice of the defect within thirty (30) days of its discovery and Buyer establishes that (i) the equipment has been maintained and operated within the limits of rated and normal usage; and (ii) the defect did not result in any manner from the intentional or negligent action or inaction by Buyer, its agents or employees, and (2) a new machine registration certificate has been completed and received by Seller within thirty (30) days of the equipment's "in-service" date. If requested by Seller, Buyer must return the defective equipment to Seller's manufacturing facility, or other location designated by Seller, for inspection, and if Buyer cannot establish that conditions (1) (i) and (1) (ii) above have been met, then this warranty shall not cover the alleged defect.

Seller's obligation and liability under this warranty is expressly limited to, at Seller's sole option, repairing or replacing, with new or remanufactured parts or components, any part which appears to Seller upon inspection to have been defective in material or workmanship. Such parts shall be provided at no cost to the owner, FOB Seller's parts facility (Incoterms 2010). If requested by Seller, components or parts for which a warranty claim is made shall be returned to Seller at a location designated by Seller. All components and parts replaced under this warranty become the property of Seller. This warranty shall be null and void if parts (including wear parts) or attachments other than genuine OEM Seller parts or approved attachments are used in or attached to the equipment.

Accessories, assemblies and components included in Seller's equipment, which are not manufactured by Seller, are subject to the warranty of their respective manufacturers. Normal maintenance, adjustments, or maintenance/wear parts, are not covered by this warranty and are the sole maintenance responsibility of Buyer.

The following structural members have a lifetime parts only warranty for the original Buyer after date of shipment from Seller: sub frame, pedestal, turntable, and boom. Replacement of fiberglass jibs, seals, gaskets, hoses, and exterior coating is not covered under the lifetime warranty. The lifetime warranty requires an annual service inspection of the equipment by an authorized distributor of Seller. The sub frame, pedestal, turntable, and boom shall have a 5 year parts only warranty if the annual service inspection is performed by an approved entity other than an authorized distributor of Seller. All replacement parts must be genuine OEM Seller parts.

SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AS TO THE EQUIPMENT AND PARTS IT SUPPLIES.

No employee or representative of Seller is authorized to modify this warranty unless such modification is made in writing and signed by an authorized officer of Seller. Seller's warranty is continuous for the stated period, and "stopping and restarting" such period is not permitted.

Seller's obligation under this warranty shall not include duty, taxes, environmental fees, including without limitation, disposal or handling of tires, batteries, petrochemical items, or any other charges whatsoever. Seller shall not be liable for indirect, incidental, or consequential damages, even if advised of the possibility of such damages.

Improper maintenance, improper use, abuse, improper storage, operation beyond rated capacity, operation after discovery of defective or worn parts, accident, sabotage or alteration or repair of the equipment by persons not authorized by Seller shall render this warranty null and void. Seller reserves the right to inspect the installation of the product and review maintenance procedures to determine if the failure is covered under this warranty.

Parts Warranty: Seller warrants the parts ordered from the Seller to be free of defects in materials or workmanship for either (1) a period of 12 months after date of shipment from the factory, or (2) the balance of the remaining new equipment warranty, whichever occurs first. With respect to parts ordered from Seller for equipment for which the warranty has expired, Seller warrants such parts to be free of defects in materials or workmanship for a period of 12 months after date of shipment from the factory.

NO TRANSFERABILITY OF WARRANTY: This warranty is limited to the original purchaser or original end-user if sold to a distributor, and is not assignable or otherwise transferable without the written agreement of Seller.

ITEMS NOT COVERED BY WARRANTY

The following listed items, which are not exhaustive, are **NOT** covered under this warranty:

1. Items sold by any individual, corporation, partnership or any other organization or legal entity that is not authorized by Seller to distribute its equipment.



LIMITED PRODUCT WARRANTY

2. Inbound freight, duty and taxes for replacement components or outbound freight, duty, and taxes for any part requested as a warranty return.
3. Components which are not manufactured by Seller or its affiliates. Such components may include, but are not limited to, chassis, engines, batteries, tires, customer-supplied products, transmissions, air compressors, and axles.
4. Replacement of a complete assembly that is field repairable by the replacement or repair of defective part(s) within the assembly. Seller has the option to repair or replace any defective part or assembly.
5. Wear parts and maintenance services including, but not limited to: lamps, lenses, seals, gaskets, hoses, filters, breathers, belts, nozzles, friction plates, glass, clutch and brake linings, wire rope, nuts and fittings, exterior coatings, proper tightening of bolts, adding or replacing of fluids, adjustments of any kind, services, inspections, diagnostic time, travel time and supplies such as hand cleaners, towels and lubricants.
6. Damage caused by carrier handling. Any such claim for damage should be filed immediately with the respective carrier.
7. Repairs, work required or parts exposed as the result of age, storage, weathering, lack of use, demonstration use, or use for transportation of corrosive chemicals.
8. Damage resulting to the equipment or parts should the owner or operator continue to operate the equipment after it has been noted that a failure has occurred.
9. Damage caused by, or labor or other costs related to, work performed by personnel not authorized by Seller to service the equipment.

IN NO EVENT SHALL SELLER, OR ANY AFFILIATE, SUBSIDIARY OR DIVISION THEREOF BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSSES RESULTING FROM ANY BREACH OF WARRANTY, REPRESENTATION OR CONDITION, EXPRESS OR IMPLIED, OR ANY TERMS OF THIS WARRANTY, OR ANY BREACH OF ANY DUTY OR OBLIGATION IMPOSED BY STATUTE, CONTRACT, TORT, COMMON LAW OR OTHERWISE (WHETHER OR NOT CAUSED BY THE NEGLIGENCE OF THE SELLER, ITS EMPLOYEES, AGENTS OR OTHERWISE), INCLUDING, WITHOUT LIMITATION, LOSS OF USE, LOST PROFITS OR REVENUES, LABOR OR EMPLOYMENT COSTS, LOSS OF USE OF OTHER EQUIPMENT, DOWNTIME OR HIRE CHARGES, THIRD PARTY REPAIRS, IMPROPER PERFORMANCE OR WORK, LOSS OF SERVICE OF PERSONNEL, LOSS OF CONTRACTOR OPPORTUNITY AND PENALTIES OF ANY KIND, PERSONAL INJURY, EMOTIONAL OR MENTAL DISTRESS, OR FAILURE OF EQUIPMENT TO COMPLY WITH ANY APPLICABLE LAWS. The Seller's liability to the Buyer shall not in any event exceed the purchase price of the equipment.

THIS WARRANTY IS EXPRESSLY IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, REPRESENTATIONS AND CONDITIONS, EXPRESS OR IMPLIED AND ALL OTHER STATUTORY, CONTRACTUAL, TORTIOUS AND COMMON LAW OBLIGATIONS OR LIABILITY ON SELLER'S PART ARE HEREBY EXPRESSLY EXCLUDED TO THE MAXIMUM EXTENT PERMITTED BY LAW. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE LIMITED WARRANTY CONTAINED HEREIN. Seller neither assumes nor authorizes any other person to assume for Seller any other liability in connection with the sale of Seller's equipment. In the event that any provision of this warranty is held unenforceable for any reason, the remaining provisions shall remain in full force and effect.



Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

Date: 13-DEC-2023

Quote Number: QU31533-TU- V1

Unit: TL60

City of Gridley Electric Department

444 Fairview Dr
Gridley , CA 95948

Qty. Description

UNIT

1 TL60-Tu

One (1) new Terex Hi-Ranger TL60 Articulating / Telescoping Aerial Device providing a working height of 65.1 ft (19.8 m).
Unit will be mounted behind the cab.

Design Criteria:

* Design criteria is in accordance with current industry and engineering standards applicable and accepted for structural and hydraulic design.

Aerial device is designed as a Category C machine in accordance and is dielectrically tested and rated for operation on systems up to 46 Kv phase to phase per ANSI/SIA A92.2-2015

Turntable and Lower Boom Assembly:

Lower Boom:

* Filament wound high strength fiberglass insert providing an insulation gap.
* The lower boom articulation is from 0 to 93 degrees.

Lower Controls:

* Individual control levers are located in an accessible location on the turntable.

Rotation:

* Self-locking worm gear rotation drive is provided and equipped with bi-directional motor.

Hydraulic System:

* Full pressure open center hydraulic system.
* Hydraulic hoses are equipped with permanent type fittings.

Miscellaneous:

* All metallic components of the complete aerial device are powder coat white.
* The fiberglass upper boom, boom inserts, platforms and covers are white.
* Two complete manuals providing operation and maintenance procedures and a replacement parts listing.
* Warning decals provided with unit.

1 Pedestal,58 (To 68 Cab),Internal Tank

Pedestal with 20 gallon integral tank.

* The pedestal is designed with access holes for maintenance of hydraulic plumbing.
* An internal 20-gallon hydraulic oil reservoir provided with a 60-mesh filler screen baffles gauge. 100 mesh suction screen with bypass clean out access hole and dip stick.

Sight Gauge With Thermometer:

* Mounted within an aluminum body to protect sight tube.
* Thermometer has a range of 0-300 degrees Fahrenheit.

1 Boom Tip,End,Rot&Lifter,Cobra Style Jib

Boom Tip with 4 Function Controls, Platform Rotator, Platform Lifter and 1000 lb. removable top mounted cobra style jib that does not rotate with platform.



Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

Date: 13-DEC-2023

Quote Number: QU31533-TU- V1

Unit: TL60

Upper Controls: Control-Plus single stick controller.

* Enable lever must be actuated before operation.

The end mount platform rotator offering 180 degrees of hydraulic rotation.

The platform lifter provides 24 of vertical platform lift.

Hydraulic Platform Tilt is provided at platform and lower controls.

Engine Stop/Start controlled at platform and lower controls.

Upper Boom:

* Filament wound high strength fiberglass boom providing an insulation gap.

Top mount, Removable 1000 lb. Jib/Winch

* Levels with platform.

* Hydraulic articulation from -20 to 70 degrees.

* 51 load radius from the platform shaft.

* Manual extension 17'.

* Maximum jib capacity of 1000 lb.

* Includes up to 75' of 3/8 winch rope and hook.

* Low profile stowed position of 16 and the boom can still utilize its full range of motion down to -40 degrees.

* Poppet valve protection of fiberglass boom. Stops boom operation if jib contacts fiberglass boom.

* King post attached to jib. Low profile socket when jib removed to minimize interference and overall height.

1 Jib Chart With 600 Lbs Platform Capacity

Platform capacity up to 600 lbs and jib chart.

1 End Mount, 24x48

Platform, End Mount, 24 x 48 x 42:

* Includes one outside access step with slip-resistant surface.

1 Safety Harness For Dual Platform

Two safety harnesses with lanyard is provided for fall arrest.

1 Platform Rest, Single, 24x48, Lifter

A rigid platform rest provides platform support during road travel.

1 Liner, 24x48

Insulated Platform Liner For 24 x 48 x 42 Platform:

* Tested at 50 KV AC.

1 Scuff Pad With Step

Scuff Pad with Step to fit inside of a platform liner for a 24 x 48 Platform:

* Non-skid standing surface.

1 Cover, Platform & Controls, 24x48

Vinyl Platform And Control Cover For 24 x 48 Platform:

* Waterproof, internal elastic cord around edge and external elastic cord around control cover.

Date: 13-DEC-2023**Quote Number: QU31533-TU- V1****Unit: TL60****1 Two Speed (Std)**

Engine Throttle Control:

- * A two speed engine throttle control is provided at the upper controls.
- * The engine will advance to a pre-set speed when engaged and decrease to idle when disengaged.

1 Tools, Dual, Flow Control

Dual Hydraulic Tool Outlets At Platform With Flow Control:

- * Installed at the platform to accommodate two open center hydraulic tools.
- * Provides 5 GPM at 2250 psi at engine idle.

1 Auxiliary Letdown,12v

Auxiliary Let Down for use with Open Center Hydraulics:

- * Allows for the descent of the boom (platform) in the most direct manner for a time limited by the duty cycle of the electric motor.
 - * Includes 12 volt electric motor for use on a 12 volt chassis.
- Note: This includes a switch for activation at pedestal for electric or air function.

1 Collector Block, 4 Channel Electric Ring

Continuous And Unrestricted Rotation:

- * A hydraulic rotary manifold provides a rotating oil distribution system for continuous and unrestricted rotation.
- * A 4 channel electric collector ring is provided as standard.

1 Terex Advanced Chassis Controller

Terex Advanced Chassis Controller:

- * Multiplexed system to include: Controller, LCD Screen, Manual and Schematics.
- * Standard Options: Diagnostics, Status Screens, Event Log, Hours Meter, Selectable Button Labels, System Alerts and System Test.
- * Programmable settings allow installer to customize/select options need for their application.
- * Screw terminal-type connections and enclosure to cover connections.
- * Recommended on Class 6 and above chassis with multiple outputs
- * The PTO hour is standard. The engine hour meter is standard (When available). This is a message we get from the truck Data link. All trucks except Ford give us the Engine hours. So if it's a Ford, we just display PTO hours.

1 A-Frame,Extra Heavy Duty,(8348)

Extra Heavy Duty A-Frame Outriggers with swivel type stabilizer pads. (8348)

1 O/R Cntrls, 2 Sets W/Tool Outlet

Controls For 2-Sets Of Outriggers And Auxiliary Tool Outlets (Open center systems):

- * Recessed at rear of truck each side for ease of view for outrigger placement.
- * Includes switches and alarm for outrigger in motion alarm.

1 Outrigger Interlock,12v,Std (2 Sets Af)

Outrigger Interlock:

- * To operate the boom the outriggers must be extended.



Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

Date: 13-DEC-2023

Quote Number: QU31533-TU- V1

Unit: TL60

1 Subframe Selection - 120 Inch Ca - 197 Inches Long - 8.5 Feet Pb

Subframe for 120 CA chassis.

* Subframe constructed with a 8.5' possum belly length

* Subframe is 197.00 long

* Constructed with 6 x 6 x 3/8 wall square tubing with 5/16 thick steel plate.

1 Stringer Body Tdk For 2 Sets A/F O/R'S

Tie down kit.

1 Ub Rest, Automatic

A boom rest with a automatic latch is provided.

1 Boom Stow Interlock, 12v

Boom Stow Interlock In Addition to be used with Standard Boom Interlock:

* To operate the outriggers the boom must be in the stowed position and to operate the boom the outriggers must be extended.

1 Flow Divider, Adjustable, Below Rotation

Adjustable flow divider for auxiliary tool outlets below rotation.

1 Hyd Tank W/Sight Gauge & Thermometer

Sight Gauge With Thermometer:

* Mounted within an aluminum body to protect sight tube.

* Installed on end of hydraulic oil reservoir.

* Thermometer has a range of 0-300 degrees Fahrenheit.

1 Lift Eye For Lower Boom

Lower Boom Material Handling Lift Eye:

* Maximum capacity of 1000 lbs.

1 Pump, Vane, 8 Gpm, Lh (Manual)

Pump for systems requiring 8 gallons per minute:

*Fixed displacement vane pump providing 5 gallons per minute at 725 engine rpm and 8 gallons per minute at 1050 engine rpm with a 128% pto.

1 Usa

American flag displayed on unit.

1 Limited Product Warranty - Standard

Factory Warranty

1 8352 Outrigger



Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

Date: 13-DEC-2023

Quote Number: QU31533-TU- V1

Unit: TL60

1 **International HV607 Chassis - Reference chassis details included with quote**

1 **152" Steel Line Body - Reference body details included with quote**

1 **Install TI Behind Cab**

Install Aerial Device Behind Cab And Install All Associated Components:
* Final test and inspect completed unit including stability and dielectric testing per manufacturers requirements.

1 **Hose & Fitting Kit Group 1**

Hose and fittings to connect the hydraulic system from the oil reservoir to the pump and unit.

1 **Misc Shop Supplies Group 3**

Miscellaneous shop supplies.

1 **Platform Rest Bottom Base Group 3**

Platform rest, bottom base

1 **Chassis Spring Add Left Rear(Req. Art)**

Chassis Spring Additions:
* Build up left rear chassis springs to level vehicle.

1 **Pto (Muncie) For Automatic Transmission**

Power take off with indicator light for automatic transmission.

1 **Dot Inspection**

DOT Inspection.

1 **Set Chassis Parameters (Req'D)**

Set chassis parameters.

1 **Ecco Back-Up Alarm**

Back-up alarm to sound when the vehicle is shifted into reverse.

4 **Poly 18 X 18 X 1 Terex Logo**

18 x 18 x 1 poly outrigger pads.

4 **Pendulum Retainer - Outriggers**

Pendulum style retainer.

Date: 13-DEC-2023**Quote Number: QU31533-TU- V1****Unit: TL60****4 Rubber Wheel Chock Eye Bolt (Standard)**

Rubber wheel chocks with eye bolt.

4 Pendulum Retainer - Wheel Chocks

Pendulum style retainer.

1 Grab Handle Set Three Point Contact

Grab Handle set for three point contact.

1 Access Step (Standard)

Access steps to platform from top of body or flatbed floor.

2 Mud Flap - Terex Logo (Standard)

Mud flap with logo.

Note: Trim As-Required.

2 Anti-Sail Bracket For Mud Flap

Anti-sail bracket for mud flaps. Note: Trim As-Required to fit mud flap.

1 Mounting Bracket For Grounding Cable

Bracket for storing grounding cable.

1 Temporary ground rod screw - Terex PN - 94214**1 Kit Ground Cable 2/O Black (Standard)**

2/O Black Electrical Cable used for grounding per ASTM F855-04:

* 50' of multi-strand flexible copper cable, three grounding lugs, two ferrules and grounding clamp.

* Three point grounding system for grounding vehicle during work operations.

* Cable must be fully removed from bracket before use.

NOTE! Purchaser to verify this meets their company's requirements for fault current.

1 Tube 4 Pvc Cast Ends (Specify Length)

4 PVC storage tube with cast ends and mounting brackets. (Specify Length)

1 Tube 6 Pvc Cast Ends (Specify Length)

6 PVC storage tube with cast ends and mounting brackets. (Specify Length)

1 Rat Pack on tailshelf - Terex PN - 65337172**1 Rat Pack Latch - Terex PN - 65382239**



Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

Date: 13-DEC-2023

Quote Number: QU31533-TU- V1

Unit: TL60

- 1 **Bed Mount TI55-60 (65388508-Npn)**
Boom rest.
- 1 **Peterson 7-Lamp Led Kit Fmvss Dot**
Peterson LED 7-lamp DOT Lighting Package:
* Complies with FMVSS 108.
* Includes required lights, junction box and wiring harness.
* Note: Includes lighted License Plate Area
* Note: Includes Clearance Lights if Applicable to application.
- 2 **Outlet Electrical W/Gfi 110 Volt**
110 volt outlet with GFI.
- 1 **Woodhead Molex Power Cord Reel - Terex PN - 65333532 - Molex Female Socket Receptacle - Terex PN - 65367868**
- 1 **Inverter 3600w**
3600 watt inverter, continuous, 120VAC, Up to 30A.
- 2 **Kit 4 Amber Led Strobe Light/Guard(Std)**
Amber strobe light (LED) with 4 inch tall and 6 inch diameter lens and branch guard.
- 3 **Work Light 4-12v Truck-Lite - Led**
Truck-Lite 4 round LED work light.
- 2 **Golight Stryker 3067 spotlight - Terex PN - 65302644**
- 1 **Voyager Brake Contrller**
Voyager Brake Controller.
- 2 **Recovery Tow Eye 5 X16 X1 29 000lb Rate**
Recovery tow eye, 29,000#.
- 1 **Stop/Start And Two Speed Rear Of Truck**
Remote engine stop/start And two speed control from rear of vehicle.
- 1 **Pintle Hook 15t**
15 ton pintle hook:
* Safety chain eyes.
Pintle hook brackets and attachment methods are designed to meet the associated pintle hook



Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

Date: 13-DEC-2023

Quote Number: QU31533-TU- V1

Unit: TL60

ratings. They are not designed for recovery purposes. If recovery attachments are required, please order the appropriate tow eyes.

1 ICC Rear Bumper

ICC rear bumper.

1 7-Prong Trailer Socket(Combined)Med Dty

7-prong trailer socket.

NOTE: Stop & turn signal lights on combined circuit.

30 Hydraulic Oil - General Purpose

Fill with Hydraulic oil for general purpose use.

* Refer to the product maintenance manual for specific type to be used.

1 Safety Kit 5# Fire Extinguisher-Abc(Std)

Safety Kit consists of the following:

* 5-lb ABC fire extinguisher with bracket.

* James King triangle reflector kit.

1 Camera Rear Vision 7 Screen

Rear view vision square light camera & 7 monitor system.

1 Paint Body Floor With Non-Skid Paint

Paint body floor with non-skid paint.

1 Paint Compartment Top Non-Skid Paint

Paint compartment top with non-skid paint.

1 First Article Inspection, Digital

First Article Inspection, Digital

Warranty

1 Warranty,Extended,5 Year, Fully Installed

1 Travel Warranty - Five Year - 0000063E

Terex USA, LLC dba Terex Utilities

1. Federal Excise Tax will be added if certificate is not supplied with order.

2. The following items must be considered by the purchaser if not already included: Back-up Alarm; Strobe Light; Wheel Chocks; Outrigger Pads; Truck Grounding Cable; Barricade Kit; Boom Stow Interlock; Auxiliary Let Down; and Platform Liner.



Terex USA, LLC dba Terex Utilities - 3140 15th Avenue SE - Watertown, SD 57201 - Phone: 605-882-4000

3. Terex USA, LLC dba Terex Utilities strongly recommends all installation accessories be located up front in front in the quote or secondarily on the approved engineering drawing. Any accessories located or relocated during manufacturing may be subject to additional charges.
4. Terex USA, LLC dba Terex Utilities - Offers In-service Training.
5. Terex USA, LLC dba Terex Utilities - Assembly in Watertown.South Dakota is ISO 9001:2000 Certified.

To: Terex Utilities
 Attn: Steve Fedt
 Customer: City of Gridley – Electrical Dept

Spec Number: QU22650
 State: California
 Engine Type: Diesel
 Crane/Unit Model: TL60
 Chassis: Freightliner
 Axle Configuration: DRW (4x2)

Dakota Bodies LLC.	Steel	Line	Body
Terex			

152 Inches Long x 46 Inches High x 94 Inches Wide
Chassis Cab to Axle (CA) of 108 Inches

- Bodies with one set of jack legs to have lifting eye and body shipping stands
- 16 gauge front bulkhead – Ship loose (unless specified)
- Wheel chock holders are to be installed ½" forward and ½" rearward of cutout
- All bulkheads to have pin access cutout/ cover when A-frame jack is ahead or behind bulkhead, x-frame jacks will not get pin access cutout/ cover

Body Dimensions:

152	Inches - Body Length
46	Inches - Body Height
94	Inches - Body Width
108	Inches - Chassis C/A
46	Inches - Compartment Height
18	Inches - Compartment Depth
58	Inches - Load Space Width
28	Inches - Top of Body to Top of Floor Dimension
24	Inches - Horizontal Compartment Height
N/A	Inches - Wheel Box Height

Body Materials:

16 ga Galvanneal	- Main Body Material
12 ga 4-Way Treadplate	- Compartment Tops Material
14 ga Galvanneal	- Wheel Panels Material
14 ga Galvanneal	- Front Bulkhead Material
18 ga Galvanized	- Shelving Material
Adjustable on Dual Unistrut	- Shelving Mounting Style

OPTIONS

- | | |
|----|---------------------------------|
| No | - Front Rock Guards Material |
| No | - Wheel Well Liners Material |
| No | - Bed Area Wall Liners Material |

Other Body Details:

Door Materials:

- | | |
|---------------------------------------|--|
| Standard, Double Panel | - Door Type |
| 18 ga Galvanneal | - Inner Door Material |
| 18 ga Galvanneal | - Outer Door Material |
| Stainless Steel Rod & Socket | - Door Hinge Style |
| 5/16" Stainless Steel | - Door Rod Material |
| Spring Loaded | - Vertical Door Holder Option |
| Chain | - Horizontal Door Holder Option |
| Single Point Rotary (Stainless Steel) | - Latch Type |
| | Keyed Alike |
| | - Lock Type |
| | - Wrap Around Striker with Rounded Corners |

Other Door Details:

Floor and Understructure:

- | | |
|-------------------------------|---------------------------|
| 12 ga (.109) 4-Way Treadplate | - Bed Area Floor Material |
| TL60 | - Unit Cutout in Floor |
| Stringer | - Body Frame Style |
| Structural | - Body Frame Material |
| 3 Inch | - Body Frame Height |

TL60 Subframe

Dakota Bodies Welded and Wet Painted Black Subframe Assembly

Qty. 4 HBOLT 5/8"-11 x 2.5" GR5 ZP (#15313)

Qty. 4 USS Flat Washer 5/8" x 1.75" ZP (#33016)

Qty. 4 NUT, Nylon Lock, 5/8"-11" ZP (#37188)

- Terex Supplied Parts:

Qty. 1 Subframe Weldment (#1000138) Weld On / Installed

Qty. 1 Socket / Wrapper (#495429) Weld On / Installed

Qty. 1 Front Plate (#429240) Weld On / Installed

Qty. 2 Shear / Tie Down Plates (#495430) Weld On / Installed

Qty. 1 A-Frame Front Jack (#471654) Weld On / Installed

Qty. 1 Under Slung Rear Jack (#430195) Weld On / Installed

Qty. 2 Vertical Bolt Subframe Tie Down Brackets (#496673) Weld On / Installed

- Dakota Bodies Supplied Parts:

Qty. 2 Front Body Mount Angles (#36151IH) Weld On / Installed

Qty. 1 Grounding Angle (Weld On / Installed)

Qty. 2 Rear Body Tie Down Brackets (#36152IH) Weld On / Installed

Qty. 1 Round Hose Pass Cut into Subframe

Qty. 1 Subframe Extension with Lightbar Relief (Weld On / Installed)

Qty. 1 Boom Rest Receiver Tube Welded to SS Front Jack

Qty. 2 Rear Jack Angle Risers / Extensions (Weld On / Installed)

- Boom Rest Provided and Installed by Dakota Bodies

Accessories:

- Rubber Rolled Crown (PN# 30136) (Installed with Wheel Cut-Outs)
- Automotive Bulb Weatherstripping (PN# 30132) (Installed)
- Master Door Lock, Hook and Loop System on Both Sides with Three (3) Spring Loaded Door Handles
- Install Mudflap Brackets

Interior Lighting:

- L.E.D. Rope Lights (PN# 30811) in All body Compartments; (Installed)
- Excludes Top Mounted Boxes and tailshelf compartments

Paint:

- Powdercoat Complete; Interior and Exterior, Taffeta White DWS9-20001; PC0020
 - Paint the Complete Bed Area Same as Body
- Subframe and Outriggers Painted Black

Streetside Compartmentation:**1st Vertical Compartment:**

- 22" Wide x 46" High x 18" Deep Compartment
- Seven (7) 1/2" Dia. Locking / Swivel Carriage Bolt Hooks, Adjustable, 2-3-2 Hook Set

2nd Vertical Compartment:

- 22" Wide x 46" High x 18" Deep Compartment
- Four (4) Adjustable Shelves
 - Divider Slots on 2" Centers, with Three (3) Adjustable Dividers

3rd Vertical Compartment:

- 24" Wide x 46" High x 18" Deep Compartment
- Four (4) Adjustable Shelves
 - Divider Slots on 2" Centers, with Three (3) Adjustable Dividers

Horizontal Compartment:

- 54" Wide x 24" High x 18" Deep Compartment
- One (1) Adjustable Shelf
 - Divider Slots on 2" Centers, with Nine (9) Adjustable Dividers

Rear Vertical Compartment:

- 30" Wide x 46" High x 18" Deep Compartment
- Seven (7) 1/2" Dia. Locking / Swivel Carriage Bolt Hooks, Adjustable, 2-3-2 Hook Set
 - Outrigger Cutout and Cover in Compartment

Curbside Compartmentation:**1st Vertical Compartment:**

- 22" Wide x 46" High x 18" Deep Compartment
- Seven (7) 1/2" Dia. Locking / Swivel Carriage Bolt Hooks, Adjustable, 2-3-2 Hook Set
 - Removable Punched Metal Inverter Cover installed on bottom of compartment
 - Louver vented on back wall at bottom for inverter

2nd Vertical Compartment:

- 22" Wide x 46" High x 18" Deep Compartment
- Four (4) Adjustable Shelves
 - Divider Slots on 2" Centers, with Three (3) Adjustable Dividers

Curb Side Access 24" Wide

Hinged Gripstrut access steps to bed area with Chain Storage underneath

One (1) Small Stainless Steel slam style paddle latch.

Two (2) Gas assist door openers.

Removable Back Wall Plate with Two (2) Louvers

12 gauge galvaneal risers and side kickplates.

Two (2) Bolt-on grabhandles at the side access of the body

One (1) Rubber Belt type access step under the side access steps. (Ship loose)

- To have a 1/4" x 4" flat added to bottom of step for mounting step

Horizontal Compartment:

54" Wide x 24" High x 18" Deep Compartment

- One (1) Adjustable Shelf

- Divider Slots on 2" Centers, with Nine (9) Adjustable Dividers

Rear Vertical Compartment:

30" Wide x 46" High x 18" Deep Compartment

- Seven (7) 1/2" Dia. Locking / Swivel Carriage Bolt Hooks, Adjustable, 2-3-2 Hook Set

- Outrigger Cutout and Cover in Compartment

Tailshelf:

- 12 Ga. treadplate tail shelf 30 inches long X 94 inches wide x 6 inches high.

- Through Tunnel with Dowp Down Doors on Both Sides

- Small stainless steel slam style paddle latch.

- Valve mounting plates below tailshelf

Tailshelf Rear Lighting:

- 94" Wide 7-Lamp light bar installed at rear of tail shelf NO LIGHTS

Wheel Chock Storage:

- Two (2) built into body fender panel on Streetside and Two (2) on Curbside

- Include pendulum retainers

Outrigger Pad Holders: Bolt On / Pre-fit / Ship Loose

- Four (4) under body mounted outrigger pad holders.

- To hold 18" x 18" x 1" pads

- Include pendulum retainers

- Painted same as body

Folding Cone Holder: Bolt On/Installed

- Post style cone holder made of 3/4" round stock 28" high with four (4) 3" x 3" welded to a 3/16" base plate

- 3/4" Sch 40 steel pipe welded on top 1/4" spacer with 3/4" rod going through pipe for hinge

- Lift & Drop Barrel Slide Bolt Latch installed on tailshelf to go over rear corner of base plate

- Painted same as body

U-Shaped Wire Spool Holder: Bolt On/Installed

- 15" Wide x 14" Tall x 2" Wide x 1/4" x 2" Flat

- 1" Dia Tube with Washer Welded on One (1) End and a 1/4" Snapper Retainer Pin on the Other

- Capable of holding a 12" Dia Spool of Copper Wire

- Painted same as body

Streetside Hotstick Box: Bolt-on/Installed on Uni-strut

120" Long x 26" High x 16" Wide 16 gauge galvanized box with

12 gauge hot rolled treadplate top

- One (1) 30644 Weld on Grabhandle Installed on side of box
 - One (1) fixed shelf midway lined with 1/2" marine grade plywood
 - Walls above shelf to be lined with 1/2" marine grade plywood up to bottom of PVC brackets
 - Middle Shelf and Bottom (Including Sides) of the Hotstick Box to be Lined With HDPE Material
 - Six (6) 2" PVC tubes 110" Long installed at top of box inside in a single row recessed 10" from door
- One (1) flat panel side hinged rear access door.
- Stainless small slam latch
 - Flat type weatherstripping installed on door.
 - Boxes designed for Uni-Strut mounting
 - Painted same as body

Prepared For:

TEREX - # 15215-01 OPP249068 CITY OF GRIDLEY
TL60 CA SPEC
Ben DeVille
3140-15th Ave SE
Watertown, SD 57201-
(605)882 - 4000
Reference ID: 15215-01

Presented By:

NORTH CENTRAL INTERNATIONAL
Robin Kunz
4511 NORTH CLIFF
SIOUX FALLS SD 57104 -
(605)336-3820

Thank you for the opportunity to provide you with the following quotation on a new International truck. I am sure the following detailed specification will meet your operational requirements, and I look forward to serving your business needs.

Model Profile
2025 HV607 SBA (HV607)

AXLE CONFIG:	4X2
APPLICATION:	Utility
MISSION:	Requested GVWR: 33000. Calc. GVWR: 33000. Calc. GCWR: 55000 Calc. Start / Grade Ability: 38.05% / 4.24% @ 55 MPH
DIMENSION:	Wheelbase: 179.00, CA: 111.90, Axle to Frame: 100.00
ENGINE, DIESEL:	{Cummins L9 350} EPA 2024, 350HP @ 2200 RPM, 1050 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 350 Peak HP (Max)
TRANSMISSION, AUTOMATIC:	{Allison 3000 RDS} 6th Generation Controls, Close Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
CLUTCH:	Omit Item (Clutch & Control)
AXLE, FRONT NON-DRIVING:	{Dana Spicer E-1462W} Wide Track, I-Beam Type, 14,000-lb Capacity
AXLE, REAR, SINGLE:	{Meritor MS-21-14X-4DCR} Single Reduction, 21,000-lb Capacity, Driver Controlled Locking Differential, R Wheel Ends Gear Ratio: 5.57
CAB:	Conventional, Day Cab
TIRE, FRONT:	(2) 385/65R22.5 Load Range J XZY-3 (MICHELIN), 491 rev/mile, 65 MPH, All-Position
TIRE, REAR:	(4) 11R22.5 Load Range H XDN2 (MICHELIN), 497 rev/mile, 75 MPH, Drive
SUSPENSION, REAR, SINGLE:	23,500-lb Capacity, Vari-Rate Springs
PAINT:	Cab schematic 100WL Location 1: 9219, Winter White (Std) Chassis schematic N/A

<u>Code</u>	<u>Description</u>
HV60700	Base Chassis, Model HV607 SBA with 179.00 Wheelbase, 111.90 CA, and 100.00 Axle to Frame.
1570	TOW HOOK, FRONT (2) Frame Mounted
1ANA	AXLE CONFIGURATION {Navistar} 4x2
	<u>Notes</u> : Pricing may change if axle configuration is changed.
1CAJ	FRAME RAILS Heat Treated Alloy Steel (120,000 PSI Yield); 10.866" x 3.622" x 0.437" (276.0mm x 92.0mm x 11.1mm); 456.0" (11582mm) Maximum OAL
1CGM	GVWR LIMITATION FOR FRAME Frame Rails Limited to 33,000 lb Maximum GVWR
1LLA	BUMPER, FRONT Swept Back, Steel, Heavy Duty
1MEJ	FRAME DIMPLE Dimple on Left and Right Top Flange of Frame Rail to Reference Rear Axle Centerline
1SAL	CROSSMEMBER, REAR, AF (1)
1WGR	WHEELBASE RANGE 138" (350cm) Through and Including 187" (475cm)
2AGC	AXLE, FRONT NON-DRIVING {Dana Spicer E-1462W} Wide Track, I-Beam Type, 14,000-lb Capacity
3770	SPRINGS, FRONT AUXILIARY Rubber
3ADD	SUSPENSION, FRONT, SPRING Parabolic Taper Leaf, Shackle Type, 14,000-lb Capacity, with Shock Absorbers
4091	BRAKE SYSTEM, AIR Dual System for Straight Truck Applications
	<u>Includes</u> : BRAKE LINES Color and Size Coded Nylon : DRAIN VALVE Twist-Type : GAUGE, AIR PRESSURE (2) Air 1 and Air 2 Gauges; Located in Instrument Cluster : PARKING BRAKE CONTROL Yellow Knob, Located on Instrument Panel : PARKING BRAKE VALVE For Truck : QUICK RELEASE VALVE On Rear Axle for Spring Brake Release: 1 for 4x2, 2 for 6x4 : SPRING BRAKE MODULATOR VALVE R-7 for 4x2, SR-7 with relay valve for 6x4/8x6
4619	TRAILER CONNECTIONS Four-Wheel, with Hand Control Valve and Tractor Protection Valve, for Straight Truck
	<u>Notes</u> : When electronic stability control is ordered with trailer connections on a 4x2 truck, please check the operator manual for trailer weight restrictions.
4AZJ	AIR BRAKE ABS {Bendix AntiLock Brake System} 4-Channel (4 Sensor/4 Modulator) Full Vehicle Wheel Control System, with Automatic Traction Control
4EBD	AIR DRYER {Wabco System Saver 1200} with Heater
4EXU	BRAKE CHAMBERS, REAR AXLE {Bendix EverSure} 30/30 SqIn Spring Brake
4EXV	BRAKE CHAMBERS, FRONT AXLE {Bendix} 24 SqIn
4GBM	BRAKE, PARKING Manual Push-Pull Pneumatic Parking Brake
4LAG	SLACK ADJUSTERS, FRONT {Gunite} Automatic
4LGG	SLACK ADJUSTERS, REAR {Gunite} Automatic
4SPA	AIR COMPRESSOR {Cummins} 18.7 CFM
4VKC	AIR DRYER LOCATION Mounted Inside Left Rail, Back of Cab
4WBX	DUST SHIELDS, FRONT BRAKE for Air Cam Brakes

<u>Code</u>	<u>Description</u>
4WDM	DUST SHIELDS, REAR BRAKE for Air Cam Brakes
4WWZ	DRAIN VALVE (3) with Pull Chains for Air Tanks
4WZJ	AIR TANK LOCATION (2) : One Mounted Under Each Rail, Front of Rear Suspension, Parallel to Rail
4XDP	BRAKES, FRONT {Meritor 16.5X5 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 16.5" X 5", 14,700-lb Capacity
4XDR	BRAKES, REAR {Meritor 16.5X7 Q-PLUS CAST} Air S-Cam Type, Cast Spider, Fabricated Shoe, Double Anchor Pin, Size 16.5" X 7", 23,000-lb Capacity per Axle
5710	STEERING COLUMN Tilting and Telescoping
5CAW	STEERING WHEEL 4-Spoke; 18" Dia., Black
5PSA	STEERING GEAR {Sheppard M100} Power
6DGB	DRIVELINE SYSTEM {Dana Spicer} SPL140, for 4x2/6x2
7BEV	AFTERTREATMENT COVER Steel, Black
7BLW	EXHAUST SYSTEM Horizontal Aftertreatment System, Frame Mounted Right Side Under Cab, for Single Vertical Tail Pipe, Frame Mounted Right Side Back of Cab
7SDP	ENGINE COMPRESSION BRAKE {Jacobs} for Cummins ISL/L9 Engines; with Selector Switch and On/Off Switch
7WAZ	TAIL PIPE (1) Turnback Type
7WDM	EXHAUST HEIGHT 10'
7WDN	MUFFLER/TAIL PIPE GUARD (1) Aluminum
8000	ELECTRICAL SYSTEM 12-Volt, Standard Equipment
	<u>Includes</u>
	: DATA LINK CONNECTOR For Vehicle Programming and Diagnostics In Cab
	: HAZARD SWITCH Push On/Push Off, Located on Instrument Panel to Right of Steering Wheel
	: HEADLIGHT DIMMER SWITCH Integral with Turn Signal Lever
	: PARKING LIGHT Integral with Front Turn Signal and Rear Tail Light
	: STARTER SWITCH Electric, Key Operated
	: STOP, TURN, TAIL & B/U LIGHTS Dual, Rear, Combination with Reflector
	: TURN SIGNAL SWITCH Self-Cancelling for Trucks, Manual Cancelling for Tractors, with Lane Change Feature
	: WINDSHIELD WIPER SWITCH 2-Speed with Wash and Intermittent Feature (5 Pre-Set Delays), Integral with Turn Signal Lever
	: WINDSHIELD WIPERS Single Motor, Electric, Cowl Mounted
	: WIRING, CHASSIS Color Coded and Continuously Numbered
8518	CIGAR LIGHTER Includes Ash Cup
8GXD	ALTERNATOR {Leece-Neville AVI160P2013} Brush Type, 12 Volt, 160 Amp Capacity, Pad Mount, with Remote Sense
8HAB	BODY BUILDER WIRING Back of Day Cab at Left Frame or Under Sleeper, Extended or Crew Cab at Left Frame; Includes Sealed Connectors for Tail/Amber Turn/Marker/ Backup/Accessory Power/Ground and Sealed Connector for Stop/Turn
8HAH	ELECTRIC TRAILER BRAKE/LIGHTS Accommodation Package to Rear of Frame; for Combined Trailer Stop, Tail, Turn, Marker Light Circuits; Includes Electric Trailer Brake Accommodation Package with Cab Connections for Mounting Customer Installed Electric Brake Unit, Less Trailer Socket
8MSG	BATTERY SYSTEM {Fleetrite} Maintenance-Free, (3) 12-Volt 1980CCA Total, Top Threaded Stud

<u>Code</u>	<u>Description</u>
8NAA	TAIL LIGHT WIRING MODIFIED Includes: Wiring for Standard Lt & Rt Tail Lights; Separate 8.0' of Extra Cable Wiring for Lt & Rt Body Mounted Tail Lights
8RMZ	SPEAKERS (2) 6.5" Dual Cone Mounted in Both Doors, (2) 5.25" Dual Cone Mounted in Both B-Pillars
8RPR	ANTENNA for Increased Roof Clearance Applications
8RPS	RADIO AM/FM/WB/Clock/Bluetooth/USB Input/Auxiliary Input
8TKK	TRAILER AUXILIARY FEED CIRCUIT for Electric Trailer Brake Accommodation/Air Trailer ABS; with 30 Amp Fuse and Relay, Controlled by Ignition Switch
8VAY	HORN, ELECTRIC Disc Style
8WBW	JUMP START STUD Remote Mounted
8WKR	WIRING, FEEDER DATA TERMINAL Cab Wiring for "Feeder Data Terminal" FDT System; Includes Extra 9-Pin Diagnostic Connector Located Behind the Instrument Panel
8WPH	CLEARANCE/MARKER LIGHTS (5) {Truck Lite} Amber LED Lights, Flush Mounted on Cab or Sunshade
8WTK	STARTING MOTOR {Delco Remy 38MT Type 300} 12 Volt, Less Thermal Over-Crank Protection
8WWJ	INDICATOR, LOW COOLANT LEVEL with Audible Alarm
8XAH	CIRCUIT BREAKERS Manual-Reset (Main Panel) SAE Type III with Trip Indicators, Replaces All Fuses
8XDU	BATTERY BOX Steel, with Aluminum Cover, 14" Wide, 2-3 Battery Capacity, Mounted Left Side Under Cab
8XGT	TURN SIGNALS, FRONT Includes LED Side Turn Lights Mounted on Fender
8XHC	ALARM, PARKING BRAKE Electric Horn Sounds in Repetitive Manner when Vehicle Park Brake is "NOT" Set, with Ignition "ON" or "OFF" and any Door Opened and Brake Pedal Released
8XHN	HORN, AIR Single Trumpet, Black, with Lanyard Pull Cord
8XNZ	HEADLIGHTS Halogen, with Daytime Running Lights
8XPL	POWER SOURCE, ADDITIONAL Two Auxiliary Power Outlets (APO) with Two USB-A Ports and Two USB-C Ports, Located in the Instrument Panel
9585	FENDER EXTENSIONS Rubber
9AAB	LOGOS EXTERIOR Model Badges
9AAE	LOGOS EXTERIOR, ENGINE Badges
9HBM	GRILLE Stationary, Chrome
9WBC	FRONT END Tilting, Fiberglass, with Three Piece Construction, for WorkStar/HV
10060	PAINT SCHEMATIC, PT-1 Single Color, Design 100
	<u>Includes</u> : PAINT SCHEMATIC ID LETTERS "WL"
10761	PAINT TYPE Base Coat/Clear Coat, 1-2 Tone
10AGB	COMMUNICATIONS MODULE Telematics Device with Over the Air Programming; Includes Five Year Data Plan and International 360
10NWW	CUSTOMER IDENTITY for Terex
10UAC	VEHICLE REGISTRATION IDENTITY ID for the State of California
10USP	PROMOTIONAL PACKAGE Utility Silver Package
10WWP	MUD FLAPS, FRONT WHEELS (2) Rubber, Mounted on Fender Extension, for Tire Size 425/445

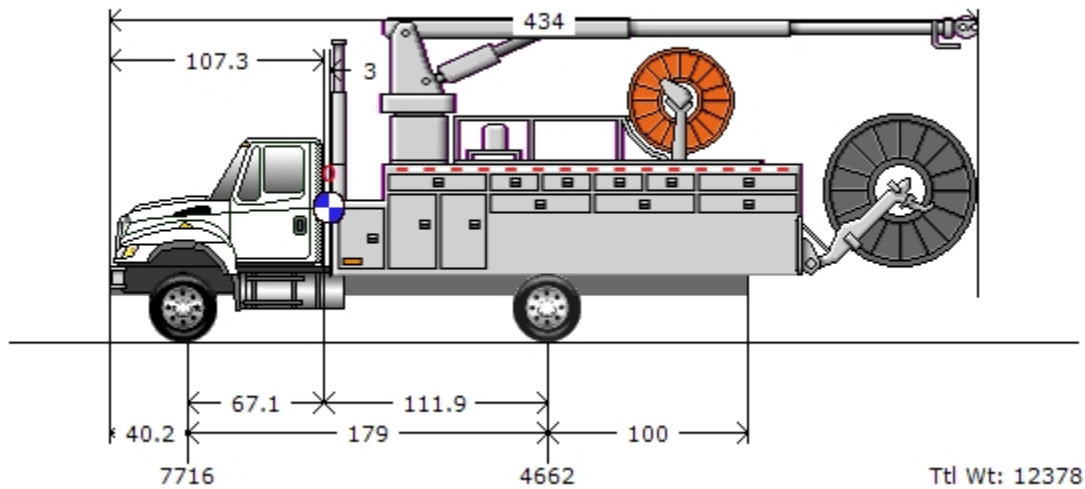
<u>Code</u>	<u>Description</u>
11001	CLUTCH Omit Item (Clutch & Control)
12703	ANTI-FREEZE Red, Extended Life Coolant; To -40 Degrees F/ -40 Degrees C, Freeze Protection
12849	BLOCK HEATER, ENGINE 120V/1000W, for Cummins ISB/B6.7/ISL/L9 Engines
	<u>Includes</u> : BLOCK HEATER SOCKET Receptacle Type; Mounted below Drivers Door
12EYY	ENGINE, DIESEL {Cummins L9 350} EPA 2024, 350HP @ 2200 RPM, 1050 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 350 Peak HP (Max)
12THT	FAN DRIVE {Horton Drivemaster} Two-Speed Type, Direct Drive, with Residual Torque Device for Disengaged Fan Speed
	<u>Includes</u> : FAN Nylon
12UWZ	RADIATOR Aluminum, Cross Flow, Front to Back System, 1228 SqIn, with 1167 SqIn Charge Air Cooler, Includes In-Tank Oil Cooler
	<u>Includes</u> : DEAERATION SYSTEM with Surge Tank : HOSE CLAMPS, RADIATOR HOSES Gates Shrink Band Type; Thermoplastic Coolant Hose Clamps : RADIATOR HOSES Premium, Rubber
12VBC	AIR CLEANER Single Element
12VJS	EMISSION, CALENDAR YEAR {Cummins L9} EPA, OBD and GHG Certified for Calendar Year 2024
12VXU	THROTTLE, HAND CONTROL Engine Speed Control for PTO; Electronic, Stationary Pre-Set, Two Speed Settings; Mounted on Steering Wheel
12WVG	EPA IDLE COMPLIANCE Low NOx Idle Engine, Complies with EPA Clean Air Regulations; Includes "Certified Clean Idle" Decal on Hood
12WZJ	CARB IDLE COMPLIANCE Low NOx Idle Engine, Complies with California Clean Air Regulations; Includes "Certified Clean Idle" Decal located on Driver Door
12WZY	CARB EMISSION WARR COMPLIANCE for Cummins L9 Engines
12XBM	ENGINE CONTROL, REMOTE MOUNTED Provision for; Includes Wiring for Body Builder Installation of PTO Controls and Starter Lockout, with Ignition Switch Control, for Cummins B6.7 and L9 Engines
13BCS	TRANSMISSION, AUTOMATIC {Allison 3000 RDS} 6th Generation Controls, Close Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
13WEH	AUTOMATIC NEUTRAL Allison Transmission Shifts to Neutral When Parking Brake is Engaged and Remains in Neutral When Parking Brake is Disengaged, without On/Off Switch
13WET	TRANSMISSION SHIFT CONTROL Column Mounted Stalk Shifter, Not for Use with Allison 1000 & 2000 Series Transmission
13WEV	TRANSMISSION FEATURE EFFECTS for Allison, Disable Aftertreatment Regeneration When in PTO Mode
13WGH	TRANSMISSION DIPSTICK Relocated to Right Side of Transmission
13WLP	TRANSMISSION OIL Synthetic; 29 thru 42 Pints
13WUS	ALLISON SPARE INPUT/OUTPUT for Rugged Duty Series (RDS) and Regional Haul Series (RHS), General Purpose Trucks, Package Number 223, Modified for Single Input Auto Neutral
13WVV	NEUTRAL AT STOP Allison Transmission Shifts to Neutral When Service Brake is Depressed and Vehicle is at Stop; Remains in Neutral Until Service Brake is Released

<u>Code</u>	<u>Description</u>
13WYU	SHIFT CONTROL PARAMETERS {Allison} 3000 or 4000 Series Transmissions, Performance Programming
13XAL	PTO LOCATION Customer Intends to Install PTO at Left Side of Transmission
14ANY	AXLE, REAR, SINGLE {Meritor MS-21-14X-4DCR} Single Reduction, 21,000-lb Capacity, Driver Controlled Locking Differential, R Wheel Ends . Gear Ratio: 5.57
14SAN	SUSPENSION, REAR, SINGLE 23,500-lb Capacity, Vari-Rate Springs
14SZB	SPRINGS, REAR AUXILIARY Multileaf; 4,500-lb Capacity
14WMG	AXLE, REAR, LUBE {EmGard FE-75W-90} Synthetic Oil; 30 thru 39.99 Pints
15LNS	FUEL/WATER SEPARATOR {Racor 400 Series} 12 VDC Electric Heater, Includes Pre-Heater, with Primer Pump, Includes Water-in-Fuel Sensor, Mounted on Engine
15SXJ	FUEL TANK Top Draw, Non-Polished Aluminum, 24" Dia, 50 US Gal (189L), Mounted Left Side, Under Cab
15WCN	DEF TANK 5 US Gal (19L) Capacity, Frame Mounted Outside Left Rail, Under Cab
16030	CAB Conventional, Day Cab
16BAM	AIR CONDITIONER with Integral Heater and Defroster
16GED	GAUGE CLUSTER Base Level; English with English Electronic Speedometer
	<u>Includes</u> : GAUGE CLUSTER DISPLAY: Base Level (3" Monochromatic Display), Premium Level (5" LCD Color Display); Odometer, Voltmeter, Diagnostic Messages, Gear Indicator, Trip Odometer, Total Engine Hours, Trip Hours, MPG, Distance to Empty/Refill for : GAUGE CLUSTER Speedometer, Tachometer, Engine Coolant Temp, Fuel Gauge, DEF Gauge, Oil Pressure Gauge, Primary and Secondary Air Pressure : WARNING SYSTEM Low Fuel, Low DEF, Low Oil Pressure, High Engine Coolant Temp, Low Battery Voltage (Visual and Audible), Low Air Pressure (Primary and Secondary)
16HGH	GAUGE, OIL TEMP, AUTO TRANS for Allison Transmission
16HKT	IP CLUSTER DISPLAY On Board Diagnostics Display of Fault Codes in Gauge Cluster
16JNT	SEAT, DRIVER {National 2000} Air Suspension, High Back with Integral Headrest, Vinyl, Isolator, 1 Chamber Lumbar, with 2 Position Front Cushion Adjust, -3 to +14 Degree Angle Back Adjust
16SMH	SEAT, TWO-MAN PASSENGER {National} Fixed Back, Integrated Headrest in Both Occupant Positions, Vinyl, with Under Seat Storage Compartment
16SNR	MIRRORS (2) C-Loop, Power Adjust, Heated, LED Clearance Lights, Bright Heads and Arms, 7.5" x 14" Flat Glass, Includes 7.5" x 7" Convex Mirrors, for 102" Load Width
	<u>Notes</u> : Mirror Dimensions are Rounded to the Nearest 0.5"
16VKB	CAB INTERIOR TRIM Classic, for Day Cab
	<u>Includes</u> : CONSOLE, OVERHEAD Molded Plastic with Dual Storage Pockets, Retainer Nets and CB Radio Pocket; Located Above Driver and Passenger : DOME LIGHT, CAB Door Activated and Push On-Off at Light Lens, Timed Theater Dimming, Integral to Overhead Console, Center Mounted : SUN VISOR (2) Padded Vinyl; 2 Moveable (Front-to-Side) Primary Visors, Driver Side with Toll Ticket Strap
16VLV	MONITOR, TIRE PRESSURE Omit
16WJU	WINDOW, POWER (2) and Power Door Locks, Left and Right Doors, Includes Express Down Feature
16WSK	CAB REAR SUSPENSION Air Bag Type

<u>Code</u>	<u>Description</u>
16XJN	INSTRUMENT PANEL Flat Panel
16ZBT	ACCESS, CAB Steel, Driver & Passenger Sides, Two Steps per Door, for use with Day Cab and Extended Cab
27DUN	WHEELS, FRONT {Accuride 29807} DISC; 22.5x12.25 Rims, Powder Coat Steel, 5-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs, Offset 5.37"
28DUW	WHEELS, REAR {Accuride 51408} DUAL DISC; 22.5x8.25 Rims, Powder Coat Steel, 2-Hand Hole, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs
7482133264	(4) TIRE, REAR 11R22.5 Load Range H XDN2 (MICHELIN), 497 rev/mile, 75 MPH, Drive
7602653208	(2) TIRE, FRONT 385/65R22.5 Load Range J XZY-3 (MICHELIN), 491 rev/mile, 65 MPH, All-Position

Services Section:

40128	WARRANTY Standard for HV507, HV50B, HV607 Models, Effective with Vehicles Built July 1, 2017 or Later, CTS-2025A
40NSG	CARB COMPANION PLAN {Navistar} for CARB B6.7 and L9 Engines
40RBE	SERVICES, TOWING {Navistar} Service Call to 12-Month/Unlimited Mileage to the Nearest Navistar Dealer for Navistar Warrantable Failure as Contract Defined; Includes Engine Failure if Supplier Declines Tow Coverage & ESC Supplied thru Navistar; \$550 (USA) Maximum Benefit per Incident



Graphics are provided as visual aids only and are not intended to represent the actual scale, shape, or color of the truck or its components. All weights are represented in lbs.

Truck			Body/Trailer			Chassis/Empty Weights	
Bumper to Axle	(BA)	40.2	Body Length	(BL)	324	Tractor Front Axle:	7,716
Wheelbase	(WB)	179.00				Tractor Rear Axle:	4,661
Axle to Frame	(AF)	100.00					
Axle to Back Cab	(ABC)	67.1					
Cab to Axle	(CA)	111.9					
Usable CA		111.9					
CA Reduction Adjustment		0.00					
Fuel-Diesel(Gals)		0					
DEF(Gals)		0					

Before the Cab			Cab			Payloads			Body			After the Body		
#	Weight	CG	#	Weight	CG	#	Weight	CG	#	Weight	CG	#	Weight	CG
									1	0	0			

Loads		Weight Distribution	
Payload Weight:	0	Total Front Axle:	7,716
Driver:	0	Total Rear Axle:	4,662
Fuel-Diesel(Lbs):	0	Total Weight:	12,378
DEF(Lbs):	0		

Weights and clearances in this proposal are estimates only. Navistar, Inc. is not liable for any consequences resulting from any differences between the estimated weights and clearances and the actual manufactured weights and clearances.

Weight Distribution

All weights are represented in lbs.

	<u>Truck</u>		Total
	Front	Rear	
<u>Chassis Weight</u>			
Chassis Weight:	7,716	4,661	12,377
Fuel:	0	0	0
DEF:	0	0	0
Empty Body:	0	1	1
(Curb Weight):	7,716	4,662	12,378

Loads

Payloads:	0	0	0
Driver:	0	0	0
Axle Totals (Gross Weight):	7,716	4,662	12,378

Weight Ratings

	<u>Truck</u>	
	Front	Rear
Axle(axle capacity)	14,000	21,000
Tire(tire capacity)	18,740	26,440
Suspension(suspension capacity)	14,000	23,500
Spring:	0	
Fed Bridge Law (axle spread):	20,000	20,000
Wheel Combination	Load	Limit
1 - 2	12,378	44,000

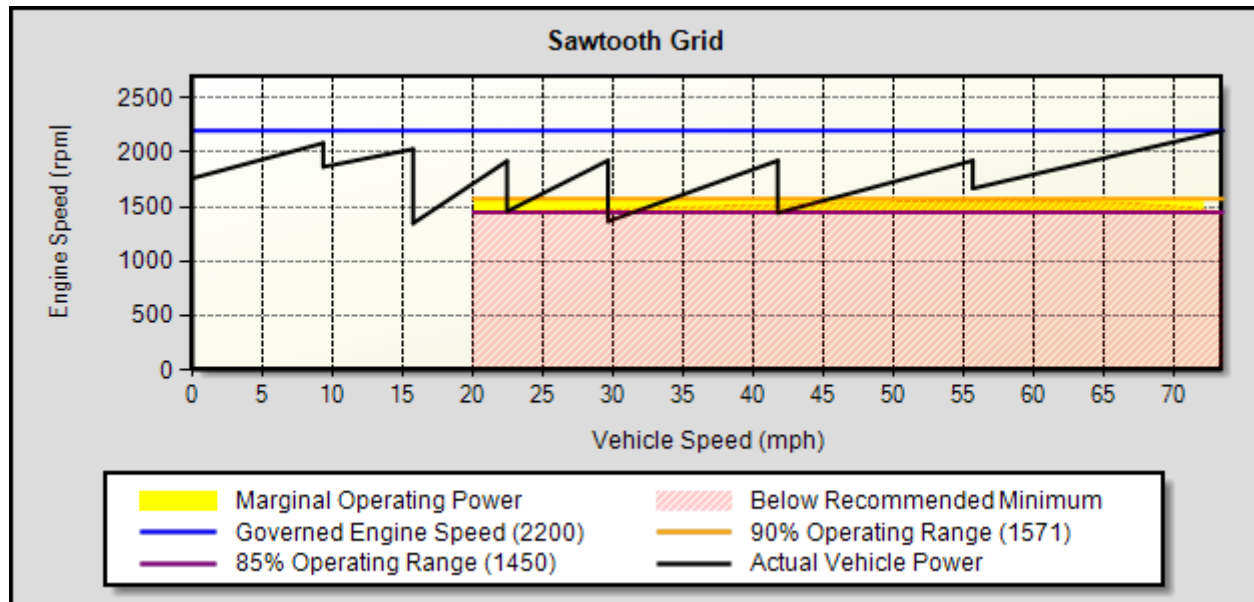
Federal Total Vehicle Weight Limit: 80,000

Maximum Gross Vehicle Weight Rating (GVWR) 33,000 - Gross Vehicle Weight(GVW) 12,378 = 20,622 Reserves

Weight Summary

* Distributed weights are within capacity limits

ENGINE/TRANSMISSION MATCHING



Sawtooth Details

Gear	Trans Ratio	Upshift Power Avail		Govern Power Avail		Peak Power Comparison			Warn Msg
		Veh Spd (MPH)	Eng Spd (RPM)	Veh Spd (MPH)	Eng Spd (RPM)	Gear Step (%)	85% Range (%)	90% Range (%)	
1C	3.49	0.0	1763	9.3	2086	N/A	52	40	
2C	1.86	9.3	1867	15.7	2030	N/A	52	40	
2L	1.86	15.7	1347	22.4	1921	N/A	52	40	
3L	1.41	22.4	1457	29.6	1926	N/A	52	40	
4L	1.00	29.6	1366	41.7	1925	N/A	52	40	
5L	0.75	41.7	1444	55.6	1925	N/A	52	40	
6L	0.65	55.6	1669	73.4	2200	N/A	52	40	

@ - WHEELSLIP CAN OCCUR AT THE GRADE SHOWN. THE VEHICLE IS CAPABLE OF INCREASED GRADEABILITY IF MORE WEIGHT IS PLACED ON THE DRIVE AXLES.

STEADY STATE PERFORMANCE

Performance Results	Gear	Veh Spd (mph)	Eng Spd (rpm)	Fuel Econ (mpg)	Grade (%)	Notes
LEVEL ROAD MAXIMUM SPEED	6L	76.0	2279	*****	0.00	
HI GEAR SPEED @ RATED RPM	6L	73.4	2200	*****	2.08	
55.0 MPH STEADY-STATE	6L	55.0	1649	*****	4.24	
TYPICAL OPERATING SPEED	6L	69.0	2069	*****	2.62	- Calculated Grade Ability/Fuel Economy

VEHICLE ORDER CODING ERRORS MAY RESULT IF THE "LEVEL ROAD MAX SPEED" VALUE EXCEEDS THE "HI GEAR SPEED @ RATED RPM" AND IS USED AS THE ENGINE PROGRAMMABLE VEHICLE SPEED LIMIT.

IF THE RESULTS CONTAIN "-----", VEHICLE CANNOT ATTAIN THAT SPEED.

IF THE RESULTS CONTAIN "*****", THE ENGINE USED DOES NOT HAVE A FUEL MAP. FUEL ECONOMY CANNOT BE PREDICTED.

Recommendations / General Information

IDLE FUEL RATE : ***** GALS/HR @ 700.0 RPM

TORQUE CONVERTER : TC-421 STALL RATIO: 1.77

Fuel Economy Route: Normal Route - City, Suburban, and Highway

Key Fuel Economy Information	City	Suburban	Highway	Notes
MILES PER GALLON	*****	*****	*****	
AVERAGE MPH	19.2	40.0	54.6	
MISSION MINUTES	29.51	51.69	173.27	

IF THE RESULTS CONTAIN "*****", THE ENGINE USED DOES NOT HAVE A FUEL MAP. FUEL ECONOMY CANNOT BE PREDICTED.

GRADEABILITY PERFORMANCE

Enroute - Full Throttle Upshift Performance

Gear	Trans Ratio	Veh Spd (mph)	Eng Spd (rpm)	Whl Pwr (hp)	Grade (%)	Warn Notes
						Msg
1C	3.49	0.0	1763	0.00	44.55	@ STALL
		5.9	1912	216.40	44.55	@ 70% EFF
		7.9	2004	252.21	38.05	80% EFF
		9.3	2086	265.42	33.28	
2C	1.86	9.3	1867	199.46	24.22	
		15.7	2030	258.61	18.19	
2L	1.86	15.7	1347	244.22	17.09	
		22.4	1921	315.85	15.28	
3L	1.41	22.4	1457	264.09	12.58	
		29.6	1926	315.60	11.13	
4L	1.00	29.6	1366	248.16	8.51	
		41.7	1925	315.73	7.27	
5L	0.75	41.7	1444	258.37	5.70	
		55.6	1925	310.36	4.54	
6L	0.65	55.6	1669	294.40	4.21	
		73.4	2200	300.59	2.08	RATED RPM
		74.7	2241	240.44	1.00	
		75.4	2260	211.34	0.50	
		76.0	2279	181.72	0.00	LEVEL ROAD

STARTING / TOP GEAR PERFORMANCE

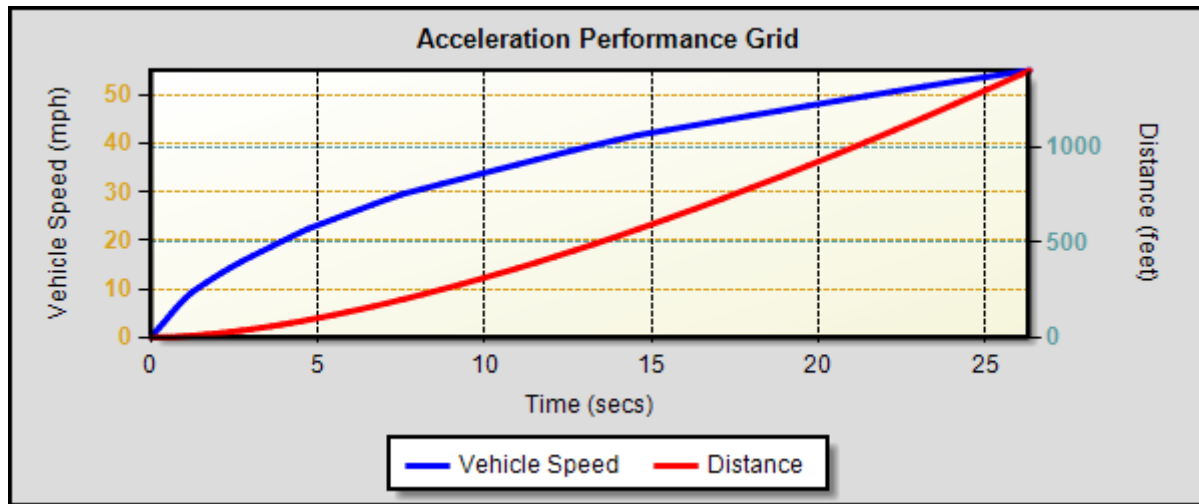
Gear	Trans Ratio	Veh Spd (mph)	Eng Spd (rpm)	Whl Pwr (hp)	Grade (%)	Warn Notes
						Msg
1C	3.49	0.0		0.00	44.55	@ STALL
		7.9		252.21	38.05	80% EFF - Calculated Start Ability

@ - WHEELSLIP CAN OCCUR AT THE GRADE SHOWN. THE VEHICLE IS CAPABLE OF INCREASED GRADEABILITY IF MORE WEIGHT IS PLACED ON THE DRIVE AXLES.

THE TRANSMISSION WAS SIMULATED IN PERFORMANCE OPERATING MODE.

ACCELERATION PERFORMANCE RESULTS

Acceleration Performance Grid



Acceleration Performance: TIME TO ACCELERATE ON A GRADE TO 55.0 (MPH) IS 26.32 (SECS)

Acceleration Performance Details

Gear	Time (secs)	Distance (feet)	Speed (mph)	Notes
1C	0.12	0.1	1.0	
	0.25	0.4	2.0	
	0.38	0.8	3.0	
	0.50	1.4	4.0	
	0.62	2.3	5.0	
	0.75	3.3	6.0	
	0.88	4.5	7.0	
	1.02	6.1	8.0	
	1.18	8.0	9.0	
2C	1.23	8.7	9.3	
	1.44	11.8	10.3	
	1.66	15.3	11.3	
	1.89	19.2	12.3	
	2.12	23.7	13.3	
	2.37	28.7	14.3	
	2.63	34.3	15.3	
2L	2.73	36.6	15.7	
	3.02	43.5	16.7	
	3.31	50.9	17.7	
	3.61	58.7	18.7	
	3.90	66.9	19.7	
	4.19	75.6	20.7	
	4.50	85.1	21.7	
3L	4.72	92.2	22.4	
	5.11	105.2	23.4	
	5.49	118.7	24.4	
	5.88	132.9	25.4	
	6.27	147.6	26.4	
	6.66	163.0	27.4	
	7.06	179.6	28.4	
4L	7.48	197.4	29.4	
	7.58	201.5	29.6	

Gear	Time (secs)	Distance (feet)	Speed (mph)	Notes
5L	8.14	226.3	30.6	
	8.70	251.9	31.6	
	9.27	278.5	32.6	
	9.83	306.0	33.6	
	10.40	334.3	34.6	
	10.97	363.6	35.6	
	11.54	393.8	36.6	
	12.11	425.0	37.6	
	12.69	457.4	38.6	
	13.29	491.7	39.6	
	13.91	528.1	40.6	
	14.55	566.7	41.6	
	14.62	571.3	41.7	
	15.45	622.8	42.7	
	16.29	675.8	43.7	
	17.13	730.3	44.7	
	17.97	786.3	45.7	
	18.83	843.9	46.7	
	19.68	903.2	47.7	
	20.54	964.0	48.7	
	21.41	1026.6	49.7	
	22.28	1090.9	50.7	
	23.17	1157.9	51.7	
	24.09	1228.6	52.7	
	25.05	1303.1	53.7	
	26.04	1381.8	54.7	
	26.32	1404.4	55.0	

REQUIRED TCAPE INFORMATION

TCAPE Factors For Vehicle

Selected Rear Axle Gear Ratio(s):	5.57
Engine Fan Type:	VISCOUS
Parked PTO:	NO
Enroute PTO:	NO
ID Wheel Slip Conditions:	Yes
Road Governor/Cruise Ctrl:	No
Road Surface Type:	TYPICAL
Fuel Economy Route:	Normal Route - City, Suburban, and Highway
Vehicle Vocation:	MODERATE ON/OFF HIGHWAY
Acceleration Grade (%):	0.0
Frontal Area (FT ²):	76
Speed Limit on Route (MPH):	61.0
Relative Drag Coefficient:	85
Alternator (A):	40
Steering Gear (HP):	2.60
Air Conditioner (HP):	3.20
Vehicle Width (IN):	96
Vehicle Height (IN):	110
Weight on Drive Axle (LBF):	21000
Acceleration Vehicle Spd (MPH):	55.0
Ambient Temperature (F):	70.0
Air Compressor (HP):	2.20
TIRE, FRONT	2 - RADIAL WIDEBASE
TIRE, REAR	4 - RADIAL NORMAL

Components

0001ANA	AXLE CONFIGURATION {Navistar} 4x2
0002AGC	AXLE, FRONT NON-DRIVING {Dana Spicer E-1462W} Wide Track, I-Beam Type, 14,000-lb Capacity
0004SPA	AIR COMPRESSOR {Cummins} 18.7 CFM
0005PSA	STEERING GEAR {Sheppard M100} Power
0008GXD	ALTERNATOR {Leece-Neville AVI160P2013} Brush Type, 12 Volt, 160 Amp Capacity, Pad Mount, with Remote Sense
0012EYY	ENGINE, DIESEL {Cummins L9 350} EPA 2024, 350HP @ 2200 RPM, 1050 lb-ft Torque @ 1200 RPM, 2200 RPM Governed Speed, 350 Peak HP (Max)
0012THT	FAN DRIVE {Horton Drivemaster} Two-Speed Type, Direct Drive, with Residual Torque Device for Disengaged Fan Speed
0013BCS	TRANSMISSION, AUTOMATIC {Allison 3000 RDS} 6th Generation Controls, Close Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, with 80,000-lb GVW and GCW Max, On/Off Highway
0014ANY	AXLE, REAR, SINGLE {Meritor MS-21-14X-4DCR} Single Reduction, 21,000-lb Capacity, Driver Controlled Locking Differential, R Wheel Ends
0016030	CAB Conventional, Day Cab
0016BAM	AIR CONDITIONER with Integral Heater and Defroster
07482133264	TIRE, REAR 11R22.5 Load Range H XDN2 (MICHELIN), 497 rev/mile, 75 MPH, Drive 11R22.5 Load Range H XDN2 (MICHELIN), 497 rev/mile, 75 MPH, Drive
07602653208	TIRE, FRONT 385/65R22.5 Load Range J XZY-3 (MICHELIN), 491 rev/mile, 65 MPH, All-Position 385/65R22.5 Load Range J XZY-3 (MICHELIN), 491 rev/mile, 65 MPH, All-Position

TCAPE HAS BEEN DESIGNED TO GIVE ECONOMY AND PERFORMANCE PREDICTIONS WHICH HAVE BEEN SHOWN TO BE TYPICAL FOR MOST OPERATIONS. HOWEVER, DUE TO OPERATING CONDITIONS, DRIVER INFLUENCES, AND OTHER FACTORS, YOUR RESULTS MAY VARY FROM THOSE PREDICTED. ALSO, BECAUSE OF FUEL MAPPING PROCEDURES USED BY VARIOUS ENGINE MANUFACTURERS, COMPARISONS OF FUEL ECONOMY RESULTS FOR DIFFERENT BRANDS OF ENGINES MAY VARY FROM THOSE SHOWN.

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