

**SECOND AMENDMENT TO AGREEMENT
September 1, 2014**

This SECOND AMENDMENT TO THE AGREEMENT (the "Second Amendment") is made and entered into as of September 1, 2014, (the "Effective Date") by and between the CITY OF IMPERIAL, a municipal corporation of the State of California ("City") and ALLIED WASTE TRANSPORTATION, INC., a Delaware corporation, dba ALLIED WASTE SERVICES OF IMPERIAL ("Allied"), with reference to the following recitals:

Recitals

A. City is a general law city within the meaning of California Constitution and has reserved its powers pursuant to California Public Resources Code Section 40000 et seq. to grant an exclusive Solid Waste and Recycling franchise.

B. On December 15, 2004, City granted Allied an exclusive franchise to collect and dispose of, for a fee, solid waste, yard waste and recyclable materials from residential, commercial and industrial premises within the City (the "Agreement"); and

C. On August 6, 2008, the City and Allied entered into the First Amendment to the Agreement (the "First Amendment"); and

D. By virtue of the First Amendment, the term of the Agreement was extended by eight years, to expire on August 31, 2016, with an option to further extend the term if the City Manager determines that Allied is in general compliance with the Agreement and on such terms as may be agreed to by the parties; and

E. The City desires that Allied provide street sweeping to the City. Allied has agreed to provide street sweeping services, and requests this Second Amendment to the Agreement to enable Allied to cover the costs of these new services; and

F. The purpose of this Amendment is to extend the term of Allied's Agreement with the City, as previously amended by the First Amendment, and to further revise the Agreement as so amended to reflect Allied's provision of street sweeping services for the City. This Second Amendment provides street sweeping services will commence on September 1, 2014, along with a franchise term that will expire on August 31, 2026.

Amendments to Franchise

NOW, THEREFORE, in consideration of the above recitals, the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, City and Allied hereby agree that:

1. Section 2, "Term," is hereby amended in its entirety to read as follows:

The term of this Agreement shall commence on September 1, 2004, and shall expire on August 31, 2026, unless earlier terminated in accordance with the provisions hereof.

2. New Subsections 11 (a), (b) and (c) are hereby added to the Agreement, to read as follows:

- a) Street Sweeping Services. In order to further compensate the City for Allied's use of the City's streets depicted on Exhibit J, attached hereto, and any additional City-owned streets designated by the City during the Term, pursuant to section (c) below, Allied shall perform street sweeping services for the City in accordance with the provisions of Exhibit K. Street sweeping services will commence on September 1, 2014, as provided in (b) below, and continue for the Term of this Second Amendment.

- b) Lease and Purchase of City Street Sweepers. The City currently has one new Tymco street sweeper to serve as its primary street sweeper. Allied shall lease-to-own this street sweeper from the City for a rental payment annually of \$90,756 per year for three years commencing on September 1, 2014, followed by annual rental payments of \$15,126 for two years. The cumulative rental payments for the five-year lease period will be \$302,518.50. After full payment of the 5 years of lease payments for the street sweeper, full title to and ownership of the street sweeper shall pass to Allied, free and clear of all liens and encumbrances. Prior to Allied taking full ownership of the street sweeper, the street sweeper will be used solely in Imperial County. Annual rental payments will be made in twelve equal monthly installments. The first lease payment shall be due and payable on September 1, 2014 (the "Sweeper Lease Commencement Date"). Monthly lease payments shall be due within ten (10) days of the first day of each calendar month commencing on the Sweeper Lease Commencement Date. Allied shall be responsible for all repairs and maintenance for the leased street sweeper. The City and Allied shall enter into a written Lease-to-Own and Purchase Agreement consistent with the financial and other terms and conditions of this Second Amendment for the street sweeper, in a form mutually agreed to by the City and Allied.

Sept. 14 \$90,756
Sept. 15 \$90,756
Sept. 16 \$90,756
Sept. 17 \$15,126
Sept. 18 \$15,126
+ \$1

- c) Rates. To compensate Allied for annual street sweeping services, the City shall pay Allied the sum of \$127,000 a year commencing on the date that Allied begins providing street sweeping services to the City. This annual sum shall be increased on the anniversary date of the provision of street sweeping services using the most recent percent annual increase in the CPI as defined in the Agreement and used in the adjustment of solid waste services rates under the Agreement. This annual payment shall be made by City to Allied in twelve equal monthly installments. Allied will sweep all City streets as directed by Exhibit J and Exhibit K up to 175 curb miles. Should the City's total curb miles requiring sweeping increase through annexation or any other reason by more than five percent of this total (i.e., by more than 9 additional miles), the parties shall meet and confer to consider an adjustment to Allied's rates that would reasonably compensate Allied for its additional costs of sweeping the City's street. Allied shall be entitled to a reasonable rate adjustment to compensate it for such additional street

sweeping costs as demonstrated to the City's reasonable satisfaction.

3. Section 25, "Insurance," is hereby amended in its entirety to read as follows:

a) General Liability and Auto Insurance. Allied agrees, at Allied's own expense, to carry comprehensive public liability and automobile liability coverage during the full Term of this Agreement, with City also shown as an additional insured thereunder, covering liability for bodily injuries, death and property damage, arising out of or in connection with the operations of Allied under this Agreement in an amount not less than \$1,000,000 for injuries including death to any one person and in an amount not less than \$5,000,000 for any one accident or occurrence.

b) Workers Compensation Insurance. Allied agrees, at Allied's own expense, to carry workers' compensation insurance in accordance with the laws of the State.

c) Certificates. Certificates of insurance thereof, shall be deposited by Allied with the City Manager together with endorsements or statements from the insuring companies providing that such policies will not be subject to cancellation until thirty (30) days after written notice to City. All of said policies shall be subject to the reasonable approval of the City attorney.

d) Pollution Insurance. Environmental Impairment Liability shall be written on a Contractor's Pollution Liability form or other form acceptable to the City providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than \$1,000,000 dollars per claim and in the aggregate.

e) Subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Allied or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Allied hereby waives its own right of recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subcontractors and sub consultants.

f) Miscellaneous Provisions. All activities contemplated in this Agreement shall be specifically scheduled on the policy as "covered operations." The policy shall provide coverage for the hauling of waste from the project site to the final disposal location, including non-owned disposal sites. Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using subcontractors, the Policy must include work performed "by or on behalf" of the insured. The Policy shall contain no language that would invalidate or remove the insurer's duty to defend or indemnify for claims or suits expressly excluded from coverage. The policy shall specifically

provide for a duty to defend on the part of the insurer. The City, its officials, officers, agents, and employees shall be included as insured's under the policy.

3. The parties agree to add a new Section 41, to read as follows:

Allied will pick up and dispose of debris, concrete and inert waste located on the surface of the vacant City-owned property next to the Department of Public Works facility located on North P Street in the City of Imperial, at no cost to the City.



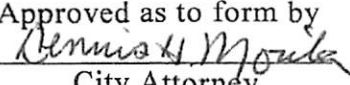
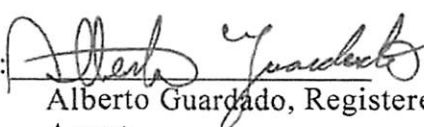
4. The parties agree to add a new Section 42, to read as follows:

Donation of labor,
Allied shall donate labor, resources and finances, totaling up to Five Thousand Dollars (\$5,000.00) annually, for the City of Imperial social, economic and educational training and curriculum projects, as requested by the City.

5. Exhibits J and K hereto are incorporated into this Second Amendment and the Agreement as though fully set forth herein.

6. Except as expressly amended herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, Allied and the City have entered into this Franchise Agreement as of the date first written above.

<p>CITY:</p> <p>City of Imperial, a municipal corporation</p> <p>By:  Geoff Dale, Mayor</p> <p>Attest:  City Clerk</p> <p>Approved as to form by  City Attorney</p>	<p>ALLIED:</p> <p>Allied Waste Transportation, Inc. a Delaware corporation, dba Allied Waste Services of Imperial</p> <p>By:  Alberto Guardado, Registered Agent</p>

EQUIPMENT LEASE AND PURCHASE AGREEMENT

This EQUIPMENT LEASE AND PURCHASE AGREEMENT, together with any attached Schedules (collectively "Agreement"), is made as of this 1st day of September 2014, by and between THE CITY OF IMPERIAL, a municipal corporation of the State of California ("City") and ALLIED WASTE TRANSPORTATION, INC., a Delaware corporation, dba ALLIED WASTE SERVICES OF IMPERIAL ("Allied"), with reference to the following recitals:

Recitals

A. Pursuant to the Second Amendment to Agreement between the City and Allied ("Second Amendment"), Allied has agreed to lease and to ultimately purchase from the City, and the City has agreed to lease and to ultimately sell to Allied, the street sweeping vehicle and related equipment ("Sweeper"), described on Schedule A which is attached hereto and is incorporated herein by this reference; and

B. The purpose of this Agreement is to provide for the leasing and purchase of the Sweeper described on Schedule A, on the terms and conditions set forth herein.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Allied agree as follows:

1. **Lease.**

City leases to Allied, and Allied leases from City, the Sweeper identified on Schedule A, upon the terms and conditions of this Agreement.

2. **Term.**

The City owns the Sweeper identified on Schedule A. The Sweeper will be delivered by City to Allied on August 18, 2014 (the "Delivery Date"). The lease term is for five years, to commence on the Delivery Date and end on the fifth anniversary of the delivery date.

3. **Rent.**

Allied shall pay the City total rent for the five year lease period of 302,518.50, payable as follows: Annual rental payments of \$90,756 for three years commencing on September 1, 2014,

followed by annual rental payments of \$15,126 for two years. Annual rent shall be payable by Allied to the City in equal monthly installments, equal to one-twelfth of the annual rent. The first lease payment shall be due and payable on September 1, 2014 (the "Sweeper Lease Commencement Date"). Monthly lease payments shall be due within ten (10) days of the first day of each calendar month commencing on the Sweeper Lease Commencement Date. No other fees or sums shall be owed by Allied to the City for the lease of the Sweeper. The annual rent shall be fixed for the duration of the lease term, and shall not increased or escalate for any reason.

4. Use.

Allied shall use the Sweeper in a careful and proper manner and shall comply with all laws, ordinances, and regulations relating to the possession, use, and maintenance of the Sweeper. Prior to Allied taking full ownership of the Sweeper, the Sweeper shall be used solely in Imperial County. Allied may sublease use of the sweeper to a subcontractor.

5. Maintenance and Repair.

Allied shall keep the Sweeper in good repair, condition, and working order, and shall furnish all parts and service necessary to keep them in good working order.

6. Assignment of Warranties.

The City shall assign to Allied all manufacturer and distributor warranties, guarantees, and service policies or contracts applicable to the Sweeper.

7. Loss or Damage.

Allied shall bear the risk of all loss or damage to the Sweeper during the lease term. If the Sweeper is damaged so it is not usable, or is lost or stolen, Allied shall replace the Sweeper with a Sweeper of like condition at the time of the loss or damage.

8. Insurance.

Allied will, at its own cost and expense, insure the Sweeper for the applicable amounts stated in the Agreement, and will maintain a loss payable endorsement in favor of the City.

9. Taxes and Fees.

Allied will prepare, execute, and file returns and pay, on a timely basis, at Allied's expense, all sales and use taxes and any other personal property taxes, charges, assessments, or levies imposed on or against the Sweeper by jurisdictions other than the City, of whatever kind or nature, together with any penalties or interest in connection with these charges, except any taxes on or measured by Allied's revenues or net income. Allied will, on any property tax returns required filed by Allied, include the Sweeper as property leased by Allied for purposes of personal property tax assessments.

10. Indemnity.

Allied will indemnify the City against, and hold City harmless from, all claims, actions, proceedings, costs, damages, and liabilities, including attorney's fees, arising out of, connected with, or resulting from Allied's negligent operation of the Sweeper.

11. Default.

The occurrence of one or more of the following events shall constitute an "Event of Default": Allied fails to pay when due any rent payment becoming due under this Agreement; Allied fails to perform any other obligation assumed by Allied under this Lease; or Allied (i) becomes insolvent; (ii) commits an act of bankruptcy; (iii) becomes subject to any voluntary or involuntary bankruptcy proceeding; (iv) makes an assignment for the benefit of creditors; or (v) enters into any type of voluntary or involuntary liquidation.

On the happening of an Event of Default, City may, at its option serve Allied with a Notice of Default, requesting that Allied cure any default which is capable of being cured. Allied shall have thirty (30) days to cure said default, or such longer time as may reasonably be required to cure the default. Should Allied fail to cure the default within the time allowed, the City may terminate the lease as to the Sweeper and retake possession of the Sweeper.

12. Purchase Option.

At the end of the Term, City shall sell to Allied and Allied shall purchase from the City the Sweeper for the price of One Dollar (\$1.00). Upon such purchase, full title to and ownership of the Sweeper shall pass to Allied, free and clear of all liens and encumbrances.

13. Applicable Law.

This Agreement shall be governed by and construed under the laws of the State of California.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first written above.

[Signatures on Next page]

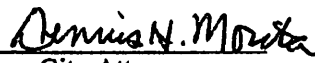
CITY:

City of Imperial, a municipal corporation

By: 
Mayor, Geoff Dale

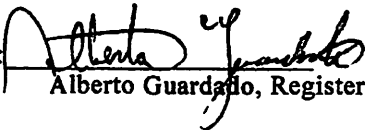
Attest: 
City Clerk

Approved as to form by


City Attorney

ALLIED:

Allied Waste Transportation, Inc. a Delaware corporation, dba Allied Waste Services of Imperial

By: 
Alberto Guardado, Registered Agent

SCHEDULE A

Manufacturer: Tymco, Inc.
Date of Manufacture: November 2012
Gross Vehicle Weight Rating (GVWR): 54,000 lbs
Gross Axle Weight Rating (GAWR) Front: 12,000 lbs
Gross Axle Weight Rating (GAWR) Rear: 20,000 lbs
Vehicle ID Number: 1FVAC4DX7DHF9375

INTERMEDIATE MANUFACTURE BY
Fontaine Modification Company
Charlotte, NC
DATE OF INTERMEDIATE MFR.
MO. November YR. 2012
GVWR 24,493 KG/ 54,000 (LB)
GAWR-FRONT
5,443 KG/ 12,000 (LB)
GAWR-INTERMEDIATE (1)
9,070 KG/ 20,000 (LB)
GAWR-INTERMEDIATE (2)
N/A KG/ N/A (LB)
GAWR-REAR
10,432 KG/ 23,000 (LB)
VEHICLE IDENTIFICATION NUMBER
1FVAC4DX7DHF9375

MFG. TYMCO, INC.
DATE OF MFG. 11 15 2012
GVWR 14,500 KG 32,000 LB
GAWR-FRONT
5,443 KG 12,000 LB
MFG. 11/22/12
22,500 KG 50,000 LB
1 1/2" PG. COIL
GAWR-INTERMEDIATE (1)
9,070 KG 20,000 LB
1 1/2" PG. COIL
GAWR-INTERMEDIATE (2)
N/A KG N/A LB
1 1/2" PG. COIL
GAWR-REAR
10,432 KG 23,000 LB
MFG. 11/22/12
22,500 KG 50,000 LB
1 1/2" PG. COIL
THIS VEHICLE HAS BEEN COMPLETED
IN ACCORDANCE WITH THE PROPER
MANUFACTURING AND SAFETY
APPLICABLE TO THIS VEHICLE
CONFORMS TO ALL APPLICABLE
FEDERAL MOTOR VEHICLE SAFETY
STANDARDS AND RULES AND
STATE REGULATORY STANDARDS, &
APPLICABLE FEDERAL
AND STATE REGULATORY STANDARDS
AND RULES.
VEHICLE IDENTIFICATION NUMBER
1FVAC4DX7DHF9375
MFG. TYMCO, INC.

EXHIBIT K
CITY OF IMPERIAL STREET SWEEPING SERVICES

1. General Provisions Regarding Removal of Debris from Streets.

Allied shall furnish all tools equipment, apparatus, facilities, expertise, labor, and materials (including water), and perform all work necessary to sweep all City-owned streets and byways (the "Street System") in the City so as to remove debris therefrom in a good and workmanlike manner. Said work shall be performed and completed to the reasonable satisfaction of the City Manager consistent with industry standards.

2. Operations; Compliance with Laws and Regulations.

The street sweeping methods and procedures used by Allied shall be consistent with the current standards in the industry, in compliance with all Federal, State and local laws and regulations, and shall be subject to the approval of the City Manager.

3. Schedule and Routes.

Street sweeping routes and schedules are to be performed pursuant to the Street Sweeping Map attached hereto as Exhibit J. The City Manager shall approve the hours during which the sweeping shall be performed. Sweeping may be required during early morning hours on certain major streets.

4. Special Events.

Allied will provide street sweeping services for sixteen (16) work order special events per calendar year. The City shall provide Allied with five (5) days notice of any work order special events.

5. Emergency Street Sweeping Services.

Allied shall provide emergency contact information and a 24-hour on call telephone number for emergency street sweeping. Allied shall provide street sweeping services on an emergency basis outside of established hours and routes when requested by the City, and shall be compensated by City for such services at a rate of \$105/hr. for the first hour that a street sweeper is on the site of an emergency street sweeping and in half hour increments thereafter.

6. Parking Lots.

Allied will provide street sweeping services for the City lots identified in Exhibit J.

7. Complaints

Complaints related to street sweeping are to be reasonably resolved, including by re-sweeping areas not properly serviced if necessary, within 24 hours.

8. Sweeping Vehicle Speed.

Street sweeping vehicles shall not operate at a speed that exceeds the manufacturer's

recommendations for the sweeper and/or the speed for good street sweeping practice as determined by the City Manager.

9. Safety.

All safety related defects determined to exist on any sweeping vehicle shall be corrected by contractor prior to the vehicle being utilized for further street sweeping operations.

10. Disposal of refuse.

Allied shall, at its own expense, dispose of all Solid Waste Collected in the course of street sweeping in the same manner as required for solid waste collected in the course of providing solid waste handling services. Allied shall not temporarily stockpile street sweeping debris on any public property pending its ultimate disposal.

11. Allied's Street Sweeping Equipment.

a. Type. Allied's street sweeping equipment shall be the sweeping equipment leased or purchased by Allied from the City pursuant to this Franchise, of a type consistent with current standards in the industry and shall be subject to the approval of the City Manager. Prior to Allied taking full ownership of a leased alternative fuel street sweeper from the City, that street sweeper will be used solely in Imperial County. Notwithstanding the foregoing, the City Manager shall be deemed to have approved Allied's use of the street sweeping vehicles Allied is leasing or purchased from the City. In addition, street sweeping shall be conducted by either vacuum sweeper or combination sweepers. A mechanical broom sweeper may be approved by the City for certain heavy sweeping areas. All street sweepers utilized in this agreement shall meet all Federal, State, and local regulations including but not limited to SCAQMD Rule 1186.

b. Quantity. Allied shall have and maintain a minimum of one (1) primary alternative fuel sweeper, and one (1) back-up sweeper for use in providing services to the City. In the event that a sweeper requires repair or replacement, a replacement sweeper will be provided so that the established inventory does not fall below the above stated minimums.

c. Condition. All vehicles and equipment used to perform street sweeping services shall be kept and maintained by Allied or its subcontractor in good mechanical condition and working order. Any of the primary sweepers that need permanent replacement due to age and condition of the vehicle shall be replaced with a new vehicle. In addition, the following shall apply:

(1) Said equipment shall be kept clean at all times;

(2) Said equipment shall be painted in fashion approved by the City Manager; and,

(3) Mechanical brushes and brooms shall be maintained in proper condition and shall be replaced as recommended by the manufacturer or when pick-up availability becomes impaired.

(4) Inspection. All equipment utilized for street sweeping operations shall be subject to inspection by the City Manager at any time. The street sweeper may be parked and located at a City-owned lot to be designated by the City or at Allied's facility at 3354 Dogwood Road, Imperial, CA.

12. Street Sweeping Personnel.

- a) Qualifications. Allied shall employ competent and experienced drivers and mechanics for the performance of street sweeping operations ("Street" Sweeping Personnel.")
- b) Uniforms. Allied's Street Sweeping Personnel shall wear clean uniform bearing Allied's (or its subcontractor's) company name, or other suitable clothing approved by the City.
- c) Identification of Employees. Allied shall provide identification badges, cards or similar devices, for all its street sweeping personnel who may make personal contact with residents of the City. The City may require Allied to notify Customers yearly of the form of identification.
- d) Employee List. Allied shall provide the City, and update on annual basis the current list of its street sweeping personnel.
- e) Driver's License. Allied's street sweeping personnel shall, at all times, carry a valid operator's license for the type of vehicle he or she is operating.
- f) Discontinued use of Unsatisfactory Employees. No street sweeping personnel shall continue to have any involvement whatsoever with regard to any work in any way relating to or arising from this Agreement if the City gives notice to Allied that such person is determined by the City to be intemperate, discourteous, disorderly, inefficient, or otherwise objectionable.
- g) Training and Legal Compliance. Allied shall provide operating and safety training for its entire street sweeping personnel that meets minimum OSHA, and all other applicable standards.

13. Contract Administration.

- a) Verification. At the discretion of the City Manager, the City may require the installation of odometers, time clocks, or other specialized equipment to verify work performed.
- b) Monthly Report. Allied shall keep a daily log of streets swept. Said log shall state the area and the number of curb miles swept. Each month a Monthly Report shall be prepared from the daily log and submitted to the City Manager.

14. Subcontracting.

Allied may utilize the services of a subcontractor to perform the services and meet the obligations set forth in this Exhibit. Any subcontracting shall be subject to such reasonable conditions as may be required by the City Manager, and shall be subject to the following:

- a) Allied shall be responsible to ensure any permitted subcontractor complies with all applicable terms and conditions of this Agreement;
- b) Any permitted subcontractor shall be required to provide a written agreement to the City, in a form approved by the City Attorney, demonstrating its agreement to be bound by all applicable provisions of this agreement, including specifically, without limitation, the insurance and indemnity provisions set forth herein; and
- c) Allied shall be responsible for the actions and/or omissions of any subcontractor as if Allied were carrying out the services in question itself.

recommendations for the sweeper and/or the speed for good street sweeping practice as determined by the City Manager.

9. Safety.

All safety related defects determined to exist on any sweeping vehicle shall be corrected by contractor prior to the vehicle being utilized for further street sweeping operations.

10. Disposal of refuse.

Allied shall, at its own expense, dispose of all Solid Waste Collected in the course of street sweeping in the same manner as required for solid waste collected in the course of providing solid waste handling services. Allied shall not temporarily stockpile street sweeping debris on any public property pending its ultimate disposal.

11. Allied's Street Sweeping Equipment.

a. Type. Allied's street sweeping equipment shall be the sweeping equipment leased or purchased by Allied from the City pursuant to this Franchise, of a type consistent with current standards in the industry and shall be subject to the approval of the City Manager. Prior to Allied taking full ownership of a leased alternative fuel street sweeper from the City, that street sweeper will be used solely in Imperial County. Notwithstanding the foregoing, the City Manager shall be deemed to have approved Allied's use of the street sweeping vehicles Allied is leasing or purchased from the City. In addition, street sweeping shall be conducted by either vacuum sweeper or combination sweepers. A mechanical broom sweeper may be approved by the City for certain heavy sweeping areas. All street sweepers utilized in this agreement shall meet all Federal, State, and local regulations including but not limited to SCAQMD Rule 1186.

b. Quantity. Allied shall have and maintain a minimum of one (1) primary alternative fuel sweeper, and one (1) back-up sweeper for use in providing services to the City. In the event that a sweeper requires repair or replacement, a replacement sweeper will be provided so that the established inventory does not fall below the above stated minimums.

c. Condition. All vehicles and equipment used to perform street sweeping services shall be kept and maintained by Allied or its subcontractor in good mechanical condition and working order. Any of the primary sweepers that need permanent replacement due to age and condition of the vehicle shall be replaced with a new vehicle. In addition, the following shall apply:

- (1) Said equipment shall be kept clean at all times;
- (2) Said equipment shall be painted in fashion approved by the City Manager; and,
- (3) Mechanical brushes and brooms shall be maintained in proper condition and shall be replaced as recommended by the manufacturer or when pick-up availability becomes impaired.
- (4) Inspection. All equipment utilized for street sweeping operations shall be subject to inspection by the City Manager at any time. The street sweeper may be parked and located at a City-owned lot to be designated by the City or at Allied's facility at 3354 Dogwood Road, Imperial, CA.

12. Street Sweeping Personnel.

- a) Qualifications. Allied shall employ competent and experienced drivers and mechanics for the performance of street sweeping operations (“Street” Sweeping Personnel.”)
- b) Uniforms. Allied’s Street Sweeping Personnel shall wear clean uniform bearing Allied’s (or its subcontractor’s) company name, or other suitable clothing approved by the City.
- c) Identification of Employees. Allied shall provide identification badges, cards or similar devices, for all its street sweeping personnel who may make personal contact with residents of the City. The City may require Allied to notify Customers yearly of the form of identification.
- d) Employee List. Allied shall provide the City, and update on annual basis the current list of its street sweeping personnel.
- e) Driver’s License. Allied’s street sweeping personnel shall, at all times, carry a valid operator’s license for the type of vehicle he or she is operating.
- f) Discontinued use of Unsatisfactory Employees. No street sweeping personnel shall continue to have any involvement whatsoever with regard to any work in any way relating to or arising from this Agreement if the City gives notice to Allied that such person is determined by the City to be intemperate, discourteous, disorderly, inefficient, or otherwise objectionable.
- g) Training and Legal Compliance. Allied shall provide operating and safety training for its entire street sweeping personnel that meets minimum OSHA, and all other applicable standards.

13. Contract Administration.

- a) Verification. At the discretion of the City Manager, the City may require the installation of odometers, time clocks, or other specialized equipment to verify work performed.
- b) Monthly Report. Allied shall keep a daily log of streets swept. Said log shall state the area and the number of curb miles swept. Each month a Monthly Report shall be prepared from the daily log and submitted to the City Manager.

14. Subcontracting.

Allied may utilize the services of a subcontractor to perform the services and meet the obligations set forth in this Exhibit. Any subcontracting shall be subject to such reasonable conditions as may be required by the City Manager, and shall be subject to the following:

- a) Allied shall be responsible to ensure any permitted subcontractor complies with all applicable terms and conditions of this Agreement;
- b) Any permitted subcontractor shall be required to provide a written agreement to the City, in a form approved by the City Attorney, demonstrating its agreement to be bound by all applicable provisions of this agreement, including specifically, without limitation, the insurance and indemnity provisions set forth herein; and
- c) Allied shall be responsible for the actions and/or omissions of any subcontractor as if Allied were carrying out the services in question itself.