

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement ("Agreement"), entered into this 17 day of October, 2023 by and among the County of San Luis Obispo, a political subdivision of the State of California ("County"), Mid-State Solid Waste & Recycling Services, Inc. ("Mid-State"), and USA Waste of California, Inc. ("Waste Management") (collectively, the "Parties").

RECITALS

WHEREAS, the County and Mid-State entered into a Solid Waste Franchise Agreement ("Franchise Agreement") effective June 17, 2014, with a term of 15 years to provide solid waste and recyclable materials collection and disposal services ("Services"); and

WHEREAS, on August 8, 2016, and December 13, 2022, the County and Mid-State entered into Amendment Nos. 1 and 2 to the Franchise Agreement; and

WHEREAS, Mid-State and Waste Management have entered into a purchase agreement dated March 1, 2023, pursuant to which Mid-State has agreed to sell its assets, including its right to provide Services in a portion of the unincorporated area of Northern San Luis Obispo County ("Transaction"); and

WHEREAS, the Parties acknowledge that the Transaction constitutes an assignment within the meaning of Article 15 of the Franchise Agreement and requires the prior approval of the County; and

WHEREAS, Waste Management has provided the documentation required under Article 15 of the Franchise Agreement; and

WHEREAS, after review of the documentation provided, the County intends to approve the assignment in accordance with the terms and conditions of the Franchise Agreement.

NOW, THEREFORE, the Parties agree with the above recitals, and hereby further agree as follows:

ARTICLE 1. ASSIGNMENT AND ACCEPTANCE OF FRANCHISE OBLIGATIONS

- A. Subject to and effective as of the effective date of this Agreement, Mid-State shall assign all of its rights, duties, and obligations in and to the Franchise Agreement, as amended, to Waste Management.
- B. Subject to and effective as of the effective date of this Agreement, Waste Management shall accept the assignment of all of Mid-State's rights, duties, and obligations in and to the Franchise Agreement, as amended.

ARTICLE 2. NO RELEASE OF PRE-ASSIGNMENT OBLIGATIONS

Nothing in this Agreement shall be deemed or interpreted to release Mid-State from any obligations, duties, and covenants owed to the County, which exist on or arose from conduct occurring on or before the effective date of this Agreement.

ARTICLE 3. RELIANCE ON REPRESENTATIONS

Waste Management acknowledges and agrees that the County's approval of the assignment is made in reliance upon the representations, documents, and information provided by Waste Management in connection with the County's review of the Transaction, which are summarized in the September 15, 2023 Review of Assignment of Mid-State Franchise Agreement to Waste Management Final Report prepared by R3 Consulting Group, Inc. incorporated into this Agreement by this reference.

ARTICLE 4. COSTS OF TRANSACTION

No expenses, including but not limited to attorneys' fees and costs, incurred or expended by either Mid-State or Waste Management in connection with the Transaction, or this Agreement, may be passed through to County customers either directly or indirectly.

ARTICLE 5. INDEMNIFICATION

To the fullest extent permitted by law, Mid-State and Waste Management shall indemnify, defend, and hold harmless the County, its officers, agents, employees, and volunteers from and against all claims, demands, damages, liabilities, loss, costs, expenses (including attorney's fees and costs of litigation) of every nature arising out of or in connection with the Transaction or the County's approval of the Transaction.

ARTICLE 6. FURNISHING OF INSURANCE AND PERFORMANCE BOND

No later than ten (10) days prior to the effective date of this Agreement, Waste Management shall provide proof of insurance and of a performance bond in the form, coverages, and amounts specified in Article 11 (Insurance, Bond and Indemnification) of the Franchise Agreement, as amended.

ARTICLE 7. CUSTOMER NOTICE

No later than fourteen (14) days prior to the effective date of this Agreement, Waste Management shall prepare and mail to all Mid-State customers a notice informing customers of the change in provider and containing all information specified in the flier required in Article 7.1 (Customer Information) of the Franchise Agreement, as amended. The notice must be approved by the County Director of Public Works or designee, and such approval shall not be unreasonably withheld.

ARTICLE 8. SOLID WASTE PERMITS

Prior to the performance of any Services under the Franchise Agreement, as amended, Waste Management shall obtain all government permits or approvals required in order to perform under the Franchise Agreement, as amended, including, but not limited to, any permit required under Title 8, Chapter 8.12 of the San Luis Obispo County Code.

ARTICLE 9. DISCLOSURE OF RELATED PARTIES

No later than ten (10) days prior to the effective date of this Agreement, Waste Management shall disclose to the County all Related Party Entities, as defined in Section 1.40 of the Franchise Agreement, as amended.

ARTICLE 10. TIME IS OF THE ESSENCE

Time is of the essence in the performance of the obligations in this Agreement.

ARTICLE 11. ENTIRE AGREEMENT AND MODIFICATION

This Agreement constitutes the entire agreement concerning the assignment between the Parties and it may not be modified, altered, or amended other than in writing executed by the Parties.

ARTICLE 12. ENFORCEABILITY

If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 13. APPLICABLE LAW AND VENUE

This Agreement has been executed and delivered in the State of California and the validity, enforceability, and interpretation of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. All duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with, or by reason of this Agreement.

ARTICLE 14. COUNTERPARTS

This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

ARTICLE 15. EFFECTIVE DATE

The effective date of this Agreement shall be November 1, 2023.

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the dates shown below.

COUNTY OF SAN LUIS OBISPO

By: *John Nilon*
Chairperson of the Board

Date: 10/17/23

ATTEST

JOHN NILON
Ex-Officio Clerk of the Board

By: *Niki Martin*

Date: 10/17/23

APPROVED AS TO FORM AND
LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: *Daniel DeLuca*
Deputy County Counsel

Date: September 27, 2023

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and Assumption Agreement.docx

MID-STATE SOLID WASTE & RECYCLING
SERVICES, INC.

By: *Brad Goodrow*
Name: Brad Goodrow
Title: Owner

Date: September 27, 2023

USA WASTE OF CALIFORNIA, INC.

By: _____
Name: Michael Hammer
Title: President - Southern California Area

Date: _____

By: _____
Name: Vladimir Beytelman
Title: Vice President & Assistant Secretary

Date: _____

The undersigned Deputy Clerk of the Board of Supervisors
certifies that, pursuant to Section 25103 of the
Government Code, delivery of this document has been
made on 10/23/23

John Nilon
County Clerk of the Board and Ex-Officio Clerk
of the Board of Supervisors

By: *Niki Martin*
Deputy Clerk

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the dates shown below.

COUNTY OF SAN LUIS OBISPO

By: _____
Chairperson of the Board

Date: _____

ATTEST

JOHN NILON
Ex-Officio Clerk of the Board

By: _____

Date: _____

APPROVED AS TO FORM AND
LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: *Daniel Solon*
Deputy County Counsel

Date: September 27, 2023

MID-STATE SOLID WASTE & RECYCLING
SERVICES, INC.

By: _____
Name: Brad Goodrow
Title: Owner

Date: _____

USA WASTE OF CALIFORNIA, INC.

By: *Michael Hammer*
Name: Michael Hammer
Title: President - Southern California Area

Date: 10/2/2023

By: *Vladimir Beytelman*
Name: Vladimir Beytelman
Title: Vice President & Assistant Secretary

Date: 10/2/2023

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