

**DEPARTMENT OF TRANSPORTATION AGREEMENT NO. 230040, ASSIGNMENT AND ASSUMPTION AGREEMENT AMONG SOLID WASTES OF WILLITS, INC., REDWOOD WASTE SOLUTIONS, INC., AND COUNTY OF MENDOCINO ASSIGNING AGREEMENTS TO REDWOOD WASTE SOLUTIONS FOR SOLID WASTE FRANCHISE AREA NUMBERS ONE, THREE, AND FOUR, AND ALBION, BOONVILLE, LAYTONVILLE, POTTER VALLEY, SOUTH COAST, COVELO AND WILLITS TRANSFER STATIONS (VARIOUS AREAS COUNTYWIDE)**

This Assignment and Assumption Agreement ("Assignment") is entered into this 19th day of December ("Effective Date"), by and among Solid Wastes of Willits, Inc., a California Corporation ("Assignor"), Redwood Waste Solutions, Inc., a Delaware Corporation ("Assignee"), and the COUNTY OF MENDOCINO, a political subdivision of the State of California ("County").

WHEREAS, the following Agreements have been entered into between the and Assignor and the County (collectively referred to hereinafter as "Agreements"), which Agreements are hereby incorporated by reference:

1. Board of Supervisors (BOS) Agreement Number (No.) 22-306, Amended and Restated Franchise Agreement (the "Franchise Area One Agreement") between County of Mendocino and Solid Waste of Willits, Inc., for Solid Waste Franchise Area One, entered into December 13, 2022; and
2. BOS Agreement No. 10-140, Franchise Agreement (the "Franchise Area Three Agreement") between County of Mendocino and Solid Wastes of Willits, Inc., for Solid Waste Refuse Collection Area No. Three, entered into August 17, 2010, as subsequently amended by Amendment 1 (BOS Agreement No. 11-024) on March 15, 2011, Amendment 2 (BOS Agreement No. 10-140-A2) on January 22, 2013, and Amendment 3 (BOS Agreement No. 10-140-A3) on September 25, 2018; and
3. BOS Agreement No. 10-141, Franchise Agreement (the "Franchise Area Four Agreement") between County of Mendocino and Solid Wastes of Willits, Inc., for Solid Waste Refuse Collection Area No. Four, entered into August 17, 2010, as subsequently amended by Amendment 1 (BOS Agreement No. 11-025) on March 15, 2011, Amendment 2 (BOS Agreement No. 10-141-A2) on January 22, 2013, Amendment 3 (BOS Agreement No. 10-141-A3) on September 25, 2018, and BOS Agreement No. 10-138 A4 on May 17, 2016; and
4. BOS Agreement No. 11-008, Caspar Transfer Station Operations Agreement and Lease (the "Caspar Transfer Station Agreement") between County of Mendocino and Solid Wastes of Willits, Inc., entered into January 25, 2011, as subsequently amended by Amendment 1 (BOS Agreement No. 11-008-A1) on November 15, 2011, Amendment 2 (BOS Agreement No. 11-008-A2) on January 24, 2012,

Amendment 3 (BOS Agreement No. 11-008-A3) on January 22, 2013, Amendment 4 (BOS Agreement No. 11-008-A4) on May 17, 2016, Amendment 4 (BOS Agreement No. 11-008-A4) on July 18, 2017, Amendment 6 (BOS Agreement No. 11-008-A6) on September 25, 2018, Amendment 7 (BOS Agreement No. 11-008-A7) on May 21, 2019, and Amendment 8 (Resolution No. 21-062) on May 4, 2021; and

5. BOS Agreement No. 10-138, Transfer Station Operations Agreement and Lease (the "Five Transfer Station Agreement") between County of Mendocino and Solid Wastes of Willits, Inc., entered into August 17, 2010, as subsequently amended by Amendment 1 (BOS Agreement No. 11-023) on March 15, 2011, Amendment 2 (BOS Agreement No. 10-138-A2) on November 8, 2011, Amendment 3 (BOS Agreement No. 10-138-A3) on January 22, 2013, and Amendment 4 (BOS Agreement No. 10-138-A4) on May 17, 2016; and
6. BOS Agreement No. 95-040, Agreement between the County of Mendocino and Solid Wastes of Willits, Inc., for the Operation, Maintenance, and Service of the Covelo Solid Waste Transfer Station (the "Covelo Transfer Station Agreement"), entered into February 28, 1995, as subsequently amended by Amendment 1 (BOS Agreement No. 95-235-A1) on December 5, 1995, Amendment 2 (BOS Agreement No. 96-116-A2) on June 25, 1996, Amendment 3 (BOS Agreement No. 97-180-A3) on August 19, 1997, Amendment 4 (BOS Agreement No. 98-019-A4) on January 27, 1998, BOS Agreement No. 10-139 on August 17, 2010, Amendment 6 (BOS Agreement No. 11-026) on March 15, 2011, Amendment 7 (BOS Agreement No. 95-040-A7) on January 25, 2022, and BOS Agreement No. 22-306, on December 13, 2022; and
7. BOS Agreement No. 00-040, Agreement for Transfer Station Operation and Solid Waste Transportation and Disposal (the "Willits Transfer Station Agreement"), entered into March 13, 2000, as subsequently amended by Amendment 1 (BOS Agreement No. 05-012A) on February 16, 2005, Amendment 2 (BOS Agreement No. 05-297A) on December 13, 2005, Amendment 3 (BOS Agreement No. 08-133A) on August 5, 2008, Amendment 4 (BOS Agreement No. 10-192A) on November 2, 2010, Amendment 5 (BOS Agreement No. 00-040-A5) on December 11, 2012, and Option Agreement (BOS Agreement No. 10-142) on August 17, 2010, which option was intended to be exercised by Resolution No. 14-141 on November 4, 2014.

WHEREAS, Assignor and Assignee have entered into an Asset Purchase Agreement dated October 23, 2023 (the "Purchase Agreement"), which provides for the purchase by Assignee of all Assignor's assets; and

WHEREAS, in connection with the closing of transactions contemplated by the Asset Purchase Agreement (the "Closing"), Assignor wishes to assign the above Agreements to Assignee; and

WHEREAS, Assignor desires to assign the Agreements and Assignee desires to assume

the Agreements, each on the terms and conditions set forth in the Purchase Agreement and herein; and

WHEREAS, all of the Agreements, other than the Covelo Transfer Station Agreement and Willits Transfer Station Agreement, provide that they are non-transferable unless all of the following conditions are met:

1. The Assignor (the "Grantee" in each Agreement) notifies the County, in writing, at least sixty (60) days in advance of the transfer in ownership interest, as defined above, and submits a Disclosure Statement, which contains the following information:
  - a. A listing of all Sub Grantees to the Agreements (including the name, address, and social security or tax identification number of the Sub Grantee); and
  - b. A listing of all felony convictions or pleas of nolo contendere of the Grantee or Sub Grantee by final judgment in any state or federal court within the preceding three years; and
  - c. A listing of any instances in which a permit or contract held by the Grantee or Sub Grantee was terminated by a final judgment in any state or federal court within the preceding three years; and
  - d. A listing of all final adjudications finding the Grantee or Sub Grantee in contempt of any state or federal court order enforcing any state and federal law within the preceding three years; and
  - e. A listing of all final convictions or pleas of nolo contendere of the Grantee or Sub Grantee, under state or local laws governing safety of operations, compliance with environmental and other franchise requirements in the County, whether misdemeanors or infractions; or
  - f. If the Grantee or Sub Grantee is a chartered lending institution or a publicly held company or a wholly-owned subsidiary of such a company required to file annual or quarterly reports under the Securities and Exchange Act of 1934, the Grantee or Sub Grantee may provide the above required information by submitting quarterly or annual reports for the preceding three years; and
2. The Grantee (Assignor) and the party to which ownership interest is being transferred demonstrate that the party to which ownership interest is being transferred has the financial means, experience and capabilities to fulfill the requirements of this Agreement; and
3. The party to which ownership interest is being transferred (Assignee) demonstrates that the best interest of the public will be served, and that service levels will not decline or Rates increase as a result of the transfer of ownership.

WHEREAS, the Assignee has provided an Officer's Certificate of Redwood Waste Solutions, Inc., attached hereto as Exhibit C and incorporated herein by this reference, which makes certifications regarding the same issues as the Disclosure Statement provided for by the Agreements; and



WHEREAS, the Covelo Transfer Station Agreement and Willits Transfer Station Agreement both generally provide that the agreements cannot be assigned by the Assignor without the prior written consent of the County, with the Covelo Transfer Station Agreement stating that the County's consent shall not be unreasonably withheld, and the Willits Transfer Station Agreement providing that the County has the sole discretion whether to approve, conditionally approve or deny any request for approval; and

WHEREAS, the Agreements provide that if the Grantee (Assignor) and the party to which ownership interest is being transferred (Assignee) have satisfactorily complied with all of the conditions described above, the Board shall not unreasonably deny the transfer of the Agreements; and

WHEREAS, County finds the best interest of the public will be served by assignment of the Agreements from Assignor to Assignee, that service levels will not decline or Rates increase, and consents to the assignment of the Agreements under the terms below; and

WHEREAS, upon execution of this document by the Chair of the Mendocino County Board of Supervisors, Assignor and Assignee, this document will become part of the aforementioned contracts and shall be incorporated therein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained in this Assignment, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignment. Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's rights, title, and interest in and to the Agreements and all of Assignor's duties and obligations thereunder that will arise on or after the Closing.
2. Acceptance. Assignee hereby accepts the transfer and conveyance set forth in Paragraph 1 and agrees to perform all of Assignor's duties and obligations under the Agreements that will arise on or after the Closing.
3. Notification to County. Assignee shall notify County in writing that the closing has occurred by the end of the following business day thereafter. Assignee shall satisfy the requirements of this section by providing notice via email to Deputy Director of Transportation, Amber Fisette, at [fisettea@mendocinocounty.gov](mailto:fisettea@mendocinocounty.gov) and Director of Transportation Howard Dashiell, at [dashiellh@mendocinocounty.gov](mailto:dashiellh@mendocinocounty.gov).
4. Assignor Representations and Warranties. Assignor has full power and authority to execute and deliver this Assignment, and the other documents to be executed and delivered pursuant to this Assignment, and to perform the terms and provisions of this Assignment. This Assignment and all other documents or instruments executed or delivered, or to be executed and

delivered, pursuant to this Assignment have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Assignor, and all actions required under the organizational documents and applicable governing law for the authorization, execution, deliver and performance of this Assignment and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Assignment, have been duly taken.

5. Assignee Representations and Warranties. As a material inducement to the County's consent to assignment, Assignee provides the following representations and warranties to the County as of the date Assignee executes this Agreement:
- a. Assignee has the financial means, experience, and capabilities to fulfill the requirements and fully perform all obligations that may exist under the Agreements.
  - b. Service levels will not decline or Rates increase for services provided under the Agreements as a result of the Assignment, except for such adjustments as may be allowed under the Agreements.
  - c. Assignee's management has waste management experience capable of performing on a scale equal to or exceeding the scale of operations conducted by Assignor under the Agreements.
  - d. Assignee is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. It is qualified to transact business in the State of California and has the corporate power to own its property and carry on its business as now owned and operated and as may be required by the Agreements.
  - e. Assignee has full corporate power and corporate authority to execute and deliver this Agreement, and the other documents to be executed and delivered pursuant to this Agreement, and to perform and observe the terms and provisions of the Agreements. This Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement have been or will be executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Assignee, and all actions required under Assignee's organizational documents and the California Corporations Code for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, have been or will be duly taken.
  - f. Commencing as of the Closing, Assignee will provide Assignor's services under the Agreements and there are no "Sub Grantees" to such agreements.
  - g. Neither Assignee nor, to the knowledge of the undersigned, any of its directors or officers, have any felony convictions or pleas of nolo contendere by final judgment in any state or federal court within the preceding three years.

- h. There have been no instances in which a permit or contract held by Assignee was terminated by a final judgment in any state or federal court within the preceding three years.
  - i. There has not been a final adjudication finding Assignee in contempt of any state or federal court order enforcing any state or federal law within the preceding three years.
  - j. There are no final convictions or pleas of nolo contendere of Assignee, under state or local laws governing safety of operations, compliance with environmental and other franchise requirements in the County of Mendocino, whether misdemeanors or infractions.
6. Enforcement. Subject to the terms of the Agreements, this Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their successors and transferees.
7. Insurance Requirements. The Agreements contain varying required levels of insurance coverage, and the parties desire to amend the Agreements to standardize insurance coverage. Assignee and County hereby agree that Section 17.B of each of the Franchise Agreements, Section 18.B of the Caspar Transfer Station Agreement and of the Five Transfer Station Agreement, Sections 35 through 38 of the Willits Transfer Station Agreement, and Section O.1 through O.4 of the Covelo Transfer Station Agreement are hereby amended to read as follows:

### **Insurance Requirements**

Insurance policies are to be secured by the Contractor/Grantee and remain in full force and effect at all times to provide protection against liability for damages which may be imposed for the negligence of the Contractor/Grantee or their Persons, employees or agents, including, but not limited to, general liability and automobile liability insurance. Contractor/Grantee shall also provide liability coverage under California Workers' Compensation laws. The amounts of insurance required are to be established herein. Said amounts shall not be construed to limit the Contractor/Grantee's liability.

The insurance requirements provided herein may be modified or waived in writing by the Board of Supervisors, provided the Board of Supervisors determines that such waiver or modification does not unreasonably increase the risk of exposure to the County, including the fact that the Parent Company of Contractor/Grantee may be self-insured up to a certain acceptable amount.

- A. Workers' Compensation Insurance. Contractor/Grantee shall obtain and maintain in full force and effect throughout the entire term of this Agreement full Workers' Compensation Insurance in accord with the provisions and requirements of the Labor Code of the State of California. Endorsements that implement the required coverage shall be filed and maintained with the Department

throughout the term of this Agreement.

- B. Comprehensive General Liability. Contractor/Grantee shall obtain and maintain in full force and effect throughout the entire term of this Agreement a Broad Form Comprehensive General Liability (occurrence) policy with a minimum limit of THREE MILLION DOLLARS (\$3,000,000.00) aggregate and ONE MILLION DOLLARS (\$1,000,000.00) per occurrence for bodily injury and property damage. Said insurance shall protect Contractor/Grantee and County from any claim for damages for bodily injury, including accidental death, as well as from any claim for property damage which may arise from operations performed pursuant to this Agreement, whether such operations be by Contractor/Grantee itself, or by its agents, employees and/or Sub Contractors. Copies of the policies or endorsements evidencing the above-required insurance coverage shall be filed with the Department. Endorsements are required to be made a part of all of the following insurance policies required by this Section:
1. "The County, its employees, agents, and officers, are hereby added as insureds as respects liability arising out of activities performed by or on behalf of Contractor/Grantee."
  2. "This policy shall be considered primary insurance as respects any other valid collectible insurance the County may possess including any self-insured retention the County may have, and any other insurance the County does possess shall be considered excess insurance and shall not contribute with it."
  3. "This policy shall act for each insured, as though a separate policy had been written for each. This, however, will not act to increase the limit of liability of the insuring company."
  4. "Prior written notice in accordance with the applicable policy provisions by certified mail, return receipt requested, shall be given to the County in the event of suspension, cancellation, reduction in coverage or in limits or non-renewal of this policy for whatever reason. Such notice shall be sent to the Department."
- C. Vehicle Liability. Contractor/Grantee shall obtain and maintain in full force and effect throughout the entire term of this Agreement a vehicle liability policy with a minimum limit of ONE MILLION DOLLARS (\$1,000,000.00) per occurrence for bodily injury and FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) per occurrence for property damage. Said insurance shall protect

Contractor and County from any claim for damages for bodily injury, including accidental death, as well as from any claim for property damage which may arise from operation of owned and non-owned vehicles. Copies of the policies or endorsements evidencing the above-required insurance coverage shall be filed with the Department.

The limits of such insurance coverage, and companies, shall be subject to review and approval by the County every year and may be increased at that time and match the coverage provided by the County's own liability insurance policy. The County shall be included as a named insured on each of the policies, or policy endorsements.

8. Insurance Certificates. Assignee has provided insurance certificates and endorsements in accordance with the insurance requirement provisions as amended by this Assignment, which are attached hereto as Exhibit B, and incorporated by this reference.
9. Performance Bond Requirements. This Assignment supersedes the following performance bond provisions of the Agreements: Section 17.A and Exhibit C of each of the Franchise Agreements, Section 18.A of the Caspar Transfer Station Agreement and of the Five Transfer Station Agreement, and Section 40 of the Willits Transfer Station Agreement. Prior to the Closing, Assignee shall be required to provide a performance bond in the amount of ONE MILLION DOLLARS (\$1,000,000.00) to serve as security for the faithful performance of all the provisions and obligations of the following Agreements:
  - a. Franchise Area One Agreement; and
  - b. Franchise Area Three Agreement; and
  - c. Franchise Area Four Agreement; and
  - d. Caspar Transfer Station Agreement; and
  - e. Five Transfer Station Agreement; and
  - f. Covelo Transfer Station Agreement; and
  - g. Willits Transfer Station Agreement.

The performance bond shall be executed by a surety company licensed to do business in the State of California; having a rating of, or equivalent to "A: VII" by A.M. Best & Company, approved by the County; and included on the list of admitted surety companies approved by the Treasurer of the State of California.



After January 1, 2025, and annually thereafter, Contractor/Grantee may request in writing that the County allow the performance bond to be reduced to fifteen percent (15 percent) of the Contractor/Grantee's prior annual Gross Revenues. The County shall, at the sole option of the County, respond to the request in writing within forty-five (45) days of receipt of the written request. Nothing in this Assignment shall require that the County approve the request of the Contractor/Grantee nor shall the County have any obligation to provide Contractor/Grantee with its reasoning for approving or denying the request.

10. Successor. The County recognizes the Assignee as the Assignor's successor in interest in and to the Agreements. The Assignee by this Assignment becomes liable for all responsibilities and entitled to all rights, titles, and interests of the Assignor in and to the Agreements that will arise on or after the Closing. Following the Closing, and subject to the preceding sentence, the County will treat the Assignee as if the Assignee were the original party to the Agreements. Following the Closing, the terms "Contractor" and "Grantee," as used in the Agreements, shall refer to the Assignee. The Agreements shall remain in full force and effect, except as modified by this Assignment. Each party has executed this Assignment as of the Effective Date.
11. Updated Vehicle Inventory. Assignee shall provide a list of vehicles assigned to the Franchise Areas subject to the Agreements, with vehicles ages and other identifying details as may be requested by the County, within sixty (60) days of the Closing.
12. The address provided for notices in the Agreements for the Contractor or Grantee, as applicable, shall be changed to the following:  
  
Redwood Waste Solutions, Inc.  
P.O. Box 630  
3515 Taylor Drive  
Ukiah, CA 95482  
Attention: District Manager  
  
With a copy to:  
  
Waste Connections US Holdings, Inc.  
3 Waterway Square Place, Suite 110  
The Woodlands, TX 77380  
Attention: Legal Department
13. Assignee is encouraged to offer employment to qualified existing employees of the Assignor that may be displaced due to assignment of the Agreements.
14. Payment by Assignor. Assignor has deposited with the County a deposit in the amount of \$136,000, representing the County's estimated cost for (1) pursuant

to Section 18.A of each of the Franchise Agreements and Section 19.A of the Caspar Transfer Station Agreement and of the Five Transfer Station Agreement, attorneys' fees and investigation costs necessary to investigate the assignment of the Agreements to Assignee, and to review and finalize documents required for such assignment, and for all other costs of the County in connection with the assignment of the Agreements; (2) an amount reflecting an average of one-quarter payment of franchise fees anticipated to become due to the County under the terms of the Agreements, plus ten percent (10%) contingency; and (3) an amount reflecting the estimated Rent payment pursuant to the Caspar Transfer Station Agreement, plus ten percent (10%) contingency. In the event Closing does not occur by December 31, 2023, Assignor shall continue to make franchise payments in accordance with the terms of the Agreements. Upon notification to the County of Closing, the deposit shall be applied to satisfy costs associated with the assignment and any amounts due or anticipated to become due under the Agreements. Within 90 days of the Closing, the County shall complete review of its actual costs incurred and shall refund any balance due to Assignor.

15. Willits Transfer Station.

1. Background. BOS Agreement No. 00-040, Agreement for Transfer Station Operation and Solid Waste Transportation and Disposal, was entered into on March 13, 2000, among Assignor, County, City of Fort Bragg and City of Willits for construction and operation of the Willits Transfer Station, and transportation and disposal services, to expire December 3, 2015. On August 17, 2010, through BOS Agreement No. 10-142, Assignor granted to County the option to enter into a new Agreement for Transfer Station Operation and Solid Waste Transportation and Disposal with the term of December 3, 2015, to February 23, 2030, subject to certain revisions, with the condition the option be exercised prior to December 3, 2014. On November 4, 2014, by Resolution No. 14-141, the County intended to exercise the option to extend the term of BOS Agreement No. 00-040 to February 23, 2030; however, the Resolution erroneously states that the Agreement is extended to June 30, 2014, which was a date already in the past. Since Resolution No. 14-141 was adopted, County and Assignor have operated the Willits Transfer Station as though BOS Agreement No. 10-142 had granted an option for the County to extend the term of BOS Agreement No. 00-040 to February 23, 2030, that the County had properly exercised that option, and that BOS Agreement No. 00-040 was still in effect.
2. Assignor and County hereby affirm that through their past actions and conduct, the parties have performed as though BOS Agreement No. 00-040 continued to be in effect. Consistent with the past performance of the Assignor and County, Assignor, Assignee and County hereby agree to extend the term of BOS Agreement No. 00-040 to February 23, 2030.

16. Transition Plan. The County and Assignee agree that certain activities must take place in order to ensure a successful transition of service from Assignor to Assignee. Assignee agrees to perform transition activities in accordance with the Transition Plan included herein as Exhibit A.
17. Release and Waiver of County by Assignor. In exchange for the consideration reflected in this Assignment, including but not limited to release from its obligations under the Agreements, Assignor, on its own behalf as well as on behalf of its respective corporations, subsidiaries, predecessors, agents, officers, directors, employees, attorneys, representatives and agents, affiliates, policyholders and dbas and any persons acting on its behalf (collectively, "Releasing Parties"), hereby release and discharge the County, the County Board of Supervisors, and the County's agents, officers, employees, attorneys, and representatives (collectively, "Released Parties") from any and all claims, actions, causes of action, rights or obligations, whether known or unknown, suspected or unsuspected, disclosed or undisclosed, whether contingent or liquidated, of every kind, nature and description that Releasing Parties now have or may have against the Released Parties arising from, related to or having any connection with the Agreements or the performance of services thereunder (all of the foregoing collectively, "Claims"), except claims to enforce the terms of this Assignment. In furtherance of this intention, Releasing Parties expressly waive any and all rights that might be claimed by reason of fraudulent inducement and any and all rights under Section 1542 of the California Civil Code with respect to the Released Matters, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Assignor acknowledges and agrees that this waiver is an essential and material term of this Assignment and without such waiver the Assignment would not have been entered into by County or Assignee.

18. Indemnification by Assignee. Subject to and effective as of the Closing, Assignee agrees to indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to the County) the Released Parties, from all Claims arising out of a breach by Assignee of this Assignment. The provisions of this section shall survive the Closing.
19. Consent. The County consents to this Assignment on the terms and conditions set forth herein, finding that the Assignee is able to fully perform all obligations that may and will exist under the Agreements. Assignor and Assignee both acknowledge that the prior written consent of County to this Assignment is required under the terms of the Agreements.

20. No Third Party Beneficiaries. Nothing in this Assignment, whether express or implied, shall be construed to give any person or entity (other than County and the parties hereto and their respective successors and Assignees) any legal or equitable right, remedy or claim under or in respect of this Assignment or any covenants, conditions or provisions contained herein.
21. Severability. If any provision of this Assignment or the application of any provision shall be held by a court of competent jurisdiction to be prohibited or unenforceable in any jurisdiction, such provision shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability. The remaining provisions of this Assignment shall otherwise remain in full force and effect and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
22. Entire Agreement; Counterparts. This Assignment, along with the Agreements and the Purchase Agreement, contains the entire agreement of the parties and supersedes all prior or contemporaneous negotiations, correspondence, understandings and agreements, whether written or oral, among the parties, with respect to the subject matter hereof. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall be considered one and the same instrument. Facsimile and portable document format (PDF) signatures are acceptable to effect the terms of this Assignment.

All other terms and conditions of the Agreements shall remain in full force and effect.



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

**DEPARTMENT FISCAL REVIEW:**

Howard N. Drachill 12/7/2023  
DEPARTMENT HEAD DATE

Budgeted: ☐ Yes ☒ No

Budget Unit: N/A

Line Item: N/A

Grant: ☐ Yes ☒ No

Grant No.: \_\_\_\_\_

**COUNTY OF MENDOCINO**

By: Glenn McGourty  
GLENN MCGOURTY, Chair 12/19/2023  
BOARD OF SUPERVISORS

**ATTEST:**

DARCIE ANTLE, Clerk of said Board

By: Antle  
Deputy 12/19/2023

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

DARCIE ANTLE, Clerk of said Board

By: Antle  
Deputy 12/19/2023

**INSURANCE REVIEW:**

By: Darcie Antle  
Risk Management

Date: 12/07/2023

**REDWOOD WASTE SOLUTIONS, INC.:**

By: [Signature]

NAME AND ADDRESS OF ASSIGNEE:

Redwood Waste Solutions, Inc

PO Box 630

Ukiah, CA 95482

**SOLID WASTES OF WILLITS, INC.:**

By: A.W. Willits

NAME AND ADDRESS OF ASSIGNOR:

Solid Wastes of Willits, Inc

PO Box 1425

Willits, CA 95490

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

**COUNTY COUNSEL REVIEW:**

APPROVED AS TO FORM:

CHRISTIAN M. CURTIS,  
County Counsel

By: [Signature]  
Deputy

**EXECUTIVE OFFICE/FISCAL REVIEW:**

APPROVAL RECOMMENDED

By: [Signature]  
Deputy CEO

Date: 12/07/2023

**Signatory Authority:** \$0-25,000 Department; \$25,001-50,000 Purchasing Agent; **\$50,001+ Board of Supervisors**

**Exception to Bid Process Required/Completed** ☐

**Mendocino County Business License: Valid** ☐

**Exempt Pursuant to MCC Section:** \_\_\_\_\_

**EXHIBIT A**

**TRANSITION PLAN – SEE ATTACHED**



County Board of Supervisors  
Mendocino County  
501 Low Gap Road  
Ukiah, CA 95482

11/6/23

Dear Mendocino County Board of Supervisors and Staff:

It is our pleasure to present to you an overview of our transition plan associated with our acquisition of Solid Wastes of Willits (SWOW). Redwood Waste Solutions (RWS) acknowledges the significant responsibility that comes with assuming operations for SWOW, which extends to the Mendocino County Staff, residents, and businesses. Our commitment is to provide the highest standard of communication and support to ensure a seamless transition throughout the entire process. We eagerly anticipate delivering regular updates to County Staff while respecting their time and resources by taking charge of all customer service inquiries, outreach, and communication during this transition.

Our parent company, Waste Connections, has a substantial presence in Mendocino County, including serving the Cities of Ukiah and Fort Bragg, as well as the two other County areas (Coastal and Inland.) Not including the proposed transition, we currently have over 16,500 residential and business customers across the County. Our commitment to the communities we serve runs deep, evident in our involvement in various activities like clean-up events, donations to non-profit organizations, and active support for local Chambers and Rotary clubs.

Waste Connections has evolved from a single location in 1997 to encompass over 600 locations today. Our ability to successfully navigate hauler transitions has been a crucial factor in our continued success. Please find below tailored information specific to Mendocino County. We look forward to engaging in a collaborative dialogue with the County and the privilege of serving you!

#### **Solid Wastes of Willits (SWOW) Transition in Mendocino County**

Things that are **staying the same** during transition:

- **Rates** - Customers will pay the same amounts for services.
- **Customer Equipment (carts/bins)** - Customers will use same equipment they have now. Existing carts will not be rebranded. As carts are replaced, they will be replaced with carts bearing the C&S logo as seen throughout Area 2.
- **Pickup days** - Customers will place carts/bins out on the same day(s) as they do now.
- **Waste Material** - Customers place same items in same carts they do now. (Recycling/Organics/Trash material will remain the same)

Redwood Waste Solutions  
3515 Taylor Drive | Ukiah, CA | 95482  
candswaste.com





- **Customer Service Contact Information** - The phone number will remain the same and will be answered at our Ukiah or Fort Bragg offices. We will continue to have a presence at the Willits facility for walk in customers. Customers will be notified of the name change along with service information and our website address. The SWOW website will eventually be moved to the RWS page of the C&S website.
- **Transfer stations** will not experience any changes except for remedying any safety concerns and potentially more signage to aid the public.
- **Drivers and Customer Service staff** - We will work diligently to maintain the same staff for ensuring consistency of internal knowledge. Operations will be overseen by Bruce McCracken and his current team along with the addition of SWOW staff that meet our hiring criteria. We have identified an existing SWOW employee that we feel could fill the recycling coordinator position should they choose to accept that position. Initially all drivers will continue their current routes.
- **Existing vehicles** will only be rebranded to our current fleet livery if they have an adequate remaining life cycle. New or newer vehicles will be branded with the C&S livery and logo. On road and off-road equipment will be assessed by our local and regional maintenance teams for compliance, road worthiness, and safety. We will source new or newer equipment at the request of our maintenance and operations teams.
- **Bonds and insurance** will be obtained at the amounts dictated by the Assignment and Assumption Agreement.

**Customers will experience a smooth billing transition and receive our full support:**

- If the acquisition happens in the middle of the month, SWOW will bill for that entire month's services. Redwood Waste Solutions will start billing at the beginning of the next month, so customers will not be invoiced for partial months or prorations.
- SWOW customers who have opted for electronic statements (e-statements) will be issued a paper invoice for the first billing cycle with Redwood Waste Solutions. That initial mailed invoice will also include detailed instructions about how to access Online Bill Pay where customers can make one-time payments, set up recurring automatic payments, and elect paperless billing to receive e-statements.





**Invoicing cycles** will remain the same:

- Residential customers will continue receiving an invoice at the beginning of the month for that month's services.
- Commercial customers will continue to receive billing statements immediately following the month that services were performed.

**Communication to customers** will include:

- Letter from the current owner in the final SWOW invoice, explaining the transition, who Redwood Waste Solutions is, and what customers can expect.
- Letter with first bill from Redwood Waste Solutions, introducing ourselves, reinforcing what will stay the same (rates, pickup days, equipment, office contact information, staffing etc.), and explaining the billing transition process.
- Social media posts on SWOW Facebook page about transition as well as the County Facebook page (with permission from the County).
- SWOW website banner/burst with FAQ detailing transition, as well as clearly outlining the Online Bill Pay sign up process.

To ensure a **successful transition**, we will:

- Hold regular meetings with County staff to address any questions/concerns/issues that might arise.
- Work directly with the current SWOW ownership, management, and front-line staff to ensure consistency in all measures of performance.
- All communication/public information will be made available in both English and Spanish.



**Sample Timeline:**

*The following timeline is based closing the transaction on December 31st<sup>h</sup> (all dates subject to change).*

- **Week of November 1<sup>st</sup>**
  - Hold high level meetings with Senior leadership of SWOW and Redwood Waste Solutions, touring all facilities, and reviewing transition plan.
- **Week of November 20<sup>th</sup>**
  - Hold additional meetings and conversations between SWOW management and Redwood Waste Solutions to ensure a smooth transition.
- **Week of December 25<sup>th</sup>**
  - Announce acquisition, hold employee meetings and Redwood Waste Solutions introductions. We will also have staff from HR available to help answer questions and provide resources to employees (English and Spanish speaking).
- **January 1<sup>st</sup> and beyond**
  - Redwood Waste Solutions will have additional internal resources on hand to ensure there is no interruption to service, including replacing trucks and equipment as needed.



# ORGANIC WASTE

## Must Fit Inside Cart

### YES PLACE THESE ITEMS IN YOUR GREEN LID CART



Food Scraps



Coffee grounds & filters



Branches less than 4" in diameter & cut to fit loosely in container



Garden & house plants



Meat, poultry, fish & bones



Food soiled paper



Leaves



Small lumber unpainted & untreated



Food soiled paper plates, cups, napkins & paper towels



Pizza boxes



Brush & prunings



Gross clippings & weeds

### NO DO NOT PLACE THESE ITEMS IN YOUR GREEN LID CART



Garbage



Biodegradable bags



Plastic togs, buckets & pails



Petroleum Oils



Diapers



Painted treated wood



Styrofoam



Metal of any sort



Compostable utensils



Rock, brick & concrete



Grease, oils, & liquids



Pet waste/litter



Hot Ashes



Soiled tissue (Kleenex) & toilet paper



Soil

**NO plastics of any kind, no liquids, no glass & no Hazardous Waste.**

Place cans at ends in front edge at least 2 feet apart by 1/2 ft in, on your collection day. Place plastic products (cans) to open towards the street and keep them flat. Do not overfilling on overfilled & overflowing. All material must fit inside can and lid must close. Over-filled or contaminated carts may not be picked up and/or may result in extra charges.

For more information, access for specific details at [www.bendoregon.com](http://www.bendoregon.com) or call 503.325.4400. Ask waste management questions, or call us for feedback.

© 2010 BEND ORANGE COUNTY SOLID WASTE

Place carts 2 feet apart and 2 feet from other obstacles



**Northwest Waste Solutions** P.O. Box 801 • Umatilla, CA 95402 • 707-234-6400 • [www.CashWaste.com](http://www.CashWaste.com)

**BEND ORANGE COUNTY SOLID WASTE**

Thank you again and we look forward to expanding our partnership together as we serve Mendocino County!

Sincerely,

Susan VanDelinder  
Division Vice President  
Waste Connections  
530-295-2816  
[susan.vandelinder@wasteconnections.com](mailto:susan.vandelinder@wasteconnections.com)

**EXHIBIT B**

**INSURANCE – SEE ATTACHED**





## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/5/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|                                                                                                               |                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| PRODUCER<br>Edgewood Partners Insurance Center<br>4675 MacArthur Court<br>Suite 750<br>Newport Beach CA 92660 | CONTACT<br>NAME: Certificate Unit<br>PHONE<br>(A/C No. Ext): (949)-474-1550<br>FAX<br>(A/C No.):<br>E-MAIL<br>ADDRESS: WCNCErts@epicbrokers.com  |
| INSURED<br>Redwood Waste Solutions, Inc.<br>3 Waterway Square Place, Suite 110<br>The Woodlands, TX 77380     | INSURER(S) AFFORDING COVERAGE<br>INSURER A: ACE American Insurance Company<br>INSURER B:<br>INSURER C:<br>INSURER D:<br>INSURER E:<br>INSURER F: |
|                                                                                                               | NAIC #<br>22667                                                                                                                                  |

## COVERAGES

CERTIFICATE NUMBER: 524366978

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR<br>LTR | TYPE OF INSURANCE                                                                                                                                                                                                                                                                                                                            | ADDL<br>INSR | SUBR<br>WVD | POLICY NUMBER       | POLICY EFF<br>(MM/DD/YYYY) | POLICY EXP<br>(MM/DD/YYYY) | LIMITS                                                                                                                                                                                                                                   |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------|---------------------|----------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A           | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br><input type="checkbox"/> OTHER: | Y            |             | HDO G47346356       | 8/1/2023                   | 8/1/2024                   | EACH OCCURRENCE \$ 2,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000<br>MED EXP (Any one person) \$<br>PERSONAL & ADV INJURY \$ 2,000,000<br>GENERAL AGGREGATE \$ 5,000,000<br>PRODUCTS - COMP/OP AGG \$ 2,000,000<br>\$ |
| A           | <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY<br><input checked="" type="checkbox"/> ANY AUTO<br><input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY                                                    | Y            |             | ISA H10757332       | 8/1/2023                   | 8/1/2024                   | COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$                                                                          |
|             | <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR<br><input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE<br><input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$                                                                                                                     |              |             |                     |                            |                            | EACH OCCURRENCE \$<br>AGGREGATE \$<br>\$                                                                                                                                                                                                 |
| A           | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below                                                                                                                                                       | Y/N<br>N     | N/A         | WLR C50723069 (AOS) | 8/1/2023                   | 8/1/2024                   | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$ 1,500,000<br>E.L. DISEASE - EA EMPLOYEE \$ 1,500,000<br>E.L. DISEASE - POLICY LIMIT \$ 1,500,000                                |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: COLLECTION SERVICES AGREEMENT FOR FRANCHISE AREA NUMBER ONE, THREE, AND FOUR, AND ALBION, BOONVILLE, LAYTONVILLE, POTTER VALLEY, SOUTH COAST, COVELO AND WILLITS TRANSFER STATIONS (VARIOUS AREAS COUNTYWIDE).

The County of Mendocino, its employees, agents, and officers, to the extent required by written contract, are additional insured on a primary and non-contributory basis, with respect to General Liability and Automobile Liability. 30 days notice of cancellation applies with the exception of 10 days notice for non-payment of premium applies to the extent required by written contract.

## CERTIFICATE HOLDER

## CANCELLATION

Mendocino County Department of Transportation  
340 Lake Mendocino Drive  
Ukiah CA 95482

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**EXHIBIT C**

**OFFICER'S CERTIFICATE – SEE ATTACHED**



**OFFICER'S CERTIFICATE  
OF  
REDWOOD WASTE SOLUTIONS, INC.**

Dated as of November 7, 2023

This officer's certificate (this "Certificate") is being delivered in connection with the contemplated assignment of the Franchise Agreements (as defined below) from Solid Wastes of Willits, Inc., a California corporation ("Assignor"), to Redwood Waste Solutions, Inc., a Delaware corporation ("Assignee"). As used herein, the term "Franchise Agreements" means those certain agreements set forth in Schedule I attached hereto and incorporated by reference herein.

The undersigned, solely in his capacity as a duly authorized officer of Assignee and not in his individual capacity, hereby certifies for and on behalf of Assignee as follows:

1. On the date hereof, the undersigned is the duly elected, qualified and acting President and Chief Executive Officer of Assignee.
2. The undersigned is duly authorized to execute and deliver this Certificate on behalf of Assignee.
3. Assignee will provide Assignor's services under the Franchise Agreements and there are no "Sub Grantees" to such agreements.
4. Neither Assignee nor, to the knowledge of the undersigned, any of its directors or officers, have any felony convictions or pleas of nolo contendere by final judgment in any state or federal court within the preceding three years.
5. There have been no instances in which a permit or contract held by Assignee was terminated by a final judgment in any state or federal court within the preceding three years.
6. There has not been a final adjudication finding Assignee in contempt of any state or federal court order enforcing any state or federal law within the preceding three years.
7. There are no final convictions or pleas of nolo contendere of Assignee, under state or local laws governing safety of operations, compliance with environmental and other franchise requirements in the County of Mendocino, whether misdemeanors or infractions.
8. Assignee has the financial means, experience, and capabilities to fulfill the requirements of the Franchise Agreements. Please note that Assignee has previously been evaluated and approved by Mendocino County to hold a franchise zone within the county (*i.e.*, Franchise 2: Unincorporated Greater Ukiah and Unincorporated Greater Fort Bragg). In terms of Assignee's broader means, experience and capability, Assignee's ultimate parent company is Waste Connections, Inc. ("WCI"), the third largest solid waste services company in North America that has over 25 years of experience in the integrated waste services industry, beginning in 1997 with a presence in U.S. West coast franchise markets and expanding to 44 U.S. states and six provinces in Canada. WCI is a publicly traded company and the extent of its capabilities and experience can be further confirmed by reviewing the

publicly available filings of its affiliated company group, which includes Assignee, accessible at <https://investors.wasteconnections.com/>.

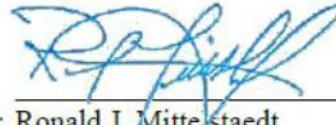
9. Assigning the Franchise Agreements to Assignee will serve the best interest of the public and should not result in either a decline in service levels or an increase in rates. First, as mentioned above, Assignee holds a franchise zone within Mendocino County already where it currently provides industry-leading waste services to the public (*i.e.*, Franchise 2: Unincorporated Greater Ukiah and Unincorporated Greater Fort Bragg). Assignee's operations are also part of a large and sophisticated public company that has a long history of service to a multitude of municipalities in California. Assignee is also proud of its operating values, which include safety, integrity, customer service, being a great place to work, and remaining part of the premier waste services company in the U.S. and Canada. Assignee maintains that these values and its servant leadership-based culture are ultimately what drive success in its employees' personal and professional lives, as well as provide exemplary service to its partners and customers.

*[Remainder of page intentionally left blank;  
Signature page follows.]*



IN WITNESS WHEREOF, this certificate has been duly executed and delivered as of the date first written above.

**REDWOOD WASTE SOLUTIONS, INC.**



By: \_\_\_\_\_

Name: Ronald J. Mittelstaedt

Title: President and Chief Executive Officer

### **SCHEDULE I**

1. Franchise Agreement with the County of Mendocino (Franchise Area 1: Unincorporated Willits and North Mendocino County)
2. Franchise Agreement with the County of Mendocino (Franchise Area 3: Anderson Valley)
3. Franchise Agreement with County of Mendocino (Franchise Area 4: South Coast)
4. Agreement for Transfer Station Operation and Solid Waste Transportation and Disposal – Willits Transfer Station
5. Transfer Station Agreement – Caspar Transfer Station
6. Transfer Station Agreement – Covelo Transfer Station – Addendum to the North County Franchise Agreement
7. Transfer Station Agreement – Potter Valley, Boonville, Laytonville, South Coast and Albion Transfer Stations