

**FRANCHISE AGREEMENT**

**FOR**

**INTEGRATED SOLID WASTE MANAGEMENT SERVICES**

**BETWEEN**

**CITY OF DALY CITY**

**AND**

**ALLIED WASTE SERVICES OF NORTH AMERICA LLC**

**FINAL AGREEMENT**

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- B. Final Approved Plans
  - B.1 Scope of Services
  - B.2 Customer Service Plan
  - B.3 Outreach and Education Plan
  - B.4 Diversion Plan
  - B.5 Implementation Plan
- C. Performance Standards and Liquidated Damages
- D. City Facilities and Public Containers
- E. Guaranty Agreement
- F. Contractor's Proposal
- G. Performance Bond Company
- H. Labor Agreement(s)
- I. Approved Collection Subcontractors (including Blueline Transfer Inc. subcontract)
- J. Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One Rates
- K. Approved Post-Collection Facilities

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**FRANCHISE AGREEMENT  
FOR INTEGRATED SOLID WASTE MANAGEMENT SERVICES  
BETWEEN THE CITY OF DALY CITY  
AND  
ALLIED WASTE SERVICES OF NORTH AMERICA, LLC**

THIS AGREEMENT is made and entered into this 13th day of April, 2015 by and between the CITY OF DALY CITY ("City") a municipal corporation of the State of California, and Allied Waste Services of North America LLC ("Contractor").

**RECITALS**

Services to be provided under this Agreement shall consist of Collection and disposition of Solid Waste, Recyclables, Compostables, Bulky Goods, Use Motor Oil and Oil Filters, Compostable Waste, and other Discarded Materials, but does not include Collection or Disposal or reuse of Biosolids.

This Agreement is entered into for the purpose of providing an exclusive franchise for the provision of Collection Services within Daly City as authorized under California Public Resources Code section 40059 and Daly City Municipal Code Chapter 8.12, including acting as the City's Recycling Agent, and to contract for certain other Discarded Materials services and operations as set forth herein.

This Franchise Agreement for Integrated Solid Waste Management Services replaces, consolidates, and supersedes all previous agreements and amendments for the provision of services and the operation of transfer and landfill facilities, including those dated April 28, 1959; March 13, 1972; January 3, 1977; February 13, 1978; June 5, 1978; January 8, 1979; November 26, 1979, December 18, 1979; July 26, 1982, August 5, 1983; and July 25, 1989, December 14, 1990, and December 12, 1994 (and six amendments) for the provision of Solid Waste, Recyclables, and Compostables Collection, Processing and Disposal services.

In consideration of award of this Franchise Agreement, Contractor: 1) with its letter dated December 1, 2014, voluntarily withdrew its application for a 2015 rate adjustment under the terms of the prior agreement, and; 2) has voluntarily waived its right to a Rate Period One adjustment under the provisions of this Agreement.

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## ARTICLE 1: DEFINITIONS

---

The definitions set forth in this Article 1 shall govern the interpretation of this Agreement.

### 1.1 AB 341

"AB 341" means the California Jobs and Recycling Act of 2011 (Chapter 476, Statutes of 2011 [Chesbro, AB 341]), also commonly referred to as "AB 341", as amended, supplemented, superseded, and replaced from time to time.

### 1.2 AB 939

"AB 939" means the California Integrated Waste Management Act of 1989 (Division 30 of the California Public Resources Code), also commonly referred to as "AB 939," as amended, supplemented, superseded, and replaced from time to time.

### 1.3 AB 1594

"AB 1594" means the 2014 act to amend Sections 40507 and 41781.3 of the Public Resources Code, relating to solid waste (Chapter 719, Statutes of 2014 [Williams, AB 1594]), also commonly referred to as "AB 1594", as amended, supplemented, superseded, and replaced from time to time.

### 1.4 AB 1826

"AB 1826" means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 [Chesbro, AB 1826]), also commonly referred to as "AB 1826", as amended, supplemented, superseded, and replaced from time to time.

### 1.5 Affiliate

"Affiliate" means all businesses (including corporations, limited and general partnerships and sole proprietorships) that are directly or indirectly related to Contractor by virtue of direct or indirect ownership interest or common management. They shall be deemed to be "Affiliated with" Contractor and included within the term "Affiliates" as used herein. An Affiliate shall include: (i) a business in which Contractor has a direct or indirect ownership interest, (ii) a business that has a direct or indirect ownership interest in Contractor and/or (iii) a business that is also Owned, controlled or managed by any business or individual which has a direct or indirect ownership interest in Contractor. For the purposes of this definition, "ownership" means ownership as defined in the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date here, provided that ten percent (10%) shall be substituted for fifty percent (50%) in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and Section 318(a)(5)(C) shall be disregarded. For purposes of determining ownership under this paragraph and constructive or indirect ownership under Section 318(a), ownership interest of less than ten percent (10%) shall be disregarded and percentage interests shall be determined on the basis of the percentage of voting interest of value that the ownership interest represents.

## 1.6 Agreement

"Agreement" means this Agreement between City and Contractor, including all exhibits, and any future amendments hereto.

## 1.7 Alternative Daily Cover (ADC)

"Alternative Daily Cover" means CalRecycle-approved materials other than soil used as a temporary overlay on an exposed landfill face. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

## 1.8 Alternative Intermediate Cover (AIC)

"Alternative Intermediate Cover (AIC)" means CalRecycle-approved materials other than soil used at a landfill on all surfaces of the fill where no additional Solid Waste will be deposited within one hundred eighty (180) days. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

## 1.9 Applicable Law

"Applicable Law" means all Federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, transportation, Processing or Disposal of Discarded Materials that are in force on the Effective Date and as may be enacted, issued or amended during the term of this Agreement.

## 1.10 Approved C&D Facility Processing Operator(s), or C&D Processing Operator(s)

"Approved C&D Processing Facility Operator(s)," or "C&D Processing Operator(s)" means the entity(ies) identified in Exhibit K, selected by Contractor, approved by the City, and relied upon by Contractor to provide daily operation of the Approved C&D Processing Facility(ies).

## 1.11 Approved C&D Processing Facility(ies)

"Approved C&D Processing Facility(ies)" means the facility(ies) identified in Exhibit K to provide C&D Processing services.

## 1.12 Approved Compostables Facility Processing Operator(s), or Compostables Processing Operator(s)

"Approved Compostables Processing Facility Operator(s)," or "Compostables Processing Operator(s)" means the entity(ies) identified in Exhibit K, selected by Contractor, approved by the City, and relied upon by Contractor to provide daily operation of the Approved Compostables Processing Facility(ies).

## 1.13 Approved Compostables Processing Facility(ies)

"Approved Compostables Processing Facility(ies)" means the facility(ies) identified in Exhibit K to provide Compostables Processing services.

## 1.14 Approved Disposal Facility(ies)

"Approved Disposal Facility(ies)" means the facility(ies) identified in Exhibit K to provide Disposal services.

**1.15 Approved Disposal Facility Operator(s), or Disposal Operator(s)**

"Approved Disposal Facility Operator(s)," or "Disposal Operator(s)" means the entity(ies) identified in Exhibit K, selected by Contractor, approved by the City, and relied upon by Contractor to provide daily operation of the Approved Disposal Facility(ies).

**1.16 Approved Facility(ies)**

"Approved Facility(ies)" means any one of or any combination of the: Approved C&D Processing Facility(ies); Approved Compostables Processing Facility(ies); Approved Disposal Facility(ies); Approved Recyclables Processing Facility(ies); and/or Approved Transfer Facility(ies).

**1.17 Approved Facility Operators**

"Approved Facility Operators" means any one of or any combination of the: Approved C&D Processing Facility Operator(s); Approved Compostables Processing Facility Operator(s); Approved Disposal Facility Operator(s); Approved Recyclables Processing Facility Operator(s); and/or Approved Transfer Facility Operator(s).

**1.18 Approved Recyclables Processing Facility(ies)**

"Approved Recyclables Processing Facility(ies)" means the facility(ies) identified in Exhibit K to provide Recyclables Processing services.

**1.19 Approved Recyclables Processing Facility Operator(s), or Recyclables Processing Operator(s)**

"Approved Recyclables Processing Facility Operator(s)," or "Recyclables Processing Operator(s)" means the entity(ies) identified in Exhibit K, selected by Contractor, approved by the City, and relied upon by Contractor to provide daily operation of the Approved Recyclables Processing Facility(ies).

**1.20 Approved Transfer Facility(ies)**

"Approved Transfer Facility(ies)" means the facility(ies) identified in Exhibit K to provide Transfer services.

**1.21 Approved Transfer Facility Operator, or Transfer Facility Operator**

"Approved Transfer Facility Operator(s)," or "Transfer Facility Operator(s)" means the entity(ies) identified in Exhibit K, selected by Contractor, approved by the City, and relied upon by Contractor to provide daily operation of the Approved Transfer Facility(ies).

**1.22 Bin**

"Bin" means a Container with capacity of approximately one (1) to seven (7) cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading Collection vehicle.

**1.23 Biomedical Waste**

"Biomedical Waste" means Discarded Materials which are likely to be infectious, pathological or biohazardous, originating from residences, hospitals, public or private medical clinics, departments of research laboratories, pharmaceutical industries, blood banks, forensic medical departments,

mortuaries, veterinary facilities and other similar facilities and includes (without limitations) equipment, instruments, utensils, fomites, laboratory wastes (including pathological specimens and fomites attendant thereto), surgical facilities, equipment, bedding and utensils (including pathological specimens and disposal fomites attendant thereto), sharps (hypodermic needles, syringes, etc.), dialysis unit waste, chemotherapeutic waste, animal carcasses, offal and body parts, biological materials (vaccines, medicines, etc.), and other similar materials, but excluding any such Discarded Materials which are reasonably determined by Contractor to be noninfectious, non-pathological and non-biohazardous.

#### 1.24 Biosolids

"Biosolids" means solid, semisolid, or liquid residues generated during primary, secondary, or advanced treatment of domestic sanitary sewage.

#### 1.25 Bulky Goods

"Bulky Goods" means items whose large size precludes or complicates their handling by normal Collection, processing or Disposal methods. Bulky Goods includes, but is not limited to major appliances, carpets; mattresses; clothing; tires; and oversized Yard Trimmings such as tree trunks and branches not exceeding two (2) feet in diameter and four (4) feet in length. Bulky Goods does not include any motor vehicle or any subassembly, major component except tires, and does not include Hazardous Waste.

#### 1.26 Cart

"Cart" means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 20, 35, 64 or 96 gallons (or similar volumes).

#### 1.27 Change in Law

"Change in Law" means any of the following events or conditions that have a material and adverse effect on the performance by the Parties of their respective obligations under this Agreement (except for payment obligations):

- a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation of any Applicable Law on or after the Effective Date; or,
- b. The order or judgment of any governmental body, on or after the Effective Date, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of City or of the Contractor, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence.

#### 1.28 City

"City" means the City of Daly City, a municipal corporation organized under the laws of the State of California.



### 1.29 Collect, Collected, Collection

"Collect", "Collected" or "Collection" means the Contractor taking physical possession of, and removing Discarded Materials, whether by manual, semi-automated or automated means, and transporting such materials, pursuant to this Agreement.

### 1.30 Collection Services

"Collection Services" means the combined activities and obligations of Contractor under this Agreement as related to Collection.

### 1.31 Commencement Date

"Commencement Date" means the date specified in Section 2.2 when the Contractor is to begin providing Collection and related services required by this Agreement.

### 1.32 Commercial, Commercial Property

"Commercial" or "Commercial Property" means property used for conducting business thereon, including, but not limited to, retail sales, services, wholesale operations, manufacturing and industrial operations, school facilities (both public and private), other institutions, and governmental agencies, but excluding businesses conducted upon Single-Family Property (as defined herein).

### 1.33 Compactor, Compaction

"Compactor", "Compaction" means a mechanical apparatus that compresses materials, the Container that holds the compressed materials, and/or the process. Compactors include Bin Compactors of any size serviced by front-loading Collection vehicles and Debris Box Compactors of any size serviced by Debris Box or roll-off Collection vehicles.

### 1.34 Compostables

"Compostables" means Discarded Materials that have been source-separated with the intent to be processed through Composting, including but not limited to Yard Trimmings, Food Scraps, paper contaminated by Food Scraps, waxed paper, and compostable food service ware, pieces of unpainted and untreated wood or sawdust, and small pieces of unpainted gypsum wallboard that the City permits, directs or requires Service Recipients to place separately for Collection by Contractor.

### 1.35 Composting

"Composting" means the controlled or uncontrolled biological decomposition of organic constituents such that the resulting material meets the maximum acceptable metal concentration limits specified in Section 17868.2 and pathogen reduction requirements specified in Section 17868.3 of Title 14, California Code of Regulations Chapter 3.1.

### 1.36 Construction and Demolition Debris (C&D)

"Construction and Demolition Debris" and "C&D" means materials resulting from construction, renovation, remodeling, repair, or demolition operations relating to or resulting from a building, structure, pavement or other improvement, including concrete, brick, bituminous concrete, rubble,

wood and masonry, composition roofing and roofing paper, steel, and other metals such as copper, but excluding liquid wastes and Hazardous Wastes.

### 1.37 Containers

“Containers” means any and all types of receptacles including, but not limited to, Bins, Carts cylindrical or square Containers commonly available at retail for residential use, and any and all other kinds of City-approved receptacles, irrespective of size or shape.

### 1.38 Contamination

“Contamination” means there is no more than ten (10) percent by volume of the “wrong” materials placed in a Container. Thus, for instance a Solid Waste Container is Contaminated if it contains a total by volume of more than ten (10) percent Recyclables and Compostables, and a Recyclables Container is Contaminated if it contains a total by volume of more than ten (10) percent Solid Waste and Compostables.

### 1.39 Contingent Facility

“Contingent Facility” means any facility approved by the City to provide Post-Collection Services in lieu of an Approved Facility, as provided in Sections 3.9 through 3.14 and as identified in Exhibit K Approved Post-Collection Facilities.

### 1.40 Contingent Facility Operator

“Contingent Facility Operator” means any the owner and/or operator of a Contingent Facility.

### 1.41 Contract Year

“Contract Year” means the twelve (12) month period from July 1 to June 30, except that Contract Year 1 is the five (5) month period from February 1, 2016 to June 30, 2016.

### 1.42 Contractor

“Contractor” means Allied Waste Services, Inc.

### 1.43 Contractor’s Proposal

“Contractor’s Proposal” means the proposal submitted to City by Contractor on March 21, 2014 for “City of Daly City Collection Services”, and certain supplemental written materials which are included as Exhibit F to this Agreement and are incorporated by reference.

### 1.44 Cooking Oil

“Cooking Oil” means oils resulting from cooking food at Residential Properties.

### 1.45 County

“County” means San Mateo County, California.

#### 1.46 County Pockets

“County Pockets” means the unincorporated areas of San Mateo County which are surrounded by, or immediately adjacent to, areas within the jurisdiction of the City of Daly City. Said areas include the unincorporated areas known as unincorporated Broadmoor and unincorporated Colma.

#### 1.47 Day

“Day” means calendar day unless otherwise specified in this Agreement.

#### 1.48 Debris Box

“Debris Box” means open-top Containers with a typical capacity of eight (8) to forty (40) cubic yards that are serviced by a roll-off Collection vehicle. Debris Boxes that contain putrescible materials require a lid.

#### 1.49 Discarded Materials

“Discarded Materials” means Solid Waste, Recyclables, Mixed Waste, Wet Materials, Dry Materials, Compostables, C&D Debris, Bulky Goods, Residue, and any combination of these material types properly placed for Collection by a Service Recipient or Generator for the purposes of Collection by Contractor. “Discarded Materials” does not include Excluded Waste.

#### 1.50 Disposal

“Disposal” or “Disposed” mean the ultimate disposition of unprocessed Solid Waste intended for Disposal, and Residue.

#### 1.51 Divert, Diversion

“Divert or Diversion (or any variation thereof)” means to prevent Disposal of Recyclables and Compostables other than Residue at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods, except for facilities using anaerobic digestion, or as otherwise approved by City) through Source Reduction, Reuse, Recycling, and Composting, as provided in Section 41780-41786 of AB 939, as AB 939 may be hereafter amended or superseded. Diversion includes use of Yard Trimmings for ADC or AIC, as permitted by State law, and approved by City.

Diversion is a broad concept that is to be inclusive of material handling and Processing changes that may occur over the Term including, but not limited to, changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology as may be used in the provision of Collection Services or Post-Collection Services, that reduce Disposal risk, decrease costs and/or are for other reasons deemed desirable by the City.

#### 1.52 Dry Materials

“Dry Materials” mean Discarded Materials containing less than ten percent (10%) by volume of Wet Materials.

#### 1.53 Effective Date

“Effective Date” means the date on which the latter of the two Parties signs this Agreement.



#### 1.54 Eligible Expenses

"Eligible Expenses" means all expenses, both direct and indirect, which are determined by City to be reasonable, necessary for, and attributable to, the provision of services under this Agreement, provided however, that Eligible Expenses shall not include: Pass-Through Expenses; ESOP Expenses; travel and entertainment expenses; political contributions; income taxes; state franchise taxes; depreciation or amortization costs related to a write-up of the net book value of assets beyond the value at the time of acquisition and any other expenses arising out of additional services rendered by Contractor in the future pursuant to any agreement or arrangement which does not expressly provide that such expenses shall be considered to be Eligible Expenses.

#### 1.55 Eligible Revenues

"Eligible Revenues" means all revenues derived directly or indirectly from the provision of services under this Agreement. Eligible Revenues include: revenue from Maximum Rates; interest earned on cash balances or investments, whether those cash balances are held by the Contractor or by a parent or related party on behalf of the Contractor; grant monies received by Contractor; and, any other revenues derived from other, or additional services rendered by Contractor in the future pursuant to any agreement or arrangement which does not expressly provide that such revenues shall not be considered to be Eligible Revenues.

#### 1.56 Emergency Condition

"Emergency Condition" means the existence of a condition or conditions which threaten or threatens the public health, safety and welfare resulting from Contractor's failure or inability to perform its duties and obligations hereunder due to the effect upon Contractor of fire, flood, storm, earthquake, or other natural calamity, riot, insurrection, public disobedience, labor controversy, labor strike, insolvency of Contractor or similar condition. "Emergency Condition" does not include the results of failure of Contractor to comply with basic standards and procedures of Collection or other substandard performance by Contractor.

#### 1.57 Environmental Laws

"Environmental Laws" means all federal and State statutes, and county and City ordinances concerning public health, safety and the environment including, by way of example and not limitation, AB 341, AB 939, AB 1594, AB 1826, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et seq.; the Resource Conservation and Recovery Act, 42 USC §6902 et seq.; the Federal Clean Water Act, 33 USC §1251 et seq.; the Toxic Substances Control Act, 15 USC §1601 et seq.; the Occupational Safety and Health Act, 29 USC §651 et seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100 et seq.; the California Toxic Substances Control Act, California Health and Safety Code §25300 et seq.; the Porter-Cologne Water Quality Control Act, California Water Code §13000 et seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

#### 1.58 E-Waste

"E-Waste" means discarded electronic equipment including, but not limited to, televisions, computer monitors, central processing units (CPUs), laptop computers, computer peripherals (including external

hard drives, keyboards, scanners, and mice), printers, copiers, facsimile machines, radios, stereos, stereo speakers, VCRs, DVDs, camcorders, microwaves, telephones, cellular telephones, and other electronic devices. Some E-Waste or components thereof may be Hazardous Waste or include Hazardous Substances and thus require special handling, Processing, or Disposal.

### 1.59 Excluded Waste

"Excluded Waste" means Hazardous Substances, Hazardous Waste, Biomedical Waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that Contractor reasonably believes would, as a result of or upon Disposal, be a violation of local, State or Federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in Contractor's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.

### 1.60 Food Scraps

"Food Scraps" means a subset of Compostables originating from Residential Properties or Commercial Properties, including: (i) all kitchen and table food waste scraps, and animal, or vegetable, fruit, grain, dairy or fish waste that attends or results from the storage, preparation, cooking or handling of foodstuffs, with the exception of animal excrement, (ii) paper waste contaminated with putrescible material, and (iii) biodegradable food service ware designed to disintegrate and biodegrade quickly.

### 1.61 Generator

"Generator" means any Person whose act or process produces Discarded Materials as defined in the Public Resources Code, or whose act first causes any of these items to become subject to regulation.

### 1.62 Gross Revenues

"Gross Revenues" means the total of Rate Revenues and all City and Contractor revenues derived from provision of Debris Box services, prior to City retention of City fees and remittance of approved compensation to Contractor as provided in Article 6.

### 1.63 Hazardous Substance

"Hazardous Substance" means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and, (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated there under to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated

under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products.

#### 1.64 Hazardous Waste

"Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the U.S. Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

#### 1.65 Holidays

"Holidays" shall mean the observed holiday for Thanksgiving Day, Christmas Day and New Year's Day.

#### 1.66 Household Batteries

"Household Batteries" means disposable or rechargeable dry cells such as those referred to as A, AA, AAA, B, C, D, 9-volt, button type or those from laptop computers or cell phones, and commonly used as power sources for consumer electronics devices, including but not limited to zinc oxide, nickel metal hydride, alkaline, mercury, silver oxide, lithium, lithium ion and carbon zinc, but excluding automotive lead acid batteries.

#### 1.67 Household Hazardous Waste (HHW)

"Household Hazardous Waste" or "HHW" means Hazardous Waste generated at Residential Properties within the City. HHW includes, but is not limited to: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, batteries, household batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

#### 1.68 Junk Removal Service

"Junk Removal Service" means a person who lawfully, in full accordance with all City ordinances, and on a nonexclusive and irregular basis provides clean-up services such as shoveling, sweeping, bagging and boxing of items, other than Construction and Demolition Debris, from yards and buildings, and incidental to these services loads discarded items into a van or truck and hauls the discarded items from the site in lieu of the resident performing such tasks.

#### 1.69 Large Apartment Complexes

"Large Apartment Complexes" have fifty (50) or more apartment units and are primarily tenant occupied. Large Apartment Complexes do not include condominiums, town homes and mobile home parks.

#### 1.70 Major Equipment

"Major Equipment" means any equipment, whether new or used and whether owned or leased, that has a new value of more than Ten Thousand Dollars (\$10,000).

### 1.71 Mandatory Service Recipients

"Mandatory Service Recipients" means occupants and/or owners of all Single-Family Property, Multi-Family Property and Commercial Property within the City boundaries, and all such premises that may be added from time to time by means of annexation, new construction, or otherwise during the term of this Agreement. Any question as to whether premises fall within the category of Mandatory Service Recipient shall be determined by City.

### 1.72 Marketing

"Market" or "Marketing" (or other variations thereof) means all obligations of Contractor, and Approved Facilities providing Processing services, with respect to selling or giving away Recyclables and Compostables, including promotion, storage, insurance, packaging, transportation, sales, weighing, and maintaining records with respect thereto.

### 1.73 Maximum Rate

"Maximum Rate" means the maximum amount, expressed as a dollar unit that the Contractor or City may bill a Service Recipient for providing services under this Agreement, as approved by the City.

### 1.74 Mixed Waste

"Mixed Waste" means materials placed in Containers that combine Recyclable and non-Recyclable materials.

### 1.75 Multi-Family, Multi-Family Property

"Multi-Family" or "Multi-Family Property(ies)" means the parcel, and the building(s) on it containing four (4) or more individual Residential dwellings. Multi-Family Properties may have shared, centralized Collection service for all dwellings and/or individual Cart service, and are billed to one address (typically the Owner or property manager).

### 1.76 Non-Collection Notice

"Non-Collection Notice" means a form, as approved in advance by City, used to notify Service Recipient(s) of the reason for the no collection of materials set out by the Service Recipient(s) for Collection by Contractor pursuant to this Agreement.

### 1.77 Operating Ratio

"Operating Ratio" Except as otherwise provided for in this Agreement, an Operating Ratio approach shall be used for determining Contractor's profit margin for any services or increased costs to be compensated under the Agreement. An Operating Ratio is calculated by dividing total Eligible Expenses by total Eligible Revenues during a given Contract Year. The approved Operating Ratio is that as proposed in Contractor's Proposal and as approved by the City, and as specified in Article 6.

### 1.78 Other Service Recipients

"Other Service Recipients" means occupants and/or owners of all Single-Family Property, Multi-Family Property and Commercial Property in the Service Area not within the City boundaries, where the owner, owner's representative, or a representative of the affected property requests Solid Waste services.



**1.79 Party, Parties**

"Party", "Parties" refers to the City and Contractor, individually or together.

**1.80 Pass Through Expenses**

"Pass-Through Expenses" are not subject to the Operating Ratio and include, but may not necessarily be limited to City or other governmental fees and per-ton compensation for use of Approved Facilities and Contingent Facilities.

**1.81 Permits**

"Permits" means all federal, State, County, City, and any other governmental unit permits, orders, licenses, approvals, authorizations, consents and entitlements that are required under Applicable Law to be obtained or maintained by any Person with respect to Collection and Post-Collection Services performed under this Agreement, as renewed or amended from time to time.

**1.82 Plastic Trash Bags**

"Plastic Trash Bags" means plastic bags expressly made for the purpose of Collection of Solid Waste, and other Discarded Materials as may be provided in the Agreement.

**1.83 Post-Collection**

"Post-Collection" means all obligations and activities that occur following Collection and delivery of Discarded Materials to Approved Facilities and Contingent Facilities, including all obligations and activities related to Transfer, Processing and Disposal.

**1.84 Post-Collection Arrangements**

"Post-Collection Arrangements" refers to all contracts or other arrangements, verbal or written Contractor enters into with Approved Facility Operators and Contingent Facility Operators for provision of Post-Collection Services as provided in Section 3.9.

**1.85 Post-Collection Services**

"Post-Collection Services" means collectively the obligations of Contractor under this Agreement to manage provision of Post-Collection, and the related obligations and activities of the Approved Facility Operators and the Contingent Facility Operators in providing Post-Collection.

**1.86 Processing**

"Processing" means to sort, separate, prepare, treat, bale or otherwise package, compost, cure, or to take other steps necessary to re-use materials at the Approved Facilities, or to remanufacture, reconstitute, and or create new products from Discarded Materials. Processing includes Reuse, Recycling and Composting, and excludes energy conversion processes except by prior approval of City.

**1.87 Public Containers**

"Public Containers" means City-owned Containers maintained by the City for use by the public located on or in the vicinity of streets and public rights-of-way and other public places in the Service Area as specified by the City for placement of Discarded Materials generated by the public.

**1.88 Rate**

"Rate" means the amount, expressed as a dollar unit, that the City or Contractor bills a Service Recipient for providing services under this Agreement. City or Contractor may, in its sole discretion, charge any amount up to and including the Maximum Rate approved by the City Council, but in no case exceeding the Maximum Rate.

**1.89 Rate Adjustment Review Period**

"Rate Adjustment Review Period" means that period during which an evaluation of financial position and rates occurs covering the prior contract years and future projections and a rate determination is made.

**1.90 Rate Period**

"Rate Period" means a twenty four (24) month period, commencing July 1 and concluding June 30 except for Rate Period One which means the period from February 1, 2016 through June 30, 2017. In general, Maximum Rates are approved by the City for each Rate Period.

**1.91 Recyclables**

"Recyclables" means newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; glass containers, all colors; aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); scrap metal weighing less than 10 pounds (without cords or chains and fitting into the container); steel, tin or bi-metal cans; plastic containers, Numbers 1 to 7; plastic bags and plastic film (no. 4); aseptic beverage boxes. Recyclables include Source Separated Recyclables.

**1.92 Recycle, Recycling**

"Recycle" or "Recycling" means the process of collecting, sorting, cleansing, treating and reconstituting materials that would otherwise be disposed of in a landfill, and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace. Recycling does not include Transformation.

**1.93 Residential, Residential Property**

"Residential", "Residential Property" means on, of or pertaining to property used for residential purposes, irrespective of whether such dwelling units are rental units or owner-occupied, or whether commercial activities are conducted thereon or therefrom, provided that such commercial activities are permitted under applicable zoning regulations and do not consist of the primary use of the property.

**1.94 Residue**

"Residue" means unrecoverable materials remaining after Processing Discarded Materials for which there are no other options for viable use and which therefore must be disposed of in a landfill. Diversion is measured as net of Residue.

### 1.95 Reuse, Reusable

"Reuse" or "Reusable" means to place back into use an object or material that would otherwise be Recycled or Disposed.

### 1.96 Service Area

"Service Area" means the City of Daly City and the unincorporated areas of San Mateo County ("County Pockets") which are surrounded by, or immediately adjacent to, areas within the jurisdiction of the City of Daly City. Said areas include the unincorporated areas known as unincorporated Broadmoor and unincorporated Colma.

### 1.97 Service Recipient

"Service Recipient" means the person whom City submits a billing invoice to and collects payment from for Collection services provided to a property. The Service Recipient may be either the occupant or owner of the property provided that the owner of the property shall be responsible for payment of Collection services if an occupant of a property, which is identified as the Service Recipient of owner's property, fails to make such payment.

### 1.98 Single-Family, Single-Family Property

"Single-Family," or "Single-Family Property," means a premise used as a Residential dwelling and includes single-family dwellings and each unit of a duplex, triplex, townhouse, condominium, or mobile home park dwelling unit where individual Collection services are provided separately to each dwelling unit.

### 1.99 Solid Waste

"Solid Waste" means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated thereunder as may be amended from time to time, and Residue from Recycling, Processing, and similar processes. Excluded from the definition of Solid Waste are Source-Separated Recyclables, Source-Separated Compostables, Source-Separated C&D, Biosolids and Excluded Waste, in addition to those items specifically excluded under California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated thereunder as may be amended from time to time. Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time.

### 1.100 Source Reduction

"Source Reduction" means any action which causes a net reduction in the generation of Solid Waste. It includes, but is not limited to, reducing the use of non-recyclable materials, replacing Disposal materials and products with Reusable materials and products, reducing packaging, reducing the amount of Yard Trimmings generated, and increasing the efficiency of the use of paper, cardboard, glass, metal, plastic, and other materials. Source Reduction does not include steps taken after the material becomes Solid Waste or actions which would impact air or water resources in lieu of land, including, but not limited to, Transformation.

**1.101 Source-Separated**

"Source-Separated" means materials which have been segregated for separate Collection by the Generator or Service Recipient, and placed in specific Containers for Collection as Recyclables or Compostables. Source-Separated Compostables include Compostables such as Yard Trimmings that may be Collected separately as well as Compostables Collected in a commingled manner, such as combined Yard Trimmings and Food Scraps. Source-Separated Recyclables include materials that may be individually placed for Collection such as cardboard, and those that may be Collected on a commingled or "single-stream" basis.

**1.102 Term**

"Term" means the Term of this Agreement, including extension periods if granted, as provided for in Article 2.

**1.103 Transfer**

"Transfer", "Transfer(ring)" (or variations thereof) means receipt of Discarded Materials delivered by Contractor to an Approved Transfer Facility, loading of such materials into vehicles commonly used for Transfer for transport to other Approved Facilities for Processing or Disposal.

**1.104 Transformation**

"Transformation" means incineration, pyrolysis, distillation, gasification, or biological conversion other than Composting or anaerobic digestion.

**1.105 Universal Waste**

"Universal Waste" means all wastes defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations or successor regulations. These include, but are not limited to, Household Batteries, fluorescent light bulbs, mercury switches, and E-Waste.

**1.106 Used Motor Oil**

"Used Motor Oil" means used motor oil from automobiles and other light duty vehicles intended for personal use which is removed from vehicles at Single-Family Properties and not as a part of a for-profit or other business activity. Used Motor Oil does not include transmission fluid.

**1.107 Used Oil Filter**

"Used Oil Filter" means a used motor oil filter from automobiles and other light duty vehicles intended for personal use which is removed from vehicles at Single-Family Properties and not as a part of a for-profit or other business activity.

**1.108 Wet Materials**

"Wet Materials" mean putrescible materials and mixed Compostables with no more than ten percent (10%) Dry Material by volume.



565 **1.109 Yard Trimmings**

566 “Yard Trimmings” means those Discarded Materials that will decompose and/or putrefy, including, but  
567 not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree  
568 trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of organic waste.  
569 Yard Trimmings is a subset of Compostables. Yard Trimmings placed for Collection may not exceed six (6)  
570 inches in diameter and three (3) feet in length and must fit within the Contractor-provided Container.

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**ARTICLE 2: GRANT AND ACCEPTANCE OF FRANCHISE**

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**2.1 Grant and Acceptance of Franchise**

City hereby grants to Contractor, and Contractor hereby accepts and agrees to perform, the exclusive franchise to Collect all Discarded Materials placed for Collection at any Residential Property, Multifamily Residential Property, and on any Commercial Property located within the Service Area, and to handle and to transport such Discarded Materials to Approved Facility(ies) designated by City, except as herein otherwise provided, all in accordance with the Solid Waste Management Plan of the County of San Mateo, California, and subject to the terms and conditions thereof.

**2.2 Term**

The Term of this Agreement shall be from 12:01 AM, February 1, 2016 through June 30, 2031, inclusive, subject to approval of City Council and evidence of compliance with Article 7 - Indemnification, Insurance and Bond, unless earlier terminated pursuant to Article 9 of this Agreement. The Term may be extended at City discretion for up to a total of three years in periods of no less than one (1) year, and with 120 day notice to Contractor.

**2.3 Obligations of the Parties**

In addition to the specific performance required under this Agreement, City and Contractor shall:

- A. Provide timely notice to one another of a perceived failure to perform any obligations under this Agreement and access to information demonstrating the Party's failure to perform.
- B. Provide timely access to the City's and the Contractor's designated representative(s) and complete and timely responses to requests of the other Party.
- C. Provide timely notice of matters which may affect either Party's ability to perform under the Agreement.

**2.4 Enforcement of Contractor's Exclusive Rights**

Contractor shall use reasonable efforts to enforce the exclusive rights and privileges granted to Contractor pursuant to this Agreement to prevent third parties from providing unauthorized services in City. In the event that Contractor reasonably believes a third party is providing such services in City, it shall notify City thereof, together with the basis of such belief and consult with City before pursuing its legal remedies to protect its exclusive rights and privileges under this Agreement. City may, but is not obligated to, assist the Contractor in protecting its exclusive rights and privileges under this Agreement. Reasonable and necessary documented costs expended by Contractor in protecting its rights and privileges, and with prior approval of City, shall constitute an Eligible Expense.

**2.5 Conditions to Effectiveness of Agreement**

The obligation of City to permit this Agreement to become effective and to perform its undertakings provided for in this Agreement is subject to the satisfaction of all the conditions below, each of which may be waived, in written form, in whole or in part by City.

A. **Accuracy of Representations.** The Contractor's representations and warranties made in Contractor's Proposal (Exhibit F) and Article 10 of this Agreement are true and correct on and as of the Effective Date.

B. **Furnishings of Insurance and Performance Bond.** Contractor has furnished evidence of the insurance and performance bond required by Section 7.3 and Exhibit G that is satisfactory to the City.

C. **Absence of Litigation.** To the best of Contractor's knowledge, after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality decided, pending or threatened against Contractor wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

- i. Materially adversely affect the performance by Contractor of its obligations hereunder;
- ii. Adversely affect the validity or enforceability of this Agreement; or,
- iii. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

## 2.6 Responsibility for Materials

Once Discarded Materials are placed in the Contractor's or other approved Containers and at the Collection location, or is otherwise set-out for Collection in an approved manner, the responsibility for their proper handling shall transfer directly from the generator to Contractor, with the exception of Hazardous Waste if the Contractor can identify the generator. Once Discarded Materials are deposited by Contractor at an Approved Facility, such materials shall become the responsibility of the owner or operator of the Approved Facility. Responsibility for Hazardous Waste that has been inadvertently collected by the Contractor shall remain with the Contractor if it cannot identify the generator, and Contractor shall assume all responsibility for its proper disposal.

## 2.7 Exceptions

The exclusive franchise granted to Contractor to perform Collection services does not extend to any of the following and City expressly reserves the right to allow other service providers, by contract or otherwise, to perform any or all of the following in Service Area:

- A. Collection and processing of any recyclable materials not specifically included in the definition of Recyclables or otherwise provided for in Section 2.1 as components of the Grant of Franchise.
- B. Collection of Discarded Materials from City facilities, should City decide to provide for collection outside of the Agreement
- C. Removal of Discarded Materials incidental to Junk Removal Service
- D. Collection of grease wastes from grease traps or grease interceptors
- E. Collection of used cooking oil
- F. Collection of Household Hazardous Wastes
- G. Collection of waste material that is greater than fifty percent (50%) liquid (excluding Used Motor Oil)

H. Collection and transportation of Discarded Materials within a Multifamily Residential premises to a central location located within or adjacent to the premises for the purpose of consolidation and/or Compaction prior to Collection by Contractor, and as permitted by City Code.

I. C&D Debris generated at a property located within the Service Area by a construction, remodeling or demolition services business and hauled from the Premise by the construction, remodeling or demolition business (not a third party or subcontractor to that business) as an incidental part of a total service provided by that business. Such materials shall be transported in vehicles and Containers owned or leased by the business providing the full service, using its own employees and not a subcontractor, affiliated company, or third party.

## **2.8 Service Recipients Options for Recyclables and Bulky Goods**

Nothing in this Agreement shall be construed as requiring Service Recipients to set out Recyclables or Bulky Goods for Collection by Contractor. Service Recipients may dispose of Recyclables and Bulky Goods through other appropriate means including, but not limited to, taking Recyclables or Bulky Goods to drop-off facilities and donating or selling Recyclables or Bulky Goods to private or public entities.

## **2.9 Labor Policy and Labor Peace**

### **2.9.1 Labor Policy**

A. Competitive Wages and Benefits. Contractor, Approved Facility Operators, and Contingent Facility Operators will provide employees with initial wages and benefits equaling no less than the wages and benefits included in the collective bargaining agreements in place in 2013.

B. Employee Retention Policy. Contractor will retain workers who have been employed by the previous contractor for at least 120 calendar days prior to the expiration of the contracts. These retained workers will fill open positions, provided that the future contractor(s) shall not be required to create additional positions that the contractor(s) does not need, Contractor is prohibited from discharging any retained workers for at least 90 calendar days after the contract startup (e.g., Commencement Date) except for cause. Additionally, the contractor(s) shall maintain a list of the predecessor contractor's employees who were not offered employment after twelve months from the start of the new Agreement (e.g., Commencement Date). If any positions become available during the nine months following the initial three-month contract period, from May 1, 2016 through January 31, 2017, Contractor shall offer employment to qualified persons on the list by seniority within the collective bargaining unit (if it exists). Contractor shall be required to include this language in the collective bargaining agreements, if any such agreement exists or is negotiated with relation to providing service under this Agreement.

C. Contractor Demonstration of Compliance. Contractor has anticipated the aforementioned labor requirements in its cost proposal, as provided in Exhibit J.

### **2.9.2 Labor Peace**

The City has determined that the level of vulnerability of the proposed Agreement to service or labor disputes is sufficient to warrant that labor peace is essential to the propriety interests of the City. The determination was based on considerations including, but not limited to the following factors:

A. The service or labor will be provided on City site or a site which is important to the propriety

interests of the City;

B. The service provider relies on a significant amount of public patronage;

C. The economic effect of any disruption of City expenditures or revenues is significant;

D. The effect of any disruption on the citizens, tourists and businesses in the community is significant.

Contractor acknowledges the importance of labor peace, and the steps it shall take to maintain labor peace during the Term.

## **2.10 Diversion Requirements**

### **2.10.1 Contractor Obligation**

In awarding this Agreement, the City relied on Contractor representation that Contractor will provide a level of Diversion that ensures the City will be in full compliance with its State Diversion obligations, as defined as of the Effective Date by AB 939 and AB 341. City grant of exclusive services as defined in this Article 2 is based in part on providing Contractor the means necessary to ensure the City meets its Diversion obligations. However, the Parties acknowledge that measuring compliance with the City's State requirements, as measured by CalRecycle is at best difficult. The Parties agree that the following Diversion requirements are intended to ensure the City will be in full compliance with its State Diversion obligations, and Contractor's compliance with its Diversion requirements will be measured for a given time period in terms of total tonnage Diverted by the Contractor and by processors, as a percentage of the total tonnage Collected by Contractor under the terms of this Agreement.

### **2.10.2 Diversion Requirements**

The City's intent is for Contractor to improve the performance of its programs over time in order to meet the following Diversion requirements, subject to the penalties specified in Section 9.8.J. Contractor shall:

A. Achieve and maintain a Diversion rate of 30 percent by no later than July 1, 2017.

B. Achieve and maintain a Diversion rate of 33 percent by July 1, 2018.

C. Achieve and maintain a Diversion rate of 36 percent by July 1, 2019.

D. Achieve and maintain a Diversion rate of 40 percent by July 1, 2020.

E. Achieve and maintain a Diversion rate of 43 percent by July 1, 2021.

F. Achieve and maintain a Diversion rate of 45 percent by July 1, 2023.

G. Achieve and maintain a Diversion rate of 48 percent by July 1, 2025.

### **2.10.3 Compliance with Diversion Requirements**

#### **A. City Determination of Compliance**

Contractor shall provide the Diversion-related data and information defined in Section 4.3 as part of its scheduled reporting. City may in its sole discretion, and at any time determine compliance with each of the above Diversion requirements, as well as ascertaining Contractor progress towards achieving the next scheduled Diversion requirement. Contractor acknowledges that City may request, and Contractor



shall provide in a timely manner such additional information as may reasonably be needed to ascertain Contractor's compliance with its Diversion requirements as defined in Section 2.10.2. Should City determine that Contractor is not in compliance with Contractor's Diversion requirements as specified in this Agreement, City may invoke the indemnification provisions of Section 7.1.1, the penalties of Section 9.8, and such remedies as are provided in Article 9.

**B. CalRecycle Notice**

If at any point during the Term, CalRecycle notifies the City that it is not in compliance with its Diversion obligations under State law, the Parties will meet within 14 Days of City request regarding Contractor's compliance with Contractor's Diversion requirements. City may determine if Contractor is in compliance as provided in Section 2.10.3.A, and if it finds Contractor to not be in compliance, City may seek the remedies specified in Sections 7.1.1, Section 9.8, and Article 9. Should Contractor be found to be in compliance with the above Diversion requirements, but there is the need to modify Contractor obligations to meet the City's Diversion obligations such modification will be considered a change in Contractor obligations as provided in Section 2.11.

**C. Diversion Monitoring**

1. Contractor shall monitor the Diversion rate on a monthly basis. If the Diversion rate is less than the minimum Diversion rate in any quarter of any Contract Year as specified in Section 2.10.2, Contractor shall notify City and meet and confer with City staff within 15 days after Contractor submits its monthly report for the last month of the quarter. At the meeting, Contractor will present its current and projected Diversion rates, progress to date in achieving Diversion rate goals including specific detail by customer type and stream or City area or location as applicable, factors enhancing or inhibiting progress, and steps that can be taken to keep the Diversion rate at or above the minimum Diversion rate and to increase it beyond that level. Such steps may include, but not be limited to, increased public education beyond that included in this Agreement (to the extent Contractor demonstrates it is in full compliance with all outreach and education and technical assistance requirements of the Agreement), new or expanded programs, revision or enhanced enforcement of the City code, alternative processing arrangements, revisions to the rate structure, etc. In preparing such proposals, Contractor shall draw upon its experience achieving high diversion rates in other communities. Contractor shall work collaboratively with City staff to prepare and implement an action plan to maintain or increase the Diversion rate, including implementation plans and cost proposals, which shall also give due regard to opportunities for cost savings. Contractor shall continue to meet with City staff on a quarterly basis (or more or less frequently, as requested by City staff) to monitor the Diversion rate and implementation of any mutually agreed action plan.
2. Notwithstanding any other provision of this Agreement, the following provisions shall apply: So long as Contractor (i) complies with the foregoing provisions of this Section 2.10.3.C, and (ii) demonstrates good faith efforts to meet all the requirements of this Agreement for implementation of Diversion programs, no amounts shall be withheld from or charged to Contractor under Section 9.8.J (and Contractor will not be in breach of Section 2.10.2). Additionally, if the Diversion rate drops below the minimum Diversion rate in any quarter of a given year, but ultimately equals or exceeds the minimum Diversion rate in that Contract Year then no amounts shall be withheld from or charged to Contractor under Section 9.8.J (and Contractor will not be in breach of Section 2.10.2) with respect to that particular quarter.

**D. Container Sizing**

Contractor shall develop and implement a protocol prior to the commencement of new services designed to assess the sufficiency of existing service levels by reviewing the capacity of containers and frequency of collection of Solid Waste and Recyclable Materials for Commercial and Multi-Family Properties with the goal of ensuring each customer has adequate capacity for Recyclable Materials. Contractor will develop said protocol and offer to meet and confer with City staff no later than four (4) months prior to commencement of new services or by October 1, 2015. At the meeting, Contractor will present its approach to implementation of the protocol, including specific detail by customer type and stream or City area or location as applicable and factors enhancing or inhibiting its implementation. Contractor shall draw upon its experience at determining appropriate service levels in other communities using the container sizing concept to develop and implement said protocol. Contractor agrees to implement the protocol no more than sixty (60) days following the meeting with the City referenced above.

**2.11 City's Right to Direct Changes**

The City may direct the Contractor to perform additional Collection Services or to modify the manner in which it performs existing services including developing and implementing pilot programs, as provided in the Agreement, and shall adjust Contractor compensation accordingly. The Contractor shall promptly take direction from the City to provide additional services under this Agreement. Contractor acknowledges and agrees that the City may permit other persons besides the Contractor to perform additional Collection or related services if the Contractor and the City cannot agree in four (4) weeks, or as extended by mutual agreement of City and Contractor, from the date when the City first requests a complete proposal from Contractor to perform such services including pricing and terms and conditions of such services. Should Contractor fail to provide such services as City directs, the provisions of Article 9 of this Agreement shall apply. Both Parties shall negotiate in good faith for the purpose of reaching agreement under this section.

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**ARTICLE 3: COLLECTION AND POST-COLLECTION SERVICES**

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**3.1 General**

Throughout the term of this Agreement, Contractor shall perform Collection Services and Post-Collection Services as provided in this Article, and as provided in further detail in Exhibit B – Final Approved Plans and Exhibit C – Contractor’s Proposal. All such services shall be performed in a thorough and professional manner regardless of weather conditions or difficulty of Collection. Contractor shall offer Collection services comparable to that provided to City in the County Pockets and shall provide such services for a rate which shall not exceed the Maximum Rates provided to City Service Recipients of similar services.

**3.2 Labor, Collection Equipment, and Containers****3.2.1 General**

Contractor shall provide and maintain all labor, equipment, tools, facilities, and personnel supervision required for the performance of Contractor’s obligations under this Agreement. Contractor shall at all times have sufficient back-up equipment, equipment maintenance capabilities, and labor to fulfill Contractor's obligations under this Agreement. No compensation for Contractor's services or for Contractor's supply of labor, equipment, tools, facilities or supervision shall be provided or paid to Contractor by City or by any Service Recipient except as expressly provided by this Agreement.

Contractor shall at all times maintain an inventory of Collection Containers such that it can deliver new Containers within seven (7) calendar Days of customer request or be subject to the provisions of Exhibit C Performance Standards and Liquidated Damages.

**3.2.2 Collection Frequency and Location**

Contractor shall Collect Solid Waste, Recyclables, and Compostables from each Residential Service Recipient in Service Area on a once-per-week basis, Monday through Friday, and on the same day each week. Contractor shall Collect all Discarded Materials from Multifamily Residential and Commercial Service Recipients on such frequency as is desired by Service Recipient or necessary to provide adequate service to meet health and safety requirements. Collection shall be made from Containers placed at curbside by Residential Service Recipients or such other locations as necessary and as arranged for other Service Recipients. Collection from Public Containers and other City facilities shall occur on a schedule determined by City and as amended from time to time. Contractor is not required to perform Collection services on Holidays but shall reschedule Holiday Collection services in accordance with Section 3.8.2 of this Agreement.

Contractor has represented that approximately 750-1,000 Residential accounts will experience a change in Residential Collection days with implementation of Collection Services on and following the Commencement Date, and Contractor shall take such reasonable steps as are necessary to ensure that the number of such accounts does not exceed this number. Contractor shall make efforts to minimize changes in Residential Collection days during the Term, and shall notify the City in advance of any changes in route days that affect more than five (5) percent of the Service Recipients on a Residential route.



**3.2.3 Containers**

Contractor shall provide Service Recipients with Containers for Solid Waste, Recyclable Materials, and Compostables as specified in this Section 3.2.3. Carts utilized for Solid Waste shall be gray in color, carts utilized for Recyclables shall be blue in color and carts utilized for Compostables (including Yard Trimmings) shall be green in color. Bins, one yard capacity or greater, utilized for Solid Waste shall be dark blue in color, bins utilized for Recyclables shall be green in color and bins utilized for Compostables (including Yard Trimmings) shall be dark blue in color with an identifiable red stripe.

Upon the Commencement Date for Collection Services, Contractor shall use existing Containers, provided that, in each of the first five (5) years of the Term, Contractor agrees to annually replace a minimum of five percent (5%) of the existing Containers and in each of the second five years of the Term, Contractor agrees to annually replace a minimum of fifteen percent (15%) of the existing Containers such that by the end of Year 10, all Containers initially used upon the Commencement Date shall have been replaced by Contractor. It is assumed that during Contract Years Eleven through Fifteen (11 through 15), there will be only routine Container switchouts due to service changes, customer requests, etc. . Contractor shall provide:

- A. Automated Collection of Solid Waste from Single-Family Residential Service Recipients from 32-, 64- or 96-gallon carts.
- B. Automated Collection of single-stream Recyclables from Single-Family Residential Service Recipients from 64-gallon Carts (or 32-gallon Carts upon customer request and City approval).
- C. Automated Collection of Compostables from Single-Family Residential Service Recipients from 32-gallon Carts (or 64-gallon and 96-gallon Carts upon customer request). Contractor shall also provide one kitchen pail Container for indoor storage of Compostables for each Single-Family Residence, which shall reasonably fit on a counter top or underneath a Residential sink, be clearly labeled, and include graphics to aid customers in proper Compostables Diversion.
- D. Collection of Solid Waste from Multi-Family Residential and Commercial Service Recipients from 32-, 64-, or 96-gallon Carts; 1, 1.5, 2, 3, 4, or 6 cubic yard Bins; or Debris Boxes. As further detailed in Section 4.6 and Exhibit B, Contractor shall work with Multi-Family and Commercial customers to identify the best Container size(s) to accommodate each customer's generation level and space constraints.
- E. Collection of Recyclables from Multi-Family Residential and Commercial Service Recipients from 64-, or 96-gallon Carts; 1, 1.5, 2, 3, 4, 6, or 8 cubic yard Bins. As further detailed in Section 4.6 and Exhibit B, Contractor shall work with Multi-Family and Commercial customers to identify the best Container size(s) to accommodate each customer's generation levels and space constraints. Contractor shall provide Recycling totes for customer's personal use. Upon Service Recipient request, Contractor shall also provide one "battery bucket" for centralized storage of Household Batteries, cell phones and compact fluorescent light bulbs (CFLs), to Multi-Family Residential customers. Contractor shall Collect materials from such "battery buckets" on the Service Recipient's regular Collection day.
- F. Collection of Compostables from Multi-Family Residential Service Recipients from 64-gallon Carts. Upon Service Recipient request, Contractor shall also provide one kitchen pail Container for indoor storage of Compostables to each individual dwelling unit of Multi-Family Residential buildings (excluding Large Apartment Complexes), which shall be of a size to reasonably fit on a counter top or underneath a Residential sink, be clearly labeled, and include graphics to aid

customers in proper Compostables Diversion.

- G. Collection of Compostables from Commercial Service Recipients from 64-, and 96 gallon Carts, and Bins up to 3 cubic yards.

### **3.2.4 Maintenance of Containers**

For those Collection Containers owned by Contractor, such Containers shall be maintained in a clean, serviceable, and sanitary condition. Said Containers shall be kept continuously closed by either a tight fitting cover or lid. Contractor shall repair Contractor-owned Containers within five (5) calendar days of a request to do so by Service Recipient or from the City, or if repair cannot be performed within five (5) days, Contractor shall provide a replacement Container to Service Recipient, all without cost to either Service Recipient or City.

Contractor is solely responsible for repairing and/or replacing any Contractor-purchased Containers due to manufacturer defects, and for all related costs.

### **3.3 Transition Plan**

Contractor shall at all times be in compliance with the provisions of Exhibit B.5 Implementation Plan that govern start-up of Collection Services and Post-Collection Services. Contractor shall revise, modify and otherwise update such Plan prior to the Commencement Date as it deems necessary, or as reasonably requested by the City. Contractor is solely responsible for determining the need for such revisions or updates, and shall promptly provide all such revisions or updates to City.

### **3.4 Solid Waste Collection Services**

#### **3.4.1 24-Hour Advance Solid Waste Overage Collection**

Contractor shall Collect Solid Waste in excess of the normal billed-for amount if the Service Recipient has made arrangements at least 24 hours in advance with Contractor for overage pickup, or such other procedure as approved by City. Contractor shall Collect Solid Waste in excess of the Solid Waste placed in Containers when the set-out meets all of the requirements established by City. Contractor shall deliver to City Solid Waste overage tags each Monday for overages Collected the prior week. Tags shall be in a format as approved by City. Maximum fees for overages shall be as approved by City.

#### **3.4.2 Debris Box Services**

Contractor shall offer and provide Debris Box services within the Service Area. Rates for said services shall be established and billed by Contractor at an appropriate and competitive level, and Maximum Rates shall be as approved by City. Debris Box services provided shall be considered services provided under this Agreement and all revenues and expenses shall be a portion of the total Eligible Revenues and Eligible Expenses reflected under this Agreement. Contractor shall report all revenues from Debris Box services to City pursuant to Section 4.3.2. Contractor shall inform the Daly City Public Works Department in a manner and within time limits specified by City of the location and duration of placement of Debris Boxes placed in the public right-of-way, and shall conform to all City requirements for such placement.

**3.4.3 Compactor Collection**

Collection of Solid Waste from Multifamily Residential and Commercial Service Recipients from Compactors which are owned and maintained by third party operators, and used for the purpose of material consolidation prior to Collection by Contractor, as not otherwise restricted by City Code.

**3.4.4 Non-Collection of Solid Waste**

Contractor shall not be required to Collect any Solid Waste that is not placed either in a Solid Waste Container or, for overages Collections pursuant to Section 3.4.1 only, in a Plastic Trash Bag meeting the requirements established by City. Contractor shall not be required to Collect Solid Waste from a Solid Waste Container where the contents exceed the volume capacity of the Container when its lid is closed.

In the event of a non-collection, Contractor shall act in accordance with the following procedures, subject to the provisions of the City Code:

A. Upon the first and second occurrences of non-collection per Service Recipient, Contractor shall leave a Non-Collection Notice at the premises where the non-collection occurs and shall mark the Non-Collection Notice to show the date and time the notice is given, the complete address of the premises, the reason for the non-collection, the manner in which materials should be prepared for Collection, and the steps Service Recipient must take to recommence Collection service.

B. Upon the third occurrence of non-collection per Service Recipient, Contractor shall:

i. In the event of non-collection as a result of Container overflow, leave a Non-Collection Notice stating that the Service Recipient's service level and Rate will be increased to reflect the required level of service, and deliver any required additional or larger Containers within 48 hours; or,

ii. In the event of non-collection as a result of Contamination, leave a Non-Collection Notice stating that the Service Recipient may be subject to penalties related to Municipal Code violation; and,

iii. In both cases, provide notice to City staff or code enforcement, as applicable, identifying any billing changes or penalties to be assessed as a result of the non-collection.

In all events of non-collection, Contractor shall leave the hard (card stock) copy of the Non-Collection Notice at the premises by affixing it to the Solid Waste Container, and shall retain one copy. Contractor shall also document the event(s) of non-collection in a database (i.e., via InfoPro customer notes, Excel worksheet or similar software) which shall be maintained and monitored by Contractor in order to track and detect behavior patterns or trends. Contractor shall incorporate findings from such database in its public education program. Contractor shall report all events of non-collection to City on a weekly basis.

**3.5 Recyclables Collection Program****3.5.1 Recyclables Collection**

Contractor shall Collect in a single-stream (commingled) manner, at a minimum the following recyclable materials: newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper,

envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; glass containers of any color (including brown, clear, and green glass bottles and jars); aluminum (including non-container foil and extruded, beverage containers, food containers, small pieces of scrap metal); small pieces of scrap metal weighing less than 10 pounds without cords or chains and fitting into the Recyclable Materials Collection Container; steel, tin or bi-metal cans; plastic containers (no. 1 to 7); plastic bags and plastic film; mixed plastics; mixed rigid plastics; clean wood; clean expanded polystyrene block packing materials; PLA bioplastic bottles; aseptic beverage boxes; and all other materials for which a viable market can be found. Contractor shall Collect used oil filters, household batteries and compact fluorescent lamps when placed in sealed plastic bags on top of the recycling container. Reusable Items, and carpet and carpet padding may be placed for collection as part of the Bulky item collection.

### **3.5.2 Recyclables Overages**

In the event a Service Recipient has a greater quantity of Recyclables than can be set out in the appropriate Recyclables Container, the Service Recipient may set out such Recyclables overages in other appropriate containers, including clean brown paper bags or cardboard boxes which are marked for recycling and set out with, or next to, the Recyclables Containers. Contractor shall with added charge or compensation Collect such Recyclables overages on the same day Contractor collects Recyclables from the Service Recipient. Contractor shall have no obligation to Collect such Recyclables overages where the overage container weighs in excess of sixty (60) pounds.

### **3.5.3 Non-Collection of Recyclable Materials**

Contractor shall not be required to Collect any Recyclables that are not placed either in a Recyclables Container or, for overages Collections pursuant to Section 3.5.2 only, a receptacle meeting the requirements established by City. Contractor shall not be required to Collect Recyclables from a Recyclables Container where the contents exceed the volume capacity of the Container when its lid is closed.

In the event of a non-collection, Contractor shall act in accordance with the following procedures, subject to the provisions of the Municipal Code:

A. Upon the first and second occurrences of non-collection per Service Recipient, Contractor shall leave a Non-Collection Notice ('Oops Tag') at the premises where the non-collection occurs and shall mark the Non-Collection Notice to show the date and time the notice is given, the complete address of the premises, the reason for the non-collection, the manner in which materials should be prepared for Collection, and the steps Service Recipient must take to recommence Collection service.

B. Upon the third occurrence of non-collection per Service Recipient, Contractor shall:

- i. In the event of non-collection as a result of Container overflow, leave a Non-Collection Notice stating that the Service Recipient's service level and Rate, if applicable, will be increased to reflect the required level of service, and deliver any required additional or larger Containers within 48 hours; or,
- ii. In the event of non-collection as a result of Contamination, leave a Non-Collection Notice stating that the Service Recipient may be subject to penalties related to Municipal Code violation; and,



- iii. In both cases, provide notice to City staff or code enforcement, as applicable, identifying any billing changes or penalties to be assessed as a result of the non-collection.

In all events of non-collection, Contractor shall leave the hard (card stock) copy of the Non-Collection Notice at the premises by affixing it to the Recyclables Container, and shall retain one copy. Contractor shall also document the event(s) of non-collection in a database(i.e., via InfoPro customer notes, Excel worksheet or similar software) to be maintained by Contractor and used to inform the public education and outreach program. Contractor shall report all events of non-collection to City on a weekly basis.

Conversely, Contractor will make every effort to recognize exemplary Recycling behavior by placing 'Good Job' notices at premises identified by Contractor's staff as consistently leaving an abundance of clean, non-contaminated Recyclables out for Collection. Such notices will show the date and time the notice is given, the complete address of the premises, will list acceptable Recyclables and will congratulate the premises on the volume and consistency of their recycling efforts.

#### **3.5.4 Waste Oil Recycling**

A. **Motor Oil** - Contractor shall Collect up to two 1-gallon, sealed plastic jugs containing Used Motor Oil and up to two 1-gallon sealable plastic bags containing Used Oil Filters, from Single-Family Residential customers each week. Contractor shall Collect full jugs and bags placed next to customer's Recyclables Container, on the customer's regularly scheduled Collection day, and transport the oil and filters to an Approved Facility for Recycling. Contractor shall provide clear Recycling instructions for Used Motor Oil and Used Oil Filter Collection to all Single-Family customers.

B. **Cooking Oil** - Contractor shall pick up used cooking oil that is properly placed in approved, sealed containers. Customers may place up to two 1-gallon plastic jugs with screw-cap lids for used cooking oil at the curb on their Collection day. Contractor will provide specific directions for proper containment of used cooking oil to all Single-Family customers. Contractor will also maintain a stationary container to collect home generated used cooking oil where used cooking oil collected at curbside will be deposited. This same container will also serve as a drop-off location for residents at no additional charge. Residents will be limited to dropping off five gallons of home generated cooking oil per month and will be asked to demonstrate proof of residency

#### **3.5.5 Additional Recyclable Materials**

In the event City or Contractor proposes to add other materials to the list of Recyclables to be Collected, processed and/or marketed by Contractor, such additional materials shall be included under this Agreement. Contractor shall notify the City of the extent to which the addition of the proposed material would require a modification of the Recyclables Collection vehicles, the use of an additional Recyclables Container, and the use of additional Collection vehicles, and shall notify City of the estimated costs of adding the proposed material. Such notification shall be in writing and shall be provided at the time Contractor proposes the addition of the material or, if City proposes such addition, the Parties shall proceed in accordance with Section 2.11. City shall respond in writing to Contractor's description of changes and costs of implementation within thirty (30) calendar days of Contractor's notification to City. Both Parties shall negotiate in good faith for the purpose of reaching an agreement for the addition of the proposed material and a schedule for the implementation of the Collection of such material. The City may negotiate and approve the additional material and implementation schedule, but any agreement which would result in additional compensation to Contractor, including any compensation



for tons recycled pursuant to this Agreement, shall not become effective unless approved by the City Council.

### **3.6 Compostables Collection Program**

#### **3.6.1 Residential Compostables Program**

On the same day of the week that Contractor performs Solid Waste Collection, Contractor shall Collect Compostables from each Service Recipient in the Service Area. Contractor shall distribute at no charge an additional Container to Residential Service Recipients who demonstrate a consistent need for an additional Cart; provided that Residential customers will not be allowed an additional free container for Compostables that are not produced at the residential Service Recipient's premises.

#### **3.6.2 Commercial Compostables Program**

Contractor shall Collect and Process, through Composting or other appropriate use as approved by City, Compostables, including Yard Trimmings and Food Scraps, from Commercial customers as further provided in Exhibit B-1 Scope of Services. Collection frequency shall be such that it encourages Diversion of Compostables but need not occur on the same day as Solid Waste or Recyclables Collection.

Contractor shall target Commercial Service Recipients that generate a high volume of compostable material and will work with those Commercial Service Recipients to maximize participation and Recycling performance. Contractor will focus on Commercial Service Recipients by business sector and in accordance with the Commercial Compostables Implementation Schedule shown below, except as otherwise directed by City following consultation with Contractor.

**Commercial Compostables Program Implementation Schedule**

Commercial Compostables Program Implementation					
Phase	Categories	Number of Businesses	Estimated Weekly Cubic Yards	Potential Annual Diversion	Implementation Timeline
1	Sit-Down Restaurants	89	370	203	February 2016-December 2016
2	Stores (Safeway, Costco)	31	111	44	July 2016 – December 2016
3	Schools	49	194	32	January 2017 – December 2017
4	Fast Food / Quick-Serve Restaurants	49	237	124	January 2017– July 2017
5	Health Care Facilities	24	119	21	January 2017 – December 2017
6	Hotels / Lodging	5	15	5	January 2017 – December 2017

**A. Pre-Commencement Food Scraps Compactor Processing.** Contractor shall develop and implement protocol prior to the commencement of new services designed to increase Food

Scraps diversion by collecting Food Scraps contained in compactors at selected Commercial Properties and delivering those materials to Blue Line Transfer Station for Transfer and Transport of Food Scraps to West Contra Costa Sanitary Landfill Organics Material Processing Facility (WCCSLF OMPF) for processing. The selected Commercial Properties shall, at a minimum include:

- Century Theater
- In & Out Burger
- Trader Joes
- Kukje Market
- See's Candy
- Manila Market
- 99 Ranch
- SaveMart

Contractor will develop said protocol and offer to meet and confer with City staff no later than six (6) months prior to commencement of new services, or by August 1, 2015. At the meeting, Contractor will present on its approach to implementation of the Food Scraps Compactor Processing Plan for these customers with the intent of determining whether they can immediately be delivered to Blue Line Transfer Station for transfer and processing at WCCSL OMPF, or whether additional removal of contaminants, source separation and education need to occur at the point of generation to render them suitable for processing in which case Contractor shall take such steps as are necessary to Divert the Organic Materials in a segregated form, or to render the Compactor(s) suitable for Processing. The protocol shall be implemented within (thirty) 30 days of its review with the City.

### **3.6.3 Christmas Tree Collection Program**

Contractor shall Collect and Recycle, without additional fees, all flocked or other Christmas trees which are set out at curbside through the fourth Friday in January of each year of the term of this Agreement. Contractor shall not be required to Collect and Compost trees or sections of trees which are in excess of six (6) feet in length. Contractor shall leave a Non-Collection Notice on all trees that are not Collected. Contractor shall not be required to Collect any Christmas tree which is set out for Collection after the fourth Friday in January.

## **3.7 Special Services**

### **3.7.1 On-Premises Solid Waste Collection**

At the request of a Residential Service Recipient, the City shall determine whether the Service Recipient is eligible for on-premises Collection and shall provide written notification to the Service Recipient and to Contractor as to whether Contractor shall provide on-premises Collection to the Service Recipient. If the City determines the Service Recipient is eligible for on-premises Collection service, the notification to Contractor shall specify a start date for such service and Contractor shall begin on-premises Collection as of the start date in the notification. Contractor shall perform on-premises Collection on the same day of the week that curbside Collection would otherwise be performed for the Service Recipient.

1087 Contractor shall stop on-premises Collection upon written notification by the City. If Contractor desires  
1088 to cease on-premises Collection at any premises, Contractor shall provide written notice to the City of  
1089 the Service Recipient address. The City will review the request and, if the request is approved, shall  
1090 notify Contractor of the stop date.

1091 **3.7.2 On-Demand Bulky Goods**

1092 Contractor shall provide on-demand Collection of Bulky Goods in the same manner as Solid Waste  
1093 overages in Section 3.4.1 of this Agreement. Monthly reports submitted pursuant to Section 4.3 shall  
1094 include a statement of the on-demand Bulky Goods Collections made by account number, Service  
1095 Recipient address, and route number. Contractor shall provide one on-demand Bulky Goods Collections  
1096 per year to each Residential Property Service Recipient or Multifamily Residential Property unit at no  
1097 additional charge, and may charge up to the Maximum Rate approved by City for Bulky Goods Collection  
1098 for each on-demand Collection event thereafter.

1099 **3.7.3 Illegally Dumped Bulky Goods**

1100 Contractor shall provide Collection of illegally dumped Bulky Goods as provided in this Section. Within  
1101 two (2) calendar days of notification to Contractor by City, Contractor shall pick up and dispose of Bulky  
1102 Goods which have been illegally dumped on public streets or other public right-of-ways located within  
1103 the City.

1104 **3.7.4 Bulky Goods Containing Hazardous Material**

1105 In the event Contractor collects Bulky Goods that contain polychlorinated biphenyls,  
1106 chlorofluorocarbons injected in air-conditioning/refrigeration units, or other Hazardous Materials  
1107 Contractor shall handle such Bulky Goods in such a manner as required to comply with Applicable Law.

1108 **3.7.5 Maximum Reuse and Recycling**

1109 Contractor shall dispose of Bulky Goods Collected in accordance with the following hierarchy:

- 1110 A. Reuse as is (where energy efficiencies are not compromised).
- 1111 B. Disassemble for reuse or recycling.
- 1112 C. Recycle.
- 1113 D. Disposal.

1114 Contractor shall not landfill Bulky Goods unless the Bulky Goods cannot be economically reused or  
1115 recycled.

1116 **3.7.6 Special Collections**

1117 **A. Residential Scheduled Collection**

1118 Contractor shall Collect from Residential Properties Discarded Materials, including Bulky Goods in  
1119 Service Recipient-provided Containers or Plastic Trash Bags, and other objects not larger than 3 feet by 6  
1120 feet or heavier than 200 pounds, not less than once each Contract Year as scheduled by the Service  
1121 Recipient and the Contractor. On-call set-outs shall not exceed a total of two (2) cubic yards in volume  
1122 and no one object shall exceed 200 pounds in weight. City shall require owners or occupants of  
1123 Residential Properties who wish to dispose of such Discarded Materials to place such Discarded

1124 Materials at curbside for Collection. Such Collection shall be provided as a free service to said Service  
1125 Recipients, and shall be deemed compensated by Contractor's charges for weekly service. Contractor's  
1126 costs of Collection under this section shall be deemed Eligible Expenses.

1127 **B. Multi-Family On-Call Collection**

1128 Contractor shall Collect from all Multi-Family Properties, Discarded Materials including Bulky Goods in  
1129 Service Recipient-provided Containers or Plastic Trash Bags once each Contract Year per each Multi-  
1130 Family Property living unit on an on-call basis. On-call set-outs shall not exceed a total of two (2) cubic  
1131 yards in volume and no one object shall exceed 200 pounds in weight. Contractor shall work with Multi-  
1132 Family Property managers and owners to coordinate distribution of Contractor's "move-in move-out"  
1133 guide, and on-call services with move-ins and move-outs, as provided in Section 4.6. City shall require  
1134 owners or occupants of Multi-Family Properties who wish to dispose of such Discarded Materials to  
1135 place such Discarded Materials at curbside for Collection. Such once-per-year Collection shall be  
1136 provided as a free service to said Service Recipients, and shall be deemed compensated by Contractor's  
1137 charges for weekly service. Contractor's costs of Collection under this section shall be deemed Eligible  
1138 Expenses.

1139 **3.7.7 Public Containers**

1140 Contractor shall Collect wastes deposited in Public Solid Waste, Recycling and Compostables Containers  
1141 which are located in the City, and are listed in Exhibit D City Facilities and Public Containers. Collection  
1142 shall be performed on a schedule provided by City. Collection shall include clean-up of the area within a  
1143 radius of fifteen (15) feet of each Public Container. City shall provide Contractor a service schedule and a  
1144 map showing the locations of the Public Containers to be serviced by Contractor. City reserves the right  
1145 to change the service schedule at any time during the term of this Agreement upon not less than thirty  
1146 (30) calendar days written notice to Contractor, and may add Public Containers as it deems necessary.  
1147 Contractor's costs of Collection under this section shall be deemed an Eligible Expense.

1148 **3.7.8 City Property**

1149 Contractor shall Collect, not less than weekly and more frequently as the City shall determine, Solid  
1150 Waste, Recyclables and Compostables from Containers located at City-owned facilities including, but not  
1151 necessarily limited to, parks, City offices, corporation yards, parking lots, fire stations, and such other  
1152 City-owned properties as City shall specify and as provided in Exhibit D City Facilities and Public  
1153 Containers. Contractor's costs of Collection under this section shall be deemed Eligible Expenses, and  
1154 Contractor's cost of Disposal or Processing (as applicable and provided by Contractor) shall be deemed a  
1155 Pass-Through Expense. Contractor shall provide a sufficient number of suitably-sized Containers at or in  
1156 the vicinity of such properties for the deposit of Discarded Materials in said Containers for Collection by  
1157 Contractor. Notwithstanding the foregoing, City may, at City's sole discretion, Collect and transport Solid  
1158 Waste and other Discarded Materials which may accumulate on City's properties, or by reason of any of  
1159 City's operations, to the Approved Facilities, at no direct cost to City.

1160 **3.7.9 Construction and Demolition Debris**

1161 Contractor shall Collect Recyclables, Compostables, Solid Waste and C&D in Contractor-provided Debris  
1162 Boxes from large construction projects (e.g., Commercial building reconstruction) at the frequency  
1163 requested by C&D customers, and shall transport Collected materials to the appropriate Approved  
1164 Facility.



Contractor shall assign a "construction representative" to consult with each prospective construction project before the commencement of new work to determine the types of waste materials that will be generated during the project, and offer training to job site employees. Contractor shall conduct construction site visits and work directly with the construction companies to identify proper and strategic placement and size of Debris Boxes, Carts, Bins and/or Compactors at the construction site. Upon City, Contractor or Service Recipient request, Contractor's construction representative shall visit individual construction sites up to five times per week if determined necessary in order to train construction staff and/or monitor signage and behavior.

Contractor's construction representative shall maintain, and provide to City upon request, reports of Diverted tonnage for each construction project, in addition to the reporting requirements stated in Section 4.3.

### **3.7.10 Multi-Family Valet Service**

Upon Service Recipient request, Contractor shall provide Solid Waste, Recyclables and Compostables valet service to Large Apartment Complexes and Multi-Family Properties subscribing to centralized Collection service. Valet service shall be provided by the third party subcontractor identified in Exhibit I Approved Collection Subcontractors. The valet service provider shall be directly compensated by Service Recipient at the per-unit rate specified in Exhibit A Maximum Rates Approved by City as adjusted annually as provided in Article 6.

No fewer than two days per week, the valet service provider shall Collect Recyclables and Compostables placed outside each individual dwelling unit within the subscribing Large Apartment Complex, and transport Collected materials to the appropriate, centrally located Container within the Large Apartment Complex. Contractor shall Collect materials from the centrally located Containers pursuant to Sections 3.5 and 3.6.

### **3.7.11 Community Reuse Event**

Once every calendar year, Contractor shall coordinate a Community Reuse Event (Event). This Event will be offered free of charge to City residents and will be designed to promote Recycling and Reuse. The Event will be held at an agreed upon location between the City and Contractor and will encourage residents to drop-off Recyclables and donate items for Reuse. Contractor may enlist the services of a certified non-profit organization (i.e., Goodwill, St. Vincent De Paul, Disabled American Veterans, etc.) to assist in the handling of donated items. Contractor shall design, supply and distribute all outreach materials and use various media channels (i.e., website, newspaper, etc.) to promote the Event.

### **3.7.12 Mussel Rock Transfer Station**

Prior to, or following the Commencement Date City and/or Contractor may request that the Parties meet and confer regarding possible Contractor use of the Mussel Rock Transfer Station for incidental uses related to provision of Collection Services, such as storage of Containers. The Parties acknowledge it is City intent to decommission the Mussel Rock Transfer Station and understand that it is unlikely to be available for Contractor use throughout the Term.



**3.7.13 On-Call HHW Collection**

Upon City request, and at the rate provided in Exhibit A, as adjusted using the CPI methodology of Section 6.2.3 or 6.2.4 as applicable, Contractor shall implement the on-call HHW Collection service as described in Exhibit B-1.

**3.8 Collection Standards****3.8.1 Hours of Collection**

Collection shall begin no earlier than 4:00 a.m., and end no later than 6:00 p.m. for all Service Recipients.

**3.8.2 Holiday Service**

Contractor shall not be required to perform any services under this Agreement on Holidays. Collection services that would be performed under Article 3 but for the Holiday shall be rescheduled to the business day immediately following the Holiday unless otherwise specifically approved in advance in writing by the City. Contractor shall provide written notice of the Holiday rescheduling and the rescheduling of any other services affected by Holiday rescheduling to each affected Service Recipient at least thirty (30) days in advance of the rescheduled service.

**3.8.3 Care of Private Property**

The following general requirements must be met for all operations performed by Contractor, its subcontractors, agents and Collection crews. All Containers shall be replaced where they were found, or at the Collection point in a manner so as not to obstruct the path of travel. Lids shall be securely replaced on all Containers after emptying. Contractor shall re-lock any lockable on-site enclosures, if applicable. In the event of damage or breakage to enclosure-locking mechanisms, Contractor shall replace or repair the lock within 24 hours, and supply property owner with a reasonable number of new keys, if necessary. Damage to property shall be avoided. Should damage to property occur, Contractor agrees to repair or reimburse resident/property owner/City for the cost of damages, and such costs shall not be an Eligible Expense.

**3.8.4 Clean-Up and Noise**

Collection personnel shall carry cleanup equipment and shall clean up any spilled or dropped material and any litter within fifteen (15) feet of the Container location or route to the Collection equipment. Collection personnel shall avoid unnecessary and excessive noise while collecting or dumping the Service Recipient's Containers.

**3.8.5 Collection Equipment**

A. **General Provisions.** All Collection equipment used by Contractor in the performance of services under this Agreement shall be in good and serviceable condition. The vehicles shall be designed and operated so as to prevent commingling Solid Waste, Recyclables, Compostables, and Bulky Goods and prevent Discarded Materials from escaping from the vehicles. Hoppers shall be enclosed on top and on all sides to prevent material from leaking, blowing or falling from the vehicles. Each Collection vehicle shall be equipped with a shovel and broom for clean-up of spillage.

- 1240 B. **Vehicles and Fueling Station.** All vehicles used by Contractor in providing services under this  
1241 Agreement, except those vehicles used solely on Contractor's premises, shall be licensed by the  
1242 California Department of Motor Vehicles. All Collection vehicles shall use compressed natural  
1243 gas or "CNG" fuel. Contractor shall develop a "slow-fill" CNG fueling station at 1685 Edgeworth  
1244 Avenue with twenty five (25) stations, or an adequate number as determined by a certified  
1245 engineer engaged by Contractor, as provided in Exhibit F Contractor's Proposal, beginning on  
1246 page 108. Contractor shall over the Term modify the capability of the CNG fueling station as  
1247 necessary to ensure adequacy to meet all fueling needs for its Collection fleet. City understands  
1248 that the date for full development of a slow-fill CNG fueling station and subsequent  
1249 implementation of CNG collection vehicles may need to be adjusted, and may not coincide with  
1250 the Commencement Date of this Agreement, due to unanticipated delays in receiving necessary  
1251 approvals that are outside of Contractor's reasonable control. The mutual expectation as of the  
1252 Execution Date is that such delay may be up to several months. Contractor will attempt to  
1253 anticipate, will promptly communicate to the City when these delays arise, and will provide the  
1254 City with a revised estimated completion date for the development of a CNG fueling station and  
1255 implementation of CNG collection vehicles.
- 1256 C. **Safety Markings.** All Collection equipment used by Contractor shall have appropriate safety  
1257 markings including, but not limited to, highway lighting, flashing and warning lights, clearance  
1258 lights, and warning flags. All such safety markings shall be in accordance with the requirements  
1259 of the California Vehicle Code, as from time to time amended, and shall be subject to approval  
1260 by City.
- 1261 D. **Vehicle Signage.** Contractor's name, telephone number and vehicle number shall be visibly  
1262 displayed on both sides of all Collection vehicles in letters and figures not less than eight (8)  
1263 inches high.
- 1264 E. **Collection Vehicle Noise Level.** The noise level generated by Collection vehicles using  
1265 compaction mechanisms during the stationary compaction process shall not exceed seventy-five  
1266 (75) decibels at a distance of twenty-five (25) feet from the Collection vehicle measured at an  
1267 elevation of five (5) feet above ground level using the "A" scale of a standard sound level meter  
1268 at slow response.
- 1269 F. **Equipment Maintenance.** Contractor shall maintain Collection equipment in a clean condition  
1270 and in good repair at all times. All parts and systems of the Collection equipment shall operate  
1271 properly and be maintained in a condition satisfactory to City. Contractor shall repaint all  
1272 Collection vehicles (including vehicle striping) during the term of this Agreement on a frequency  
1273 necessary to maintain a positive public image as reasonably determined by the City. Contractor  
1274 shall wash all Collection vehicles at least once a week using reclaimed water, if available.
- 1275 G. **Equipment Inventory.** On or before the Effective Date of this Agreement, Contractor shall  
1276 provide to City an inventory of Collection vehicles and Major Equipment used by Contractor for  
1277 Collection or transportation in performance of services under this Agreement. The inventory  
1278 shall indicate each Collection vehicle by identification number, DMV license number, the age of  
1279 the chassis and body, type of fuel used, the type and capacity of each vehicle, the number of  
1280 vehicles, the date of acquisition, the decibel rating and the maintenance and rebuilt status.  
1281 Contractor shall submit to City an updated inventory annually, or more often at the request of  
1282 the City. Each vehicle inventory shall be accompanied by a certification signed by Contractor  
1283 that all Collection vehicles meet the requirements of this Section.

- 1284 H. **Back-up Equipment.** Contractor shall maintain sufficient back-up Collection equipment to  
1285 ensure uninterrupted Collection service during the term of this Agreement.
- 1286 I. **Vehicle Replacement.** Contractor will replace the fleet of Collection vehicles with new Collection  
1287 vehicles beginning in Year 11 of this Agreement and will continue to replace Collection vehicles  
1288 throughout the year such that by the end of Year 11 all CNG Collection vehicles initially used  
1289 upon the commencement date of this Agreement will have been replaced with new vehicles.  
1290 Beginning in Year 11 City will utilize the fixed depreciation methodology defined in Section  
1291 6.2.4.A of this Agreement to determine the proper vehicle depreciation expense to be  
1292 considered as a part of Contractor's Total Contractor Costs for purposes of determining  
1293 Contractor's Compensation for services. This initial depreciation expense for Collection vehicles  
1294 shall not be adjusted due to increases in the cost of the replacement vehicles purchased in Year  
1295 11 of this Agreement.
- 1296 J. **No Stranded Assets.** City shall not be responsible for any remaining undepreciated cost for  
1297 Collection vehicles or Containers beyond the initial Term or extended Term of this Agreement  
1298 (known as "stranded assets") regardless of when Contractor purchased the equipment.

### 1299 **3.8.6 Personnel**

- 1300 A. General Contractor shall insure that Collection personnel conduct themselves in a safe,  
1301 courteous and professional manner while performing their services. Contractor shall regularly  
1302 train its employees in customer courtesy, shall prohibit the use of loud or profane language, and  
1303 shall instruct Collection personnel to perform the work as quietly as possible. Contractor shall  
1304 ensure Collection personnel are adequately trained to handle routine questions on services  
1305 from the public and provide such information while performing their Collection services.  
1306 Information brochures approved by the City shall be available on each piece of Contractor's  
1307 Collection equipment and shall be offered to members of the public who request additional  
1308 information.
- 1309 B. **Key Role of Management.**
- 1310 i. City Right to Review and Comment. Contractor recognizes the importance of establishing a  
1311 successful relationship between its management and City. Before extending an offer of  
1312 employment for the position of general manager, both initially and throughout the Term,  
1313 Contractor shall provide City with the description of the proposed position, an opportunity  
1314 to review and comment upon the position description before it is released, the  
1315 background, experience and qualifications of each candidate being considered for the  
1316 position, and an opportunity to meet with each candidate. Contractor shall give thoughtful  
1317 consideration to City's comments on the descriptions of the proposed position and on each  
1318 candidate, but shall have the ultimate right and unrestricted discretion to make  
1319 employment decisions in its best business judgment.
- 1320 ii. Addressing City Concerns. If City is dissatisfied with the performance of any of Contractor's  
1321 management personnel, City shall contact the general manager to discuss the employee's  
1322 performance. If City is dissatisfied with the general manager, City shall contact the group  
1323 manager to discuss the general manager's performance. Contractor shall advise the  
1324 affected management employee of any complaints made by City regarding the employee's  
1325 performance. The Parties shall meet and confer in good faith to address City's concerns,  
1326 and shall endeavor in good faith to agree on a corrective course of action to be

1327 implemented immediately. Contractor agrees to consider in good faith any requests by City  
1328 to transfer or re-assign a management employee should City maintain in good faith that it  
1329 can no longer work constructively with said employee; however, Contractor retains the  
1330 ultimate right and unrestricted discretion to make employment decisions in its best  
1331 business judgment.

1332 C. **Driver Qualifications** All drivers shall be trained and qualified in the operation of Collection  
1333 vehicles and must have in effect a valid license of the appropriate class issued by the California  
1334 Department of Motor Vehicles

1335 D. **Identification and Uniforms Contractor** shall require its drivers and all other employees who  
1336 routinely come in contact with the public to wear clean standardized uniforms bearing the  
1337 Contractor's name and the employee's name, all as approved by City.

1338 E. **Safety Training** Contractor shall provide suitable operational and safety training for all of its  
1339 employees who utilize or operate vehicles or equipment. Contractor shall train its Collection  
1340 employees in identifying and dealing with Hazardous Material.

1341 F. **No Gratuities** Contractor shall not permit its employees to demand or solicit, directly or  
1342 indirectly, any additional compensation or gratuity from members of the public for the  
1343 Collection of Discarded Materials under this Agreement.

1344 G. **Employee Conduct and Courtesy Complaints** regarding courtesy, spillage, excessive noise and  
1345 other standards established shall be considered as complaints for purposes set forth in Section  
1346 4.5.5. If any employee is found not to be performing services in the manner required by this  
1347 Agreement, Contractor shall take all appropriate corrective measures.

### 1348 **3.8.7 Removal of Hazardous Waste**

1349 Contractor shall not collect Hazardous Waste unless performed under a specific City-approved  
1350 Hazardous Waste collection program. Collection personnel shall have proper training in identifying and  
1351 dealing with Hazardous Waste which may be encountered during the normal course of Discarded  
1352 Materials Collection. Contractor shall have a plan, approved in advance by City, for identification,  
1353 recording, notification and disposal of such Hazardous Waste improperly placed for disposal by Service  
1354 Recipients. Contractor shall insure that no Hazardous Materials or other prohibited waste is disposed of  
1355 in the landfill.

### 1356 **3.8.8 Transport of Discarded Materials**

1357 Contractor shall transport all Discarded Materials to Approved Facility(ies). Documented expenses  
1358 related to transportation are Eligible Expenses and Contractor is compensated for such expenses  
1359 through the Maximum Rates based on Exhibit J Operating Assumptions, Initial Cost, Contractor Portion  
1360 of Rate Period One Rates.

1361 Except when material is being loaded or unloaded or the vehicle is on route in the process of Collection,  
1362 Contractor shall at all times keep loads completely covered so as to prevent leakage or spillage from the  
1363 Collection vehicle. Contractor shall immediately clean up any spillage which occurs during Collection.



### 3.9 Post-Collection Facility Responsibilities

#### 3.9.1 General Apportionment of Responsibilities

**A. Contractor.** Contractor is solely responsible for the conduct of all Post-Collection Services in accordance with the requirements of this Agreement, including but not limited to:

1. Entering into, maintaining, and revising Post-Collection Arrangements as provided in Section 3.9.2. Contractor shall enter into such Post-Collection Arrangements as are necessary to ensure Approved Facilities are fully available to provide Post-Collection Services on the Commencement Date and throughout the Term in compliance with the requirements of this Agreement, whether such Approved Facilities are owned by Contractor, Affiliates, or third party subcontractors. Post-Collection Arrangements also apply to Contingent Facility Operators.
2. Ongoing management of all Approved Facility and Contingent Facility responsibilities consistent with the Post-Collection Arrangements.
3. Delivery of all Discarded Materials Collected by Contractor only to Approved Facilities, or to Contingent Facilities with City approval. Exhibit K Approved Post-Collection Facilities identifies Approved Facilities and Contingent Facilities as of the Effective Date.
4. Compensating Approved Facility Operators and Contingency Facility Operators on a per-ton basis for all delivered Discarded Materials at the applicable per-ton rates for each Rate Period, as provided in Exhibit A Maximum Rates.
5. Ensuring adequacy of Approved Facility capacity, and ability and commitment of Approved Facility Operators to accept all Discarded Materials delivered throughout the Term.
6. Informing City of the need for, and arranging for the use of Contingent Facilities due to short-term inability of an Approved Facility Operator to accept Delivered Materials for factors outside of the reasonable control of Contractor.
7. Anticipating, and in consultation with City taking the necessary steps to arrange for Post-Collection facility capacity as necessary to replace lost or reduced capacity provided by an Approved Facility that is no longer able to accept Discarded Material.
8. Avoiding, and if necessary resolving any disputes with an Approved Facility Operator regarding the quality or composition of delivered Discarded Materials successfully, and in a timely manner.
9. Ensuring that Post-Collection Services and all of Contractor's related responsibilities are discharged in a manner that is consistent with widely accepted industry practices, whether or not such practices are enumerated in this Agreement.

Contractor shall as requested by City demonstrate compliance with the requirements of this Section 3.9.1.A on or before the Effective Date of this Agreement.

**B. City.** City is solely responsible for:

1. Approving Contractor use of Approved Facilities and Contingent Facilities.
2. Setting customer Rates for each Rate Period as provided in Article 6.

**C. Parties.** The Parties agree to meet and confer in good faith as necessary to resolve any issue



1403 related to Post-Collection Services, to the extent that the responsibility or requirements for  
1404 resolution of the issue are not otherwise specified in this Agreement.

1405 **3.9.2. Contractor's Post-Collection Arrangements.**

1406 Contractor shall enter into such Post-Collection Arrangements as required in this Section 3.9.2, or as  
1407 Contractor otherwise deems necessary to ensure compliance with the requirements of this Section 3.9,  
1408 and with the requirements of Sections 3.10 through 3.14 as applicable to each Approved Facility.

1409 **A. Minimum Requirements.** Post-Collection Arrangements shall include, but are not limited to  
1410 compliance with, or inclusion of the following:

- 1411 1. To provide Post-Collection Services through the Term as specified in Section 2.2, and any  
1412 extensions.
- 1413 2. The labor requirements of Section 2.9.
- 1414 3. The transition, maximum capacity availability, vehicle turnaround, maximum residue  
1415 specifications and any other specifications contained in Exhibit K Approved Post-Collection  
1416 Facilities.
- 1417 4. Data tracking and reporting requirements of Section 4.3.
- 1418 5. The insurance requirements and indemnifications of Article 7, with provisions consistent  
1419 with this Agreement and enforceable by the City as an additional insured or third party  
1420 beneficiary thereof in the same manner as provided in Article 7 and in a form reasonably  
1421 satisfactory to City.
- 1422 6. Coordination and cooperation with City and Contractor in the event the City provides  
1423 Collection Services or causes Collection Services to be provided under the terms of Article  
1424 8. Facility Operators and Contingent Facility Operators will accept delivered Discarded  
1425 Materials up to their maximum tonnage commitments, and under the same terms  
1426 accorded the Contractor.
- 1427 7. To continue to provide Post-Collection Services in the event of a Contractor default,  
1428 termination, or other event triggering the provisions of Article 9. In addition, in the event of  
1429 Contractor termination prior to the end of the Term, City shall have the right, but not the  
1430 obligation to directly contract with any or all Approved Facility Operators and Contingent  
1431 Facility Operators to continue to provide Post-Collection Services on the same terms.

1432 **B. Post-Collection Services Provided by Contractor or Affiliates.** To the extent Contractor or an  
1433 Affiliate provides Post-Collection Services as an Approved Facility Operator, Contractor shall  
1434 enter into such Post-Collection Arrangements as it deems necessary to ensure such services are  
1435 provided as required. The absence of such verbal or written arrangements in no way excuses  
1436 Contractor from its obligations related to provision of Post-Collection Services.

1437 **C. Post-Collection Services Provided by Third Parties.** For Post-Collection Services to be provided  
1438 by third parties as identified in Exhibit K Approved Post-Collection Facilities, Contractor shall  
1439 enter into subcontracts prior to the Effective Date, subject to City review and comment.

1440 **D. Coordination Between Parties Providing Post-Collection Services.** Post-Collection  
1441 Arrangements must address coordination between Approved Facility Operators, as necessary to  
1442 ensure uninterrupted provision of quality Post-Collection Services. Examples of such

coordination include, but are not limited to Transfer of Recyclables from an Approved Transfer Facility to an Approved Recyclables Processing Facility, or Transfer of Solid Waste from an Approved Transfer Facility to an Approved Disposal Facility.

**F. Contingent Facilities.** Contractor shall enter into Post-Collection Arrangements with Contingent Facility Operators prior to the Effective Date, subject to review by the City upon City request. Post-Collection Arrangements with Contingent Facility Operators must ensure that Discarded Materials can be delivered to a Contingent Facility within two (2) business Days of Contractor or City notice in substantial compliance with the provisions of this Section 3.9. Should Contractor use of the Contingent Facility exceed thirty (30) Days, City may require Contractor provide additional reasonable assurances of the Contingent Facility's ability to accept Discarded Materials under the terms of this Agreement.

**G. Facility Limitations.** Post-Collection Arrangements shall not contain provisions that are more stringent than those provided in Exhibit K Approved Post-Collection Facilities without prior consent of the City.

### **3.9.3 Maintenance of Facility Capacity.**

**A. Approved Facilities.** Contractor shall ensure each Approved Facility Operator maintains the ability to accept delivery of Discarded Materials up to the maximum tonnage commitments specified in Exhibit K Approved Post-Collection Facilities, and shall provide the City, upon request, with documentation demonstrating the availability of such capacity.

Contractor shall notify the City should tons of delivered Discarded Materials reach ninety (90) percent of the maximum tonnage commitment for any Approved Facility. Approved Facility Operators shall make a reasonable effort to accept materials in excess of the maximum tonnage commitments for short periods of time. Approved Facility Operators shall assist Contractor and City in identifying a resolution should an Approved Facility's maximum tonnage commitment be regularly exceeded, or it appears likely that it will be regularly exceeded.

Contractor shall immediately notify City should it become aware that an Approved Facility Operator has become, or may become unable to accept Discarded Materials up to its maximum tonnage commitment. City may assess Contractor liquidated damages in accordance with Section 9.8 and Exhibit C should an Approved Facility Operator fail to accept some or all delivered Discarded Materials due to failure to maintain capacity up to the maximum tonnage commitments provided in Exhibit K Approved Post-Collection Facilities.

**B. Contingent Facilities.** Contractor shall ensure that Contingent Facilities are able to accept Discarded Materials on a continuous basis for no less than thirty (30) Days, subject to any daily limits on delivered tonnages agreed to by Contractor and Contingent Facility Operator.

### **3.9.4 Tonnage Commitments and Compensation.**

**A. Delivery of All Collected Discarded Materials.** Contractor shall deliver all Discarded Materials it Collects to the applicable Approved Facility, or to a Contingent Facility as approved by the City as provided in Exhibit K Approved Post-Collection Facilities.

**B. Compensation for Post-Collection Services.** Contractor is solely responsible for compensating each Approved Facility Operator or Contingent Facilities Operator in accordance with Article 6 and Exhibit A Maximum Rates Approved by City, for actual tons of each type of Discarded

1484 Material delivered at the then-current per-ton rate for the applicable Approved Facility or  
1485 Contingent Facilities. Contractor shall have the right to retain any net revenues it receives from  
1486 an Approved Recyclables Processing Facility Operator.

1487 **C. Only Compensation.** The then-current per-ton compensation, as adjusted by CPI and for any  
1488 changes in government fees, shall be the only form of compensation due to Approved Facility  
1489 Operators or Contingent Facilities Operators, including for Disposal of Residue.

1490 **D. No Put or Pay.** Neither this Agreement, nor any Post-Collection Arrangement shall express or  
1491 imply Contractor or City commitment to delivery of any minimum tonnage of Discarded  
1492 Materials to Approved Facilities or Contingent Facilities, or corresponding compensation for  
1493 undelivered minimum tonnages in the form of "put-or-pay" payments.

1494 **E. Timely Payment.** Contractor shall ensure payment of third party Approved Facility Operators  
1495 and Contingent within 30 calendar days of receipt of invoices.

### 1496 **3.9.5 Rate Setting**

1497 City shall be responsible for setting rates and for compensating Contractor accordingly as provided in  
1498 Article 6. Contractor shall at all times fully compensate Approved Facility Operators and Contingency  
1499 Facility Operators for services provided. The rate adjustment procedures defined in Article 6 are  
1500 Contractor's only vehicle for redress of any Contractor claim of inadequacy or inequity in compensation  
1501 to meet its expenses, including payment for Post-Collection Services.

### 1502 **3.9.6 Vehicle Weighing**

1503 Contractor is solely responsible for ensuring that Approved Facility Operators at all times provide  
1504 accurate weighing of all materials entering and leaving Approved Facilities.

1505 **A. Facility Scales.** Approved Facility Operators shall maintain State certified motor vehicle scales in  
1506 accordance with Applicable Law. All scales shall be linked to a centralized computer recording  
1507 system at each respective Approved Facility to record weights for all incoming and outgoing  
1508 materials. Approved Facility Operators shall provide back-up generator(s) capable of supplying  
1509 power to the scales in the event of a power outage. Approved Facility Operators shall promptly  
1510 arrange for use of substitute portable scales should its usual scales not be available for whatever  
1511 reason. Pending substitution of portable scales, Approved Facility Operators shall as necessary  
1512 estimate the tonnages of Discarded Materials delivered to and Transported from the Approved  
1513 Facilities, on the basis of delivery truck and Transfer trailer volumes, tare weights, and/or other  
1514 available facility weight records. These estimates shall take the place of actual weights while  
1515 scales are inoperable, and shall be identified as estimates in electronic records and reporting.  
1516 Approved Facility Operators shall upon City request, weigh and provide tare weights for City  
1517 vehicles that may deliver Discarded Materials.

1518 **B. Tare Weights.** Within thirty (30) Days prior to the Commencement Date, Contractor shall  
1519 coordinate with Approved Facility Operators to ensure that all Contractor vehicles used to  
1520 deliver Discarded Materials to Approved Facilities are weighed to determine unloaded ("tare")  
1521 weights. Contractor and Approved Facility Operators shall electronically record the tare weight,  
1522 Contractor or Approved Facility Operator name, and vehicle identification number for each  
1523 vehicle. Contractor shall provide City with a report listing the vehicle tare weight information  
1524 upon request. Contractor shall promptly coordinate with Approved Facility Operators to weigh

1525 additional or replacement vehicles prior to placing them into service. Approved Facility  
1526 Operators shall check tare weights at least annually, or within fourteen (14) Days of a City  
1527 request.

1528 **3.9.7 Contractor Compliance with Facility Rules**

1529 Contractor shall observe and comply with all regulations in effect at Approved Facilities and cooperate  
1530 with Approved Facility Operators with respect to delivery of Discarded Materials, including but not  
1531 limited to delivery during approved days and hours, directions to unload Discarded Materials in  
1532 designated areas, operating in a safe manner, accommodating operations and maintenance activities,  
1533 and complying with Hazardous Substance exclusion programs.

1534 **3.9.8 Load Checking**

1535 **A. Inspection.** Contractor shall ensure that Approved Facility Operators use standard industry  
1536 practice to detect and reject Hazardous Substances in a uniform manner and shall not knowingly  
1537 accept Hazardous Substances at the Approved Facilities. Approved Facility Operators shall  
1538 comply with the inspection procedures contained in the applicable Permit requirements, and  
1539 shall promptly modify inspection procedures to reflect any changes in Permits or Applicable  
1540 Law.

1541 **B. Hazardous Substances Handling and Costs.** Contractor shall arrange for or provide handling,  
1542 Transportation, and delivery to a Recycling facility, incinerator, or landfill permitted in  
1543 accordance with Applicable Law of all Hazardous Substances detected at the Approved Facilities.  
1544 Contractor is solely responsible for making those arrangements or provisions and for all costs  
1545 thereof.

1546 **C. Remedies for Rejected Materials.** If a Hazardous Substance is delivered to an Approved Facility,  
1547 the Approved Facility Operator shall promptly inform Contractor to coordinate efforts to  
1548 determine the source of the Hazardous Substance. Contractor and Approved Facility Operator  
1549 shall be entitled to pursue whatever remedies, if any, they may have against the Generator of  
1550 the Hazardous Substance.

1551 **3.9.9 Compliance with Applicable Law and Facility Permits**

1552 **A. General.** Contractor shall ensure that each Approved Facility Operator is at all times in full  
1553 compliance with all Permits and regulatory approvals necessary for use of each Approved  
1554 Facility. Contractor shall, upon City request, provide copies of Permits, notices of violation of  
1555 Permits, or other regulatory documentation or communications to the City within ten (10) days  
1556 of the request. Contractor is solely responsible for ensuring payment of any fines or penalties  
1557 imposed for noncompliance with, or violation of Permits or failure to obtain Permits.

1558 **B. Third Party Facilities.** Contractor shall: (1) verify compliance for Approved Facilities owned  
1559 and/or operated by third parties by contacting the local enforcement agency and other  
1560 regulatory agencies having jurisdiction over the Approved Facilities at least annually; and (2)  
1561 upon City direction, shall promptly provide City with copies of the Approved Facilities' Permits  
1562 or notice of violations to City.



**3.9.10 Data Management**

Contractor shall require that all Approved Facility Operator(s) collect and provide Contractor data regarding tonnages delivered to the Approved Facilities. Contractor shall verify such information, and shall include it in Contractor's reports to City as provided in Section 4.3.

**3.9.11 City Right to Enter Facilities and Observe Operations**

The City and its designated representative(s) reserve the right to enter, observe, and inspect any Approved Facility during operations; meet with the Approved Facility manager(s) or his or her representatives at any time, provided that the City and its representatives comply with Approved Facility Operators' reasonable safety and security rules and do not interfere with the work of the Approved Facility Operators. Approved Facility Operators are obligated to allow entry of City staff or their designated representative(s) to Approved Facilities, and to allow for representatives to conduct observations, inspections, studies, or surveys.

Upon City direction, Approved Facility Operators and Contractor shall make personnel available to accompany City employees or representatives on inspections. Contractor shall ensure that its employees cooperate with the City and respond to the City's reasonable inquiries. Contractor shall facilitate similar observation and inspection at Approved Facilities owned by it or an Approved Facility Operator upon City request and within three (3) business days of receiving such request.

If the Approved Facility manager is not at the Approved Facility when the City or its designated representative(s) visit without prior announcement, Approved Facility Operator(s) may limit the visit of the City or its designated representative to a portion of the Approved Facility including, but not limited to, offices, container and vehicle storage areas, or maintenance yard. In that event, Contractor shall arrange for City or its designated representative(s) to return for a visit of the complete facility within 24 hours of the City's visit.

**3.9.12 Contractor-Initiated Change in Approved Facility**

**A. Written Request.** Contractor may request a change in an Approved Facility(ies) or a Contingent Facility(ies) owned and operated by Contractor or an Affiliate, or owned and/or operated by a third party with the third party's prior written consent. Contractor shall submit a written request to the City no less than sixty (60) Days prior to the date for proposed use of the new facility, and shall obtain the City's written approval no later than ten (10) Days prior to use of new proposed facility. Contractor's request must demonstrate that requested new facility will, at a minimum provide the same type and level of Post-Collection Service as the current Approved Facility(ies).

**B. No Additional Compensation.** Contractor will bear any increased costs associated with a Contractor-initiated change in the Approved Facility(ies), and shall not be compensated for any increase in costs for changes in Collection or Post-Collection activities related to use of the new Approved Facility. Upon City approval, Contractor shall revise or enter into Post-Collection Arrangements as provided in Section 3.9.2, and as may be necessary for use of the new Approved Facility. Exhibit K shall be revised as necessary to reflect performance specifications for new Approved Facility.



**1601 3.9.13 Use of Contingent Facilities**

1602 If Contractor is unable to use an Approved Facility due to an emergency or sudden unforeseen closure of  
1603 the Approved Facility, Contractor may use a Contingent Facility provided that the Contractor provides  
1604 immediate verbal notice of the need to use a Contingent Facility to the City. , and receives verbal  
1605 approval from the City at least twenty-four (24) hours prior to the use of such Contingent Facility.  
1606 Contractor shall within one (1) Day provide City a written notice specifying the reasons the Approved  
1607 Facility is not available and the period of time Contractor proposes to use the Contingent Facility. Upon  
1608 City review and comment regarding the written notice, City shall compensate Contractor may be  
1609 compensated for any increase change in the increased transport or Post-Collection Services costs.

**1610 3.9.14 Delivery to Non-Approved Facilities Prohibited.**

1611 Should Contractor deliver Discarded Materials to a facility other than an Approved Facility, and  
1612 Contractor knew, or should reasonably have known, that the designated Approved Facility was able and  
1613 willing to accept the Discarded Material for delivery, Contractor shall be subject to the penalty identified  
1614 in Exhibit C Performance Standards and Liquidated Damages for "Delivery to a Non-Approved Facility".

**1615 3.9.15 Disposal of Recyclables and Compostables, Use as ADC or AIC Prohibited**

1616 With the exception of Solid Waste and Residue, during the provision of Collection Services or Post-  
1617 Collection Services Discarded Materials may not be Disposed of, or used for ADC or AIC in lieu of  
1618 Processing for Diversion, without the expressed prior written approval of the City. Failure of Contractor,  
1619 Approved Facility Operators, or Contingent Facility Operators to comply with this requirement may  
1620 subject Contractor to the applicable penalties specified in Exhibit C Performance Standards and  
1621 Liquidated Damages.

1622 City understands that the processing of C&D materials may at times lead to incidental or de minimis  
1623 amounts of processed C&D that when mixed with other materials may ultimately be used as ADC or AIC.  
1624 City agrees to allow such de minimis amounts of C&D to be used as ADC or AIC, so long as such amounts  
1625 do not exceed ten percent (10%) of the total amount of C&D delivered to the Processing Facility and  
1626 such use continues to qualify for Diversion credit from CalRecycle. City further understands that such de  
1627 minimis amounts represent the average for all C&D materials received at the Processing Facility.  
1628 Contractor shall report all tons sent for such use as ADC or AIC as provided in Section 4.3.4. Should such  
1629 de minimis amounts exceed recent historical averages, City may request Contractor and Processing  
1630 Facility Operator meet and confer to determine the cause of such increase.

**1631 3.9.16 Materials Marketing**

1632 Upon request, Contractor shall provide:

- 1633 A. Proof to the City that all Recyclables, Compostables and C&D intended for Processing as  
1634 provided in Exhibit K Approved Post-Collection Facilities are Processed and recovered, or reused  
1635 in such a manner that materials shall be considered as Diverted in accordance with the State  
1636 law.
- 1637 B. Information from Approved Facility Operators regarding end markets for Processed materials,  
1638 including type and location of sale or end-use and general pricing.

1639 Approved Facility Operators shall take reasonable steps to monitor brokers and buyers of Processed  
1640 materials to ensure such material has not been disposed of or otherwise handled illegally. Should this

occur, Approved Facility Operators shall immediately inform the Contractor and the City, and terminate such contracts or working relationships.

### **3.9.17 Other Provisions**

Either Party may request, and Contractor and Approved Facility Operators shall reasonably accommodate or facilitate, non-routine vehicle or material weighing needs during Approved Facility operating hours, including but not limited to those related to conducting waste characterizations.

## **3.10 Transfer**

### **3.10.1 Delivery of Discarded Materials**

If not direct hauled to an Approved Facility, Contractor shall deliver Discarded Materials Collected from the Service Area to Approved Transfer Facilities as specified in Exhibit K Approved Post-Collection Facilities. In addition to, and in elaboration of the requirements of Section 3.9 Contractor shall ensure that Approved Transfer Facility Operator(s) are in compliance with the provisions of this Section 3.10.

### **3.10.2 Approved Transfer Facility Operations**

Approved Transfer Facility Operator(s) shall provide Transfer services in accordance with Applicable Laws and regulations, standard industry practice, due diligence and specification, and other requirements of this Agreement. In addition, Approved Transfer Facility Operator(s) shall comply with the following service specifications:

- A. Operating, managing, and maintaining the Approved Transfer Facility including all buildings, scales, roads, utilities, equipment, and other facility requirements.
- B. Accepting all Discarded Materials delivered by Contractor according to the facility schedule and up to the maximum capacity commitment provided in Exhibit K Approved Post-Collection Facilities.
- C. Managing Recyclables and Compostables in a manner compliant with AB 939, AB 341, AB 1594, and AB 1826, and related State law, to ensure that the City shall benefit from the full Diversion credit for that material.
- D. Loading materials into Transfer vehicles.
- E. Using reasonable efforts to ensure that Transfer vehicles do not exceed legal road weight limits.
- F. Transferring Solid Waste delivered by Contractor to the Approved Disposal Facility.
- G. Transferring Recyclables delivered by Contractor to the Approved Recyclables Processing Facility, as applicable.
- H. Transferring Compostables delivered by Contractor to the Approved Compostables Processing Facility.
- I. Maintaining the maximum average vehicle turnaround time specified in Exhibit K for Contractor delivery of Discarded Materials.
- J. Providing for delivery of Discarded Materials by self-haul from City residents and businesses, including: verifying City origin for parties delivering Discarded Materials on a self-haul basis; weighing, or estimating the weight of such delivered Discarded Materials, and reporting

1678 tonnages of such Discarded Materials to Contractor.

### 1679 **3.11 Recyclables Processing and Marketing**

#### 1680 **3.11.1 Delivery of Recyclables**

1681 Contractor, and Approved Transfer Station Operators, as applicable, shall deliver Recyclables Collected  
1682 from the Service Area to Approved Recyclables Processing Facilities as specified in Exhibit K Approved  
1683 Post-Collection Facilities. In addition to, and in elaboration of the requirements of Section 3.9 Contractor  
1684 shall ensure that Approved Recyclables Processing Facility Operator(s) are in compliance with the  
1685 provisions of this Section 3.11.

#### 1686 **3.11.2 Approved Recyclables Processing Facility Operations**

1687 Approved Recyclables Processing Facility Operator(s) shall provide Processing services in accordance  
1688 with Applicable Laws and regulations, standard industry practice, due diligence and specification, and  
1689 other requirements of this Agreement. In addition, Approved Recyclables Processing Facility Operator(s)  
1690 shall comply with the following service specifications:

- 1691 A. Operating, managing, and maintaining the Approved Recyclables Processing Facility including all  
1692 buildings, scales, roads, utilities, equipment, and other facility requirements.
- 1693 B. Accepting all Recyclables delivered by Contractor or by an Approved Transfer Facility Operator  
1694 according to the facility schedule, within the specifications, and up to the maximum capacity  
1695 commitment provided in Exhibit K Approved Post-Collection Facilities.
- 1696 C. Processing Recyclable and preparing recovered materials for Marketing in a manner compliant  
1697 with AB 939, AB 341, AB 1594, and AB 1826, and related State law, to ensure that the City shall  
1698 benefit from the full Diversion credit for that material.
- 1699 D. Marketing materials resulting from Recyclables Processing and arranging for or providing  
1700 transport of the recovered materials to end-users or Markets. The Approved Facility Operator  
1701 shall ensure it is compensated by the purchasers of such materials at no less than fair market  
1702 value.
- 1703 E. Maintaining as a maximum the Residue level(s) specified in Exhibit K Approved Post-Collection  
1704 Facilities throughout the Term. All Residues shall be accounted for as Disposal tonnage and  
1705 reported as such to Contractor.
- 1706 F. Loading into vehicles, and transporting Processing Residue for Disposal.
- 1707 G. Maintaining the maximum average vehicle turnaround time specified in Exhibit K Approved  
1708 Post-Collection Facilities for Contractor and Approved Transfer Facility Operator delivery of  
1709 Recyclables.

### 1710 **3.12 Compostables Processing and Marketing**

#### 1711 **3.12.1 Delivery of Compostables**

1712 Contractor, and Approved Transfer Station Operators, as applicable, shall deliver Compostables  
1713 Collected from the Service Area to Approved Compostables Processing Facilities as specified in Exhibit K  
1714 Approved Post-Collection Facilities. In addition to, and in elaboration of the requirements of Section 3.9

1715 Contractor shall ensure that Approved Compostables Processing Facility Operator(s) are in compliance  
1716 with the provisions of this Section 3.12.

1717 **3.12.2 Approved Compostables Processing Facility Operations**

1718 Approved Compostables Processing Facility Operator(s) shall provide Processing services in accordance  
1719 with Applicable Laws and regulations, standard industry practice, due diligence and specification, and  
1720 other requirements of this Agreement. In addition, Approved Compostables Processing Facility  
1721 Operator(s) shall comply with the following service specifications:

- 1722 A. Operating, managing, and maintaining the Approved Compostables Processing Facility including  
1723 all buildings, scales, roads, utilities, equipment, and other facility requirements.
- 1724 B. Accepting all Compostables delivered by Contractor or by an Approved Transfer Facility  
1725 Operator according to the facility schedule, within the specifications, and up to the maximum  
1726 capacity commitment provided in Exhibit K Approved Post-Collection Facilities.
- 1727 C. Processing Compostables and preparing recovered materials for Marketing in a manner  
1728 compliant with AB 939, AB 341, AB 1594, and AB 1826, and related State law, to ensure that the  
1729 City shall benefit from the full Diversion credit for that material. Compost should be tested  
1730 through the Seal of Testing Assurance Program ("STA") or other program with comparable  
1731 requirements.
- 1732 D. Marketing materials resulting from Compostables Processing and arranging for or providing  
1733 transport of the recovered materials to end-users or Markets. The Approved Facility Operator  
1734 shall ensure it is compensated by purchasers of such materials at no less than fair market value.
- 1735 E. Maintaining as a maximum the Residue level(s) specified in Exhibit K Approved Post-Collection  
1736 Facilities throughout the Term. All Residues shall be accounted for as Disposal tonnage and  
1737 reported as such to Contractor.
- 1738 F. Loading into vehicles, and transporting Processing Residue for Disposal.
- 1739 G. Maintaining the maximum average vehicle turnaround time specified in Exhibit K Approved  
1740 Post-Collection Facilities for Contractor and Approved Transfer Facility Operator delivery of  
1741 Compostables.

1742 **3.13 Construction and Demolition Debris Processing and Marketing**

1743 **3.13.1 Delivery of Construction and Demolition Debris**

1744 Contractor, and Approved Transfer Station Operators, as applicable, shall deliver C&D Collected from  
1745 the Service Area to Approved C&D Processing Facilities as specified in Exhibit K Approved Post-Collection  
1746 Facilities. In addition to, and in elaboration of the requirements of Section 3.9 Contractor shall ensure  
1747 that Approved C&D Processing Facility Operator(s) are in compliance with the provisions of this Section  
1748 3.13.

1749 **3.13.2 Approved C&D Processing Facility Operations**

1750 Approved C&D Processing Facility Operator(s) shall provide Processing services in accordance with  
1751 Applicable Laws and regulations, standard industry practice, due diligence and specification, and other



requirements of this Agreement. In addition, Approved C&D Processing Facility Operator(s) shall comply with the following service specifications:

- A. Operating, managing, and maintaining the Approved C&D Processing Facility including all buildings, scales, roads, utilities, equipment, and other facility requirements.
- B. Accepting all C&D delivered by Contractor or by an Approved Transfer Facility Operator according to the facility schedule, within the specifications, and up to the maximum capacity commitment provided in Exhibit K Approved Post-Collection Facilities.
- C. Processing C&D and preparing recovered materials for Marketing in a manner compliant with AB 939, AB 341, AB 1594, and AB 1826, and related State law, to ensure that the City shall benefit from the full Diversion credit for that material.
- D. Marketing materials resulting from C&D Processing and arranging for or providing transport of the recovered materials to end-users or Markets. The Approved Facility Operator shall ensure it is compensated by the purchasers of such materials at no less than fair market value.
- E. Maintaining as a maximum the Residue level(s) specified in Exhibit K throughout the Term. All Residues shall be accounted for as Disposal tonnage and reported as such to Contractor.
- F. Loading into vehicles, and transporting Processing Residue for Disposal.
- G. Maintaining the maximum average vehicle turnaround time specified in Exhibit K for Contractor and Approved Transfer Facility Operator delivery of C&D.

### **3.14 Disposal**

#### **3.14.1 Delivery of Solid Waste**

Contractor, and Approved Transfer Facility Operators or other Approved Facility Operators, as applicable, shall deliver Solid Waste Collected from the Service Area to the Approved Disposal Facility specified in Exhibit K Approved Post-Collection Facilities. In addition to, and in elaboration of the requirements of Section 3.9 Contractor shall ensure that Approved Disposal Facility Operator is in compliance with the provisions of this Section 3.14.

Nothing in this Agreement shall limit the ability of the Approved Facility Operator or the Approved Disposal Facility Operator to enter into a bilateral arrangement for delivery and Disposal of Residues.

#### **3.14.2 Approved Disposal Facility Operations**

Approved Disposal Facility Operator(s) shall provide Disposal services in accordance with Applicable Laws and regulations, standard industry practice, due diligence and specification, and other requirements of this Agreement. In addition, Approved Disposal Facility Operator shall comply with the following service specifications:

- A. Operating, managing, and maintaining the Approved Disposal Facility including all buildings, scales, roads, utilities, equipment, and other facility requirements.
- B. Accepting all Solid Waste delivered an Approved Transfer Facility Operator or the Contractor, according to the facility schedule and up to the maximum capacity commitment provided in Exhibit K Approved Post-Collection Facilities.



- 1789 C. Operating, managing and maintaining the Solid Waste fill areas, including the placement,  
1790 burying, and compaction of Solid Waste in the refuse fill areas; stockpiling, placement and  
1791 compaction of daily cover, intermediate cover, and final cover; management of fill operations  
1792 with regard to fill sequencing, side slopes configuration, and working face location and  
1793 configuration.
- 1794 D. Providing, operating, and maintaining all equipment, rolling stock, and supplies necessary for  
1795 operations, closure, post-closure, and environmental monitoring.
- 1796 E. Funding all closure and post-closure needs and commitments related to Disposal of Solid Waste  
1797 or Residue originating from the City that may occur or be required during or following the Term  
1798 solely through the per-ton compensation provided in Exhibit A Maximum Rates Approved by  
1799 City, as they may be escalated through the Term.
- 1800 F. Operating, maintaining, and managing leachate and landfill gas management systems,  
1801 groundwater monitoring and management systems, storm water drainage and control systems,  
1802 treatment facilities, buildings, on-site roadways, utilities, and any other required facility  
1803 elements.
- 1804 G. Maintaining the maximum average vehicle turnaround time specified in Exhibit K Approved  
1805 Post-Collection Facilities for Contractor and Approved Transfer Facility Operator delivery of  
1806 Solid Waste.

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## ARTICLE 4: OTHER COLLECTION-RELATED SERVICES, STANDARDS, AND AGREEMENTS

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Throughout the term of this Agreement, Contractor shall perform Collection Services as provided in this Article 4, and as provided in further detail in Exhibit B – Final Approved Plans and Exhibit F – Contractor’s Proposal, and in compliance with the requirements of Exhibit C Performance Standards and Liquidated Damages.

### 4.1 Service Recipients

#### 4.1.1 Mandatory Service Recipients

Mandatory Service Recipients shall include all Residential Property, Multifamily Residential Property and Commercial Property within the City boundaries, and all such premises which may be added from time to time by means of annexation, new construction, or otherwise during the term of this Agreement, unless as otherwise provided by Applicable Law. Any question as to whether premises fall within the category of Mandatory Service Recipient shall be determined by City. Contractor shall immediately initiate Collection services described in Article 3 of this Agreement to all Mandatory Service Recipients which are added to Service Area by means of annexation or development. City shall notify Contractor of such Service Recipients in a timely manner. Mandatory Service Recipients may be deleted from the list of Service Recipients if the premises are demolished, or otherwise rendered inappropriate for Collection services under this Agreement. Contractor or City shall immediately notify the other Party in writing of any circumstances which would make it appropriate for the deletion of a Mandatory Service Recipient and, upon the written approval of City, Contractor shall cease providing Collection services to such premises.

#### 4.1.2 Other Service Recipients

Contractor shall provide Collection services described in Article 3 of this Agreement to Other Service Recipients in Service Area within fourteen (14) calendar days of request by the Service Recipient. Contractor shall cease providing Collection services to Other Service Recipients within fourteen (14) calendar days of notice from the Service Recipient or City to stop service, or within such shorter time as the City may direct. If Contractor receives a request to begin or terminate service directly from the Service Recipient, Contractor shall notify City of such change within 24 hours of the request.

#### 4.1.3 Service Recipient Changes

City and Contractor acknowledge that during the term of this Agreement it may be necessary or desirable to add or delete Service Recipients for which Contractor will provide Collection services.

### 4.2 City-Provided Services

City shall provide Contractor a Contract Manager as the primary point of contact with the City for issues such as, not limited to Contractor provision of Collection and Processing services, customer service, program development, Diversion compliance, and overall contract management.

City shall provide billing services to Contractor for all Service Recipients in the Service Area, including all Residential Properties, Multi-Family Properties and Commercial Properties. Billing of Service Recipients

shall normally be performed bimonthly by City, or in a manner deemed most appropriate by City. Contractor shall bill and collect for temporary or periodic Debris Box service.

#### **4.2.1 Reimbursement of Costs**

A. **Contract Management.** Contractor agrees City shall fund from Gross Revenues the annual cost of providing contract management services in the initial amount of one hundred and fifty thousand dollars \$150,000 for a City Contract Management position, inclusive of all benefits and other costs associated with such position. As provided in Section 4.2.2, beginning with the Commencement Date City shall reduce its monthly remittance to Contractor by prorated portion of the above annual dollar amount, as adjusted over the Term. Contractor may recover the actual annual amount of this payment as an Eligible Expense. The cost of this position, as adjusted over the Term, shall not be subject to the franchise fee specified in Section 5.1.1. Contractor shall reimburse City as provided in Section 5.3.2 for the prorated annual cost of a Contract Manager should the City fill such position prior to the Commencement Date.

B. **Accounting Services.** Contractor agrees City shall fund from Gross Revenues the annual cost of providing billing services in the initial amount of ninety-four thousand, three hundred and twenty dollars \$94,320 for one Account Clerk II position, inclusive of all benefits and other costs associated with such position. As provided in Section 4.2.2, beginning with the Commencement Date City shall reduce its monthly remittance to Contractor by the prorated portion of the above annual dollar amount, as adjusted over the Term. Contractor may recover the actual annual amount of this payment as an Eligible Expense.

C. **Rate Period Adjustment of City Costs.** Beginning in Rate Period Two, the costs specified in Sections 4.2.1 A. and B. shall be adjusted by CPI using the process specified in Sections 6.2.3.C and 6.2.4.B, as applicable. For any Rate Period, City may elect to not adjust one or both of the costs, to adjust one or both costs by an amount(s) lower than the CPI adjustment applied to the Maximum Rates for that Rate Period, or to adjust one or both costs by an amount(s) in excess of the CPI adjustment applied to the Maximum Rates for that Rate Period. In each case the full amount of the cost shall be included in the Maximum Rates, and shall be considered an Eligible Expense..

D. **Adjustment of City Costs at Other Times.** City reserves the right to adjust the costs for the positions specified in Sections 4.2.1 A. and B during a Rate Period, in which case City shall provide timely notice of such change to Contractor. With regard to the position described in Section 4.2.1 A and City shall, as applicable, reduce or increase monthly remittances as provided in Sections 4.2.2 by that incremental amount. During the next Rate Adjustment Review Period, Maximum Rates for the subsequent Rate Period shall be adjusted to reflect said reduction or increase such that Contractor or City shall as applicable, be compensated for changes in cost resulting from an adjustment related to Section 4.2.1.A.

With regard to the position described in Section 4.2.1 B City shall, as applicable, reduce or increase monthly remittances as provided in Sections 4.2.2 by that incremental amount. In this event, Maximum Rates shall be adjusted, pursuant to the provisions of Section 5.4 of this Agreement, to reflect said reduction or increase such that Contractor or City shall, as applicable, be compensated for changes in cost resulting from an adjustment related to Section 4.2.1.

**4.2.2 Remittances to Contractor**

City shall remit to Contractor actual City billed cash receipts, net of amounts due City, including but not limited to, franchise fees as provided in Section 5.1.1, the Mussel Rock Landfill maintenance fee, other fees as may be established by the City, withholding of monthly payments and nonrefundable charges for failure to perform under this Agreement, contract management and billing service charges as provided in Section 4.2.1, and other such amounts due City which from time to time may accrue, and; fifty (50) percent of City ratepayer bad debt that is recovered over time. Such remittance shall be made to Contractor on a monthly basis within 15 working days after the last day of the preceding month. The remittance shall be accompanied by a statement of account showing a sufficient amount of detail to allow Contractor to prepare financial reports as required elsewhere in this Agreement and to allow Contractor to adequately manage its operations. The format shall be that mutually agreed to by Contractor and City.

**4.2.3 New Accounts and Changes to Accounts**

All new Service Recipient accounts shall be processed by City. Contractor shall refer all requests for changes to accounts by Service Recipients to City for processing immediately upon receipt by Contractor. City shall notify Contractor of all changes in service within 48 hours of the change.

**4.2.4 Collection Route/Service Billing Database**

City and Contractor agree to maintain compatible databases both for Collection routes as maintained by Contractor and service billings performed by City in order to provide increased control over services provided and services billed during the term of this Agreement. Contractor shall make available all information required to insure that accounts are properly billed for service actually provided. Contractor shall perform field reconciliations at least twice annually to insure that all services provided are actually billed. Transmission of data to City may be through such method as approved by City, such as magnetic media or on-line file transfer. In addition, Contractor shall provide City with real-time, read-only access to Contractor's account-related data. All costs incurred by Contractor for maintaining its database and providing access to City shall be borne by Contractor and considered Eligible Expenses under this Agreement.

**4.2.5 Billing for Solid Waste Overages**

City will bill for Solid Waste overages along with the normal billings of accounts for those Service Recipients where Contractor has submitted a Solid Waste overage tag to City in a timely manner. City shall not be responsible for billing for Solid Waste overages where Contractor failed to submit to City a tag for Solid Waste overage Collection or where the tag has not been completed by Contractor in a proper manner.

**4.3 Records, Reports, and Information Requirements****4.3.1 General Reporting Requirements**

Contractor shall maintain at all times a computerized database, as more fully set forth elsewhere in this Article 4. The database shall contain sufficient fields to allow input of information for City and Contractor to reconcile Contractor's compensation payable under this Agreement, to ascertain compliance with performance standards including those of Section 9.8 and Exhibit C Performance Standards and Liquidated Damages, to allow City to monitor provision of Post-Collection Services, and to



1925 meet any and all other reasonable City data requirements. City may at its discretion, but is not obligated  
1926 to monitor provision of Post-Collection Services. Contractor shall cooperate with City with respect to  
1927 providing information relevant to this Agreement which is not specified in this Article 4. The reports  
1928 submitted as required by Sections 4.3.2, 4.3.3 and 4.3.4 are public information, and Contractor may not  
1929 claim confidentiality for any report or any portion of a report. City may require reasonable modifications  
1930 in reporting formats.

1931 All data collection, management and reporting requirements of Section 4.3 of the Agreement apply to  
1932 the entire Service Area, including the County Pockets. All reports required in Sections 4.3.2, 4.3.3, and  
1933 4.3.4 must clearly distinguish the two unincorporated County areas from the City for, at a minimum the  
1934 purposes of reporting tonnages Collected and Diverted, Diversion rates, and Service Recipient issues  
1935 including complaints and missed pickups. All such data shall be provided in the same reports as for the  
1936 City in a format that reasonably allows the County to monitor provision of service in the unincorporated  
1937 areas.

1938 Contractor may recommend, and City may in its discretion approve allocation and/or sampling methods  
1939 to distinguish data for the City and for the County Pockets, for Commercial accounts and Multi-Family  
1940 accounts, and for Large Apartment Complexes separate from other Multi-Family Complexes.

1941 At least two (2) times per year, Contractor will run allocation percentages to properly report and record  
1942 materials collected from County Pockets separately from materials collected from the City. When  
1943 determining the correct allocation percentage for County Pockets, Contractor will calculate the total  
1944 capacity of each material stream (i.e., Solid Waste, Recyclables, and Compostables) by determining the  
1945 total number of Containers for each material stream and multiplying that by the frequency that each of  
1946 the Containers are Collected weekly (i.e., ten (10) 32-gallon Carts Collected once per week equals three  
1947 hundred twenty (320) gallons of capacity). Contractor will take the sum total capacity of each material  
1948 stream for all accounts in the County Pockets and will use the same methodology for determining the  
1949 total capacity Collected of each material stream for all accounts in the Service Area. Contractor will  
1950 compare the County Pocket capacity totals with the total capacity Collected to determine the correct  
1951 tonnage allocation percentage to be associated with the County Pockets (i.e., if County Pockets total  
1952 capacity calculation is three hundred twenty (320) gallons and the overall total capacity calculation is  
1953 three thousand two hundred (3,200) gallons, the appropriate tonnage allocation attributed to County  
1954 Pockets is 10% of the total tonnage).

#### 1955 **4.3.2 Monthly Reports**

1956 Contractor shall transmit monthly reports to City within 10 working days following the reporting period.  
1957 Each monthly report shall include all the information required by this Article.

1958 A. **Solid Waste Collected.** The monthly report shall specify the number of tons of Solid Waste  
1959 Collected by service type, with separate data for Large Apartment Complexes, including:

1960 i. Route number(s) for each load.

1961 ii. Tons per load and per route, with separate data for Large Apartment Complexes.

1962 iii. Number of the certified weight tickets provided by the Approved Facility(ies) for delivered  
1963 materials.



- 1964 iv. Total number of hours on route per crew.
- 1965 v. Downtime per truck.
- 1966 B. **Recyclables Tonnages.** The monthly report shall specify the number of tons of Recyclables  
1967 Collected for each type of material and shall include all of the following information:
- 1968 i. Route number(s) for each load.
- 1969 ii. Tons per load and per route, with separate data for Large Apartment Complexes.
- 1970 iii. Number of the certified weight tickets provided by the Approved Facility(ies) for delivered  
1971 materials.
- 1972 iv. Date, time, route number, truck number, and reason for rejection for any delivered loads  
1973 rejected by an Approved Facility Operator(s).
- 1974 iv. Summary of tonnages of loads Collected by material, as determined by a sampling method  
1975 approved by the City.
- 1976 v. Total number of hours on route per crew.
- 1977 vi. Downtime per truck.
- 1978 vii Diversion and Residue figures reported by the Approved Facility(ies) for that month.
- 1979 C. **Yard Trimming and Compostables Tonnages.** The monthly report shall separately specify the  
1980 number of tons of Source-Separated Yard Trimmings, and of other Compostables Collected from  
1981 all Service Recipients, and Compostables Collected from Commercial customers, including:
- 1982 i. Route number(s) for each load.
- 1983 ii. Tons per load and per route, with separate data for Large Apartment Complexes.
- 1984 iii. Number of the certified weight tickets provided by the Approved Facility(ies) for delivered  
1985 materials.
- 1986 iv. Date, time, route number, truck number, and reason for rejection for any delivered loads  
1987 rejected by an Approved Facility Operator(s).
- 1988 v. Total number of hours on route per crew.
- 1989 vi. Downtime per truck.
- 1990 vii Diversion and Residue figures reported by the Approved Facility(ies) for that month.
- 1991 D. **Complaint Log.** The monthly report shall contain a copy of Contractor's complaint log, with initial  
1992 date of complaint, a description of how each complaint was resolved, and the date of resolution.

- 1993 E. **Missed Pickups.** The monthly report shall contain a written record of all contacts (via phone,  
1994 email, etc) related to missed pickups, and a description of the response to each call.
- 1995 F. **Vacation Holds.** The number of vacation holds and the planned duration of each.
- 1996 G. **Non-Collection Notices.** Monthly data for Non-Collection Notices as compiled from the weekly  
1997 reports required in Section 4.5.8.
- 1998 H. **Debris Box Services and Fees.** Contractor shall report to City by the 10th working day after the  
1999 end of the prior month the total tonnages Collected and total dollar amounts billed by Contractor  
2000 for Debris Box service (including all C&D Collection services) for the prior month in order that the  
2001 City may include this amount in the monthly calculation of Franchise Fees and amounts due  
2002 Contractor.
- 2003 I. **Post-Collection Services Compensation.** Copies of all invoices submitted by Approved Facilities  
2004 and Contingent Facilities, with proof of Contractor payment within thirty (30) Days.

#### 2005 **4.3.3 Quarterly Reports**

2006 Contractor shall submit quarterly reports on Solid Waste Collection and Disposal, Recyclables Collection,  
2007 Processing and marketing, and Compostables Collection, Processing and marketing that meet the  
2008 reporting requirements of AB 939, and of other state law. For the purposes of the quarterly reports,  
2009 quarters shall be defined as: First Quarter consisting of July, August and September; Second Quarter  
2010 consisting of October, November and December; Third Quarter consisting of January, February and  
2011 March; Fourth Quarter consisting of April, May and June. Contractor shall submit quarterly reports  
2012 within thirty (30) calendar days after the end of each quarter.

2013 In addition to the information required by the California Integrated Waste Management Act, each  
2014 quarterly report shall include the information described in this Article. The quarterly report shall contain  
2015 a summary of the information reported pursuant to Section 4.3.2 of this Agreement. The quarterly  
2016 report shall include quarterly and year-to-date data for Solid Waste, Recyclables, Compostables and  
2017 Commercial Compostables Collected, Disposed, and Processed by customer type, with a Diversion rate  
2018 for the quarter. Quarterly Diversion data shall be provided in such detail as is sufficient to allow the City  
2019 to determine compliance with the requirements of Section 2.10.2, with reporting of tonnage, by service  
2020 type (i.e., single-family residential, multi-family residential (and separately for Large Apartment  
2021 Complexes), commercial retail, commercial industrial/institutional, debris box, and compactor), Diverted  
2022 by Contractor divided by the tonnage Collected by Contractor multiplied by 100.

2023 The quarterly report shall also identify, and include a description of how state statutes and regulations  
2024 or judicial determinations are or will affect provision of Commercial Services or Post-Collection Services,  
2025 including but not limited to AB 341, AB 1594, and AB 1826.

2026 The quarterly report shall also include a description of the public education/community relations  
2027 activities performed by Contractor during the quarter, and Contractor's evaluation of the success of such  
2028 activities in promoting Diversion, and in addressing problems encountered by Contractor, and; public  
2029 education/community relations activities Contractor plans to conduct the next quarter. All public  
2030 education/community relations activities shall be discussed and evaluated in relation to the applicable  
2031 provisions of Exhibit B.3 Outreach and Education Plan, and the other plans contained in Exhibit B Final

Plans. The quarterly report shall include identification of any Multi-Family or Commercial Properties that are covered by but are not in compliance with AB 341, other applicable state law, or the City ordinance, and shall identify any Multi-Family Property owners/managers that have declined to meet at least once per year with Diversion Coordinators as provided in Section 4.6. The quarterly reports shall identify Multi-Family Complexes that are subscribing to the valet service, and provide contact information for an individual at each complex that is familiar with the service. The quarterly reports should provide detailed information on progress with the Commercial Compostables program, including participants added to the program and tonnages Collected from each program participant; and with the Large Apartment Complexes including descriptions of outreach and education at each specific complex.

The quarterly reports shall identify specific steps Contractor has taken to remedy any areas of noncompliance identified by the City during the previous quarter, including but not limited to those that result in a determination of noncompliance with Section 9.8 or Exhibit C Performance Standards and Liquidated Damages. The quarterly reports shall continue to report on such progress until Contractor performance in any area of noncompliance has been fully corrected.

#### **4.3.4 Annual Reports**

A. **Annual Performance Report Submitted By Contractor.** Within 90 days after the end of each contract year, Contractor shall submit to City an annual performance report covering the immediately preceding contract year and the report shall include all of the following information:

- i. Summary of Monthly and Quarterly Reports. A collated summary of the information contained in the monthly and quarterly reports, including the reconciliation of any adjustments from prior quarterly reports.
- ii. Operational Information by "Service Type" (i.e., Residential Solid Waste, Residential Recyclables, Residential Compostables, Commercial Solid Waste, Commercial Recyclables, Commercial Compostables, etc.).
  - a. Number of routes per day
  - b. Number of actual labor hours per route per day and per year
  - c. Type of vehicle on each route
  - d. Crew size on each route
  - e. Number of accounts per route per day
  - f. Number of set-outs per route per day
  - g. Tons per route per day
  - h. Average cost per route
  - i. Route maps
- iii. Educational Activities.
  - a. Public education materials produced and total number of each distributed
  - b. Dates, times, and group names of meetings attended
  - c. Dates, times, and names of school where presentations were performed

- 2070           iv.   Account Summary. In table format, the number of customers for each rate category.
- 2071           v.    Inventory. A complete inventory of Collection vehicles and other major equipment.
- 2072           vi.   Post Collection.
- 2073           a.    Summary of tons delivered, transferred, Processed, Diverted, and Disposed for each
- 2074                Approved Facility.
- 2075           b.    A revised version of Form 14 of Exhibit J containing for the just-completed Contract
- 2076                Year the then-current per-ton Post-Collection rates as applied to the total actual
- 2077                delivered tonnages, with the resulting total costs and/or revenues. The revised Form
- 2078                14 shall reflect any changes in use of Approved or Contingency Facilities.
- 2079           c.    Identification and discussion of any issues, plans, and concerns related to the use of
- 2080                each Approved Facility during the past year and anticipated for the following year,
- 2081                including but not limited to, additional services provided or available, actual or
- 2082                anticipated need for use of Contingent Facilities, etc.
- 2083           vii. Highlights and Other Noteworthy Experiences. A discussion of highlights and other
- 2084                noteworthy experiences, along with measures taken to resolve problems, increase
- 2085                efficiency, and increase participation.
- 2086           vii Plans for Following Year. A discussion of key areas of activity, and pending challenges for
- 2087                the following year to improve Collection Services, increase Diversion, enhance outreach
- 2088                and education, etc.

2089   **4.3.5    Annual Audited Financial Reports**

2090   Within 90 days after the end of each Contract Year of this Agreement, Contractor shall cause to be

2091   prepared annual financial statements for the preceding Contract Year. Such statements shall be

2092   prepared according to Generally Accepted Accounting Principles, and reflect all operations of Contractor

2093   in connection with this Agreement, including all required footnote disclosures.

2094   **4.3.6    Independent Audit**

2095   Contractor shall engage a Certified Public Accountant licensed to practice in the State of California and

2096   approved by the City to perform an independent audit on the Contractor's annual financial statements

2097   prepared as required by Section 4.3.5 and render an opinion thereon. The audited financial statements

2098   shall be submitted directly to the City by the independent auditor within 90 days after the end of each

2099   Contract Year of this Agreement.

2100   **4.3.7    Format of Annual Financial Statements**

2101   Contractor shall prepare its annual financial statements in a format as approved in advance by City

2102   containing a sufficient level of detail so that City may verify compliance with all provisions of this

2103   Agreement.

2104   **4.3.8    Management Letter**

2105   In conjunction with the independent audit of Contractor's annual financial statements, the independent

2106   auditor shall prepare a management letter. The management letter shall cover material and nonmaterial

2107   weaknesses in internal control as well as general suggestions for improvement in operations, both

2108 financial and nonfinancial in nature. The management letter shall be submitted directly to the City by  
2109 the independent auditor within 90 days after the end of each Contract Year of this Agreement.

#### 2110 **4.3.9 Related Parties**

2111 Included in the notes to the Annual Financial Statements shall be a listing of all related party  
2112 transactions and a description of the relationship between Contractor and the related party. For  
2113 purposes of disclosure required by this section, related party is any entity which either has a five percent  
2114 (5%) or more ownership interest in Contractor, or in which Contractor has a five percent (5%) or more  
2115 ownership interest, or any entity which has either a twenty percent (20%) interest or more in  
2116 Contractor's parent Company, or in which Contractor's parent Company has a twenty percent (20%) or  
2117 more ownership interest.

#### 2118 **4.3.10 Auditors' Work Papers**

2119 Contractor shall include in its agreement for professional services with its independent auditor a clause  
2120 which allows inspection by City, or City's designated representative, of all independent auditor's work  
2121 papers, reports and notes prepared in conjunction with auditor's examination of the Contractor's  
2122 financial statements required under of this Agreement.

#### 2123 **4.3.11 Submittal of Reports**

2124 Contractor shall submit all reports required by this Agreement to:

2125 City Manager  
2126 City of Daly City  
2127 333 - 90th Street  
2128 Daly City, CA 94015

2129 or to such other address as the City may designate in writing.

#### 2130 **4.3.12 Waste Generation/Characterization Studies**

2131 At City's direction, Contractor shall perform or assist City in performing waste generation/  
2132 characterization studies as considered necessary by City and/ or as required by Applicable Law.

#### 2133 **4.3.13 Miscellaneous Reports**

2134 City may request additional reports and information from Contractor regarding progress on specific  
2135 plans and/or projects, including but not limited to the container sizing protocol described in Section  
2136 2.10.3.D, pre-commencement food waste compactor processing protocol described in Section 3.6.2,  
2137 and/or any other mutually agreed upon plan or special project relating to Contractor's Scope of Services.

### 2138 **4.4 Inspection by City**

#### 2139 **4.4.1 General**

2140 City reserves the right to inspect any and all of Contractor's facilities at any time during normal business  
2141 hours, without notice, and at any other time with reasonable notice. Contractor shall ensure that  
2142 Approved Facilities and Contingent Facilities are available for City inspection upon three (3) Days notice.



**4.4.2 Performance Audits**

Performance and service quality audits and evaluations may be conducted or caused to be conducted by the City at its discretion throughout the Term and any extensions. Such audits may be conducted from time to time during the term of this Agreement by a qualified independent consultant selected by City. The reports required by this Agreement and the Contractor's ability or inability to achieve Diversion goals may be utilized as a basis of review. Such audits may include, but shall not be limited to analyses of both financial and qualitative performance of Contractor and Contractor's operations. If any noncompliance with the Agreement is found, the City may direct the Contractor to correct the inadequacies in accordance with the terms of this Agreement. If the Contractor fails to correct the noncompliance items, said failure will be considered a default under this Agreement. Contractor shall cooperate fully with City in conducting such evaluations and audits. The cost of such audits shall be borne by Contractor, and shall be considered to be Eligible Expenses under this Agreement.

**4.4.3 Route Audits**

City may conduct or require that Contractor shall conduct a route audit for each of Contractor's Collection routes by type of material Collected. The period in which the audit is conducted shall be set by City. City reserves the right to determine which routes will be audited in a particular week and, if City exercises this right, shall notify Contractor of the routes not less than seventy-two (72) hours in advance. The route audits shall include the following information for each Collection route:

- A. The route number, the date of the audit, and the starting and ending times of Collection during the audit.
- B. A description of the route location, including the names of the streets covered.
- C. The number of Service Recipients by category on the route.
- D. The number of Service Recipients by category participating on the date of the audit and the number and type (e.g., Solid Waste, Recyclables, Compostables, Used Motor Oil, Cooking Oil) of pickups in each Service Recipient category.
- E. For Collection routes, the number of Service Recipients by category which set out overages and the total number of overages Collected.
- F. For the Recyclables and Compostables Collection routes, the number of Containers distributed by Service Recipient category.
- G. For routes with Use Motor Oil Collection, the number of Used Motor Oil Containers Collected and the number of Use Motor Oil Containers distributed by Service Recipient category.
- H. For routes with Cooking Oil Collection, the number of Cooking Oil Containers Collected and the number of Cooking Oil Containers distributed by Service Recipient category.
- I. The number of Collection vehicles used on the route by vehicle type (e.g., rear loader Solid Waste truck, compartmentalized Recyclables truck), the weight of each vehicle, the capacity of each vehicle by weight and volume, and the number of trips made by each vehicle to Approved Facilities).
- J. The tonnages or volumes by type of material Collected per vehicle trip.
- K. A description of any changes in the route occurring since the immediately preceding route audit, including changes in the location of the route, the number of Service Recipients, equipment

used, and Collection methods employed.

L. The name(s), telephone number(s) and signature(s) of the persons performing each route audit.

The City reserves the right to request any additional data it, in its sole discretion, deems necessary to evaluate the effectiveness of Contractor's operations. Costs of special route audits, if any, shall be borne by Contractor and shall be considered Eligible Expenses under this Agreement.

## **4.5 Customer Services**

Contractor shall at all times be in compliance with this Section 4.5 and with the provisions of the Customer Service Plan contained in Exhibit B. Contractor shall revise, modify and otherwise update such Plan throughout the Term as it deems necessary, or as reasonably requested by the City.

### **4.5.1 Office Location and Hours**

Except with prior City approval, Contractor shall maintain a principal office that shall at all times during the term of this Agreement be located in the City. The office shall be open at a minimum from 7:00 a.m. to 5:00 p.m. daily except Saturdays, Sundays and Holidays. A representative of Contractor shall be available during office hours at Contractor's office for communication with City and the public.

### **4.5.2 Local Telephone Number**

Contractor's principal office shall be accessible by a local (toll-free to Service Recipients) telephone number at least during the office hours specified in Section 4.5.1 and from 8:00 a.m. to noon on Saturdays. The telephone number shall be listed under Contractor's name in the local telephone directory.

### **4.5.3 Emergency Telephone Number**

Contractor shall maintain an emergency telephone number for use outside Contractor's office hours. The emergency telephone number shall be listed as an emergency number under Contractor's name and under the City in the local telephone directory. Contractor shall have a representative, or an answering service to contact such representative, available at Contractor's emergency telephone number during all hours other than Contractor's office hours.

### **4.5.4 Multilingual/TDD Service**

Contractor shall at all times maintain the capability of responding to telephone calls in English, Spanish, Mandarin, and such other languages as City may direct, employing a service such as ATT Language Line. Contractor shall at all times maintain the capability of responding to telephone calls through Telecommunications Device for the Deaf (TDD) Services. These capabilities shall be maintained for both the local telephone number and the emergency telephone number.

### **4.5.5 Service Recipient Complaints and Inquiries**

During office hours, Contractor shall maintain a complaint service and a telephone answering system capable of accepting at least three (3) incoming calls at one time. Contractor shall record in a computerized daily log all complaints, including date, time, complainant's name and address if the complainant is willing to give this information, and nature and date and manner of resolution of complaint. Any such calls received via Contractor's answering service shall be recorded in the log no later than the following work day. This log shall be available for inspection by City during Contractor's

office hours and shall be accessible to City at all times. The computer log shall be in a format approved by City. Contractor shall provide a copy of this log to City with Contractor's monthly report. All incoming calls shall be answered within a maximum of four (4) rings. Any call "on-hold" in excess of 1.5 minutes shall be switched to a message center where Contractor shall maintain information in a daily log to enable a customer service representative to return customer calls. All "call backs" shall be attempted a minimum of one time prior to 6:00 p.m. on the day of the call. If the caller is not contacted on the first attempt, Contractor shall make subsequent attempts on the next working day after the original call. Contractor shall make a minimum of three (3) attempts within twenty-four (24) hours of the receipt of the call. If Contractor is unable to reach the caller on the next working day, Contractor shall send a postcard to the caller on the second working day after the call was received, indicating that the Contractor has attempted to return the call. All attempts to contact the caller shall be recorded in the log kept by Contractor.

#### **4.5.6 Missed Pick-Ups**

The failure of Contractor to pick up Discarded Materials which has been set out in an approved manner as described in Article 3 by a Service Recipient shall be considered a missed pick-up. Contractor shall Collect the material from the Service Recipient within twenty-four (24) hours of Contractor's receipt of notification of the missed pick-up except where Collection on a Sunday would be required, in which case Contractor may perform the Collection of a missed pick-up on the Monday immediately following the date of notification. If Contractor is notified of a missed pick-up on the business day following the scheduled Collection day for the Service Recipient and such notification is made by 9:00 a.m., Contractor shall Collect the missed pick-up on the day of notification. Contractor shall maintain a written record of all calls related to missed pick-ups and the response provided by Contractor. The record shall be maintained in accordance with the reporting and monitoring requirements of this Agreement. In the event Contractor fails to Collect a missed pick-up within the times set forth in this Section, City or its agents may Collect and transport the material. City shall notify Contractor in writing whenever City or its agent collects a missed pick-up. Contractor shall reimburse City for all costs so incurred by City as provided in this Agreement, and such costs are not an Eligible Expense.

#### **4.5.7 Vacation Holds**

Upon customer request, Contractor shall place a "vacation hold" on existing Service Recipient accounts for periods of no less than one (1) week in length. Contractor shall allow each Service Recipient to utilize the "vacation hold" service for a combined period of up to four (4) weeks each Contract Year. City and Contractor shall coordinate as necessary regarding provision of this service.

#### **4.5.8 Non-Collection Notices**

Contractor shall report to City on a weekly basis regarding Contractor issuance of non-Collection notices, in such format and with a timing as City may require.

### **4.6 Community Relations Program**

Contractor shall at all times be in compliance with this Section 4.6 and with the provisions of the Transition and Diversion Plans contained in Exhibit B. Contractor shall revise, modify and otherwise update such Plans throughout the Term as it deems necessary, or as reasonably requested by the City.

**2260 4.6.1 Initial Start-Up Public Education**

2261 A. **Door Hangers.** On or before the Commencement Date Contractor shall deliver City-approved  
2262 written materials announcing applicable changes to Collection services. These materials will be  
2263 in the form of door hangers, or other format(s) approved by the City, to be placed at the  
2264 premises of each Service Recipient. These materials shall specify Service Recipient's scheduled  
2265 Collection day(s) as well as summary information regarding Holiday schedule and Bulky Goods  
2266 Collection.

2267 B. **Initial Mailing.** On or before the Commencement Date Contractor shall prepare and release a  
2268 City-approved initial mailing (via Bulk Mail – Postal Customer Local) to residents and businesses  
2269 explaining any changes to existing Collection programs and any new programs.

**2270 4.6.2 Ongoing Public Education**

2271 A. **General.** The public education and outreach activities referenced herein are further described in  
2272 the Diversion Plan contained in Exhibit B (Final Approved Plans). Contractor's public education  
2273 and outreach strategy shall focus on improving Service Recipients' understanding of the benefits  
2274 of and opportunities for Source Reduction, Reuse, Recycling and Composting. Contractor shall  
2275 prepare and distribute public education materials to Service Recipients in Service Area four  
2276 times during each year of this Agreement on a schedule approved by the City. The materials  
2277 shall be designed to address specific Collection needs or problems. The materials shall be  
2278 printed in English, Spanish, and other languages specified by City. The materials shall be  
2279 professionally printed on paper stock with not less than fifty percent (50%) recycled paper  
2280 content including at least ten percent (10%) post-consumer recycled paper content. Contractor  
2281 shall provide camera-ready copy to City for City's review and approval prior to printing and  
2282 distribution. Any promotional materials or news releases developed for Contractor's own use  
2283 shall be developed at Contractor's sole cost and expense. Contractor shall obtain City's written  
2284 approval of the materials prior to printing or distributing the materials.

2285 B. **Website.** Contractor shall develop a comprehensive website specific to City which fully explains  
2286 and effectively promotes the Diversion options offered to its Service Recipients. The website  
2287 shall contain the full approved Maximum Rates schedule as well as any other information that  
2288 may be helpful to City and Service Recipients in meeting City's Diversion goals.

2289 C. **HHW Education.** Contractor shall develop and implement a public education program designed  
2290 to educate Generators regarding proper methods of recognizing, handling and disposing of  
2291 HHW.

2292 D. **Multi-Family Residential and Commercial Technical Assistance.** Contractor shall develop and  
2293 implement a comprehensive technical assistance program designed to provide targeted  
2294 education and Diversion assistance to Multi-Family Residential and Commercial customers. Such  
2295 program shall include at a minimum, dedicated Contractor employee time, program promotion  
2296 and outreach, customer service level audits, customer site assessments and reporting.

2297 E. **School Programs.** Contractor shall develop a program to educate and engage students at  
2298 schools located within the City. The program shall include, at a minimum, assembly  
2299 presentations, classroom projects, field trip opportunities, a high school internship program, and



2300 educational resources (e.g., lesson plans regarding sustainability, online resources) for  
2301 educators.

2302 **F. Neighborhood Watch Program.** Contractor shall implement its “We’re Looking Out for You”  
2303 neighborhood watch program. Contractor shall train drivers to assist law enforcement officials  
2304 in identifying and reporting suspicious behavior through Contractor’s dispatch department.  
2305 Contractor shall also train drivers to identify situations where they can provide assistance to the  
2306 public during extreme weather events.

#### 2307 **4.6.3 Non-Collection Notice**

2308 On or before the Commencement Date of this Agreement Contractor shall have developed and begun  
2309 utilizing City-approved Non-Collection Notices as provided in Article 3. The notices shall be a least two  
2310 inches by six inches in size and shall have the capability of making instant copies from the original at the  
2311 spot of non-collection (e.g. carbonless copy paper).

#### 2312 **4.6.4 Diversion Coordinators**

2313 Contractor shall employ a minimum of two full-time employees designated as Diversion Coordinators to  
2314 assist Service Recipients in Diverting the maximum amount of Solid Waste from the landfill. Diversion  
2315 Coordinators shall serve as the Contractor’s exclusive technical assistance representatives to assist  
2316 Multi-Family and Commercial Service Recipients with selecting service levels to meet their Solid Waste,  
2317 Recyclables, and Compostables (including Yard Trimmings) Collection needs.

2318 Diversion Coordinators will, at a minimum conduct the following activities: 1) perform waste and route  
2319 audits; 2) assist Multi-Family and Commercial customers in determining the number and size of each  
2320 such customer’s Containers, frequency of Collection; 3) assist Multi-Family Property owners and  
2321 managers in becoming aware of, and in scheduling on-call per-unit Bulky Goods Collections; 4) conduct  
2322 at least one (1) annual meeting with each property manager/owner; 5) conduct annual on-site  
2323 assessments of the Multi-Family and Commercial premises to improve Recyclables and Compostables  
2324 Collection program participation, and improve set-outs including reducing Contamination; 6) educate  
2325 Multi-Family and Commercial Customers regarding the mandatory Recycling requirements of AB 341  
2326 and City ordinance; 7) notifying noncompliant Multi-Family and Commercial Customers at least semi-  
2327 annually; 8) perform other outreach activities such as conducting training workshops, visiting business  
2328 association meetings and performing school outreach upon reasonable prior request by City; and 9)  
2329 report on the above activities as required in Section 4.3.

2330 City shall have the right to hire, and deduct from the monthly payment to Contractor, the costs of one or  
2331 both of the Diversion Coordinators. Should either position be vacant for 30 consecutive calendar days or  
2332 should the City determine, in its sole discretion, that Contractor’s Diversion efforts are not adequate or  
2333 effective; provided, however, that the amount of this deduction shall not exceed Contractor’s actual  
2334 costs associated with each such position as established by the position’s salary and benefits during the  
2335 most recent three month period. Any such costs shall be deemed an Eligible Expense.

2336 The Maximum Rates for Rate Period 1 include the costs of the Diversion Coordinators.



**4.6.5 Municipal Services Manager**

No later than the Commencement Date, Contractor shall hire a full-time Municipal Services Manager with the primary responsibility of ensuring that Contractor meets or surpasses all Diversion requirements of the Agreement. A specific portion of the cost of this position shall be funded through Gross Revenues at the initial amount of \$49,099 per year including profit. This amount is an Eligible Expense, shall be adjusted beginning in Rate Period Two as provided in Section 6.2.3 and 6.2.4, and is not subject to the franchise fee specified in Section 5.1.1. Contractor may elect to fill this position prior to the Commencement Date and shall be solely responsible for all costs related to doing so.

Specific responsibilities include:

- A. Supervising the Diversion Coordinators to ensure that the public education and outreach efforts are coordinated and aligned with City goals and priorities and the requirements of the Agreement.
- B. Serving as primary Diversion liaison with City staff.
- C. Developing and modifying short and long term Contractor plans to anticipate legislative and regulatory developments and Agreement compliance needs, for City review and comment.
- D. Participate in direct work with Daly City customers on a daily basis to assist them in maximizing their Diversion opportunities.
- E. Identifying, tracking and preparing reports to ensure compliance with the reporting requirements of the Agreement.
- F. Providing timely Diversion-related data in support of City staff needs.
- G. Coordinating with other Contractor staff, and with assigned City staff on specific issues including, but not limited to illegal dumping, community event participation, public education material preparation and distribution, interaction with property management and business community personnel, waste characterization and long term Diversion strategy on a customer specific basis, performance of on-site public education and diversion seminars/trainings for multi-family residents, property managers and the business community.

Contractor shall provide City the detailed position description in draft prior to its posting. City shall have the right to review and comment on the position description.

Contractor shall provide City the opportunity to participate in reviewing resumes and related information, and in interviewing any or all applicants Contractor short-lists for the position. City shall have, but not unreasonably exercise the right to veto proposed or potential hires for this position.

Contractor shall continue to receive \$49,099 per year towards the cost of the Municipal Services Manager, adjusted as provided in Article 6, as long as Contractor demonstrates on an ongoing basis: 1) that the position is kept filled; 2) success in developing and executing a detailed workplan that meets all areas of responsibility defined above, and; 3) that the efforts of the Municipal Services Manager remain dedicated to provision of Contractor services under this Agreement.

**4.6.6 Analysis of Discarded Material Composition**

Contractor shall cooperate in activities requested by the City to measure Diversion of Solid Waste from landfills including, but not limited to, providing a location for conducting Discard Material sorting, and re-routing trucks on a temporary basis to facilitate composition analysis. Such reports shall include, but not necessarily be limited to, throughput, recovery rates per material type, Residue rates by material type, costs, Recyclable Material commodity values, and final disposition of Source Separated Recyclables and Source Separated Compostables. Contractor shall also supply any other information reasonably requested by the City to meet State, Federal, County, or City regulatory requirements as those requirements may be amended from time to time. Reasonable and necessary documented costs expended by Contractor with relation to the services described in this Section 4.6.6, and with prior approval of City, shall constitute an Eligible Expense.

**4.7 Affirmative Action****4.7.1 Nondiscrimination**

In the performance of all work and services under this Agreement, Contractor shall not discriminate against any person on the basis of such person's race, sex, color, national origin, religion, marital status or sexual orientation. Contractor shall comply with Applicable Law regarding nondiscrimination, including those prohibiting discrimination in employment.

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## ARTICLE 5: CITY FEES

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### 5.1 Franchise Fee

#### 5.1.1 Franchise Fee Amount

City shall assess during the term of this Agreement a franchise fee (the "Franchise Fee") of thirteen and one half percent (13.5%) of Gross Revenues collected by City or Contractor from others arising out of the services to be performed by Contractor under this Agreement, except as provided in Sections 4.2.1.A and 4.6.5. For purposes of calculating the Franchise Fee, Gross Revenues from all activities conducted under this Agreement arising from services provided within the Service Area shall be used. If in any month Contractor shall receive revenues from sources other than City from Collection activities conducted under this Agreement, such revenues are to be included in the amount of Gross Revenues subject to the Franchise Fee. Contractor shall notify City of the amount and source of such revenues no later than the tenth (10th) calendar day of the following month. Pursuant to Section 4.2.2, City will deduct applicable Franchise Fees from those billings processed by the City before remitting funds to Contractor.

#### 5.1.2 Time and Method of Payment

For those billings, if any, processed by Contractor, where a Franchise Fee has not been withheld by City, Contractor shall remit all applicable franchise fees to the City on a monthly basis, by the 10th calendar day of the following month.

#### 5.1.3 Adjustment to Franchise Fee

City reserves the right to adjust the Franchise Fee as it deems appropriate at any time during the Term of this Agreement. Any such increase shall be deemed an Eligible Expense, and City shall consider a rate increase such that Contractor is not financially disadvantaged by any such increase.

### 5.2 Mussel Rock Fees

#### 5.2.1 Mussel Rock Landfill Maintenance Fee

Responsibility for maintenance of the closure requirements established by various state agencies has been assumed by City and City will continue its responsibility for maintenance of the closed landfill site known as the Mussel Rock Landfill. City shall assess a fee during the term of this Agreement as follows. City shall Collect \$33,333 on a monthly basis for a total of \$400,000 for Contract Year One, and \$34,667 on a monthly basis for a total of \$416,000 for Contract Year Two. City shall continue to collect the fee through the Term, as escalated annually by 4% for each Contract Year, for the continued maintenance of the site. In the event that additional maintenance requirements or other actions are required by responsible State or federal agencies which require additional maintenance funds, Contractor shall increase the monthly fee amount by that amount determined by City necessary to meet these obligations. Pursuant to Section 4.2.2, and in compliance with Section 5.4, City will deduct the Mussel Rock Landfill Maintenance Fee from billings processed by the City before remitting funds to Contractor. Said amounts deducted by the City are considered part of the Eligible Expenses for Contractor. Contractor shall bear no other obligations for the closed landfill site except as agreed to by City and Contractor.

**5.2.2 Mussel Rock Transfer Station Decommissioning Fee**

City has the responsibility for decommissioning the Mussel Rock Transfer Station, including but not limited to removal of structures, and restoration and maintenance of the property. City has established a Mussel Rock Transfer Station Decommissioning Fee to be assessed during the Term of this Agreement on a temporary basis (one or more years) or on an ongoing basis. The Fee is set at \$0.00 as of the Effective Date. City may collect the fee from Contractor on a monthly basis in the similar manner as provided in Section 5.2.1, and with or without an annual escalation factor. Pursuant to Section 4.2.2, and in compliance with Section 5.4, City will deduct the Mussel Rock Transfer Station Decommissioning Fee from billings processed by the City before remitting funds to Contractor. Said amounts deducted by the City are considered part of the Eligible Expenses for Contractor. Contractor shall bear no other obligations for the transfer station site except as agreed to by City and Contractor.

**5.3 One-Time Payments to City****5.3.1 Procurement Cost**

Within (5) Business Days of the Effective Date of this Agreement, Contractor shall pay the City four hundred sixty one thousand, three hundred and twenty four dollars (\$461,324) for the third party cost of the procurement process including environmental review. The Contractor may recover this payment as an Eligible Expense amortized over the Term.

**5.3.2 Contract Management Prior to Commencement Date**

Contractor shall reimburse City for the prorated annual cost (\$150,000) of a Contract Manager should the City fill such position prior to the Commencement Date. Should City elect to exercise this option it shall provide Contractor notice of the start date for the individual filling the position. Contractor shall reimburse City the prorated portion of such annual cost within twenty (20) days of notice. For example, should the position be filled beginning June 1, 2015, Contractor shall reimburse the City by \$100,000 for the eight months between the new City staff start date and the Commencement Date. The Contractor may recover this payment as an Eligible Expense. This expense is not subject to franchise fees.

**5.4 New or Modified Fees**

City reserves right to establish (and thereafter modify) fees during the Term at its sole discretion. In this event, Maximum Rates shall be adjusted concurrently with introduction of any new or modified fee as necessary to reflect the new or modified fee(s), and City will deduct such fee(s) from billings processed by the City before remitting funds to Contractor pursuant to Section 4.2.2. Should City add or modify a fee during a Rate Period, upon mutual agreement of the Parties adjustment of Maximum Rates may be deferred until the next Rate period in which case City shall set the new Maximum Rates such that Contractor recovers such one-time cost. Said amounts deducted by the City are considered part of Eligible Expenses.

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**ARTICLE 6: CONTRACTOR'S COMPENSATION AND RATES**

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**6.1 Rate Periods**

Rate Periods "1" through "8" are identified as follows:

Rate Period 1	February 1, 2016 – June 30, 2017
Rate Period 2	July 1, 2017 – June 30, 2019
Rate Period 3	July 1, 2019 – June 30, 2021
Rate Period 4	July 1, 2021 – June 30, 2023
Rate Period 5	July 1, 2023 – June 30, 2025
Rate Period 6	July 1, 2025 – June 30, 2027
Rate Period 7	July 1, 2027 – June 30, 2029
Rate Period 8	July 1, 2029 – June 30, 2031

Rate Periods shall be the periods for which Maximum Rates are set, with the exception of adjustments resulting from extraordinary expenses pursuant to Section 6.2.6. However, City reserves the right to provide for any two year Rate adjustment in the form of two, one-year adjustments. Thus, City may elect to apply a four percent (4%) Rate adjustment in the form of a two percent (2%) Rate adjustment in one year, and a two percent (2%) Rate adjustment in the next year.

**6.2 Rates for Solid Waste Collection****6.2.1 Establishing and Collecting Rates; Compensation of Contractor**

City shall, from time to time, establish Maximum Rates for various categories of Service Recipients which are designed to provide revenues to fund all activities and pay all fees provided for under this Agreement. City shall be responsible for billing and collecting such revenues except as specifically provided for herein. From revenues collected by City, City shall first deduct all amounts owed or otherwise due to City, together with all amounts to be otherwise withheld pursuant to this Agreement, and the balance shall be remitted to Contractor, on a monthly basis. Contractor's sole compensation for rendering services pursuant to this Agreement shall consist of the amounts to be paid to, or retained by, Contractor under this Agreement.

**6.2.2 Rate Period 1**

In consideration of City's grant of a franchise award for a 15-year Term, Contractor's initial proposed Maximum Rates, set forth in Exhibit A shall remain in effect until June 30, 2017, without adjustment.



**6.2.3 Rate Adjustment Process for Rate Period 2**

A. **Summary.** The Rate adjustment process for Rate Period 2 involves: review of "Total Contractor's Costs", consisting of Contractor's actual, allowable, and Eligible Expenses from Contractor's most recently completed Fiscal Year; review of Contractor's projected Eligible Expenses for Rate Period 2; the calculation of allowable profit for Rate Period 2; and, the calculation of City Fees and Pass-through Expenses.

The difference (measured as a percentage) between Total Contractor Costs for Rate Period 2 (calculated in accordance with 6.2.3.C) and total projected Eligible Revenues at current rates is the Rate Adjustment Factor. One (1) plus the Rate Adjustment Factor is applied to the current Rates to determine the Maximum Rates for Rate Period 2. If the Rate Adjustment Factor as calculated (excluding changes in costs related to Change in Law, City fees, one-time compensation for City's Contract Manager as provided in Section 5.3.2, and the cost as adjusted over the Term of City's Contract Manager and Contractor's Municipal Services Manager as specified in Sections 4.2.1.A and 4.6.5, respectively) exceeds ten percent (10%), City and Contractor shall meet and confer to determine whether and how Contractor's obligations under the Agreement can be suspended, delayed or otherwise modified to reduce Eligible Expenses and the resulting calculated Rate Adjustment Factor.

Regardless of Contractor demonstration of the reasonableness of a Rate adjustment in excess of ten percent (10%), City is not obligated to grant Contractor such a Rate adjustment. Should the calculated Rate Adjustment Factor exceed ten percent (10%), and should the City in its sole discretion decide to grant Contractor an adjustment in excess of ten percent (10%), the City reserves the right to divide the Rate adjustment over multiple Rate Periods, with ten percent (10%) of the Rate adjustment occurring in Rate Period 2, and the remainder of the Rate adjustment being carried over to Rate Period 3 and added to the Rate Adjustment that would otherwise take effect in Rate Period 3 and, if necessary, be carried over to Rate Period 4 so that no adjustment in a given Rate Period exceeds ten percent (10%).

In addition, City reserves the right to moderate the impact of any Rate adjustment in excess of ten percent (10%) by applying it to individual years rather than as a one-time adjustment(s) applied to one or more two-year Rate Periods. For example, City may elect to apply the four percent (4%) increment of a fourteen percent (14%) Rate adjustment above ten percent (10%) in the form of a two percent (2%) Rate adjustment in one year, and a two percent (2%) Rate adjustment in the next year.

B. **Application Submittal.** By January 1, 2017, City and Contractor shall meet and confer about the scheduled timing for the Rate Period 2 Rate adjustment process. The Parties shall determine if the process should proceed as specified in this Section 6.2.3, or be delayed due to ongoing changes related to the transition to new services. If the latter, the Rate Period 2 Rate adjustment shall be a CPI adjustment only, as provided in Section 6.2.4. On March 1, 2017, Contractor shall submit to the City an application requesting the adjustment of Maximum Rates for Rate Period 2 via mail and an electronic copy via email. Such Application shall include (i) a copy of the Contractor's audited financial statements for the Contractor's most-recently completed fiscal year; (ii) Rate Period 2 projected total Contractor costs, presented substantially similar to that included in Exhibit F (Contractor's Proposal); (ii) a copy of the Rate schedule currently in effect, and a pro forma Rate schedule showing the Rates that Contractor proposes for the Rate Period 2; (iii) projected Eligible Revenue at current rates (with supporting documentation); and, (iv) all other information that Contractor deems necessary to support its

2529 projected total contractor costs and proposed Maximum Rates.

2530 C. **Determination of Total Contractor Costs.** Total allowable Contractor Costs for Rate Period 2  
2531 shall be the sum of: 1) Contractor's projected Eligible Expenses; 2) Contractor's allowable profit;  
2532 3) Contractor's projected Pass-through Expenses; and, 4) City Fees.

2533 Contractor's projected Eligible Expenses for Rate Period 2 shall be calculated by: multiplying one  
2534 plus the NPC calculation by Contractor's allowable Eligible Expenses as specified below in this  
2535 Section 6.2.3C.

2536 Contractor's allowable Eligible Expenses shall be derived from Contractor's actual expenses  
2537 shown in the audited financial statements for their most-recently completed fiscal year and  
2538 limited to those cost categories identified in Exhibit J Operating Assumptions, Initial Cost,  
2539 Contractor Portion of Rate Period One Rates . Allowable Eligible Expenses shall include all  
2540 expenses, both direct and indirect, which are attributable to the provision of all of the services  
2541 delineated in this Agreement, approved as appropriate and necessary by City. Non-allowable  
2542 costs, in addition to those discussed in detail elsewhere in this Section 6.2.3, include: oncall  
2543 HHW services, MFD valet services, -entertainment expenses, political and charitable  
2544 contributions, land and goodwill acquisition (including interest thereon), increase in the value of  
2545 assets above their book value prior to purchase except as agreed to by City, payments to or for  
2546 the benefit of previous owners, labor and equipment for personnel and vehicles not specified in  
2547 Exhibit F or Exhibit J, the Post-Collection cost adjustment described in Section 6.2.5, or other  
2548 expenses determined by City as unnecessary for the provision of services under this Agreement.

2549 The portion of Contractor's initial proposed Maximum Rates attributable to wages and salaries  
2550 of Contractor's employees governed by collective bargaining agreements (CBAs) shall be  
2551 increased by the percentage increases in such wages and salaries required by the applicable  
2552 collective bargaining agreements contained in Exhibit H Labor Agreements.

2553 Contractor's proposed Maximum Rates shall be adjusted upward or downward to reflect actual  
2554 capital costs for vehicles and equipment included on Form 4 of the Contractor's cost proposal.  
2555 How each Maximum Rate is adjusted upward or downward to reflect actual capital costs shall be  
2556 determined by mutual agreement between the Parties prior to setting Rate Period 2 Maximum  
2557 Rates.

2558 Contractor's allowable profit shall equal Eligible Expenses divided by an Operating Ratio of  
2559 86.761%, and subtracting from the result the Contractor's Eligible Expenses.

2560 Contractor's projected Pass-through Expenses for Rate Period 2 shall be calculated by:  
2561 multiplying one plus the NPC calculation described below in this Section 6.2.3C by Contractor's  
2562 allowable Pass-through Expenses.

2563 Contractor's allowable Pass-through Expenses shall be derived from the Contractor's actual  
2564 expenses shown in the audited financial statements for their most-recently completed fiscal  
2565 year and limited to interest on capital assets reflected in Exhibit J and Post-Collection Services  
2566 expenses. Contractor's actual Pass-through Expenses shall be adjusted to exclude any non-  
2567 allowable expenses. Non-allowable expenses, in addition to those discussed elsewhere in this  
2568 Article 6, include: entertainment expenses, political and charitable contributions, land and  
2569 goodwill acquisition (including interest thereon), increase in the value of assets above their book  
2570 value prior to purchase except as agreed to by City, payments to or for the benefit of previous  
2571 owners, labor and equipment for personnel and vehicles not specified in Exhibits F or J, or other

2572 expenses determined by City as unnecessary for the provision of services under this Agreement.  
2573 The cost of City services and City Fees shall be calculated in accordance with Section 4.2 and  
2574 Article 5, respectively.

2575 Notwithstanding the provisions of this Section 6.2.3 the following costs are excluded from  
2576 consideration as Eligible Expenses during Rate Period 2:

- 2577 i. Increased capital, labor or any other costs associated with off-route time incurred by  
2578 Collection crews beyond that assumed by Contractor in Exhibit F Contractor's Proposal and  
2579 Exhibit J Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One Rates.
- 2580 ii. The addition of routes, trucks, containers, and associated capital, labor, interest and all  
2581 other directly or indirectly related costs beyond those assumed by Contractor in Exhibit F  
2582 Contractor's Proposal, and in Exhibit J Operating Assumptions, Initial Cost, Contractor  
2583 Portion of Rate Period One Rates, except as follows. Eligible Expenses may include  
2584 increases in containers, trucks, labor, and/or routes to the extent that the Contractor fully  
2585 documents the need to City satisfaction based on: 1) increases in specific types of Service  
2586 Recipients, and; 2) demonstration that the need cannot be accommodated by shifts in use  
2587 of existing containers, trucks, labor, and/or routes.
- 2588 iii. Changes in compensation to Approved Facilities and Contingent Facilities due to changes in  
2589 the relative or absolute tonnages delivered to each Approved Facility or Contingent Facility.

2590 The NPC calculation referred to in this Section 6.2.3 is applied as follows. Applicable Eligible and  
2591 Pass-Through Expenses are adjusted upward or downward on the basis of one hundred percent  
2592 (100%) of the percentage change in the Consumer Price Index, All Urban Consumers (All Items),  
2593 for the San Francisco/Oakland Metropolitan Area as published by the U.S. Department of Labor,  
2594 Bureau of Labor Statistics ("CPI"), Series ID: CUURA422SA0.

2595 The net percentage change shall be calculated by the following formula:

2596 Net Percentage Change (NPC) =  $\frac{X(i)-X(i-2)}{X(i-2)}$   
2597

2598 Where,

2599  $X(i)$  = Index value for December 2016;

2600  $X(i-2)$  = Index value for December 2014

2601 Changes in the net percentage change of less than one tenth of one point (0.1) shall be rounded  
2602 to the nearest one-tenth of a point, i.e., 1.50 to 1.54 shall be treated as 1.5; 1.55 to 1.59 shall be  
2603 treated as 1.6.

2604 Should the CPI not be published in December of the year required for calculation of rate  
2605 adjustments, the CPI values of the month most immediately preceding that December shall be  
2606 used. If said CPI is discontinued, it shall be replaced by the CPI which most closely approximates  
2607 the original category as determined by the U.S. Bureau of Labor Statistics.

2608 **D. Credit for Recyclables Delivered to Newby Island.** In Rate Period 2, and each successive Rate

Period thereafter, Contractor will issue a credit to Post-Collection Service costs in an amount per ton delivered of residential single stream recyclables collected that is equal to 27.3% of the monthly average for the most recent February through March values of the Low Side of the OBM Los Angeles Index for Mixed Paper (2) – Export to China. Said credit shall be adjusted, up or down, based on this index. The initial credit shown In Exhibit J Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One Rates, Form 14 equals \$30 per ton, for a total City revenue of \$293,490. Thus, for example, if benchmark revenue increases by 33%, the per-ton credit adjusts up to \$40/ton. Conversely, if benchmark revenue decreases by 33%, the per-ton credit adjusts down to \$20/ton.

E. **Expenses – Capital.** Without limiting the generality of the foregoing, Contractor's allowable Pass-through costs shall include interest on Contractor's capital used in performing services for the City under the Agreement, whether equipment is purchased or leased. For purposes of calculating Contractor's interest expense, the rate on California Municipal Financing Authority ("CMFA") bonds as of the Effective Date and as it may be modified during the Term, shall be used to calculate Contractor's interest expense associated with Contractor's capital assets being used to perform services under the Agreement and shall be multiplied by the total value of Contractor's capital assets reflected in Exhibit J Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One Rates. If Contractor is unable to obtain CMFA financing for its capital assets, the interest rate used to calculate Contractor's interest expenses shall be the CMFA rate, or the rate for Treasury bonds of constant maturity having the same term as the purchased equipment's depreciation term (e.g., 10-year bonds for equipment depreciated over 10-years), as such rate appears on the web site of the Federal Reserve Board (<http://www.federalreserve.gov/releases/H15/data.htm>) , whichever is less. If the Treasury bond of constant maturity having the same term as the lease term is discontinued, the successor bond (identified by the Federal Reserve) with which it is replaced will be used for subsequent calculations. If no successor bond is identified by the Federal Reserve, the Parties agree to meet and confer to determine the successor bond which is most comparable.

F. **Regional and Corporate Overhead.** Indirect expenses from Contractor's regional and/or corporate headquarters allocated to the local operation shall be limited to 3.25 % of gross revenue.

G. **Employee Stock Ownership Plan (ESOP).** The establishment of an Employee Stock Ownership Plan (ESOP) is neither encouraged nor prohibited by this Agreement; however, the formation or support of an ESOP, or the creation or support of a trust whose assets are composed of the stock of the Contractor, or of the stock of any holding company, subsidiary corporation or related corporation to Contractor, where the trust assets are either allocated to employee accounts or to a pension or retirement fund for the benefit of Contractor's employees or retirees, such ESOP or trust costs or contributions, to and including acquisition of stock costs and financing costs, shall not constitute a chargeable or operating cost or expense (Eligible Expense) of the Contractor.

#### 6.2.4 Rate Adjustment Process for Subsequent Rate Periods

A. **Application Submittal.** On March 1, prior to the commencement of the Rate Period for which Maximum Rates are to be determined (coming Rate Period), Contractor shall submit to the City an application requesting the adjustment of Maximum Rates for the coming Rate Year via mail and an electronic copy via email. For example, on March 1, 2019, the Contractor shall submit its



2653 application for the adjustment of Maximum Rates to be effective July 1, 2019 (i.e., Rate Period  
2654 Three).

2655 Such Application shall include (i) a copy of the Contractor's audited financial statements for the  
2656 Contractor's most-recently completed fiscal year; (ii) projected Eligible Expenses, profit,  
2657 projected Pass-through Costs, and projected City fees for the coming Rate Period, presented  
2658 substantially similar to that included in Exhibit J Operating Assumptions, Initial Cost, Contractor  
2659 Portion of Rate Period One Rates, including the basis for projections, and including the recycling  
2660 credit calculation as provided in Section 6.2.3.D; (iii) projected Eligible Revenue at current rates;  
2661 (iv) the rate adjustment calculation in accordance with 6.2.4.B; and, (v) a copy of the Maximum  
2662 Rate schedule currently in effect, and a pro forma schedule showing the Maximum Rates that  
2663 Contractor proposes for the coming Rate Period.

2664 In Rate Period 2, and each successive Rate Period thereafter, Contractor will issue a credit to  
2665 Post-Collection Service costs in an amount per ton delivered of residential single stream  
2666 recyclables collected that is equal to 27.3% of the monthly average for the most recent February  
2667 through March values of the Low Side of the OBM Los Angeles Index for Mixed Paper (2) –  
2668 Export to China. Said credit shall be adjusted, up or down, based on this index. The initial credit  
2669 shown In Exhibit J Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One  
2670 Rates, Form 14 equals \$30 per ton, for a total City revenue of \$293,490. Thus, for example, if  
2671 benchmark revenue increases by 33%, the per-ton credit adjusts up to \$40/ton. Conversely, if  
2672 benchmark revenue decreases by 33%, the per-ton credit adjusts down to \$20/ton.

2673 Beginning in Rate Period 6 total annual vehicle depreciation will continue as an Eligible Expense  
2674 in the same dollar amount and without adjustment, with Contractor provision to City of  
2675 documentation that vehicles are replaced according to the schedule provided in Section 3.8.5.I,  
2676 and for dedicated use in Daly City. Such depreciation amount shall be considered full  
2677 compensation for replacement of vehicles.

2678 City services and City Fees shall be calculated in accordance with Section 4.2 and Article 5,  
2679 respectively.

2680 Should calculation of a pending Rate adjustment be in excess of nine percent (9%), (net of costs  
2681 related to Change in Law, approved changes in Scope of Services, increases to City Fees or other  
2682 government Fees - i.e., governmental fees assessed on post-collection service providers, and the  
2683 cost as adjusted over the Term of City's Contract Manager and Contractor's Municipal Services  
2684 Manager as specified in Sections 4.2.1.A and 4.6.5, respectively), and regardless of Contractor  
2685 demonstration of the reasonableness of a Rate adjustment in excess of nine percent (9%), City is  
2686 not obligated to grant Contractor such a Rate adjustment. However, should the City in its sole  
2687 discretion decide to grant Contractor any adjustment in excess of nine percent (9%) City  
2688 reserves the right to divide the Rate adjustment over successive Rate Periods, with nine percent  
2689 (9%) of the Rate adjustment occurring in the current Rate Period and the remainder of the Rate  
2690 adjustment being carried over to the following Rate Period and added to the Rate Adjustment  
2691 that would otherwise take effect in that current Rate Period. This carryover amount shall not be  
2692 factored into the determination in the successive Rate Period as to whether the nine (9%)  
2693 threshold has been reached for purposes of the adjustment calculation for that Rate Period. In  
2694 addition, City reserves the right to moderate the impact of any Rate adjustment in excess of  
2695 nine percent (9%) by applying it to individual years rather than as a one-time adjustment(s)  
2696 applied to one or more two-year Rate Periods. For example, City may elect to apply the one



2697 percent (1%) increment of a ten percent (10%) Rate adjustment in the form of a one-half  
2698 percent (0.5%) Rate adjustment in one year, and a one-half percent (0.5%) Rate adjustment in  
2699 the next year.

2700 B. **Rate Adjustment Methodology.** Subject to the restrictions set forth below, each Maximum Rate  
2701 shall be adjusted upward or downward on the basis of one hundred percent (100%) of the net  
2702 percentage change in the Consumer Price Index, All Urban Consumers (All Items), for the San  
2703 Francisco/Oakland Metropolitan Area as published by the U.S. Department of Labor, Bureau of  
2704 Labor Statistics ("Index"). Series ID: CUURA422SA0.

2705 The net percentage change shall be calculated by the following formula:

$$\begin{array}{l} 2706 \text{ Net percentage change (NPC) = } \frac{X(i)-X(i-2)}{X(i-2)} \\ 2707 \end{array}$$

2708 Where,

2709  $X(i)$  = Index value for December of the year preceding the coming Rate Period;

2710  $X(i-2)$  = Index value for December 24 months preceding the coming Rate Period

2711 Changes in the net percentage change of less than one tenth of one point (0.1) shall be rounded to the  
2712 nearest one-tenth of a point, i.e., 1.50 to 1.54 shall be treated as 1.5; 1.55 to 1.59 shall be treated as 1.6.

2713 Should the CPI not be published in December of the year required for calculation of rate adjustments,  
2714 the CPI values of the month most immediately preceding that December shall be used. If said CPI is  
2715 discontinued, it shall be replaced by the CPI which most closely approximates the original category as  
2716 determined by the U.S. Bureau of Labor Statistics.

2717 If such upward adjustment would result in a projected Operating Ratio to Contractor lower than  
2718 86.761% on an annual basis, then, except as provided below, such upward adjustment shall be scaled  
2719 back so as to result in a projected Operating Ratio to Contractor of no less than 86.761% on an annual  
2720 basis. This calculation will be done based on the most-recently submitted audited financial statements  
2721 and the Contractor's projected Eligible Expenses, profit, projected Pass-through Costs, and projected  
2722 City fees submitted with the rate application.

2723 At the completion of Year 10 of the Agreement (during Rate Period 6) and prior to the first extension  
2724 offered under this Agreement (following Rate Period 8), City reserves the right to conduct a detailed  
2725 review of Total Contractor Costs, and to adjust Contractor compensation accordingly. City and  
2726 Contractor will meet and confer prior to said review to discuss the process and items to be included in  
2727 the review.

#### 2728 **6.2.5 Approved Facility and Contingent Facility Fees**

2729 Initial Approved Facility and Contingent Facility Fees, are subject to adjustment for Rate Period Two  
2730 (beginning July 1, 2017) and subsequent Rate Periods and will be included in Exhibit A Maximum Rates  
2731 Approved by City prior to the Commencement Date. However, Blue Line Transfer, Inc. will receive  
2732 annual adjustments in Approved Facility Fees on July 1, 2015 and July 1, 2016, as provided in Section 8  
2733 of Contractor's subcontract with Blue Line contained in Exhibit I. Contractor acknowledges that it is

solely responsible for compensating Blue Line on July 1, 2015 and July 1, 2016 as provided in the subcontract. In determining actual annual costs as the basis for the Rate Period 2 adjustment provided in Section 6.2.3, the then current rates for Blue Line shall be incorporated into Form 14 of Exhibit J Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One Rates. Contractor may include previous period adjustments provided to Blue line Transfer, Inc. when determining actual annual costs as the basis for the Rate Period 2 adjustment provided in Section 6.2.3. For example, if Blue Line Transfer, Inc. receives a 2% increase effective July 1, 2015 and a 1.5% increase effective July 1, 2016, Contractor may include a 3.5% increase in addition to the Rate Period 2 adjustment calculated for the post-collection services component of the Maximum Rates.

#### **6.2.6 Extraordinary Expenses**

An exception to the biennial Rate adjustment shall be the consideration of interim adjustments when extraordinary and unforeseen expenses occur which were not contained within the estimates provided during the Rate review process. By way of example, such increases may be the result of a Change in Law which results in substantial and unexpected costs or savings to the operations, or a new or modified City fee. The City shall consider requests for interim rate adjustments on a case-by-case basis and shall make the sole determination as to the appropriateness of an interim adjustment.

The following items are excluded from consideration as extraordinary expenses:

- A. Increased capital, labor or any other costs associated with off-route time incurred by Collection crews beyond that assumed by Contractor in Exhibit F Contractor's Proposal and Exhibit J Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One Rates.
- B. The addition of routes, trucks, containers, and associated capital, labor, interest and all other directly or indirectly related costs beyond those assumed by Contractor in Exhibit F Contractor's Proposal, and in Exhibit J Operating Assumptions, Initial Cost, Contractor Portion of Rate Period One Rates, except as follows. Eligible Expenses may include increases in containers, trucks, labor, and/or routes to the extent that the Contractor fully documents the need to City satisfaction based on: 1) increases in specific types of Service Recipients, and; 2) demonstration that the need cannot be accommodated by shifts in use of existing containers, trucks, labor, and/or routes.
- C. Changes in compensation to Approved Facilities and Contingent Facilities due to changes in the relative or absolute tonnages delivered to each Approved Facility or Contingent Facility.

Should the City in its sole discretion decide to engage a third party for the purpose of reviewing changes in costs to the Contractor attributable to the extraordinary Rate adjustment, the Contractor shall bear the cost of the review, and such cost shall be considered an Eligible Expense.

#### **6.2.7 Cost Savings Programs**

In addition to the above, Contractor is encouraged and expected to improve operational efficiency while maintaining a high level of service. In order to provide an incentive to decrease cost to the ultimate benefit of the Service Recipients and provide incentive to the Contractor, Contractor shall be authorized to retain savings generated between rate adjustment review periods except as limited by the Rate adjustment formula. As part of the rate setting process, Contractor shall provide separate estimates regarding anticipated cost reduction measures.

**6.2.8 Rate Structure**

The City shall have the right to change the relationship of individual Maximum Rates in comparison with other Maximum Rates as it deems appropriate. Any such changes would occur in conjunction with the Maximum Rate adjustment process described in Sections 6.2.2, 6.2.3, 6.2.4, and/or 6.2.5. Such changes to the rate structure must be revenue neutral, which means the total anticipated revenue generated by the existing Maximum Rates and the total anticipated revenue generated by the adjusted Maximum Rates must equal.

**6.3 Adjustments to Contractor's Payments****6.3.1 Deductions from Contractor's Payment**

If City makes any payments or incurs any costs for which City is entitled to reimbursement from Contractor pursuant to this Agreement, City may deduct such reimbursement from any payment otherwise due to Contractor from City. City shall submit to Contractor written documentation in support of such deduction upon the request of Contractor. In the event City does not deduct such reimbursement from Contractor's payment but submits to Contractor an invoice for reimbursement, Contractor shall reimburse City within thirty (30) days of receipt of such invoice.

**6.3.2 Records Reimbursement**

In the event Contractor fails to maintain adequate and accurate records, or fails to maintain records for services performed under this Agreement separate from records for other services, and City makes any payment or incurs any cost for the creation, recreation, correction or maintenance of such records, Contractor shall reimburse City for any and all payments so made or costs so incurred by City plus an administrative fee in the amount of twenty-five percent (25%) of such payments or costs.

**6.4 Grant Funding**

Contractor shall monitor, and shall apply for applicable grant funding programs awarding in excess of \$10,000 as they come available throughout the term of this Agreement, including but not limited to Diversion program assistance and alternative fuels and equipment purchase programs. Contractor shall take such steps as are necessary to ensure that grant applications are completed and submitted in a professional manner. Prior to submitting applications for such grants, Contractor shall notify City of its intent to apply, and Contractor shall not submit any applications relating to the City without prior City approval, which shall not be unreasonably withheld. Contractor shall take direction from City regarding applying for specific grants, and shall do so in a timely manner.

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**ARTICLE 7: INDEMNIFICATION, INSURANCE AND BOND**

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**7.1 Indemnification****7.1.1 Indemnification and Hold Harmless - Contractor**

Contractor, for and on behalf of itself and its agents, subcontractors, directors, officers, employees and representatives shall indemnify and hold harmless City, its officers and employees from and against any and all losses, liabilities, penalties, claims, demands, judgments, damages, actions or suits, of any and every kind and description, arising or resulting from any work or services performed by Contractor or its agents, subcontractors, directors, officers, employees or representatives pursuant to this Agreement, or which results from their noncompliance with any Applicable Law. Such indemnification and hold harmless shall include, but not be limited to any allegation that Contractor, or its agents, subcontractors, directors, officers, employees, or representatives has breached an express or implied warranty of merchantability or fitness for particular use or any other warranty relating to the Recyclables Collected pursuant to this Agreement and to any allegation that any of them has violated any license, copyright or other limitation on Contractor's use of any computer software in connection with Contractor's performance of services under this Agreement. The acceptance by City of any work or services under this Agreement shall not operate as a waiver of such indemnification or hold harmless.

Subject to the provisions of Public Resources Code section 40059.2, Contractor's duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle if the requirements of AB 939, AB 341, AB 1594 or AB 1826 are not met by the Contractor with respect to the materials Collected under this Agreement and/or Contractor's other obligations under this Agreement, and such failure is: (i) due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) due to Contractor delays in providing information that prevents Contractor or the City from submitting reports to regulators in a timely manner.

**7.1.2 AB 939, AB 341, AB 1594, AB 1826 and Local Ordinance Compliance**

Contractor shall perform all education, outreach, monitoring, and reporting for all Commercial and Multi-Family properties as required by AB 939, AB 341, AB 1594 and AB 1826, and any City ordinance and as more fully set out in Section 4.6, and in Exhibit B. Contractor has developed, and shall implement and update as necessary a Diversion Plan as provided in Exhibit B that, among other things supports and educates Multi-Family and Commercial Customers on both State and City requirements. Contractor shall provide all necessary reporting relating to the City's compliance requirements pertaining to AB 939 and AB 341, and as it affects the County's Integrated Waste Management Plan, as required by Section 4.3.

**7.1.3 Hazardous Substance Indemnification**

To the extent allowed by Applicable Law, Contractor shall indemnify, defend with counsel acceptable to City (provided that such acceptance shall not be unreasonably withheld), and hold harmless City and its employees, volunteers, and agents (collectively, "Indemnitees") from and against any and all claims, damages (including but not limited to special, consequential, natural resources, and punitive damages), injuries, costs (including but not limited to all response, remediation, and removal costs), losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including attorneys' and expert witness fees incurred in connection with defending against any of the foregoing or in enforcing this indemnity (collectively, "damages")) of any nature whatsoever paid, incurred, suffered by, or asserted against Indemnitees,



arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure, or other plan concerning any Hazardous Substances or Hazardous Waste released, spilled, or disposed of by Contractor pursuant to this Agreement. Notwithstanding the foregoing, however, Contractor is not required to indemnify the Indemnitees against claims arising from Contractor's delivery of Discarded Materials to a facility owned or operated by a third party, unless such claims are a direct result of Contractor's negligence or willful misconduct. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9607(e), California Health and Safety Code Section 25364, and the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. to defend, protect, hold harmless, and indemnify Indemnitees from liability, and shall survive the expiration or earlier termination of this Agreement.

#### **7.1.4 Indemnification and Hold Harmless - City**

City, for and on behalf of itself and its agents, subcontractors, directors, officers, employees and representatives shall indemnify and hold harmless Contractor and Contractor's officers and employees from and against any and all losses, liabilities penalties, claims, demands, judgments, damages, actions or suits resulting from the City's sole negligence, City's active negligence, City's comparative negligence or willful misconduct, excluding any third party claims or actions arising out of or asserted based upon the theory of negligent entrustment of services to Contractor or otherwise arising or asserted solely based upon the theory of the City's passive negligence. City shall have no obligation to defend the Contractor, or contractor's officers, directors, employees or representatives from any claims or actions found to be caused by the negligence or willful misconduct of the Contractor, its directors, officers, agents or employees.

#### **7.1.5 Defense**

Upon the demand of the City Attorney, Contractor shall defend City, its officers and/or employees against any matter described in Section 7.1.1 and 7.1.2 of this Agreement.

#### **7.1.6 Exception**

Notwithstanding Sections 7.1.1 and 7.1.2, and subject to Public Resources Code section 40059.2, Contractor's obligation to indemnify, hold harmless and defend City, its officers and employees shall not extend to any loss, liability, penalty, claim, demand, action or suit arising or resulting from acts or omissions constituting sole negligence, active negligence, comparative negligence, or willful misconduct on the part of City, its officers or employees.

#### **7.1.7 Damage by Contractor**

If Contractor's employees or subcontractors cause any injury, damage or loss to City property, including but not limited to City streets or curbs, Contractor shall either repair the same or reimburse City for City's costs of repairing such injury, damage or loss. Such reimbursement is not in derogation of any right of City to be indemnified by Contractor for any such injury, damage or loss. With the prior written approval of City's Director of Public Works, Contractor may repair the damage at Contractor's sole cost and expense.



## 7.2 Insurance

### 7.2.1 Insurance Policies

Contractor shall procure and maintain throughout the Term and any extension of this Agreement insurance against claims for injuries to persons or damages to Property which may arise from or in connection with Contractor's performance of work or services under this Agreement. Contractor's insurance shall include full coverage of Contractor's employees, agents, representatives and subcontractors. Contractor warrants that employees and subcontractors are properly licensed, including any required commercial vehicle licenses, to drive Contractor's vehicles. All provisions for insurance shall be deemed an eligible expense.

### 7.2.2 Minimum Scope and Limits of Insurance

Insurance Coverage shall be at least as broad as the following:

- A. **Workers' Compensation.** Statutory Workers' Compensation Insurance and Employer's Liability Insurance with limits of not less than five million dollars (\$5,000,000) for any and all persons employed directly or indirectly by Contractor. In the alternative, Contractor may rely on a self-insurance program to meet these requirements so long as the program of self-insurance complies fully with the provisions of the California Labor Code. In such case, excess Worker's Compensation Insurance with limits of not less than ten million dollars (\$10,000,000) shall be maintained. The insurer, if insurance is provided, and the Contractor, if a program of self-insurance is provided, shall waive all rights of subrogation against the City of Daly City for loss arising from worker injuries sustained under this Agreement. Said limits can be achieved through the placement of primary and umbrella or excess policies.
- B. **Commercial General and Automobile Liability.** Contractor, at Contractor's own cost and expense, shall maintain Commercial General Liability insurance for the period covered by this Agreement, and any extension of this Agreement in an amount not less than ten million dollars (\$10,000,000) combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twenty million dollars (\$20,000,000.00). Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles, as well as waste hauling, transfer vehicles or other commercial transport. Said limits can be achieved through the placement of primary and umbrella or excess policies.
- C. **General Requirements.** Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:
  - i. The City of Daly City, its officers, employees, agents and volunteers are to be covered as additional insureds as respects each of the following: liability arising out of activities performed by or on behalf of Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired, or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to Daly City, its officers, employees, agents, or

- 2925 volunteers; except that such coverage shall not apply to the extent of the sole negligence,  
2926 active negligence, comparative negligence, or willful misconduct of Daly City, its officers,  
2927 employees, agents, or volunteers.
- 2928 ii. The insurance policy form shall provide coverage on an occurrence basis, or on the basis of  
2929 claims made. If claims made coverage is provided, an extended supplemental reporting  
2930 period of at least 84 months shall be provided.
- 2931 iii. The insurance must cover contractual liability. This may be provided by amending the  
2932 definition of "incidental contract" to include any written agreement.
- 2933 iv. Any explosion, collapse, and underground property damage exclusion must be deleted.
- 2934 v. An endorsement must state that coverage is primary insurance and that no other insurance  
2935 or self-insured retention carried by the City of Daly City will be called upon to contribute to  
2936 a loss under the coverage.
- 2937 vi. The policy must contain a cross liability or severability of interests clause.
- 2938 vii. Any failure of Contractor to comply with reporting provisions of the policy shall not affect  
2939 coverage provided to City of Daly City and its officers, employees, agents, and volunteers.
- 2940 viii. Broad form property damage liability must be afforded.
- 2941 ix. Insurance is to be placed with California-authorized insurers, and carrier(s) must be rated  
2942 "A" or above in the Best's Rating Guide. The City reserves the right to accept or deny use of  
2943 any particular carrier.
- 2944 x. Notice of cancellation or nonrenewal must be received by the Daly City City Clerk's Office at  
2945 least thirty (30) days prior to such change.

### 2946 **7.2.3 Endorsements**

2947 The policies are to contain, or be endorsed to contain, the following provisions:

#### 2948 A. General Liability and Automobile Liability Coverage

- 2949 i. The City of Daly City, its officers, employees, agents and Contractors are to be covered as  
2950 additional insureds as respects: Liability arising out of activities performed by, or on behalf  
2951 of, Contractor; products and completed operations of Contractor; premises owned, leased  
2952 or used by Contractor; and automobiles owned, leased, hired or borrowed by Contractor.  
2953 The coverage shall contain no special limitations on the scope of protection afforded to  
2954 City, its officers, employees, agents and Contractors; except that such coverage shall not  
2955 apply to the extent of the sole negligence, active negligence, comparative negligence, or  
2956 willful misconduct of Daly City, its officers, employees, agents, or volunteers.
- 2957 ii. Contractor's insurance coverage shall be primary insurance as respects City, and its officers,  
2958 employees, agents and Contractors. Any insurance or self-insurance maintained by City, its  
2959 officers, employees, agents or Contractors shall be in excess of Contractor's insurance and  
2960 shall not contribute with it.
- 2961 iii. Any failure to comply with reporting provisions of the policies shall not affect coverage  
2962 provided to City, and its officers, employees, agents, or Contractors.

- iv. Except with respect to the limits of insurance, and any rights or duties specifically assigned to the first named insured, this insurance applies:

- a. As if each named insured were the only named insured; and  
b. Each insured against whom claim is made or suit is brought.

#### **7.2.4 Hazardous Material, Environmental Impairment Liability Insurance**

Contractor shall provide, and thereafter maintain throughout the term of this Agreement, and any extension of this Agreement, Hazardous Material and Environmental Impairment Liability Insurance covering all reasonably expected potential losses related to pollution, Hazardous Material, contamination, spills, accidents or migration of toxics, pollutants, Hazardous Material or materials, or unknown materials. Such coverage shall be at a minimum of ten million dollars (\$10,000,000.00) per occurrence. Should aggregate limits be depleted by more than twenty-five percent (25%) during any one policy term, Contractor shall provide notice to City, and may be required at City's reasonable discretion to purchase separate insurance.

Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- A. The insurance coverage, if provided on a claims made form, then a Twelve (12) month Extended Reporting Period shall be provided in the event such coverage or this Agreement is terminated.
- B. An endorsement must state that coverage is primary insurance and that no other insurance or self-insured retention carried by the City of Daly City will be called upon to contribute to a loss under the coverage; unless and to the extent of the sole negligence, active negligence, comparative negligence, or willful misconduct of the City, its officers, employees, agents, or volunteers, excluding any third party claims or actions arising out of or asserted based upon the theory of negligent instrument of services to Contractor.
- C. Any failure of Contractor to comply with reporting provisions of the policy shall not affect coverage provided to City of Daly City and its officers, employees, agents, and volunteers.
- D. Notice of cancellation or nonrenewal must be received by the Daly City City Clerk's Office at least thirty (30) days prior to such change.

#### **7.2.5 Acceptability of Insurers**

Insurance is to be placed with insurers with an A.M. Best rating of no less than A-VIII or Standard & Poors (S&P) rating of A-.

**7.2.6 Verification of Coverage**

Contractor shall furnish City with certificates of insurance and with original endorsements affecting coverage required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Contractor shall furnish City with a new certificate of insurance and endorsements upon each renewal or change of coverage or change of insurers. Proof of insurance shall be mailed to the following address or any subsequent address as may be directed in writing by the City:

CITY OF DALY CITY  
Risk Manager  
333 - 90th Street  
Daly City, CA 94015

**7.2.7 Subcontractors**

Contractor shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements for each subcontractor with terms, conditions and amounts of insurance at least equal to those set forth herein for Contractor.

**7.2.8 Modification of Insurance Requirements**

The insurance requirements provided in this Agreement may be modified or waived by City's Risk Manager, in writing, upon the request of Contractor if the Risk Manager determines such modification or waiver is in the best interests of City considering all relevant factors, including exposure to City.

**7.3 Performance Bond****7.3.1 Performance Bond Requirement**

Within ten (10) calendar days from the execution date of this Agreement and upon the commencement of each Contract Year thereafter, Contractor shall procure and provide the City with a fully prepaid surety bond, for at least the duration of such Contract Year, to guarantee and assure the prompt and faithful performance of Contractor's obligations under this Agreement. Such bond shall be executed by a surety licensed to transact business in the State of California, shall name the City of Daly City as obligee, shall provide at least thirty (30) calendar days prior notice of any cancellation, and shall be in the amount of Five Hundred Thousand Dollars (\$500,000.00). The form of the bond and the surety are subject to the approval of City's Risk Manager and the City Attorney. All provisions for performance bonds shall be deemed an eligible expense.

**7.3.2 Alternative to Performance Bond**

As an alternative to the performance bond required by Section 7.3.1, at City's option, Contractor may deposit with City a fully prepaid irrevocable letter of credit for at least the duration of the Contract Year for which the letter of credit is deposited. Such letter of credit shall be in the amount of Five Hundred Thousand Dollars (\$500,000.00). The form of the letter of credit and the issuer of the letter of credit are subject to the approval of City's Risk Manager and the City Attorney. Nothing in this Section 7.3.2 shall in any way obligate City to accept a letter of credit in lieu of the performance bond.

**3030 7.3.3 City's Rights**

3031 City shall have the right to draw against the faithful performance bond or the letter of credit in the event  
3032 of a breach or default of Contractor or the failure of Contractor to perform fully any obligation under  
3033 this Agreement. Within five (5) calendar days of receipt of notice from City, Contractor shall renew or  
3034 replace such sums of money as needed to bring the faithful performance bond or letter of credit  
3035 current.

**3036 7.3.4 Guaranty**

3037 Concurrently with execution of this Agreement, Contractor shall furnish a guaranty of its performance  
3038 under this Agreement, in the form of Exhibit E, properly executed by Republic Services, Inc., a Delaware  
3039 corporation which, as the ultimate parent company of Contractor, owns all of the issued and  
3040 outstanding common stock of Contractor.



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**ARTICLE 8: CITY'S RIGHT TO PERFORM SERVICE**

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**8.1 Emergency Conditions**

The City Manager may declare the existence of an Emergency Condition and shall provide notice as soon as practicable to Contractor of said declaration. Within 72 hours an emergency meeting of the City Council shall be scheduled and consideration of the continuation of an Emergency Condition shall be heard by the City Council. The City Council shall, by resolution, declare the continued existence of the emergency condition, if appropriate, and transmit a certified copy of the resolution to Contractor.

**8.1.1 Emergency Operations**

The Parties acknowledge that either temporary cessation or cessation of indeterminate duration of the services to be provided by Contractor hereunder may result in conditions detrimental to the public health, safety and welfare and that, in order to protect the public, invoking the extraordinary provisions of this section may be necessary. From and after the declaration of the existence of an Emergency Condition, City or the designee of City (irrespective of whether such designee is another public agency or privately-owned entity) may assume and carry out, as the "Emergency Operator", any or all Collection operations of Contractor hereunder. During the period of the Emergency Condition exists all revenues which, but for the Emergency Condition, would accrue hereunder to Contractor, shall instead accrue and be payable to the Emergency Operator.

**8.1.2 Use of Contractor's Facilities**

Upon the declaration of the existence of an Emergency Condition pursuant to this Section, Contractor shall make available and relinquish to the Emergency Operator all of Contractor's operable vehicles, equipment, and other facilities necessary or convenient for providing Collection in the Service Area. Further, Contractor shall provide the Emergency Operator access, and/or rights of access, to such transfer station facilities and/or Disposal or Processing facilities available to, or under the control of, Contractor for the transferring and disposal of Discarded Materials, and Contractor shall, to the extent it possesses rights to use such transfer, Disposal, or Processing facilities, assign such rights to the Emergency Operator for use during the existence of the Emergency Condition. Notwithstanding the foregoing provisions of this section, the use of Contractor's vehicles, equipment, and other facilities and the assignment of rights to Contractor shall, in the case of Contractor's insolvency, bankruptcy or other adverse financial condition, be subject to the provisions of the United States Bankruptcy Act (11 U.S.C. §§101 et seq.) to the extent applicable. During the existence of an Emergency Condition the Emergency Operator shall operate, maintain and repair, and adequately insure, without cost to Contractor, Contractor's vehicles, equipment and other facilities used by it. Upon the cessation of the Emergency Condition the right to use such vehicles, equipment and facilities shall expire and the Emergency Operator shall return said vehicles, equipment and facilities to Contractor in a condition substantially the same as that which existed upon acquiring said vehicles, equipment and facilities, ordinary wear and tear excepted.

**8.1.3 Indemnification**

In the event that an Emergency Operator appointed by City utilizes any facilities and/or equipment of Contractor, City shall defend, indemnify and hold harmless Contractor and its affiliates from and against any and all losses, expenses, liens, claims, demands and causes of action of every kind and character (excluding those based upon the sole active or passive negligence or willful misconduct of Contractor, its

officers, employees and agents) for death, personal injury, property damage or any other liability or damages, including costs, attorneys fees, and settlements arising out of, or in connection with, the use of Contractor's facilities and/or equipment.

#### **8.1.4 Cessation of Emergency**

At any time after the Emergency Operator has commenced the Collection of Discarded Materials, City may hold a hearing on the question of the cessation of the Emergency Condition upon giving not less than forth-eight (48) hours' prior written notice to Contractor and the Emergency Operator. At the hearing Contractor, the Emergency Operator, and any and all interested persons shall be given the opportunity to be heard on the question aforesaid. Upon the conclusion of the hearing, City shall determine if the Emergency Condition has ceased. If it is determined that the Emergency Condition has ceased, the City Council shall, by resolution, declare the cessation of the Emergency Condition, and transmit a certified copy of the resolution to Contractor.

#### **8.1.5 Resumption of Service**

Upon the declaration of cessation of the Emergency Condition, the Emergency Operator shall return to Contractor its vehicles, equipment, and other facilities acquired and used by it. Further, upon the declaration of cessation of the Emergency Condition, and unless City has terminated this Agreement pursuant to Article 9, Contractor shall recommence its operations hereunder and shall perform all of its duties and obligations in accordance with the provisions hereof, and shall be entitled to all of its rights hereunder, including accrual of revenues for its benefit, from and after the date upon which the Emergency Condition shall be deemed to have ceased.

#### **8.1.6 Limitation**

Notwithstanding anything herein contained to the contrary, no Emergency Condition shall exist for more than 180 consecutive days. Upon the expiration of said 180 days, and unless the Emergency Condition has ceased prior thereto, this Agreement shall terminate. In the event of such termination no rights shall accrue to Contractor under this Agreement from and after the date of termination.

#### **8.1.7 City Termination of Agreement**

Notwithstanding the provisions of Section 8.1.5., if, upon the cessation of the Emergency Condition, the City Council determines that Contractor is not substantially able to perform its duties and obligations hereunder due to the effects of the Emergency Condition, the City Council may declare this Agreement terminated effective upon the date of the cessation of the Emergency Condition. In the event of such termination no rights shall accrue to Contractor under this Agreement from and after the date of termination.

### **8.2 Disaster Operations**

#### **8.2.1 Availability of Contractor's Personnel and Equipment**

In event of wartime, natural, physical or other disaster in or proximate to the City Limits resulting in the declaration of a State of Emergency by the City Manager or City Council, Contractor shall make available to City, at no cost to City, all equipment, vehicles, and/or personnel normally performing services under this Agreement, for emergency operations conducted or directed by the City.

**3120 8.2.2 Temporary Possession and Employment**

3121 City shall have the right to take temporary possession of all such vehicles and equipment made available  
3122 by Contractor, and to temporarily employ all such Contractor personnel as emergency operations forces  
3123 of City, under the direction and control of the City.

**3124 8.2.3 Use of Additional Equipment**

3125 Contractor may make available, in addition to the vehicles, equipment, and personnel provided in  
3126 Section 8.2.1 above, equipment, vehicles, and personnel from those Contractor operations and  
3127 resources not otherwise serving City pursuant to this Agreement, to the extent necessary to conduct  
3128 effective Discarded Materials Collection and removal services during any declared State of Emergency,  
3129 subject to the direction and control of the City.

**3130 8.2.4 Reimbursement**

3131 City shall not be required to compensate Contractor in any manner or form for Contractor's provision of  
3132 Equipment, vehicles, or personnel normally performing services under this Agreement within the City  
3133 Limits, when made available during a declared State of Emergency. When additional equipment,  
3134 vehicles, or personnel are provided during such an emergency, pursuant to Section 8.2.3 above, City  
3135 shall compensate Contractor for actual expenses incurred by Contractor in providing such equipment,  
3136 vehicles, and/or personnel upon submission by Contractor to City of detailed records of costs and  
3137 expenses actually borne by Contractor, and upon approval by the appropriate Federal agency of City's  
3138 reimbursement of expenses incurred by Contractor during such State of Emergency.

**3139 8.2.5 Indemnity**

3140 In the event of a declared State of Emergency during which City takes possession of and utilizes the  
3141 equipment, vehicles and/or personnel of Contractor pursuant to this Section 8.2, City agrees to  
3142 indemnify and defend Contractor and its officers, directors, agents, and employees, and hold such  
3143 parties harmless against all actions, suits, liabilities, costs, and expenses (including reasonable attorneys'  
3144 fees and costs of defense) arising out of or related to City's possession and operation of all Contractor's  
3145 equipment, vehicles, and facilities utilized by City to render services during any such State of Emergency.

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**ARTICLE 9: DEFAULT, REMEDIES, AND LIQUIDATED DAMAGES**

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**9.1 Right to Demand Assurances of Performance**

The Parties acknowledge that it is of the utmost importance to City and the health and safety of all those members of the public residing or doing business within City who will be adversely affected by interrupted waste management service, that there be no material interruption in services provided under this Agreement.

If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out, picketing or other concerted job action; (ii) appears in the reasonable judgment of City to be unable to regularly pay its bills as they become due; or, (iii) is the subject of a civil or criminal judgment or order entered by a Federal, State, regional or local agency for violation of an Applicable Law, and City believes in good faith that Contractor's ability to perform under this Agreement has thereby been placed in substantial jeopardy, City may, at its sole option and in addition to all other remedies it may have, demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form and substance as City believes in good faith is reasonably necessary in the circumstances to evidence continued ability to perform under this Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by City, such failure or refusal shall be an event of default for purposes of Section 9.2.

**9.2 Right to Terminate Upon Default**

City may terminate this Agreement upon Contractor's default of any material duty or obligation of Contractor under this Agreement and Contractor's failure to cure such default within thirty (30) calendar days of City's written notice to Contractor of such default. If the default is not capable of cure within said thirty (30) calendar days, Contractor shall provide written notice to City together with a schedule of cure within fifteen (15) calendar days of City's notice of default, shall begin action to cure the default within said thirty (30) calendar days, and shall diligently proceed to cure the default. City may accept Contractor's schedule of cure, may make a written demand that Contractor cure the default within a time period set by City, or may terminate this Agreement at the end of the thirty-day default period.

**9.3 Immediate Termination**

City may terminate this Agreement immediately upon written notice to Contractor in the event Contractor fails to provide and maintain the performance bond as required by this Agreement, Contractor fails to obtain or maintain the insurance policies and endorsements as required by this Agreement or Contractor fails to provide the proof of insurance as required by this Agreement.

**9.4 Bankruptcy or Insolvency of Contractor**

City may terminate this Agreement immediately upon written notice to Contractor upon the occurrence of any of the following and Contractor's failure to provide adequate assurance that any of the following can be removed within thirty (30) calendar days of City's demand for such assurance: (1) the appointment of a receiver or trustee to take possession of all or substantially all of the assets of Contractor; (2) Contractor's general assignment of its assets for the benefit of Contractor's creditors; (3) a court entry of any decree or order adjudging Contractor to be insolvent or bankrupt; (4) a court entry of any decree or order approving as properly filed a petition seeking reorganization of Contractor or an



arrangement under the bankruptcy laws or any other applicable debtor's relief law or statute of the United States or any State; or (5) a determination by the City Manager, based upon a statement prepared by an independent certified public accountant mutually agreed upon by Contractor and the City, that there is a reasonable probability that Contractor's financial capability to perform this Agreement is materially impaired.

## **9.5 Authority to Terminate**

The City Manager of the City of Daly City is authorized to terminate this Agreement on behalf of City. Any termination of this Agreement under this Article 9 shall not relieve Contractor of the obligation to pay any fees, taxes or other charges then due to City nor relieve Contractor of the obligation to file any daily, monthly, quarterly or annual reports covering the period to termination nor relieve Contractor from any claim for damages previously accrued or then accruing against Contractor, nor shall any termination relieve the Contractor from performing Contractor's obligations under Section 11.11 or to perform any other action expressed or implied to be required after termination of this Agreement. City shall pay to Contractor any amounts due to Contractor for the performance of services under this Agreement through the effective date of termination even though those services may be billed and collected by City following termination of this Agreement.

## **9.6 Termination Cumulative**

City's right to terminate this Agreement is cumulative to any other rights and remedies provided by Applicable Law or by this Agreement.

## **9.7 Service Complaint and Penalties**

In the event Contractor fails to provide Collection services as required under this Agreement, or where multiple complaints from a location or locations occur within a 30 day period, City may (but shall have no obligation to), and without waiving or relieving Contractor of its obligation to provide such services, make such payment or perform such other act as City deems appropriate to effectuate such services. Contractor shall reimburse City for any payments made or costs incurred by City in effectuating such services plus a fifteen percent (15%) penalty during any period Contractor fails to perform such services. City may deduct the amount of such reimbursement from sums otherwise due to Contractor under this Agreement. Further, in response to multiple complaints of non-collection, or failing to provide service to individual addresses, City may withhold two (2) months of the appropriate Discarded Materials billing Rate charged to the Service Recipient from revenue due to Contractor for each and every complaint during that period. Such penalty shall occur when in the opinion of the City complaints of non-collection are valid and their frequency and nature are such as to result in a degradation of performance under this Agreement.

## **9.8 Withholding of Monthly Payment and Nonrefundable Charges**

If Contractor fails to perform any of the following in accordance with the terms of this Agreement, City may, in addition to any other remedies provided by Applicable Law or this Agreement, 1) withhold the following amounts from payment(s) otherwise due from City to Contractor until such time as Contractor performs in accordance with this Agreement; and 2) impose the following nonrefundable charges on Contractor. Except for items A., G., and J. below, the notice and cure provisions of section 9.2 shall apply.



- 3225 A. Maintenance of Contractor's workplace for customer relations as required under Section 4.5:  
3226 Withholding of ten thousand dollars (\$10,000) per month and a nonrefundable charge of one  
3227 hundred dollars (\$100) per day.
- 3228 B. Distribution of start-up materials as required under Section 4.6: Withholding of ten thousand  
3229 dollars (\$10,000) per month and a nonrefundable charge of one hundred dollars (\$100) per day.
- 3230 C. Submission of complete and accurate reports (monthly, quarterly, and annual) as required  
3231 under Article 4.3: Withholding of ten thousand dollars (\$10,000) per month and a  
3232 nonrefundable charge of two hundred (\$200) per day.
- 3233 D. Delivery of Recyclables bins as required under Section 3.5.2: Withholding of ten thousand  
3234 dollars (\$10,000) per month and a nonrefundable charge of one hundred dollars (\$100) per day.
- 3235 E. Submission of data/documentation for the transition to the next Contractor as required under  
3236 Section 11.11: Withholding of ten thousand dollars (\$10,000) per month and a nonrefundable  
3237 charge of two hundred dollars (\$200) per day.
- 3238 F. Use of Collection vehicles meeting the noise limitations and other requirements required under  
3239 Section 3.8.5: Withholding of ten thousand dollars (\$10,000) per month and a nonrefundable  
3240 charge of two hundred dollars (\$200) per day.
- 3241 G. Use of Collection vehicles not meeting the State of California vehicle emission standards:  
3242 Withholding of ten thousand dollars (\$10,000) per month and a nonrefundable charge of two  
3243 hundred dollars (\$200) per day.
- 3244 H. Contractor's final annual report: Withholding of twenty-five thousand dollars (\$25,000) per  
3245 month and a nonrefundable charge of two hundred dollars (\$200) per day.
- 3246 I. Other material provisions of this Agreement: Withholding of ten thousand dollars (\$10,000) per  
3247 month and a nonrefundable charge of one hundred dollars (\$200) per day.
- 3248 J. Failure to meet Diversion requirements of Section 2.10.2:
- 3249 i. Achieve and maintain a Diversion rate of 30 percent by no later than July 1, 2017:
- 3250 a. For months July through September, 2017: Withholding of one thousand dollars  
3251 (\$1,000) per month and a nonrefundable charge of fifty dollars (\$50) per day.
- 3252 b. For months October through December, 2017: Withholding of two thousand five  
3253 hundred dollars (\$2,500) per month and a nonrefundable charge of two hundred  
3254 dollars (\$200) per day.
- 3255 c. For months January through June, 2018: Withholding of five thousand dollars (\$5,000)  
3256 per month and a nonrefundable charge of five hundred dollars (\$500) per day.
- 3257 ii. Maintain a minimum Diversion rate of 33 percent from July 1, 2018 through June 30, 2019:
- 3258 a. Withholding of ten thousand dollars (\$10,000) per month and a nonrefundable charge  
3259 of one thousand dollars (\$1,000) per day.
- 3260 iii. Achieve and maintain a Diversion rate of 36 percent by July 1, 2019:
- 3261 a. For months July through September, 2019: Withholding of one thousand dollars  
3262 (\$1,000) per month and a nonrefundable charge of fifty dollars (\$50) per day.

- 3263                    b. For months October through December, 2019: Withholding of two thousand five  
3264                    hundred dollars (\$2,500) per month and a nonrefundable charge of two hundred  
3265                    dollars (\$200) per day.
- 3266                    c. For months January through June, 2019: Withholding of five thousand dollars (\$5,000)  
3267                    per month and a nonrefundable charge of five hundred dollars (\$500) per day.
- 3268                    iv. Maintain a minimum Diversion rate of 40 percent by July 1, 2020.:
- 3269                    a. Withholding of ten thousand dollars (\$10,000) per month and a nonrefundable charge  
3270                    of one thousand dollars (\$1,000) per day.
- 3271                    v. Achieve and maintain a Diversion rate of 43 percent by July 1, 2021:
- 3272                    a. For months July through September, 2021: Withholding of one thousand dollars  
3273                    (\$1,000) per month and a nonrefundable charge of fifty dollars (\$50) per day.
- 3274                    b. For months October through December, 2021: Withholding of two thousand five  
3275                    hundred dollars (\$2,500) per month and a nonrefundable charge of two hundred  
3276                    dollars (\$200) per day.
- 3277                    c. For months January through June, 2021: Withholding of five thousand dollars (\$5,000)  
3278                    per month and a nonrefundable charge of five hundred dollars (\$500) per day.
- 3279                    vi. Achieve and maintain a Diversion rate of 45 percent by July 1, 2023:
- 3280                    a. For months July through September, 2023: Withholding of one thousand dollars  
3281                    (\$1,000) per month and a nonrefundable charge of fifty dollars (\$50) per day.
- 3282                    b. For months October through December, 2023: Withholding of two thousand five  
3283                    hundred dollars (\$2,500) per month and a nonrefundable charge of two hundred  
3284                    dollars (\$200) per day.
- 3285                    c. For months January through June, 2023: Withholding of five thousand dollars (\$5,000)  
3286                    per month and a nonrefundable charge of five hundred dollars (\$500) per day.
- 3287                    vii. Achieve and maintain a Diversion rate of 48 percent by July 1, 2025:
- 3288                    a. For months July through September, 2025: Withholding of one thousand dollars  
3289                    (\$1,000) per month and a nonrefundable charge of fifty dollars (\$50) per day.
- 3290                    b. For months October through December, 2025: Withholding of two thousand five  
3291                    hundred dollars (\$2,500) per month and a nonrefundable charge of two hundred  
3292                    dollars (\$200) per day.
- 3293                    c. For months January through June, 2025: Withholding of five thousand dollars (\$5,000)  
3294                    per month and a nonrefundable charge of five hundred dollars (\$500) per day.
- 3295                    K. Additional performance standards and liquidated damages as delineated in Exhibit C. Contractor  
3296                    and City agree that such withholdings and nonrefundable charges are a reasonable estimate of  
3297                    the damages suffered by City as a result of the Contractor's failure to perform and that such  
3298                    withholdings and charges shall not be considered a penalty. City shall make payment to  
3299                    Contractor of any withheld amounts (other than nonrefundable charges) within thirty (30) days  
3300                    following City's receipt of evidence satisfactory to City that Contractor has performed the  
3301                    services for which payment was withheld. No interest shall be paid on withheld amounts.

**9.9 Excuse from Performance**

- A. **Force Majeure.** Neither Party shall be in default of its obligations under this Agreement in the event, and for so long as, it is impossible or extremely impracticable for it to perform its obligations due to an "act of God" (including, but not limited to, flood, earthquake or other catastrophic events), war, insurrection, riot, labor unrest of other than the Party's employees (including strike, work stoppage, slowdown, sick out, picketing, or other concerted job action), or other similar cause not the fault of, and beyond the reasonable control of, the Party claiming excuse (each, an event of "Force Majeure"). A Party claiming excuse under this section must (i) have taken reasonable precautions, if possible, to avoid being affected by the cause, and (ii) notify the other party in writing as provided in subsection C.
- B. **Obligation to Restore Ability to Perform.** Any suspension of performance by a Party pursuant to this section shall be only to the extent, and for a period of no longer duration than, required by the nature of the event, and the Party claiming excuse shall use its best efforts to remedy its inability to perform as quickly as possible and to mitigate damages that may occur as result of the event.
- C. **Notice.** The Party claiming excuse shall deliver to the other Party a written notice of intent to claim excuse from performance under this Agreement by reason of an event of Force Majeure. Notice required by this section shall be given promptly in light of the circumstances, but in any event not later than five (5) days after the occurrence of the event of Force Majeure. Such notice shall describe in detail the event of Force Majeure claimed, the services impacted by the claimed event of Force Majeure, the expected length of time that the party expects to be prevented from performing, the steps which the party intends to take to restore its ability to perform, and such other information as the other party reasonably requests.
- D. **Post-Collection Facilities.** The above provisions shall apply to Contractor's subcontracts with Approved and Contingent Facility Operators to the same extent as set forth above (with the "Parties," in such case, being Contractor, on the one hand, and the respective Approved or Contingent Facility Operator, on the other hand).

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**ARTICLE 10: REPRESENTATIONS AND WARRANTIES**

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The Parties, by acceptance of this Agreement, represent and warrant the conditions presented in this Article.

**10.1 Contractor's Corporate Status**

Contractor is a corporation duly organized, validly existing and in good standing under the laws of the State of California. It is qualified to transact business in the State and has the power to own its properties and to carry on its business as now owned and operated and as required by this Agreement.

**10.2 Contractor's Corporate Authorization**

Contractor has the authority to enter this Agreement and perform its obligations under this Agreement. The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement. The Person signing this Agreement on behalf of Contractor represents and warrants that they have authority to do so. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.

**10.3 Agreement Will Not Cause Breach**

To the best of Contractor's and City's knowledge after reasonable investigation, the execution or delivery of this Agreement or the performance by either Party of their obligations hereunder does not conflict with, violate, or result in a breach: (i) of any Applicable Law; or, (ii) any term or condition of any judgment, order, or decree of any court, administrative agency or other governmental authority, or any agreement or instrument to which Contractor or City is a party or by which Contractor or any of its properties or assets are bound, or constitutes a default hereunder.

**10.4 No Litigation**

To the best of Contractor's and City's knowledge after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality decided, pending or threatened against either Party wherein a decision, ruling or finding, in any single case or in the aggregate, could reasonably be expected to:

- A. Materially adversely affect the performance by Party of its obligations hereunder;
- B. Adversely affect the validity or enforceability of this Agreement; or,
- C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

**10.5 No Adverse Judicial Decisions**

To the best of Contractor's and City's knowledge after reasonable investigation, there is no judicial decision that would prohibit this Agreement or subject this Agreement to legal challenge.

**3362 10.6 No Legal Prohibition**

3363 To the best of each Party's knowledge, after reasonable investigation, there is no Applicable Law in  
3364 effect on the date that Party signed this Agreement that would prohibit the performance of either their  
3365 obligations under this Agreement and the transactions contemplated hereby.

**3366 10.7 Contractor's Ability to Perform**

3367 Contractor possesses the business, professional, and technical expertise to perform all services,  
3368 obligations, and duties as described in and required by this Agreement including all exhibits thereto.  
3369 Contractor possesses the ability to secure equipment, facility, and employee resources required to  
3370 perform its obligations under this Agreement.



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**ARTICLE 11: OTHER AGREEMENTS OF THE PARTIES**

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**11.1 Independent Contractor**

In the performance of services pursuant to this Agreement, Contractor shall be an independent Contractor and not an officer, agent, servant or employee of City. Contractor shall have exclusive control over the details of the services and work performed and over all persons performing such services and work. Contractor shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. Neither Contractor nor its officers, employees, agents, contractors or subcontractors shall obtain any right to retirement benefits, Workers' Compensation benefits, or any other benefits which accrue to City employees and Contractor expressly waives any claim it may have or acquire to such benefits.

**11.2 Compliance with Law**

In the performance of this Agreement, Contractor shall comply with all Applicable Laws, regulations, ordinances and codes of federal, state and local governments, including without limitation the Municipal Code of the City of Daly City.

**11.3 Law to Govern and Interpretation**

The laws of the State of California shall govern the rights, obligations, duties and liabilities of City and Contractor under this Agreement and shall govern the interpretation of this Agreement.

**11.4 Venue**

Any litigation between City and Contractor concerning or arising out of this Agreement shall be filed and maintained exclusively in the Municipal or Superior Courts of San Mateo County, State of California, or in the United States District Court for the Northern District of California to the fullest extent permissible by Applicable Law. Each Party consents to service of process in any manner authorized by California law.

**11.5 Binding on Successors**

The provisions of this Agreement shall inure to the benefit to and be binding on the successors and permitted assigns of the Parties.

**11.6 Assignment**

The experience and expertise of Contractor are material considerations for this Agreement. Contractor shall not assign, transfer, or sell any of Contractor's rights nor delegate any of Contractor's duties under this Agreement without the express prior written consent of City. Any attempt to so assign Contractor's franchise rights or delegate Contractor's duties shall be void and of no force or effect.

The use of a subcontractor to perform services under this Agreement shall not constitute delegation of Contractor's duties. The use of a subcontractor other than those parties initially listed in Exhibit I Approved Collection Subcontractors and Exhibit K Approved Post-Collection Facilities may be allowed provided that Contractor has received the prior written authorization of City to subcontract such services, and in the case of a non-affiliate the City has approved the subcontractor who will perform such services. Contractor shall be responsible for directing the work of Contractor's subcontractors and any

compensation due or payable to Contractor's subcontractors shall be the sole responsibility of Contractor. The City shall have the right to require the removal of any approved subcontractor, Approved Facility, or Contingent Facility for reasonable cause.

#### **11.7 No Third Party Beneficiaries**

This Agreement is not intended to, and will not be construed to, create any right on the part of any third party to bring an action to enforce any of its terms.

#### **11.8 Permits and Licenses**

Contractor shall obtain, and shall maintain throughout the term of this Agreement, all necessary permits, licenses and approvals required for Contractor to perform the work and services agreed to be performed by Contractor pursuant to this Agreement, including a Daly City business license. Contractor shall show proof of such permits, licenses or approvals and shall demonstrate compliance with the terms and conditions of such permits, licenses and approvals upon request by the City.

#### **11.9 Ownership of Written Materials**

All reports, documents, brochures, public education materials, and other written, printed or photographic materials developed by City or Contractor in connection with the services to be performed under this Agreement, whether developed directly or indirectly by City or Contractor, shall be and shall remain the property of City without limitation or restriction on the use of such materials by City. Contractor shall not use such materials in connection with any project not connected with this Agreement without the prior written consent of the City.

#### **11.10 Contractor's Records**

Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, tonnages, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City and the Collection and disposition of Discarded Materials for a minimum period of three (3) years, or for any longer period required by Applicable Law, from the date of final payment to Contractor pursuant to this Agreement. Contractor shall maintain all documents and records that demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by Applicable Law, from the date of termination or completion of this Agreement. Any records or documents required to be maintained pursuant to this Agreement shall be maintained in a clear and organized manner, and be made available for inspection or audit, at any time during regular business hours, upon written request by the City. Copies of such documents shall be provided to City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Contractor's address indicated for receipt of notices in this Agreement. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Contractor's business, City may, by written request or demand, require that custody of the records be given to City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Contractor, Contractor's representatives, or Contractor's successor-in-interest

**11.11 Transition to Next Contractor**

In the event Contractor is not awarded an agreement to continue to provide services following the expiration or earlier termination of this Agreement, Contractor shall cooperate fully with City and any subsequent Contractor(s) to assure a smooth transition of services described in this Agreement. Such cooperation shall include but not be limited to transfer of computer data, files and tapes; providing routing information, route maps, vehicle fleet information, and lists of Service Recipients; providing a complete inventory of Solid Waste Containers; providing adequate labor and equipment to complete performance of all services required under this Agreement; taking all actions necessary to transfer possession and ownership of Containers to City at City's option, including transporting such Containers to a location designated by City; coordinating Collection of materials set out in new Collection Containers if new Containers are provided for in a subsequent agreement; and providing other reports and data required by this Agreement.

**11.12 Reserved****11.13 City Ownership of Containers at End of Term**

Upon expiration or early termination of Agreement, all Carts and Bins except temporary Debris Boxes purchased and put into service at Service Recipient's Premises during the Term of the Agreement shall become property of the City at no cost to the City if such Containers are fully depreciated. All Carts and Bins except temporary Debris Boxes purchased and put into service at Customers' Premises during the Term of the Agreement that have not been fully depreciated shall be available to the City, at the City's option, at a cost reflecting the net book value.

At its sole discretion, the City may elect not to exercise its rights with regards to this section and, in such case the Containers shall remain the property of the Contractor upon the expiration date of this Agreement or date of its earlier termination of this Agreement. In such case, Contractor shall be responsible for outstanding depreciation and for removing all Containers in service from premises within fourteen (14) Business Days of the expiration date or early termination date of this Agreement.

**11.14 Waiver**

The waiver by City or Contractor of any breach or violation of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of any other term, covenant or condition or of any subsequent breach or violation of the same or of any other term, covenant or condition. The subsequent acceptance by City of any fee, tax, or any other moneys which may become due from Contractor to City shall not be deemed to be a waiver by City of any breach or violation of any term, covenant or condition of this Agreement.

**11.15 Notices**

Except as provided in Article 7 - Indemnification, Insurance and Bond, all notices and other communications required or which may be given under this Agreement shall be deemed given when properly addressed and deposited in the United States mail or when personally delivered to the Parties as specified in this Section. All notices or other communications sent by mail shall be sent postage prepaid and return receipt requested to the address specified below:

To City: City Manager  
City of Daly City  
333-90th Street  
Daly City, CA 94015

With a copy to: City Attorney  
City of Daly City  
333-90<sup>th</sup> Street, Third Floor  
Daly City, CA 94015

To Contractor: Allied Waste Services  
c/o Republic Services  
3260 Blume Drive, Suite 100  
Richmond, CA 94806  
Attn: Area President

With a copy to: Timothy Benter, Esq.  
Vice President & Deputy General Counsel  
Republic Services, Inc.  
18500 North Allied Way  
Phoenix, Arizona 85054

Either Party may designate a different mailing address by providing notice to the other Party as provided in this Section. Notice by City to Contractor of a missed pick-up or a service recipient problem or complaint may be given to Contractor orally by telephone at Contractor's local office with written confirmation sent by mail or email to Contractor within forty-eight (48) hours of the oral notification.

**11.16 Representatives of the Parties**

References in this Agreement to the "City" shall mean the City's elected body and all actions to be taken by City except as provided below. The City may delegate, in writing, authority to a designated contract manager and/or to other City officials and may permit such officials, in turn, to delegate in writing some or all of such authority to subordinate officers. The Contractor may rely upon actions taken by such delegates if they are within the scope of the authority properly delegated to them.

The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as the representative of the Contractor in all matters related to the Agreement and shall inform City in writing of such designation and of any limitations upon his or her authority to bind the Contractor. City may rely upon action taken by such designated representative as actions of the Contractor unless they are outside the scope of the authority delegated to him/her by the Contractor as communicated to City.

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## ARTICLE 12: MISCELLANEOUS

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### 12.1 Entirety

This Agreement and the exhibits attached hereto represent the entire agreement of City and Contractor with respect to the services to be provided under this Agreement. No prior written or oral statement or proposal shall alter any term or provision of this Agreement.

### 12.2 Section Headings

The article headings and section headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

### 12.3 References to Laws

All references in this Agreement to laws and regulations shall be understood to include such laws as they may be subsequently amended or recodified, unless otherwise specifically provided herein.

### 12.4 Amendment

This Agreement may be amended or modified only by written agreement duly authorized by Contractor and the City and executed by their authorized representatives.

### 12.5 Severability

Should one or more of the provisions of this Agreement be held by any court to be invalid, void or unenforceable, the remaining provisions shall nevertheless remain and continue in full force and effect, provided that the continuation of such remaining provisions does not materially change the duties or obligations of either Party from those duties or obligations originally contemplated by this Agreement.

### 12.6 Counterparts

This Agreement may be executed in counterparts, each of which shall be considered an original.

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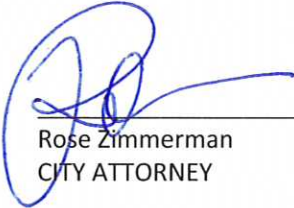
**12.7 Exhibits**

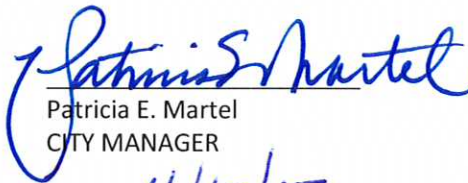
Each of the Exhibits identified as Exhibit "A" through "K" is attached hereto and incorporated herein and made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and the terms of an Exhibit, the terms of this Agreement shall control.

WITNESS the execution of this Agreement on the dates set forth below.

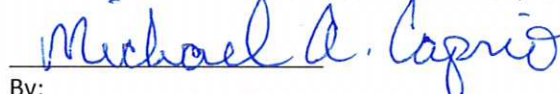
APPROVED AS TO FORM:

CITY OF DALY CITY,  
a Municipal corporation

  
\_\_\_\_\_  
Rose Zimmerman  
CITY ATTORNEY

  
\_\_\_\_\_  
Patricia E. Martel  
CITY MANAGER  
Date: 4/15/15

ALLIED WASTE SERVICES OF NORTH AMERICA, LLC

  
\_\_\_\_\_  
By: \_\_\_\_\_  
Date: 4/7/15

**EXHIBIT A**  
**MAXIMUM RATES APPROVED BY CITY**

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# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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### A. City Rates

To be inserted: Rate Period 1 rates. Rate Period 1 rates include all compensation to Contractor, and are inclusive of scheduled adjustments Contractor owes directly to Collection and Post-Collection subcontractors for each of the two years of Rate Period One, as provided in subsections B and C of this Exhibit A. Contractor portion of rates are contained in Forms 7, 8, 9 and 10 of Exhibit J, with City Fees remaining to be added.]

### B. Collection Subcontractor Compensation

#### Initial Fees

Contractor shall compensate approved Collection subcontractors from the remittances it receives from City as provided in Section 4.2.2.

Following are initial fees for these services as approved, prior to adjustment for FY 15-16 and subsequent years, as provided below.

#### 3<sup>rd</sup> Party - On-Call HHW Service

Initial Fee(s)
\$0.73 per single-family homes per month
\$0.88 per MFD home, per month

Should the City elect to initiate this service, the City shall include the on-call HHW fees identified above and adjusted as necessary as provided below, to Service Recipient Rates. Contractor shall pay the subcontractor for this service on the basis of the then-current fee(s) times the number of total applicable Service Recipients for a given period.

#### Integrity Waste, Inc. - MFD Valet Collection Service

Doorstep Service Cost/Unit		Non-Doorstep Service Cost/Unit	
# of Units	Cost/Unit	# of Units	Cost/Unit
5-50 units	\$15.95/unit	5-50 units	\$13.95/unit
51-200 units	\$13.95/unit	51-200 units	\$11.95/unit
201-500 units	\$11.95/unit	201-500 units	\$9.95/unit
500+ units	\$11.00/unit	500+ units	\$9.00/unit

# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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Integrity Waste, Inc. shall be compensated directly by MFD Complexes electing to have this service, or other mutually agreed upon billing method between the Contractor, the City and MFD Complexes electing to have the service, at the initial monthly fees shown above and as adjusted below annually.

### Adjustment of Fees

All Collection subcontractor fees shall be adjusted annually by CPI beginning for fiscal year 2015-16 (July 1, 2015-June 30, 2016), as follows:

Each Collection subcontractor fee shall be adjusted upward or downward on the basis of one hundred percent (100%) of the net percentage change in the Consumer Price Index, All Urban Consumers (All Items), for the San Francisco/Oakland Metropolitan Area as published by the U.S. Department of Labor, Bureau of Labor Statistics ("Index"). Series ID: CUURA422SA0.

The net percentage change shall be calculated by the following formula:

$$\text{Net percentage change (NPC)} = \frac{X(i) - X(i-2)}{X(i-2)}$$

Where,

X(i) = Index value for December of the year preceding the coming Rate Period;

X(i-2) = Index value for December 12 months preceding the coming Rate Period

Changes in the net percentage change of less than one tenth of one point (0.1) shall be rounded to the nearest one-tenth of a point, i.e., 1.50 to 1.54 shall be treated as 1.5; 1.55 to 1.59 shall be treated as 1.6.

Should the CPI not be published in December of the year required for calculation of rate adjustments, the CPI values of the month most immediately preceding that December shall be used. If said CPI is discontinued, it shall be replaced by the CPI which most closely approximates the original category as determined by the U.S. Bureau of Labor Statistics.

### C.Post-Collection Services Compensation

Contractor shall compensate Approved Facilities and Contingent Facilities from the remittances it receives from City as provided in Section 4.2.2. The following tables provide the initial fees for these services.



# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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### Approved Facilities

Approved C&D Processing Facility and Operator: The Blue Line Transfer Station located in South San Francisco, CA, and owned and operated by Blue Line Transfer, Inc.

Blue Line - C&D Processing	
	3. Construction and Demolition Materials Rates
	Mixed Materials
	15-Year Term
	<b>\$100.00</b>
	Construction and Demolition Materials Rates
	Mixed Materials
	15-Year Term
Facility Name	BLUE LINE TRANSFER
Facility Location	South San Francisco
Contractor component for processing services (\$/ton)	\$100.00
Total Processing Cost (\$/ton)	\$100.00
Revenues from the Sale of Materials (\$/ton) (Show as Negative Value)	\$0.00
Total rate (\$/ton)	\$100.00
Transport rate (\$/hour)	\$200.00
Stand-by rate (\$ per hour)	\$250.00

# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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Approved Compostables Processing Facility and Operator: The West Contra Costa Sanitary Landfill Organics Materials Processing Facility located in Richmond, CA, and owned and operated by Republic Services, Inc.

	West Contra Costa - Organics Processing			
	2. Organic Materials Rates			
	Food Scraps		Commingled	
		15-Year Term		15-Year Term
		\$62.00		\$62.00
	Food Scraps		Commingled	
	15-Year Term		15-Year Term	
Facility Name	West Contra Costa Sanitary Landfill Organic Materials Processing Facility		West Contra Costa Sanitary Landfill Organic Materials Processing Facility	
Facility Location	One Parr Blvd., Richmond, CA 94806		One Parr Blvd., Richmond, CA 94806	
Contractor component for processing services (\$/ton)	\$61.09		\$61.09	
Processing Facility Regulatory Fees & Taxes (list separately)				
1. Contra Costa County Processables Mitigation fee	\$0.91		\$0.91	
Total Regulatory Fees (\$/ton)	\$0.91		\$0.91	
Total Processing Cost (\$/ton)	\$62.00		\$62.00	
Revenues from the Sale of Materials (\$/ton)	\$0.00		\$0.00	
Total rate (\$/ton)	\$62.00		\$62.00	
Transport rate (\$/hour)	\$0.00		\$0.00	
Stand-by rate (\$ per hour)	\$0.00		\$0.00	

# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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Approved Disposal Facility and Operator: The Ox Mountain Landfill located near Half Moon Bay, CA, and owned and operated by Republic Services, Inc.

Allied - Ox Mountain	
	1. MSW Rates
	MSW Disposal Rate
	15-Year Term
Total rate (\$/ton)	\$45.00
	MSW Disposal Service Rate
	MSW Disposal Rate
	15-Year Term
Contractor component (\$/ton)	\$33.77
Government component	
1. San Mateo County AB939 fee	\$9.83
2. CA Board of Equalization AB1220 fee	\$1.40
Subtotal government component (\$/ton)	\$11.23
Total rate (\$/ton)	\$45.00
Stand-by rate (\$ per hour)	\$95.35

# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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Approved Mixed Waste Processing Facility and Operator: The Newby Island Resource Recovery Park, located in Milpitas, CA, and owned and operated by Republic Services, Inc.

Allied - Newby Processing	
	5. MSW Rates
	MSW intended for Processing
	15-Year Term
	<b>\$110.00</b>
	MSW Rates
	MSW intended for Processing
	15-Year Term
Facility Name	Newby Island Recyclery
Facility Location	1601 Dixon Landing Rd., Milpitas, CA 95035
Contractor component for processing services (\$/ton)	\$108.69
Processing Facility Regulatory Fees & Taxes (list separately)	
1. City of San Jose LEA fee	\$1.31
Total Regulatory Fees (\$/ton)	\$1.31
Total Processing Cost (\$/ton)	\$110.00
Revenues from the Sale of Materials (\$/ton) (Show as Negative Value)	\$0.00
Total rate (\$/ton)	\$110.00
Transport rate (\$/hour)	
Stand-by rate (\$ per hour)	

## EXHIBIT A

### MAXIMUM RATES APPROVED BY CITY

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Approved Recyclables Processing Facility and Operator: The Newby Island Resource Recovery Park, located in Milpitas, CA, and owned and operated by Republic Services, Inc.

Allied - Newby Processing		
	Recyclable Materials Rates	
	Commingled Recyclables	Source Separated Cardboard
	15-Year Term	15-Year Term
Facility Name	Newby Island Recyclery	Newby Island Recyclery
Facility Location	1601 Dixon Landing Rd., Milpitas, CA 95035	1601 Dixon Landing Rd., Milpitas, CA 95035
Total rate (\$/ton) Rate Period 1	(\$30.00)	(\$30.00)

Approved Transfer Facility and Operator: The Blue Line Transfer Station located in South San Francisco, CA, and owned and operated by Blue Line Transfer, Inc.

Allied may with City approval conduct MSW processing at the Newby Island Facility, with transfer for “MSW processing” as shown below as a contingent service.

Blue Line - Transfer to Ox Mountain, West Contra Costa Landfill, and Newby Island					
	MSW Rates		Organic Materials Rates		
	MSW intended for Processing and/or Disposal		Yard Trimmings	Food Scraps	Commingled Yard Trimmings and Food Scraps
	15-Year Term	15-Year Term	15-Year Term	15-Year Term	15-Year Term
	MSW Materials Rates	MSW Materials Rates	Organic Materials Rates		
	MSW Disposal	MSW Processing	Yard Trimmings	Food Scraps	Commingled Yard Trimmings and Food Scraps
	15-Year Term	15-Year Term	15-Year Term	15-Year Term	15-Year Term



# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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Blue Line - Transfer to Ox Mountain, West Contra Costa Landfill, and Newby Island					
Facility Name	Ox Mountain	Newby Island	West Contra Costa Sanitary Landfill Organic Materials Processing Facility	West Contra Costa Sanitary Landfill Organic Materials Processing Facility	West Contra Costa Sanitary Landfill Organic Materials Processing Facility
Facility Location	Half Moon Bay	Milpitas	One Parr Blvd., Richmond, CA 94806	One Parr Blvd., Richmond, CA 94806	One Parr Blvd., Richmond, CA 94806
Total rate (\$/ton)	\$12.39	\$12.39	\$19.00	\$19.00	\$19.00
Total transport rate (\$/ton)	\$14.22	\$23.98	\$23.48	\$23.48	\$23.48
Total propped Transfer/Transport Rate (\$/ton)	\$26.61	\$36.37	\$42.48	\$42.48	\$42.48
Transport rate (\$/hour)	\$148.33	\$187.80	\$154.00	\$154.00	\$154.00
Stand-by rate (\$ per hour)	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00

# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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### Contingent Facilities

Contingent Single Stream Recyclables Processing Facility and Operator: The Blue Line Transfer Station located in South San Francisco, CA, and owned and operated by Blue Line Transfer, Inc.

	1. Recyclable Materials Rates	
	Commingled Residential and Commercial Recyclables	Source-Separated
	15-Year Term	15-Year Term
<b>Total rate (\$/ton)</b>	<b>\$19.00</b>	<b>\$19.00</b>
	Recyclable Materials Rates	
	Commingled Recyclables	Source Separated Cardboard
	15-Year Term	15-Year Term
Facility Name	BLUE LINE TRANSFER	BLUE LINE TRANSFER
Facility Location	South San Francisco	South San Francisco
Contractor component for processing services (\$/ton)	\$19.00	\$19.00
Total Regulatory Fees (\$/ton)	\$0.00	\$0.00
Total Processing Cost (\$/ton)	\$19.00	\$19.00
Revenues from the Sale of Materials (\$/ton) (Show as Negative Value)	\$0.00	\$0.00
Total rate (\$/ton)	\$19.00	\$19.00
Transport rate (\$/hour)	\$0.00	\$0.00
Stand-by rate (\$ per hour)	\$250.00	\$250.00

# EXHIBIT A

## MAXIMUM RATES APPROVED BY CITY

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Contingent Recyclables Processing Facilities and Operators: West Contra Costa Resource Recovery (WCCRR) located in Richmond, CA, and owned and operated by Republic Services, Inc.

	1. Recyclable Materials Rates	
	Commingled Residential and Commercial Recyclables	Source-Separated
	15-Year Term	15-Year Term
Facility Name	WCCRR	WCCRR
Facility Location	101 Pittsburg Ave., Richmond CA, 94801	101 Pittsburg Ave., Richmond CA, 94801
Total rate (\$/ton) Rate Period 1	(\$30.00)	(\$30.00)

### Adjustment of Fees

All Approved Facility and Contingent Facility fees shall be adjusted annually by CPI beginning with fiscal year 2015-16 (July 1, 2015-June 30, 2016), as follows:

With the exception of the credit provided to the Maximum Rates from processing of Recyclable Materials (which shall be adjusted each Rate Period per the provisions contained within Section 6 of the Agreement) Each Approved Facility and Contingent Facility fee, less pass-through expenses including government or regulatory fees, shall be adjusted upward or downward on the basis of one hundred percent (100%) of the net percentage change in the Consumer Price Index, All Urban Consumers (All Items), for the San Francisco/Oakland Metropolitan Area as published by the U.S. Department of Labor, Bureau of Labor Statistics ("Index"). Series ID: CUURA422SA0.

The net percentage change shall be calculated by the following formula:

$$\text{Net percentage change (NPC)} = \frac{X(i) - X(i-2)}{X(i-2)}$$

Where,

X(i) = Index value for December of the year preceding the coming Rate Period;

X(i-2) = Index value for December 12 months preceding the coming Rate Period

## **EXHIBIT A**

### **MAXIMUM RATES APPROVED BY CITY**

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Changes in the net percentage change of less than one tenth of one point (0.1) shall be rounded to the nearest one-tenth of a point, i.e., 1.50 to 1.54 shall be treated as 1.5; 1.55 to 1.59 shall be treated as 1.6.

Should the CPI not be published in December of the year required for calculation of rate adjustments, the CPI values of the month most immediately preceding that December shall be used. If said CPI is discontinued, it shall be replaced by the CPI which most closely approximates the original category as determined by the U.S. Bureau of Labor Statistics.

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**EXHIBIT B-1**  
**COLLECTION SERVICES**

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## **EXHIBIT B-1: COLLECTION SERVICES**

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Contractor understands that the City is committed to Diverting materials from disposal through the implementation of source reduction, reuse, Recycling, Composting, and other programs, and that City may implement new programs that may impact the overall quantity or composition of materials to be collected by Contractor, subject to Contractor's right to petition for a change in City-approved Maximum Rates.

### **Collection Plan**

Contractor will service all City Residential, Multi-Family Properties, Commercial and industrial Customers using an automated side loader for Residential cart Customers; a combination of front-end load vehicles and rear-end load vehicles to service Multi-Family Properties and Commercial Bin customers; and a roll-off vehicle will be utilized for Debris Box and compactor customers.

The Collection vehicles will normally be staffed by one driver except in those areas where size, physical set-up and space constraints, (narrow streets, alleys, courts) may cause collection challenges and require a two-person co-collection vehicle to be used. All Contractor collection vehicles will be model year 2014 or newer Compressed Natural Gas (CNG) vehicles and will be equipped with Fleetmind, Contractor's state-of-the-art on board computer system, or equivalent computer system subject to approval by the City. All Collection vehicles will have back-up alarms and a rear view camera (excluding roll-off vehicles). All Collection trucks will be fitted with two-way direct connect radios. Each vehicle will remain within radio or computer contact with the dispatch center of the local supervisor on the routes.

### **Allocation of Materials**

Contractor may commingle material from adjacent jurisdictions (i.e., Colma and Broadmoor) in order to maintain efficient routing and a reduced carbon footprint. Contractor understands the need for the City to verify waste diversion of material that is exclusive to the Agreement, therefore, Contractor will conduct semi-annual waste audits. At least two (2) times per year, Contractor will run allocation percentages to properly report and record materials collected from the Broadmoor area separately from materials collected from the City. When determining the correct allocation percentage for the Broadmoor area, Contractor will calculate the total capacity of each material stream (i.e., solid waste, single-stream recyclables, and organics) by determining the total number of containers for each material stream and multiplying that by the frequency that each of the containers is collected weekly (i.e., ten (10) 32-gallon containers collected once per week equals 320 gallons of capacity). Contractor will take the sum total capacity of each material stream for all accounts in the Broadmoor area and will use the same methodology for determining the total capacity collected of each material stream for all accounts in the service area. Contractor will then compare the Broadmoor capacity totals with the total capacity collected to determine the correct tonnage allocation percentage to be associated with Broadmoor (i.e., if Broadmoor's sum total calculation is 320 gallons and the overall sum total calculation is 3,200 gallons, the appropriate tonnage allocation attributed to Broadmoor would be 10%).

### **Vehicle Signage and Painting**

All new vehicles will be painted before first use and repainted as needed to maintain a clean, professional appearance. Graphics will meet or exceed the provisions of this agreement and the standards in Republic Services' *Fleet Graphics Standards*. If there is a change to the document, Contractor will notify City and provide a revised version. If City determines that revised standards

## **EXHIBIT B-1: COLLECTION SERVICES**

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represent a significant degradation in signage and painting requirements, the Contractor will conform to the signage and painting requirements previously approved by the City.

### **Equipment Maintenance**

Contractor will meet or exceed all maintenance requirements as referenced in the Republic Services Fleet Maintenance Standards and Procedures. If the document is revised, Contractor will notify City and provide a revised version. If the City determines that the revised standards or procedures represent a significant degradation in equipment maintenance requirements, the Contractor will conform to the maintenance requirements previously approved by the City.

### **Cart and Container Specifications**

To allow for improvements in collection and customer service, Container specifications may be modified from time to time by mutual written agreement of Contractor and City. Container specifications are as follows:

#### **Carts**

Carts will have a one-piece mold-in handle and an attached lid that seals the cart interior. The carts will contain at least 30 percent post-consumer materials and have a manufacturers' warranty of 10 years. Contractor will keep an adequate inventory of all carts on hand as replacement units. Each cart will be labeled or hot-stamped with information regarding proper materials, use and unacceptable materials. Carts will be black in color for Solid Waste, blue for Recycling and green for Compostable materials.

#### **Bins**

Commercial and Multi-family Properties that request service container customers will be provided with metal container bins. The bins are designed for compatibility with FEL vehicles and will be available in a range of sizes, from 1-6 and 8 cubic yards. Commercial Solid Waste containers will be dark blue in color, green for Recycling and dark blue with an identifiable red stripe for Compostable material.

Gravity locks will be installed on all new and replacement commercial containers. A gravity lock is an automatic lock release secured to the Container and locked with a padlock, which can be opened with a key. The lock releases when tipped by the Collection truck, allowing the container to be emptied. It relocks into place upon returning to the ground.

#### **Debris Boxes**

Debris Box customers will be provided with metal bins designed for compatibility with roll-off vehicles and come in a several sizes, ranging from eight to 30 cubic yards. Debris Boxes will be blue in color.

# **EXHIBIT B-1: COLLECTION SERVICES**

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## **Single-Family Dwelling Solid Waste Collection**

Contractor will service all single-family carts using an automated side loader (ASL) truck. Contractor will collect solid waste with new ASL Automators with a 30-cubic yard body. Each collection vehicle is operated by a single driver and will be painted in a uniform manner in featuring the company logo.

Allied proposes to use blue carts for residential trash collection. Residents will be offered the option of choosing either a 32, 64 or 96-gallon cart. If a customer needs more than one collection cart, Allied will provide an additional cart for a fee to accommodate the customer's needs.

The ASL cart collection methodology is fast and efficient and requires approximately 8 to 12 seconds to complete the cycle (pick up cart, deposit contents, place cart back onto the curbside) before the driver moves to the next stop. The curbside collection process is as follows:

1. Driver pulls up to the curb.
2. Driver activates a toggle switch to extend the automated arm to the curbside container.
3. Driver activates another toggle switch to position the arm-grabbing mechanism and takes hold of the container.
4. Driver operates the arm and brings the container to the body of the collection vehicle
5. Driver operates the arm to activate the vertical lift that dumps the contents of the container into the hopper. The vertical lift reverses and brings the container back to the operating surface.
6. Driver operates the arm, grabs the container, and returns it to its original location at the curb.
7. The hydraulic mechanism within the body of the vehicle automatically compacts the load within the truck body.

At each stop, our driver will also make sure that the following procedures are followed:

1. Cart container is returned to the curb in an upright position.
2. Lid on cart container is closed.
3. Any spillage is picked up and deposited in the collection vehicle.
4. Report any service issues, i.e., damaged containers; carts not out; over loaded cart.

## **Single-Family Dwelling Weekly Single-Stream Recycling Collection**

Contractor will offer all single-family customers weekly, fully automated single-stream recycling collection services. Recycling carts will be serviced with the same equipment and manner as residential solid waste carts. Contractor will collect recycling carts with new ASL Automators with a 30-cubic yard body. Each collection vehicle is operated by a single driver and will be painted in a uniform manner featuring the company logo. All single-family customers will be issued a blue 64-gallon wheeled recycle cart. 32-gallon carts will be available with restrictions approved by the City. The carts will have an in-mold label with single-stream recycling information and instructions.



## **EXHIBIT B-1: COLLECTION SERVICES**

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### **Single-Family Dwelling Weekly Organics Collection**

Contractor will offer all residential customers weekly, automated collection of accepted organic materials. Contractor will provide a commingled organics program that adds food scraps and food soiled paper to the existing green waste program for single-family customers. Commingled systems, which collect all organics, maximize diversion and efficiently collect these materials using a single container, unified collection infrastructure, and integrated processing. Food scraps will be simply added to the green waste in these containers or bagged, depending on the practices at the City-selected composting facility. All single-family customers will be issued a green 32-gallon wheeled organics cart. A 64-gallon cart is available upon request. The carts will have an in-mold label with organic recycling information and instructions. Holiday trees will be collected curbside for a specified period of time at no additional charge to the customer. All organic materials will be delivered to a processing facility or facilities designated by the City.

Organics carts will be serviced with the same equipment and manner as residential solid waste and recycling carts. Contractor will collect residential organics with new ASL Automators with a 30-cubic yard body. Each collection vehicle is operated by a single driver and will be painted in a uniform manner with the company logo.

### **Back Yard/Side Yard Collection**

Contractor will provide Back Yard/Side Yard service to any resident who is physically unable to transport their solid waste, recycling and organic carts to the curb. Single-family customers without any physical or age limitations may also request this service for an additional fee.

### **Used Motor Oil and Used Motor Oil Filter Recycling Collection**

Contractor will pick up used motor oil and used filters that are properly placed in approved, sealed containers). Customers may place up to two 1-gallon plastic jugs with screw-cap lids for used motor oil and 1-gallon plastic zip-lock-type bags for used oil filters at the curb per week on their collection day. Specific directions for proper containment of used motor oil and used motor oil filters will be provided to all single-family customers.

At the curbside point of collection, drivers will exit the vehicle, pick up the used oil containers and deposit them into a special holding container on the body of the vehicle for emptying and recycling. Used oil filters will be deposited in a special holding container on the body of the vehicle for emptying and recycling.

### **Battery and CFL Recycling Collection**

Contractor will collect household batteries and compact fluorescent bulbs (CFLs) placed on top of the recycling cart in customer provided clear zip-lock or tie-close plastic bags clearly marked "Used Batteries" or "CFLs". Contractor's personnel will empty the bag at the point of collection and leave the bag to be reused by the customer by placing the bag inside the cart handle. Acceptable batteries for collection include:

- Batteries that bear the three (3) chasing arrows or a comparable recycling symbol

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- Nickel-cadmium batteries labeled “nickel-cadmium” or “Ni-Cad,” with the phrase “Battery Must Be Recycled or Disposed of Properly.”
- Regulated lead-acid batteries labeled “Pb” or with words “Lead, Return, and “Recycle” and if the regulated batteries are sealed, the phrase “Battery Must Be Recycled.”
- Rechargeable consumer products containing non-removable Ni-Cad batteries must be labeled with the phrase “Contains Nickel-Cadmium Battery. Battery Must Be Recycled Or Disposed of Properly.”
- Rechargeable consumer products containing non-removable regulated lead-acid batteries must be labeled with the phrase “Contains Sealed Lead Battery, Battery Must Be Recycled.”

Customers may also drop-off household batteries free of charge at Contractor’s office located at Edgeworth Avenue. In addition, e-waste can be dropped-off for a charge.

### **On-Call Household Hazardous Waste Collection**

If and when directed by City to implement an on-call HHW Collection program, Contractor will offer special household hazardous waste (HHW) kits for proper placement and disposal. Customers simply call our customer service center to order a kit, which will be mailed to their home, and schedule a collection appointment. The kit includes a 42-gallon HHW bag which can be filled with accepted items, not to exceed 50 pounds, material labels and disposal instructions. Once material is properly stored and ready for collection, a driver trained in proper HHW handling, will collect the material in an approved vehicle specifically designated to transport hazardous material. This driver will conveniently collect from your home your HHW and other eligible items that cannot be disposed of in your garbage or recycled in your curbside recycling program. This program is available for all residents (single-family, condos, townhomes and apartments). Residents may schedule as many HHW collection appointments as needed. Contractor may choose to utilize a 3<sup>rd</sup> party provider, paid for by the Contractor, to perform this service.

### **Steps for Door-to-Door Pickup**

Step 1: Call Contractor and explain the type and quantity of waste you wish to have picked up from your home. A collection appointment will be scheduled at this time.

Step 2: Contractor will then send you a Collection Kit within a few days, which includes an instruction sheet, plastic bag for your materials, labels for the items and a tie for the bag.

Step 3: Follow the Kit instructions to properly prepare your materials. Use the provided labels to ensure items are clearly marked. Containers must have lids, and be of 5-gallon capacity or less. Some items must be placed separately next to the bag. Set out your items for collection by 7 a.m. on your scheduled collection day as directed.

Step 4: Recommended placement for HHW is at the customer’s doorstep, or at an agreed upon location in the customer’s front yard. Keeping this material away from the curb can alleviate any concerns that citizens may open the bags and endanger themselves or the environment.

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Contractor will coordinate with MFD property owners/managers to agree upon a collection location at the individual property. HHW collection service will be advertised through location newsletters and Contractor provided outreach information.

### Acceptable Waste

In general, most ordinary household chemicals purchased at retail stores are eligible for HHW collection. All containers must be labeled and not leaking. If a container leaks, residents are instructed to transfer it to a leak proof container and label it. If a container is not labeled, participants are told to place a label on the container. Blank labels will be provided with the kit and the instruction sheet.

The quantity of HHW that can be collected at any one time is limited to the items that can be placed into the bag. If the participant has more waste than can be accommodated, another collection event can be requested.

### Non-Acceptable Waste

Commercial waste, waste from businesses, unusually large quantities of the same waste are not eligible for the HHW program. Drivers in the field are qualified to make the decision to collect or not to collect the HHW waste based on established criteria and company procedures.

### Household Hazardous Waste Types

Acceptable	Non-Acceptable
Pesticides	Biological Waste
Insect Sprays	Radioactive materials including
Herbicides	Smoke detectors
Rust removers	Ammunition
Swimming pool chemicals	Explosives
Wood preservatives	Commercial chemicals
Chlorine Bleach	Large containers over 5 gallons
Drain Openers	Materials improperly packaged for
Corrosive Chemicals (non-commercial)	Transportation
Lye	Fire Extinguishers
Muriatic Acid	Gas Cylinders
Hobby Chemicals	Unknown materials
Lubricants	Tires
Used Motor Oil	Appliances
Used Transmission Fluid	Liquid Mercury
Gear Oil	Driveway Sealer limited to 5 gallon
Paint Products	All Medicines/Pharmaceuticals
Oil	
Latex	
Spray	
Stripper	
Paint Thinners	
Automotive Chemicals	
Waxes	
Polishes	

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Acceptable	Non-Acceptable
Cleaners	
Carburetor Cleaner	
Brake Fluid	
Gasoline	
Antifreeze	

### **Multi-Family Solid Waste Collection Service**

Contractor will offer an array of cart and container sizes to customize service to different sizes and needs of MFDs. The utilization of vehicles as described in the Commercial Solid Waste Collection Section as multi-family customers are integrated into commercial routes.

Contractor may integrate MFD cart collection on to existing residential collection routes (please refer to the curbside collection process as outlined above for single-family collection). In all cases, Contractor will identify the correct equipment to service multi-family complexes based on individual location and unique characteristics of that facility. If the MFD complex requests bin service, they will be supplied with 1- 6 yard capacity solid waste bins and/or 8 to 40 yard capacity roll-off boxes. As a baseline for MFDs, Contractor will provide no less than 96 gallons of container capacity for every five units in the complex equating to approximately 20 gallons per resident.

Contractor will service multi-family solid waste carts, bins, drop boxes or compactors at least once per week, and up to six times per week, depending upon customer requirements. MFDs that have collection issues such as narrow streets, traffic blockages and alleyways, may require the use of a rear-load vehicle. In all cases, our drivers are familiar with these areas but are also trained to ensure the utmost in personal safety and property protection, including awareness of traffic stops, distance to parked cars and other objects, overhead power lines, low-hanging trees, and street surface conditions. Drivers take these factors into consideration each and every day to ensure the most efficient and safe operations at multi-family complexes and surrounding neighborhoods.

Contractor will implement the same equipment and methodology used in single-family cart collection when servicing MFD solid waste cart customers. The same equipment and methodology will be implemented as with commercial bin collection when servicing MFD solid waste bin customers since these customers are integrated into commercial routes.

The collection methodology for MFD bin customers for solid waste is intended to efficiently collect bin contents with as few driver steps as possible, while ensuring customer safety, efficiency and limited spillage. Using a front-end load collection vehicle, Contractor's bin collection process is as follows:

1. Driver arrives at address.
2. Multi-family bin is located so the driver can approach the bin and begin the lifting process. If necessary, the driver will exit the vehicle, unlock/open a gate, and position the bin for proper and safe lifting.

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3. Once the bin is properly and safely positioned for lifting, the driver moves the vehicle into position, maneuvers the forks into the bin slots, lifts the bin automatically, and deposits the contents of the bin into the body of the truck.
4. Driver controls the forks to slowly lower the bin back to its standing position.
5. When the bin has been properly emptied, the driver either leaves the location or exits the vehicle to physically move the bin back into its proper area and, if applicable, closes and relocks the gate.
6. In all multi-family collections, drivers always ensure the lid of the bin is closed before leaving the area and will clean up any litter as a result of the collection activity. Contractor operations team will factor in different collection methods at each stop to accommodate various service requirements.

Contractor will collect MFD solid waste using new front load trucks with a 40 cubic yard body. Two (2) new standard rear load trucks with 27 cubic yard bodies will be used for hard to service areas and bulky collections. Each FEL collection vehicle is operated by a single driver; however rear load vehicles may include one or two drivers. All vehicles will be painted in a uniform manner, featuring the company logo.

### **Multi-Family Dwelling Weekly Single-Stream Recycling Collection**

Contractor will offer weekly single-stream recycling services for all MFD customers. Cart options include 64 or 96 gallon capacity or bins ranging in size from 1-6 and 8 cubic yard containers. The same equipment and methodology used in single-family cart collection will be implemented when servicing MFD recycling cart customers. MFD recycling front-load bin customers will be serviced using the same methodology as MFD trash front-load bin customers and will be integrated into commercial routes. In order to reach MFD residents who do not directly pay a solid waste bill, Contractor will create and deliver information to property managers with the end goal of distributing to tenants. As with single-family customers, MFD customers will be able to comingle all accepted recyclable material into the appropriate recycle cart(s) or bin(s). These recycle containers will be collected at a minimum of once per week depending on the service level. Contractor will collect MFD recyclables with one standard front-end load truck with a 40 cubic yard body. Each FEL collection vehicle is operated by a single driver.

### **Multi-Family Dwelling Yard Trimmings Collection**

Contractor will provide weekly yard trimming recycling services for MFD customers on request. Customers will be provided 64-gallon green carts. The same equipment and methodology used in MFD solid waste and recycling cart collection will be implemented when servicing yard trimmings carts.

### **Multi-Family Enhanced Diversion – Small Apartment Complexes**

Contractor will provide the opportunity for source-separated food scrap collection to MFDs that are 49 units or smaller. In this collection program, each MFD that participates will receive subscription-based food scrap collection carts and separate containers for trash. Contractor will deliver all collected food scraps to a processing facility or facilities designated by the City. Contractor will deliver the remaining dry mixed waste/recyclables to a processing facility or facilities designated by the City



## **EXHIBIT B-1: COLLECTION SERVICES**

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Contractor will perform site visits at MFDs six months prior to the new contract start date in order to recruit properties and offer technical assistance and educational resources to property managers. During these site visits, it will be critical to help property managers feel prepared and engaged in the successful implementation of food scraps collection at their property. Two weeks prior to site visits, each MFD under 49 units will receive a letter introducing the food scraps program and notifying them to the upcoming site visits. We find that providing notice prior to the site visit allows property managers to prepare for our visit and increases their willingness to discuss new service offerings and changes.

During site visits, Contractor's outreach staff will encourage property managers to take advantage of the tools and resources included with the subscription-based food scraps collection program, such as:

- Educational materials, including collection tips and guidelines.
- Kitchen pails to make collecting food scraps easier for residents and providing a simple tool to keep food scraps separate from other wastes.

After program implementation, Contractor will provide ongoing outreach to all MFDs. Our staff will perform additional outreach blitzes throughout the first few months of service for all small MFDs by district. During these outreach blitzes, Contractor will offer MFDs additional outreach materials, answer service questions, and help property managers address any challenges such as contamination.

Our outreach materials will emphasize what is accepted in the source separated food program, and will focus on keeping the food scraps out of the trash container. For more information on acceptable items, please refer to Figure 1 on page B1-10. Residents may place food scraps in either a clear plastic bag or a biodegradable bag.

### **Multi-Family Enhanced Diversion – Large Apartment Complexes**

Contractor will offer large MFD communities a two-container system allowing for the continued collection of single-stream recyclables and mixed solid waste. Contractor will provide comprehensive site assessments to identify multi-family customers which produce significant amounts of "dry" recyclables, such as fiber, and significant amounts of wet material, such as food scraps. After a comprehensive assessment of each MFD container(s), a reroute of the MFD collection system will be performed to isolate wet and dry mixed waste. Both wet and dry waste will be delivered to a processing facility or facilities designated by the City. Contractor will perform waste characterization audits of the individual MFD containers and provide a detailed report of recyclable content, type of material, percentage of organic content and other relevant information.

The assessments will include observing the materials flow within the MFD and auditing what is being disposed. Recyclable materials in the garbage, and contaminants in the recyclables or compostables are noted on an assessment form, and staff then schedules time to discuss service option changes with the property manager. Contractor will make the appropriate changes to service as recommended by the assessment.

Container colors will match, as closely as possible, the color scheme used for residential solid waste, recycling and organics containers. This color scheme was chosen to simplify the process for customers regardless of service sector. Containers will also be clearly identified with large decals, in multiple languages.

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Site visits at large MFDs will be conducted six months prior to the new contract start date in order to recruit properties and offer educational and technical assistance resources to the property managers. Two weeks prior to site visits, each targeted MFD will receive a letter introducing the program and describing educational resources available.

Contractor will develop effective educational materials that help ensure quality program participation from residents. Our outreach materials will emphasize what is accepted in the single stream recycling program, and will focus on keeping clean recyclables out of the trash container.

Additional efforts will be made to keep household hazardous materials and electronic waste out of either stream for separate collection and disposal through tenant outreach materials, bulky collection guidelines. For more information on acceptable items for Contractor's recycling program, refer to the figure below.

### **Solid Waste (Wet) Container: All wet material, including food scraps**

#### **ACCEPTABLE FOOD SCRAP MATERIALS**

- **Fruits and vegetables**
- **Breads and pastas**
- **Yard trimmings and clean wood**
- **Food-soiled cardboard, paper, napkins and cups**
- **Dairy products**
- **Meat and seafood**

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### Recycling (Dry) Container:

#### ACCEPTABLE DRY RECYCLABLE MATERIALS

- Clean paper and cardboard
- Glass bottles and jars
- Rigid plastics
- Metal cans and scrap metal
- Clean wood

*Contractor will also collect several material types not normally recovered, including:*

- *Reusable Items*
- *Carpet and carpet padding*
- *Clean Expanded Polystyrene block packing materials*
- *PLA bioplastic bottles*
- *Plastic bags*
- *Mixed plastics*
- *Non-container aluminum (foil and extruded)*
- *All other materials for which a viable market can be found*

#### Diversion tracking

Contractor understands the importance of tracking all tonnages by sector and material type in order to properly identify diversion numbers to help inform future program decisions and highlight the progress towards diversion goals. In order to ensure we provide data in an efficient and accurate manner, we propose that:

- All MFDs will have a unique “customer type” code that allows for them to be tracked separately from commercial and single family accounts.
- All commodity types such as food scrap, recycling, trash and their corresponding container sizes will receive unique codes. For example, a 96 gallon organics container will be 96O or a 2-yard recycling container will be 2R.
- Material types will be serviced by corresponding routes, which will determine the final material destination.

When running reports, we will be able to filter by sector (MFD, commercial or single family), by commodity type (food scraps or processed solid waste), by route to identify cubic yards serviced, and

## **EXHIBIT B-1: COLLECTION SERVICES**

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provide a calculation of the amount and type of material Contractor collected and where we delivered collected material for processing or disposal.

### **Commercial Solid Waste and Recycling Collection**

Contractor will offer bin container, cart, roll-off box and compactor collection services for commercial solid waste and recycling customers depending on the customer's specific needs. Service will be provided using collection trucks manned by one driver similar to services offered for MFDs. Commercial solid waste and recycling customers will be given a choice of subscription service levels: Customers may select solid waste cart(s) 32, 64 and 96 gal; 1-6 yard-capacity solid waste bins; or 8-yard to 40-yard capacity open roll-off or compactor boxes. Commercial customers will be serviced at least once per week and up to six times per week depending on service needs.

Commercial carts will be serviced with either an ASL vehicle (or rear-load vehicle for hard to service areas). Please refer to Single-Family Dwelling for description on vehicles and collection methodology.

Contractor's roll-off and compactor customers will be serviced with 3-axle roll-off trucks capable of transporting containers ranging in capacity from 8-to-40 cubic yards. Compactor service will be available using compactors ranging from 8- to 40-yards capacity.

### **Commercial Food Waste Collection**

Contractor will offer weekly food waste recycling services for all commercial accounts based on customer need. Customers will be provided with a 96-gallon green / food waste cart for collection as the default container size. Customers will receive 64 or 96 carts or 1-3 yard bins, depending on their needs, and have the option of receiving service up to five days per week. The same equipment and methodology will be implemented for commercial food waste cart and container collection previously described (ASL and FEL trucks).

### **Expanded Commercial Food Scraps Collection**

In order to maximize customer participation and material diversion, Contractor will implement an approach that focuses on targeting key food generators and providing them with the tools, resources, and onsite assistance necessary to ensure a successful collection program. Food scraps collection participants will be provided with a food scraps and compostable paper cart. Businesses that participate in the food scraps program (i.e. organics) will be provided a three stream system, with materials being delivered to a processing facility or facilities designated by the City.

Contractor will use the following steps to estimate potential diversion from this program, including but not limited to:

1. Identify commercial and industrial accounts that belong to high food-waste-generating groups (i.e., health care facilities, hotels, schools and universities, restaurants, other food services, food stores, and food manufacturing).
2. Estimate annual volume from these accounts using the equation below. Assume containers are full when collected.
  - 2.1.  $\text{Size of container} \times \text{number of containers} \times \text{number of weekly pick-ups} \times 52 \text{ weeks/year}$

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3. Estimate volume disposed for each industry group.
4. Convert annual volumes to annual tons using industry specific densities from CalRecycle Statewide Waste Characterization Study Results and Final Report. Using business sector-based waste composition data from database of generator samples, estimate volume and tons of food waste and compostable paper disposed by each industry group.
5. Assume that 50 percent of businesses would participate in program and that it would be possible to capture 65 percent of food waste and compostable paper from those businesses.

Contractor's education and outreach team will target businesses that generate a high volume of organics material and will work to maximize business participation and recycling performance. Contractor use the Food Scraps Implementation Schedule below to target all commercial businesses within the City.

**Food Scraps Implementation Schedule**

Food Scraps Implementation					
Phase	Categories	Number of Businesses	Estimated Weekly Cubic Yards	Potential Annual Diversion	Implementation Timeline
1	Sit-Down Restaurants	89	370	203	January 2015-January 2016
2	Stores (Safeway, Costco)	31	111	44	July 2015 – July 2016
3	Schools	49	194	32	January 2016 – January 2017
4	Fast Food / Quick-Serve Restaurants	49	237	124	January 2016 – July 2017
5	Health Care Facilities	24	119	21	January 2016-2017
6	Hotels / Lodging	5	15	5	January 2016-2017

These dates can be adjusted based upon final negotiations with the City. Targeted outreach to customers will begin six months prior to the new contract start date in order to recruit and train businesses so they are prepared to successfully implement food scraps collection at the start of the new contract. Each targeted business will receive a letter introducing the organics program two weeks prior to a representative of the Contractor performing an onsite visit.

### **Commercial Roll-off and Compactor Collection Methodology and Procedures**

Roll-off and compactor collections may be regularly scheduled, temporary or on-call. Collection services are accomplished with roll-off trucks and boxes or compactors in sizes ranging from 8 to 40 cubic yards and a crew of one highly trained, professional driver. To ensure Contractor's roll-off drivers do not encounter overweight boxes, and to maximize diversion, customer service representatives will query



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customers when setting up the service as to the type and amount of waste materials they plan to discard.

Roll-off solid waste loads, recyclables, construction and demolition and organic loads are direct hauled to the designated facilities for disposal, processing, recycling or composting. Scale technology is utilized on our roll-off vehicles to eliminate the possibility of overweight compactors/roll-off boxes, which can present a safety problem.

Roll-off boxes will be made available to customers of every generator type in a full range of sizes. Contractor will assist customers correctly size their containers to maximize diversion and mitigate weight issues. Contractor will assist customers, who request a compactor, get in touch with reputable compactor manufacturers where they can either lease or purchase a compactor.

Contractor will service roll-off boxes and compactors with two new standard roll off trucks with a 22' hoist. Each vehicle is operated by a single driver. All vehicles will be painted in a uniform manner featuring the company logo.

### **Roll-Off Collection Methodology**

The driver activity methodology for roll-off is as follows:

- The driver arrives at the service address and checks the route sheet or work order for any notes pertaining to that customer, such as information pertaining to the customer contact, disconnecting coupling lines, etc.
- The driver performs a safety check to ensure there is proper clearance and access to the container and that site activity at the collection point is zero. If conditions are questionable, the driver will talk to a site manager or will call the route supervisor to the site to act as a spotter.
- The driver carefully backs up to the container and raises the truck's hydraulic rails.
- The driver dismounts the vehicle and locks the coupling device to the container, double checks it to ensure it is secure.
- For compactors, the driver then disconnects the units' electrical/hydraulic couplings.
- The driver remounts the vehicle and engages its controls to pull the container onto the truck rails. When the rail reaches the locking stops, the driver lowers the rails.
- All Contractor roll-off trucks are equipped with automatic tarps. At this point, the tarp mechanism is engaged to cover the load if the box is not covered or enclosed.
- The driver checks the area for any litter spilled during collection and cleans the area if litter is found.

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- The driver transports garbage drop-boxes and compactors to the transfer station, recyclables or C&D loads to the recycling facility, and yard/food waste loads to the compost facility, and obtains a weight ticket at the scale house.
- The driver signs off on the work order that the job is complete, and files it away with the weight ticket in the company-provided file/clipboard. (All paperwork is turned into dispatch during the check in procedure at the close of the day.)
- The driver repeats the process for the next work order or route sheet until all work is complete for the day.

Special collection conditions such as nearby parked cars, narrow public parking areas and alleyways may require modified methodologies to efficiently pick up containers. The driver may be required to conduct a 3-point turn within a public parking area to maneuver the truck for the best position on the egress side of the street. By the very nature of roll-off collection, the vehicle will need to back into a street or public parking area in order to line up with the box and to position the container for collection.

### **Expanded Single Stream Materials**

All recyclable materials will be collected and delivered to a processing facility or facilities designated by the City. For more information on acceptable items for Contractor's Expanded Single Stream recycling program, refer to the figure below.

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### ACCEPTABLE EXPANDED RECYCLABLE MATERIALS

- Clean paper and cardboard
- Glass bottles and jars
- Rigid plastics
- Metal cans and scrap metal
- Clean wood

*Contractor will also collect several material types not normally recovered, including:*

- *Reusable Items*
- *Carpet and carpet padding*
- *Clean Expanded Polystyrene block packing materials*
- *PLA bioplastic bottles*
- *Plastic bags*
- *Mixed plastics*
- *Non-container aluminum (foil and extruded)*
- *All other materials for which a viable market can be found*

Contractor will pick up used cooking oil that is properly placed in approved, sealed containers. Customers may place up to two 1-gallon plastic jugs with screw-cap lids for used cooking oil at the curb on their collection day. Contractor will provide specific directions for proper containment of used cooking oil to all single-family customers. At the curbside, drivers will exit the vehicle, pick up the used cooking oil containers and deposit them into a special holding container on the body of the vehicle for emptying and recycling. Contractor will maintain a stationary container to collect home generated used cooking oil where used cooking oil collected at curbside will be deposited. This same container will also serve as a drop-off location for residents at no additional charge. Residents will be limited to dropping off five gallons of home generated cooking oil per month and will be asked to demonstrate proof of residency through a number of different channels (i.e., recent utility bill, driver's license, etc.). This drop-off collection service will also be available to residents of multifamily dwellings. Contractor will utilize a third party vendor to convert the collected cooking oil into biodiesel at one of its local refineries.

### Vehicle Maintenance

#### Preventative Maintenance Program for Collection Vehicles and Equipment

Contractor is dedicated to owning the best running, safest and most environmentally friendly vehicles in the industry. Contractor will achieve this through a rigorous maintenance program called OneFleet. Contractor will employ the following methods for maintaining collection vehicles:

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## **1. Preventive Maintenance (PM)**

PMs are the hallmark of OneFleet. Republic Services prescribes six levels of PM activity (A-F) at varying truck hour markers.

- A. Every 150 hours (full inspection, including nuts/bolts/fluids/no cracks)
- B. Every 450 hours (A plus, full lubrication service)
- C. Every 1350 hours (transmission, front suspension, air-to-air, hydraulics, CNG inspection)
- D. Every 2700 hours (A, B, C plus drain transmission, new filters and fluids; crank ventilation filters; exhaust system inspection/service, cleaning, catalyst inspection/service)
- E. Every 5400 hours (A, B, C, D plus differential fluids, DPF system, overhead valve adjustment, fuel systems inspection/service)
- F. Every Year – Annual Federal Safety Inspection

## **2. Planning and Scheduling**

Standardized planning and scheduling leads to increased shop capacity and/or reduced fleet down time. By planning preventative repairs, we have parts on hand, mechanics scheduled during off-route hours. This keeps the shop from being reactive and unprepared. We prioritize ticket items to adequately meet our operational needs – making sure the fleet is ready at route time.

## **3. Workplace Organization**

A clean and organized workplace provides a safer and more efficient environment. Contractor will ensure focus around the 5 S's

- Sort
- Straighten
- Sanitize
- Standardize
- Sustain

## **4. Repair Quality and Training**

Contractor will provide consistent on the job training and formal classroom programs to its technicians.

# **EXHIBIT B-1: COLLECTION SERVICES**

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## **5. Driver Practices**

Joint accountability and proper communication between maintenance crews and operations personnel (drivers and supervisors) fosters fewer unscheduled repairs and breakdowns. Each day, drivers:

- Perform a pre/post-trip driver quality control inspection
- Ensure that any issues they identify are accurately communicated to the shop
- Ensure that customer & route expectations are understood in the mornings.

## **6. Parts Management**

The right part at the right time is critical to maintaining a fleet. With proper parts management, parts are on hand for all scheduled repairs, which decreases truck and labor down or delay time. Integral to the parts maintenance program is a maintenance bay, floor and shelves are clean and orderly. With proper scheduling, parts are staged on carts in advance of a technician's arrival.

## **Vehicle Inspection Reports**

Contractor understands the key to the preventive maintenance program is daily completion of vehicle inspection reports. This is done by the collection vehicle's assigned CDL driver and includes both a pre-trip inspection and post-trip inspection. Drivers check fluid levels, lights, tires and other safety related areas of their truck and indicate on the inspection report any defects or deficiencies found that day. Shop personnel review the report and check any items marked by the driver as being questionable or problematic. Mechanics then make any needed repairs before the vehicle returns to the route. Furthermore, each vehicle undergoes a thorough and comprehensive preventative maintenance inspection (PMI) every 150 hours of service. This inspection is conducted by a trained and certified brake inspector, according to USDOT requirements.

## **Preventative Maintenance Program**

Contractor will ensure that each vehicle is inspected from the top to the bottom and the front to the rear including, but not limited to; tires, air pressure, brakes, air system, safety camera system, gauges, engine, cooling system, hydraulic system, batteries, road tested and general overall equipment operation. The vehicle is thoroughly lubricated and fluids sampled and changed if required. If repairs are needed, all priority repairs are completed prior to the vehicle being returned to service and repairs that can be, are scheduled to be completed at the next service.

Preventative Maintenance Inspections (PMI) are set at different levels, ranging from PMI-A to PMI-E. Each level is an increasingly more detailed inspection and/or requires different fluids to be changed e.g., oil, hydraulic, coolant, differential, etc. Once a year each vehicle is given a complete annual inspection in accordance with 49 CFR 396. Adherence to these programs reduces downtime and road calls which correspondingly increases customer satisfaction due to on time service and driver morale.



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## **Vehicle Appearance**

Contractor will wash its collection vehicles weekly, utilizing biodegradable cleansing products, high and low pressure washers using a brush. Truck washings will comply with BMP's governing storm water management.

## **Safety Overview**

Contractor has a strict policy of safety protocols with supporting infrastructure, where employees are trained to think, choose, and work within a training framework designed for safety. Safety is our portal for the achievement of exceptional customer service, and is viewed as the responsibility of all employees. Contractor will take every step to ensure safety in our administrative offices, operations yards, on collection routes, and at our transfer/recycling facilities.

Contractor will ensure that new employees are required to attend and pass a new employee orientation/safety training class. In this class, company policies and standards are fully explained. These include: Contractor's alcohol and drug-free workplace; DOT requirements; personal protective equipment standards; operation and care of equipment; injury and accident reporting procedures; hazardous communications procedures; spill prevention and contamination training; collection service standards; recycling and waste contamination communication procedures, service reporting and paperwork procedures. New drivers will receive four (4) weeks of training prior to being allowed to operate a vehicle without on board supervision. This training is conducted by a full time Driver Safety Trainer.

## **School Safety Program**

Contractor will implement an educational safety curriculum for schools featuring Garbage Gus. Contractor wishes to ensure that children understand the hazards surrounding large trucks to create enhanced safety for them. This program includes activities, DVD video, sing-a-long music video, posters, comic books, and coloring books. High visibility safety vests are supplied to school crossing guards. Materials are currently made available in English and Spanish.

## **Weekly Safety Conference Call**

Contractor will conduct week Safety Calls to discuss safety topics including local safety-related experiences and near misses.

## **Daily Route Observations**

Contractor's Field Supervisors will ensure services are delivered in a safe manner and take the opportunity to counsel and interact with drivers on a regular basis.

## **Monthly Safety Alerts**

Contractor's regional and corporate headquarters safety departments will send out alerts on various safety topics and safety related experience across the country to bring awareness and education to Contractor's employees.

# **EXHIBIT B-1: COLLECTION SERVICES**

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## **Not on My Watch**

Contractor will implement a 'Not on My Watch' program. This is a training video conveying our employees' responsibility to take personal ownership in safety.

## **Focus-Six Program**

Contractor will implement the Focus-Six Program. This program is designed to bring our drivers' attention to the six types of accidents that cause the greatest human tragedy and most disruption to operations. These six categories are 1) Intersections; 2) Employees; 3) Rear Collisions; 4) Rollovers; 5) Pedestrians; and 6) Backing. Also included are DVDs, posters and discussion points for training.

## **Weekly Safety Tool Box**

Contractor has a robust on-line safety program for managers to access. One of the features of this resource is its comprehensive list of topics for weekly safety meetings. For each of the dozens of topics listed is a detailed initiative to guide the presentation of the topic to workers.

## **Dedicated to Safety - Employee Safety Award Program**

Contractor will implement the Dedicated to Safety Program. This is a safety incentive program designed to motivate employees to achieve greater levels of safety through monthly and annual awards. This program has proven effective in keeping employees focused on safety and reducing accidents. Employees enrolled in the program receive vouchers each month if they have not had one of the following: a preventable accident; a lost-time injury; or a safety-related corrective action.

## **Driver Appearance and Compliance with All Applicable Rules, Regulations and Policies**

Contractor's drivers will wear identification and a clean uniform each day. Drivers will at all times have on their person a valid California Driver License and medical card. Medical cards are good for two years and dictate that drivers must have passed a physical examination to obtain one. Drivers will behave responsibly and professionally, and will comply with all applicable Federal, State and Local regulations and laws governing any and all aspects of their work for Republic.

## **Zero Tolerance Safety Guidelines**

These guidelines list unsafe practices that will absolutely not be tolerated. An example of such an unsafe practice is "Refusal or failure to use appropriate personal protective equipment." We believe that setting expectations high and clearly stating behaviors and incidents that will trigger disciplinary action at the inception of an individual's employment creates the best work force possible.

## **Alcohol and Drug Testing**

Contractor will utilize alcohol and drug testing that is in accordance with the State Department of Transportation's testing procedures under the following circumstances:

- Pre-Employment
- Post-Accident

## **EXHIBIT B-1: COLLECTION SERVICES**

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- Random
- Reasonable Suspicion
- Return-to-Work

### **Other Driver Requirements**

In addition to the above, Contractor drivers must also:

- Pass a road test.
- Attend an orientation program that includes extensive management observation and coaching of driving skills.
- Review a copy of Republic's "SAFE - Safe Actions For Excellence" and Employee handbooks.
- Participate in the Driver's Alert 24-Hour Vehicle Monitoring Safety Management System. Each collection vehicle is identified with the Driver's Alert telephone number, where concerns and compliments can be registered and forwarded to the appropriate Republic division. Individual divisions have 24 hours in which to respond to negative remarks and observations.
- Receive bi-annual training in the National Safety Council's Defensive Driving Course for the Professional Truck Driver.
- Attend required monthly safety meetings.
- Attend monthly tailgate meetings to receive defensive driving/space cushion instructions developed by the Smith System.

Contractor has a continuous improvement model for its collection personnel, under which each month an incident/accident report is generated and used to identify any issues that compromise safety or the provision of exceptional customer service.

Contractor drivers and other personnel are required to be current on our Policies and Procedures. On-line education and testing is available to ensure that knowledge of policies and procedures is kept at the most current level.

### **Residential On-Call Bulky Item Clean-up Events**

Both residential and MFD tenants have the opportunity request one on-call bulky item clean-up per year. Customers can use our convenient bulky item collection request form on [www.alliedwastedalycity.com/bulky-pickup](http://www.alliedwastedalycity.com/bulky-pickup) or call customer service to schedule a pick-up, at which time they are asked for their name, service address, billing address (if different) and daytime phone number, as well as what types of items they will be setting out for collection.

Bulky item collection will occur on regularly scheduled collection days with tracking managed via our InfoPro system. Once an on-call appointment is scheduled, the customer will receive a mailed brochure confirming collection date and detailing reuse options. It will also include set-out guidelines and provide a visual aid to support the guidelines and accepted materials list. Through Contractor's website or by speaking with a customer service representative, residents will be provided contact numbers and

## **EXHIBIT B-1: COLLECTION SERVICES**

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addresses for local drop-off locations for organizations such as Goodwill, St. Vincent de Paul, Salvation Army and the Disabled American Veterans.

Contractor will operate residential ASL trucks - as specified in the collection portion of the Technical Proposal for Base Services - and a flatbed or 20' – 28' box truck to collect large appliances and other recyclable materials. Residents will be instructed to leave materials at the curb on their collection day by 4 a.m.

Contractor will meet with each MFD property manager/owner to determine collection locations for clean-ups scheduled by tenants. The agreed upon collection details will be provided to customer service and communicated to the tenant during scheduling. A brochure, triggered by the customer's request of an on-call bulky item collection, will be sent to the customer's unit prior to their on-call bulky item collection and will include set out guidelines, accepted materials, reuse options (as mentioned above) and move in/move out information. A basic map, specific to the tenant's MFD, detailing the onsite collection location will be included with the brochure mailing.

For MFD locations that cannot accommodate a specific bulky-item collection location, Contractor will coordinate with the property owner/manager to schedule a once per year 'community' bulky-item clean-up day. Roll-off box(es) will be delivered to a mutually agreed upon location on the MFD site where tenants can dispose of bulky material. Each clean-up event handled in this manner will include a site visit and walk-through with a member of Contractor's staff addressing Construction and Demolition Debris services. If each unit of an MFD has their own containers, we will determine if they can be treated as a single-family resident for the purposes of this service.

Contractor will create collateral material specific to this need and deliver them to MFD property owners/managers for distribution to residents. Material will also be made available on Contractor's website and in the bulky collection brochure. The on-call bulky collection program will also aid in minimizing abandoned waste.

Contractor will also include information on setout procedures and acceptable and unacceptable materials in print advertisements, newsletters and on [www.alliedwastedalycity.com](http://www.alliedwastedalycity.com). This information will include resources for disposing of household hazardous waste, as well as the local options for donating unwanted, but reusable items.

If the City so chooses, Contractor will provide door to door and/or property specific services to assist MFDs with on-call bulky item collection requests ([www.alliedwastedalycity.com/bulky-pickup](http://www.alliedwastedalycity.com/bulky-pickup) ).

### **Construction and Demolition Debris Services**

At no cost to the City, Contractor will retain a construction representative that is assigned to all construction and demolition projects within the City. The role of the construction representative is to work directly with construction companies by visiting the site and tailoring the most appropriate method for managing the construction and demolition materials produced at the individual sites. The construction representative is also responsible for providing the contractor with the periodic reporting required by the City to ensure that the project is compliant with local ordinances and or other green building requirements.

## **EXHIBIT B-1: COLLECTION SERVICES**

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Contractor's onsite diversion approach will involve multiple, well-marked containers for single commodities. This approach includes frequent site trainings with construction workers and other staff as well as multiple project site visits per week to ensure signage on containers are clear and remain in place. When space constraints dictate a different approach, a recommendation can be made for commingled containers. This approach also involves well-marked containers, frequent site trainings and site visits and daily communication between the construction representative and the project lead or foreman onsite.

### **Prevention and Collection of Abandoned Materials**

Contractor recognizes that abandoned waste is a large problem for the City. Contractor will address this problem by working with drivers to immediately call in any abandoned items witnessed so that it can be removed quickly before more items are dumped in the same area. Contractor will work with property managers and businesses to perform different activities that deter illegal dumping, such as having them lock their containers, placing "illegal dumping" signage, directing customer contact to Contractor when abandoned items need to be removed. For those areas that see abandoned waste dumped on a regular basis, Contractor will work with the Code Enforcement department to come up with solutions that will help deter dumping in the future.

If a driver is unable to collect abandoned items seen on their route, they will utilize the PDV Connect GPS system to immediately notify Contractor's dispatch operations of the location of the abandoned items. PDV Connect allows drivers to send pictures via the system, real-time to Contractor's dispatch operations. Through two basic steps, drivers on the route are able to utilize their company issued mobile phones to send a picture of the items and the exact coordinates of the abandoned material, so that the office can dispatch a utility route or supervisor to collect the abandoned material.

Contractor will employ the use of My Resource™, a mobile application (app) for smart phones, which allows customers to quickly enter information or make requests directly into Contractor's system without having to speak directly with anyone.

Contractor will collect materials as drivers, supervisors and other support staff come across them while performing their regular duties, as well as, any abandoned materials that are reported through the various means available, Contractor will ensure abandoned materials are collected on the same day, if reported before 3 p.m. and by Noon the following business day if reported after 3 p.m.

### **Corporation Yard and Maintenance Facilities**

Contractor owns and intends to continue using our corporation yard, located at 1680 Edgeworth Avenue, Daly City, CA. Contractor will make improvements to accommodate the additional vehicles, parking spaces, collection container storage, vehicles and equipment maintenance facilities and offices required to support this agreement.

Contractor intends to make upgrades and modifications to our property at 1680 Edgeworth Avenue as well as adjacent properties. The planned modifications to these properties are as follows:

- Upgrade Maintenance Shop to current specifications for performing maintenance work on compressed natural gas (CNG) vehicles



## **EXHIBIT B-1: COLLECTION SERVICES**

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- Relocate modular Safety/Break Room to location on property at 1680 Edgeworth Avenue
- Pave and stripe new employee parking lot at west edge of maintenance shop with access off of Annie Street
- Demo metal building, car port, fencing and miscellaneous concrete and asphalt to construct new truck parking area
- Grade 36,000 square feet located at 1685 Edgeworth Avenue and adjacent properties on Pierce Street and Bryant Street
- Pave and stripe new truck parking area with 25 stalls per the following layout
- Construct and relocate container storage and container and truck wash area per layout 2 below
- Install 25 single hose posts and eight ESD posts for CNG fueling system
- Install two 150hp compressors each capable of dispensing 250 SCFM
- Install one dryer to remove moisture from air compressor system, and
- Install one air storage vessel

**EXHIBIT B-2**  
**CUSTOMER SERVICES**

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## **EXHIBIT B-2: CUSTOMER SERVICES**

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Contractor understands and recognizes the importance of maintaining a local base of operations to ensure enhanced coordination with the City and consistency in customer service. Contractor shall maintain its local base of operations at 1680 Edgeworth Avenue in Daly City throughout the term of this Agreement. In the event Contractor must relocate its local base of operation for any reason, Contractor will make every reasonable effort to maintain a base of operations within the boundaries of the City.

### **1. CUSTOMER SERVICE HOURS OF OPERATION**

#### **A. Hours**

1. Call Center and Walk-in. Contractor's call center will be available from 8:00AM to 5:00PM. Monday through Friday and Saturday from 8:00AM to 12:00PM. Contractor's office hours will be from 8:00AM to 5:00PM Monday through Friday (except Holidays) for walk-in customers. Contractor shall provide extended hours of operations by offering an after-hours response voicemail system. Contractor's after-hours voicemail system will allow residents and businesses to make service requests by leaving a message. Contractor will respond to all service requests or inquiries from said system by the next business day.
2. Website. Contractor will maintain a website for public access, which will have capabilities and provide information including, but not limited to: make service requests, inquire about service day, pay bills online, access and download public education materials. Any requests made through Contractor's website shall be responded too and processed by the next business day.

### **2. CUSTOMER SERVICE STAFFING & STANDARDS**

#### **A. Staffing**

1. Staff. Contractor will staff the local call center with a total of three (3) Customer Service Representatives (CSRs) and one (1) Customer Service Supervisor/Manager. Contractor will provide backup staff from regional call centers and will have telephone forwarding capabilities to regional call centers and will utilize this auxiliary staff and call forwarding capability when necessary to ensure compliance with this Agreement.
2. Vacancies. When filling vacancies within the local call center, Contractor will hire the most qualified person(s) for the position and will make every reasonable effort to employ CSR(s), who reside in the City.

#### **B. Call Center Standards**

Contractor understands and recognizes the importance of maintaining a high level of customer satisfaction. Contractor shall utilize an internal and external call monitoring program, including, a scoring and reporting system, to assess the quality in which calls are handled. Contractor shall produce reports with information including, but not

## **EXHIBIT B-2: CUSTOMER SERVICES**

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limited to: number of inbound calls by hour, number of dropped calls, total number of incoming calls and number of CSRs available by hour.

Contractor will track the following metrics and perform the following tasks to gauge call center performance:

1. 80% of incoming calls answered in 25 seconds or less.
2. 3% or less of incoming calls drop or are abandoned.
3. 100% of incoming calls answered in 90 seconds or less.
4. Receive average assessment scores of 90% or greater from external call monitoring program.
5. Perform a minimum of eight (8) internal call monitoring assessments per month.
6. Conduct side-by-side training sessions.
7. Complete specifically designed online Customer Service training programs and modules.

### **3. WEB PORTAL**

Contractor will provide City staff read-only access to Contractor's customer service system through a web portal application. Contractor's web portal application will provide access to key customer information such as rates, service history, service levels, accounts receivable, billing information, site information and notes.

### **4. MANAGEMENT & CUSTOMER SERVICE SYSTEMS**

#### **A. Customer Management System**

Contractor will utilize a computerized customer management system that provides the information base from which Contractor will perform its daily duties under this Agreement. The primary modules of Contractor's customer management system are as follows:



## **EXHIBIT B-2: CUSTOMER SERVICES**

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1. Customer Maintenance. This is the main customer database. Billing information, service location, container specification and rate information are the primary components of this module. Accounting controls as well as collection event information is displayed. A direct link to Account Receivable is available. Sales management information including territory, representative, contract information, SIC, and key contacts is stored in the service location section. The container's routing, disposal and billing schedule is defined. The rate logic allows for multiple rate variations to be applied to the single container group such as; monthly rates, lift rates, volume rates, excess weight disposal, minimum lifts, multiple additional rates and supplemental service rates. Historical rate information is also retained.
2. Customer Service. This module is used by CSRs to allow access to almost any part of the system, so that they can answer customer inquiries without forwarding calls, detaining the customer, or interrupting other staff members. Access to the customer's service history, billing history, next service date, requested services already entered, charges to be invoiced, the entire customer maintenance module and accounts receivable is available. Call-in service requests are entered here and automatically forwarded to the dispatching system. System issues are entered and permanently recorded against that customer's record, which are the foundation of multiple customer service reports.
3. Routing. From the information keyed into customer maintenance, a routing record is created within the routing system for permanent routing. The routing system has been developed to maximize efficiency through automated grid routing. Major and minor days of service, depending on the customers service address GPS, are highlighted for ease of routing. Route maintenance is made easy by the search capabilities, which are included in order to locate a service location. Transferring stops from one route to another, moving and inserting stops are all done with a few keystrokes. The route maintenance allows for standard service times, distances, weights, lifts, yards, trips, and operating hours to be entered, to produce a baseline in which the daily route may be measured against for productivity results.
4. Dispatch. The dispatch module allows for the real time daily dispatching of permanent routes, and container delivery routes to take place. After a route is created within routing, the dispatcher can access this route to proceed with that day's dispatching activities. The same capability of transferring, moving and inserting stops exists here as in the route maintenance. Within dispatch, stops can be flagged as no service or blocked, additional lifts added for a stop, call-ins added to a route, or supplemental services can be flagged as well. Once entered, this information for regular lifts, additional lifts, supplemental services, blocks and no service is automatically sent to the billing system for accurate billing.

## **EXHIBIT B-2: CUSTOMER SERVICES**

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5. Route Model. The route model allows for a re-route to be done on any scale within a model without affecting the production routes. Re-routing of one, several or all routes can be done using the model. Moving, transferring, splitting, inserting, and grid maintenance can all be accomplished within the model. Any route activity that occurs within the production system will be mirrored within the model. Once the routes within the model have been modified in order to meet the requirements, they can be moved back into the production area with no inconvenience to the route supervisors, dispatchers or operators.
6. Divisional Management Reports. This module consists of numerous reports that aid in the overall management of the division. They include:
  - i. Revenue Analysis by Service Period
  - ii. Revenue Analysis by General Ledger
  - iii. Customer Count Report
  - iv. Customer Profitability for accounts on routes with on board computers
  - v. Manual Invoice Report
  - vi. Service History Report
  - vii. Revenue Forecast Report
  - viii. Municipal Contract Payments Report
  - ix. Franchise Commercial Billing Report
  - x. Multiple Audit Reports
7. Container Inventory. Container inventory is broken down into container type and size, number of containers ready for use, required, in repair, unusable, at a remote site, customer owned, on order, being transferred in or out to another facility, and the number currently at the customers' sites. The container inventory system is automatically updated by the dispatching system when container delivery / removal routes are updated in that system. The system inventory can be reconciled to the in yard inventory at any point in time.
8. Record Keeping. Daily logs of all complaints and inquiries will be retained for a minimum of 36 months. Contractor will maintain and retain customer service center records which, at a minimum, include the following customer service center statistics:
  - i. Number of calls received and answered on a daily and monthly basis;
  - ii. Number of abandoned (dropped) calls on a daily and monthly basis as well as the
  - iii. Average abandoned time (i.e., hold time before abandoning call);

## **EXHIBIT B-2: CUSTOMER SERVICES**

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- iv. Percentage of calls answered by a person within twenty five (25) seconds on a daily and monthly basis;
  - v. Number of complaints and inquiries received on a daily and monthly basis;
  - vi. Number of responses sent from the customer service department to customers on a monthly basis, including the number and percentage of complaint and inquiry emails or submissions through the website that received responses either before close of business on the day received or by the close of business on the following day.
9. Vehicle Maintenance. Contractor will utilize a vehicle maintenance module system. All pertinent information regarding vehicles are entered in this module, such as the vehicle make, model, serial number, number of axles, axle capacity, engine number, odometer reading, fuel tank capacity, and so forth. Preventative maintenance hours are tracked and reports produced in order to ensure vehicle maintenance is done at the appropriate time on the vehicle. Work done against a vehicle is recorded and broken down into labor, parts and outside repairs. Reports can be generated in order to analyze expenses against a vehicle, work done, mechanics hours, and fuel consumed.

Production Reports. Contractor will utilize the following reports from the customer management system to monitor productivity and effectiveness:

- i. Route Analysis
- ii. Route Downtime Analysis
- iii. Customer Service History
- iv. Daily Operating Summary
- v. Daily Fuel Report
- vi. Daily Disposal Report
- vii. Disposal Exception Report
- viii. Daily Truck / Employee Replacement Report
- ix. Customer Service Report
- x. Blocked / No Service Report

### **5. MISSED PICKUPS, LATE SETOUTS, SPILLS & LITTER RESULTING FROM COLLECTION**

After processing a work order for a missed pick-up, late set-out, or spills and litter resulting from collection, the CSR will notify dispatch with specific information regarding the work order. This information, also communicated to the route supervisor, is maintained as an open work order until the route supervisor and/or driver radios back to the CSR that the task has been completed.

## **EXHIBIT B-2: CUSTOMER SERVICES**

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Contractor will collect late set-outs upon notification by the customer on the first instance of violation as a courtesy without any additional charge. After a second violation, the driver radios dispatch and the dispatcher enters the information in the customer file to maintain a record of late setouts and actions taken by drivers.

To provide an efficient and effective mechanism to monitor the work orders, the administrative assistant will print a summary report of all open work orders daily and distribute such to the entire management team. The report includes name and account number, service location, reason for call, time of call, and actions being taken. Operations information will be sorted by route supervisor area and distributed to the appropriate route supervisor for review. Customer service notes are reviewed by an assigned CSR and all notes are closed within two (2) business days.

### **6. CONTAINERS IN NEED OF REPAIR, REPLACEMENT OR EXCHANGE**

Drivers are charged with reporting all containers in need of repair. Once reported, either by customer or driver, a work order is entered into the customer management system and forwarded online to the container delivery department. Then either a supervisor vehicle or a container delivery vehicle will be directed to the customer address for container delivery. Upon delivery of the container, the supervisor and/or container delivery driver will note that the container has been delivered. The work order is then closed by the operations clerk, pending sign off by the driver and supervisor.

### **7. IMPROPERLY PREPARED SETOUTS**

If the customer sets out containers that include nonconforming materials, Contractor will leave a non-collection notice. As an enhancement and to mitigate frustration on the part of the customer, Contractor will collect nonconforming materials on the first instance of violation and leave a courtesy notice provided the non-conforming materials do not contain hazardous materials/substances, or pose physical risk to the driver. The courtesy notice will describe the type of violation and will warn the customer that in the future the container will not be collected if it contains non-conforming materials. In the event of subsequent violations, the material will not be collected and a notice will be left on the container identifying the reason(s) for non-collection. After leaving the notice on the container, the driver will make a note for the customer service department and explain the action taken, which will be entered nightly by the operations clerk. The CSR fielding the call will enter this information in the customer file to maintain a record of non-conforming setouts and the actions taken by the driver.

### **8. NOISE COMPLAINTS**

CSR records any noise complaint received from customers and informs operations. Route supervisors immediately contact driver and take appropriate action to ensure drivers are operating within authorized collection times. CSR contacts customers and reports action taken.

### **9. TRAFFIC & SIDEWALK OBSTRUCTION DURING COLLECTION**

In the event that there is a traffic and sidewalk obstruction that prevents collection vehicles from serving the customer, the driver immediately reports the situation to the route supervisor

## **EXHIBIT B-2: CUSTOMER SERVICES**

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and dispatch, identifying the problem and the affected service addresses. The driver then proceeds safely around the obstruction on an alternative route to continue collection on the remainder of the route. The driver discerns whether or not they believe the obstruction is temporary and enters this information into the onboard computer system and if he/she will be able to return at the end of the route, or whether collection will take place that day, or whether a double-collection should be scheduled for the following scheduled collection day at no additional charge. The dispatcher communicates their decision to the customer service department via the customer management system and the information will be recorded in the affected customer files on the onboard computer system.

### **10. GRAFFITI**

Drivers are required to report instances of graffiti immediately via Contractor's customer management system. Dispatch notifies customer service and a work order is placed for maintenance staff to visit the customer site to remove graffiti or remove and replace the marked container. Reports of graffiti on enclosures or buildings are noted on the customer account and the City will be notified the same day.

### **11. COLLECTION OUTSIDE OF THE TIMES AUTHORIZED IN THE FRANCHISE AGREEMENT**

CSR notes any received noise complaint from customers and informs operations. Route supervisors immediately contact driver and take appropriate action to ensure drivers are operating within authorized collection times. CSR contacts customers and reports action taken.

### **12. SERVICE TAGS**

Service tags are entered electronically through Contractor's customer management system and sent to the driver's onboard computer system (OBC). When service is completed, the driver indicates on OBC and a date and time stamp are created on the electronic tag. All service information is available in real time to all system users.

### **13. MISCELLANEOUS SERVICE REQUESTS**

Extra service requests are generated through customer service for the date requested by customer. Same day requests are available until noon, Monday through Friday and next day or future requests for miscellaneous service requests. The requests are submitted electronically through Contractor's customer management system and, once completed transfer to dispatch. Dispatch sends same day requests to appropriate route. Future requests are keyed in the customer management system to the appropriate future route.

### **14. VEHICLE NUMBERING**

All Contractor vehicles shall be uniquely numbered according to type of vehicle. All reasonable attempts are made to assign the same route vehicle to the same route each day. If another vehicle is used due to mechanical issues or any other reason, the replacement vehicle is logged in the customer management system so a vehicle can be identified at a specific customer on a specific date and time.

## **EXHIBIT B-2: CUSTOMER SERVICES**

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### **15. MINIMIZING DATA ENTRY ERRORS**

Contractor will ensure that at a minimum three (3) staff members will review all customer service data at the close of each day to correct any possible errors. Contractor will perform quarterly audits on all customer accounts to minimize data errors.

### **16. BILLING COORDINATION**

Contractor understands and recognizes the importance of timely and accurate billing information and coordination with the City's Utility Billing System. Contractor shall take the following steps to ensure close coordination with City staff and accuracy in customer billings:

- i. Contractor's Customer Service Supervisor or designee emails a spreadsheet containing new start and service level change on a weekly basis.
- ii. Contractor's Controller or designee emails a spreadsheet detailing roll-off charges, billable extra charges (extra pick-ups, overload charges, charged bulky items, etc.) to City staff.
- iii. City staff emails a spreadsheet to Contractor from the City's Utility Billing System for new starts every two (2) weeks.
- iv. City staff emails service interrupts/reinstatements on an ad hoc basis.
- v. Monthly, City staff emails Contractor City billing reports summarizing billings, write offs, extra charges and other adjustments.
- vi. Monthly, City staff emails a remittance advice summarizing cash collections made by customers and deductions for franchise fees, landfill closure fee and other deductions.



**EXHIBIT B-3**  
**PUBLIC EDUCATION & OUTREACH PLAN**

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## **EXHIBIT B-3:**

# **PUBLIC EDUCATION & OUTREACH PLAN**

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Contractor understands and recognizes the importance of effective public education and promotion as the key to helping residents and businesses understand more about source reduction, reuse, Recycling, and Organic Materials Diversion programs. Contractor shall, at a minimum, provide the following services as part of its public education program. All public education materials shall be reviewed and approved by the City prior to distribution to Service Recipient publication or issuance.

### **1. STAFFING PLAN AND STAFF ROLES**

Contractor will designate one (1) full time equivalent (FTE) Municipal Services/Public Education Manager responsible for contract management, compliance, public education and outreach focusing on enhancing Contractor's high diversion efforts. Supporting the Municipal Services/Public Education manager will be two (2) FTE Recycling Representatives responsible for special events and outreach to Single Family, Multi-Family, Commercial and school customers.

The Municipal Services/Public Education Manager shall coordinate activities with appropriate City staff regarding on-going public education and outreach efforts and programs. The Municipal Services/Public Education Manager shall perform the following tasks in his/her principal areas of responsibility:

#### **A. Government and Community Relations**

1. Serve as a liaison between the City and Contractor.
2. Represent Contractor at City Council, City staff and strategy development meetings.
3. Participate and represent Contractor in community activities.
4. Oversee Subscriber satisfaction related to program services.
5. Ensure compliance with City regulatory agency requirements.
6. Support local community service organizations.

#### **B. Media Relations**

1. Develop relationships with television, radio, newspapers, and other media outlet reporters.
2. Track media coverage.

#### **C. Contract Compliance**

1. Coordinate and produce annual education plan required by Section 4.6.2 of the Agreement.

## **EXHIBIT B-3:**

# **PUBLIC EDUCATION & OUTREACH PLAN**

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2. Coordinate implementation of the annual public education plan.

The Municipal Services/Public Education Manager will be assisted in the public education and outreach efforts by two (2) FTE Recycling Representatives for a minimum of 80 hours per week in total.

Prior to the Commencement Date, pursuant to Exhibit F, Contractor's Proposal, Contractor shall engage an outreach Subcontractor. The outreach subcontractor shall be Cascadia Consulting Group, Inc., or other City-approved Subcontractor. The outreach Subcontractor shall provide a smart phone or tablet application designed for the purpose of conducting technical assistance site visits and waste audits of Commercial and Multi-Family Service Recipients. Such application shall be available for Contractor's use during the Term of the Agreement; shall provide Contractor and City web-based access to site visit and audit information and have the capability of generating reports presenting the data in various summary formats and/or in detail.

## **2. EDUCATION PROGRAMS**

### **A. Initial Start-Up Public Education Activities**

1. Announcement of Change in Services and/or Contractor. Prepare and distribute an initial mailing to Service Recipients explaining program changes, route changes, dates of program implementation, recycling and diversion programs available, special services available, holiday collection schedule, proper handling and disposal of HHW and Contractor contact information. Prepare individual announcements for Single-Family, Multi-Family, and Commercial Service Recipients.
2. Service Recipients Mailer. Prepare and distribute a Service Recipient mailer that: (i) identifies the various Container size options for Solid Waste, Recyclable materials, and Compostables and the then-current and new Rates for service and; (ii) invites the Service Recipient to select its preferred Container size(s) and Collection frequency. Prepare individual mailers for Single-Family, Multi-Family, and Commercial Service Recipients.
3. Service Brochure/Customer Guide. Prepare a service brochure describing and illustrating how to prepare Solid Waste, Recyclable materials, and Compostables for Collection. Describe and illustrate acceptable materials included in the Recyclable and Compostables Containers. The brochure should emphasize any new Recyclable materials included in single-stream Collection, Compostables and Residential Food Scraps Collection program, and Commercial food waste Collection program. Describe proper set out procedures for Collection Containers.
4. Individual brochure. Prepare specific brochures for Single-Family, Multi-

## **EXHIBIT B-3:**

# **PUBLIC EDUCATION & OUTREACH PLAN**

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Family, and Commercial Service Recipients. Brochures for Multi-Family and Commercial Service Recipients shall emphasize AB341 requirements.

5. Notices for Change in Collection Days. Identify the number of Service Recipients that will experience a change in Collection days and notify the Service Recipients of the change in service day. Prepare individual notices for Single-Family, Multi-Family, and Commercial Service Recipients.
6. Multi-Family and Commercial Posters. Prepare three separate posters describing and illustrating; (i) Recyclable materials Collection program; (ii) Compostables and Food Scraps program and; (iii) Commercial food waste Collection programs. Distribute to Multi-Family and Commercial property managers for on-site use. Prepare Commercial posters in English, Spanish, Mandarin and Tagalog.
7. Multi-Family Program Tools. Contractor will provide a variety of tools for Multi-Family Properties to assist with active participation and increase diversion. Contractor will provide the following tools:
  - I. Recycling Totes. On commencement of the contract, all property managers and owners will be contacted by Contractor to determine the number of Recycling totes required for distribution to residents. Multi-family totes will include instructions in English, Spanish, Mandarin and Tagalog and a list of acceptable targeted Recyclable materials as part of the new single-stream Recycling program.
  - II. Green Your Kitchen Kits. For Multi-Family Properties subscribing to Compostables Collection services, Contractor will, on request, deliver Green Your Kitchen kits to property managers for distribution to residents. The kits will include a countertop Compostables pail, consumer information sheets on Compostables Recycling and a list of acceptable plant and Food Scrap materials.
  - III. Battery Buckets. Through direct Multi-Family customer communications, Contractor will make appropriate arrangements for the placement of battery, cell phone and CFL Recycling receptacles to serve the needs of the Multi-Family Property. Contractor will communicate with property managers to determine the most convenient and environmentally responsible placement of Bat Bucket location(s) on the property complex, and will provide educational information and additional Bat Buckets within five (5) working days of property manager's request.

## **EXHIBIT B-3:**

# **PUBLIC EDUCATION & OUTREACH PLAN**

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8. Commercial Flyers and Posters. Contractor will develop an informational flyer addressing the following business types: a) retail; b) business office; c) restaurant and bar; and d) manufacturing. Each flyer will highlight recycling opportunities for the applicable business type and will discuss program logistics—both for refuse and Recyclable materials. A specific flyer will be developed for Debris Box customers detailing Recycling options and Debris Box sizes. Flyers will emphasize AB341 requirements.
9. Press Releases. Prepare and distribute public service announcements for local radio and cable television broadcast, as well as advertisements and press releases for local newspapers and local web-based news outlets, City website, and other local community groups (Chamber of Commerce, Rotary).

### **B. Continuing Programs Throughout Agreement**

1. Quarterly Newsletters for Single-Family Subscribers. Contractor will prepare quarterly newsletters to provide informative and engaging information (special collection events, resources for disposing of HHW, E-Waste Recycling options, AB341 mandates and the benefits of Recycling and resource conservation). Contractor will incorporate special articles into each newsletter including focus on green businesses and information on Composting pumpkins in October.
2. Annual Multi-Family Resident Newsletter. As a supplement to Contractor's Single-Family quarterly newsletter (delivered to property managers for distribution to residents), Multi-Family residents will receive an annual newsletter with specific information regarding Recycling and resource conservation; tips for disposing of Bulky Goods when moving; and promotion of a Recycling Champion program and other Multi-Family specific Collection services, resources, and programs. Similar to the Single-Family newsletter, Contractor will include child-friendly content such as Recycling word searches or a waste prevention crossword puzzle.
3. Annual Newsletters for Commercial Subscribers. Prepare and distribute an annual newsletter to all Commercial Service Recipients promoting and explaining Recyclable materials and Compostables Collection programs and AB341.
4. Commercial Outreach. Contractor will conduct the following Commercial outreach programs:



## **EXHIBIT B-3:**

# **PUBLIC EDUCATION & OUTREACH PLAN**

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- i. Waste Audits and Technical Assistance. Contractor will track and monitor participation and Contamination in the Commercial waste stream. Contractor will identify issues and provide appropriate solutions at the customer level, including but not limited to personal phone calls, emails and on-site visits. If applicable, outreach subcontractor will provide support during waste audits utilizing waste characterization tools and reports.
  - ii. Hosted Recycling Workshop. On an annual basis, Contractor will invite Commercial customers, which generate high volumes of Recyclables to a recycling workshop to discuss strategies for recovering targeted Recyclable materials and distribute Recycling information kits.
  - iii. Janitorial and Food Service Employee Training Programs. Contractor will offer training for in-house and contracted janitorial companies, including distribution of multi-lingual educational materials and presentations to educate janitorial employees on recycling options, minimizing contamination, set-out procedures and other relevant information.
  - iv. Green Business Program. Distribute information, promote and provide support for businesses seeking to achieve green business status.
  - v. AB341 Outreach. Notify customers twice yearly of requirements and benefits of AB341. Customers will receive recognition for fulfilling requirements in maintaining a Recycling program.
  - vi. Seal of Sustainability Award. Contractor will recognize Commercial customers for increasing Recycling service levels by at least 10 percent with a Seal of Sustainability decal . Contractor will publicize award recipients through news releases, website and quarterly newsletter.
5. Rate Change Notification. At least 21 days before the Effective Date of changes to Maximum Rates Contractor will prepare and distribute a notification mailer to Service Recipients announcing Rate changes. Notification will include a description of all Collection services available

## **EXHIBIT B-3:**

# **PUBLIC EDUCATION & OUTREACH PLAN**

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including on-call material Collection programs. Prepare individual notices for Single-Family, Multi-Family, and Commercial Service Recipients.

6. Non-Collection Notice (Oops Tag). Produce Non-Collection Notices to address in proper curbside cart set-out or incorrect material disposal.
7. Invoice Messages. Each invoice will include brief, service-related messages relating to new services, reuse and clean-up services, on-call Collection services, proper handling of HHW, Food Scraps Collection, holiday tree Collection and AB341 requirements.. Prepare individual messages for Single-Family, Multi-Family and Commercial invoices.
8. Website. Develop and maintain a website describing services provided in the Service Area. Outreach information including, but not limited to, service brochures and quarterly newsletters will be made available. Information shall be organized and identified by Single-Family, Multi-Family and Commercial services.
9. Outreach to Community Groups. Meet with homeowners associations, business associations and other community groups throughout the Term of the Agreement. Meetings are intended to educate attendees on transition to new services and new Contractor (if applicable), to promote Recycling and Compostables Collection programs, AB341 requirements, provide service and provide service and rate information.

### **C. Education Programs**

1. General. Develop public school Recycling and Composting curriculum. Provide age- appropriate materials pertaining to Recycling and Composting upon request of the City or public school personnel. Provide on-site tours for public schools to promote Recycling and Composting. The City will direct Contractor's effort with regard to school outreach efforts described herein.
2. Communication and Feedback. Contractor shall communicate the availability of its educational resources to the administrators of each public school within the City through various media prior to the Commencement of each school year.
3. Logistical Training in an Educational Format. Contractor shall meet with school administrators, faculty and parents (through PTA meetings and other means) initially and as needed to establish and provide training on internal materials capture systems. Contractor shall provide educational curriculum and program information in an interactive format, such as through story-

## **EXHIBIT B-3:**

# **PUBLIC EDUCATION & OUTREACH PLAN**

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telling, recycling relays, competitions, waste audits and video. Educational curriculum, activities and presentations shall be oriented toward specific grade levels and/or age groups.

4. Recycling Champions. Contractor shall work with public schools within the City to identify a "Recycling Champion" at each school. The Recycling Champion will act as the school's recycling coordinator and monitor faculty, staff and administrators for proper Recycling program participation utilize educational resources provided by Contractor and other sources and communicate Recycling program results to students.
5. District Recycling Committee. Contractor shall create a school district Recycling committee, comprised of the identified Recycling Champions and headed by a District administrator and Contractor's Recycling Representative. The Recycling committee shall meet according to need and District preference.
6. Multi-Lingual Educational Materials. All educational materials shall be provided in at least three (3) languages representative of the student body.
7. Annual Recycling Contest. Annually, Contractor shall offer a Recycling contest among local elementary schools through which schools will be challenged to reduce waste, Recycle more and separate their Food Scraps for Composting. Schools will compete for the best diversion results (measured fall through early spring), with the winning school receiving a Contractor-hosted Recycling fair featuring multiple activity stations including: Recycled art projects, an opportunity to view the inside of a Recycling Collection truck and products made from Recycled materials.

### **3. COMMUNITY EVENTS**

Contractor will participate in various community events on an annual basis and partner with the City to develop and launch a sustainability-themed outreach schedule for public events. The program may involve creating Recycling-specific educational hand-outs, and a customizable booth design that will be used at local street fairs, art festivals and concerts to highlight local environmental initiatives. Contractor will work with the City on publicity to increase awareness. Contractor will provide service and assistance to community events and partner with event planners to bring additional value including upfront planning for logistics detail, such as placement of containers, providing containers at each collection point with clear messaging to encourage Recycling participation and educational materials.

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**EXHIBIT B-4**  
**DIVERSION PLAN AND GOALS**

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## EXHIBIT B-4: DIVERSION PLAN AND GOALS

### 1. DIVERSION GOALS

Contractor agrees to develop a detailed Diversion Plan with objectives to meet the City's diversion goals and subsequent deadlines. Contractor understands the City's goal to maintain a diversion rate of 30 percent through June 30, 2019; 35 percent through June 30, 2024; and 40 percent by July 1, 2024. Contractor's Diversion Plan will be designed to meet and/or exceed the City's diversion goals. In the first year of the Agreement, Contractor's Diversion Plan is estimated to achieve the diversion tons shown in Table 1 below.

**Table 1: Diversion Estimates**

SERVICE SECTORS	PROGRAMS	Estimated Diversion		Estimated Annual Increase in Diversion
		Collected Tons	Estimated Diversion (Net of Residue)	
RESIDENTIAL	MSW	11,560	0	N/A
	Recyclables	11,183	10,288	2%-3%
	Yard Waste	0	0	2%-3%
	Organics/Compost	3,755	3,605	2%-3%
	Bulky Waste Pickup	1,568	784	0%
COMMERCIAL/ MULTI-FAMILY	MSW	6,739	0	N/A
	MF Mixed Waste	5,727	2,864	2%-3%
	Recyclables	5,733	5,274	2%-3%
	Organics/Compost	2,671	2,484	2%-3%
DEBRIS BOXES	MSW1 (open top)	5,861	0	N/A
	MSW2 (compactors)	1,860	0	N/A
	C&D	2,390	2,294	2%-3%
	Recycling2	797	765	2%-3%
	Yard Waste	677	677	2%-3%
		<b>60,521</b>	<b>29,035</b>	
<b>% DIVERSION</b>			<b>48%</b>	2%-3%

### 2. DIVERSION PLAN

Contractor will meet diversion requirements set forth in this Agreement (Table 1) by providing outreach and technical assistance as outlined in Exhibit B-3 and by recovering and marketing materials as outlined in this Agreement. Contractor will achieve the City's diversion goals by executing on the following:

## **EXHIBIT B-4: DIVERSION PLAN AND GOALS**

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- i. Recycle and Divert 92 percent of the Residential, Multi-Family and Commercial Source-Separated Recyclables collected.
- ii. Recycle and Divert 96 percent of Residential, Multi-Family and Commercial Compostables collected.
- iii. Recycle and Divert 50 percent of Commercial mixed waste materials collected.
- iv. Recycle and Divert 50 percent of Residential Bulky Goods collected.
- v. Recycle and Divert 96 percent of construction and demolition and Source-Separated Debris Box materials collected.
- vi. Initial and ongoing targeted outreach to all sectors, with educational information on the website, newsletters and community meetings.
- vii. Recycling Representatives are responsible for AB 341 education and enforcement by performing customer site visits.
- viii. Coordinate with businesses with less than 4-cubic yards of service to ensure Recycling Containers are onsite and being utilized.
- ix. Recycling Representatives will place emphasis on Recycling efforts at Multi-Family Properties by performing site visits and managing property-specific logistics with managers and residents to increase participation.
- x. Target the top 50 volume-generating businesses to increase Recycling and explore opportunities to reduce and prevent waste.
- xi. Coordinate with schools to ensure proper Recycling practices and encourage implementation of Food Scraps Recycling.
- xii. Enhance construction and demolition Recycling in partnership with City planners and contractors.
- xiii. Identify and outreach to all restaurants to encourage participation in Compostables collection.
- xiv. Perform small Multi-Family Properties Recycling outreach by City district.
- xv. Solid Waste collected from Residential, Commercial, industrial, and Multi-Family accounts will be disposed of at Ox Mountain Landfill located in Half Moon Bay, CA; Source-Separated Recycling will be delivered and processed by South Bay Recycling

## **EXHIBIT B-4: DIVERSION PLAN AND GOALS**

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at the Shoreway Environmental Center located in San Carlos, CA and; Residential Yard Trimmings and Commercial Compostables will be transferred to West Contra Costa Landfill Organic Materials Processing Facility located in Richmond, CA.

### **A. Outreach and Technical Assistance**

Contractor shall provide the following public education and outreach efforts to ensure increased Diversion with proactive programs:

1. Multi-Family Properties. Focus on and engage with Multi-Family property managers and residents of all Multi-Family units, and provide service and recycling information using direct mail and on-site delivery of door hangers and posters. Additional topics for education shall include the recovery of unwanted household items during move-in/move-out and ideas on how to prevent waste and reuse items. Conversations with property managers will focus on how to best address illegal dumping, removing Household Hazardous Waste (HHW) from the Solid Waste and Recycling material stream.
2. Newsletters. Mail annual newsletters with information regarding Recycling and resource conservation, updates on City Recycling goals and the community's progress, tips for the disposal of Bulky Goods, promotion of Recycling Champion program and other specific Collection services, resources and programs.
3. Businesses and Multi-family. Educate businesses and Multi-Family customers in multiple languages with site visits performed by bilingual representatives or with bilingual outreach materials available on Contractor's website.
4. Diversion Calculator. Promote an interactive diversion calculator that allows businesses to calculate diversion rate, associated greenhouse gas reductions and cost savings.
5. Site visits and assessments. Conduct site visits and assessments for each Multi-Family Property and business.
6. Visual assessments. Perform visual assessments of Solid Waste and Recycling Containers, documenting the percentages of material types, overall volumes and recommendations for optimal service.
7. Follow-up correspondence. Send a follow-up email or letter to the property manager or owner documenting new or changed service levels and delivery

## **EXHIBIT B-4: DIVERSION PLAN AND GOALS**

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dates for new Containers. Contractor's recycling representative shall communicate with the property manager one month after the program is started to review progress and provide additional educational support or resources as needed, including photos of contamination if applicable.

**B. Multi-Family Valet-Style Service Pilot Program**

At the City's request, Contractor shall establish a pilot program to implement a valet-style collection service at Multi-Family Properties. This valet-style service will provide property managers with the option of having Solid Waste, Recycling and Compostables collected and sorted at the door front of each unit or to have materials sorted from shared collection bins on site.

**C. Electronic Waste (E-Waste) Removal**

Contractor shall work with the property manager to identify onsite locations where residents are to deliver small E-Waste items such as light bulbs, batteries and toasters. When collection containers are full, Contractor shall take the E-Waste offsite for proper processing. Contractor shall offer quarterly pickups for bulkier E-Waste items such as computers, televisions and microwave ovens. Additional pickups can be requested if necessary.

**D. Bulky Goods Collection**

Contractor shall work with the property manager to determine a Bulky Goods Collection plan. Contractor shall take the Bulky Goods to be recycled or disposed of properly. Additional pickups can be requested if necessary.

**E. Clothing and Textile Recycling**

Contractor shall work with the individual property to determine the appropriate amount of clothing and textile collection and determine reuse options.

**F. Used Cooking Oil**

Contractor shall ensure that 100 percent of the oil collected will be delivered to the appropriate facilities to be used as alternative energy. Contractor shall work with the individual property to determine the appropriate sized barrel to place on site.

## **EXHIBIT B-4: DIVERSION PLAN AND GOALS**

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### **3. Mandated Recycling**

Contractor shall perform all education, outreach, monitoring, and reporting for all Commercial and Multi-Family properties as required by AB939 and AB341. These activities shall include educating Multi-Family and Commercial customers regarding AB341; notifying non-compliant Multi-Family and Commercial customers at least semi-annually. Contractor shall develop and implement a Recycling Plan that supports and educates Multi-Family and Commercial customers on AB341. The Recycling plan will include updating the Contractor's website and print materials with information pertaining to mandatory requirements. On a monthly basis, the Contractor shall provide all necessary reporting data requested by the City relating to the City's compliance requirements pertaining to AB939 and AB341.

The Contractor shall cooperate in activities requested by the City to measure Diversion of Solid Waste from landfills including, but not limited to, providing a location for conducting waste sorting at the Contractor's facility, and re-routing trucks on a temporary basis to facilitate composition analysis. Such reports shall include, but not necessarily be limited to, throughput, recovery rates per material type, Residue level by material type, costs, Recyclable material commodity values, and the final disposition of Source-Separated Recyclable materials and Source-Separated Compostables. The Contractor shall also supply any other information reasonably requested by the City contract manager to meet State, Federal, or County regulatory requirements as those requirements may be amended from time to time.

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**EXHIBIT B-5**  
**IMPLEMENTATION PLAN**

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## **EXHIBIT B-5: IMPLEMENTATION PLAN**

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Table 1, attached, details the Contractor's Implementation Plan. Contractor will adhere to the Implementation Plan during start-up of the new Agreement. The Implementation Plan provides detailed information regarding key milestone dates and activities including:

- Task designation
- Personnel task is assigned to implement
- Start date of task
- End date completion of task
- Comments regarding the purpose of task and/or contingency planning associated with the task when applicable

Key service related functional areas the Implementation Plan addresses are:

- Contract negotiations and City approval schedule
- Vehicle procurement
- Container procurement
- Facility site modifications and permitting
- Meetings and activity coordination with City
- Public education and outreach activities

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## EXHIBIT B-5: IMPLEMENTATION PLAN

**Table 1: Contractor's Implementation Plan**

Category	Task	Assigned To	Start Date	End Date	Comments
<b>Contract Negotiations</b>					
	1 Contractor Selection	Area President, General Manager, Division Manager	Mar-14	Nov-14	
	1.1 Attend meetings to negotiate contract	Area President, General Manager, Division Manager	Nov-14	Apr-15	
	1.2 Contractor Approved by City Council	Area President, General Manager, Division Manager	Nov-14	Apr-15	
	<b>1 Total Elapsed Time</b>			<b>13 months</b>	
Category	Task		Start Date	End Date	Comments
<b>Vehicles</b>					
	2 Vehicle procurement	Corporate Procurement, Region Maintenance Manager, Division Manager, Maintenance Manager	Apr-15	Oct-15	Purchase of new vehicles to commence upon full execution of the Franchise Agreement.
	2.1 Prepare and test new trucks	Division Manager, Maintenance Manager, Operations Manager	Oct-15	Jan-16	Allied will prepare trucks as they are delivered.
	<b>2 Total Elapsed Time</b>			<b>9 months</b>	
Category	Task		Start Date	End Date	Comments
<b>CNG Fueling*</b>					
	3 Equipment Design Phase	Clean Energy, General Manager, Division Manager, Maintenance Manager	Nov-14	Apr-15	Design and construct CNG fueling stations at company yard in Daly City.
	3.1 Permitting Begins	Clean Energy, General Manager, Division Manager, Maintenance Manager	Apr-15	Jun-15	
	3.2 Construction Begins	Clean Energy, General Manager, Division Manager, Maintenance Manager	Jul-15	Dec-15	Paving, grading, asphalt, striping, Maintenance Shop upgrade, modular relocation.
	3.3 Equipment Production Phase	Clean Energy, General Manager, Division Manager, Maintenance Manager	Feb-15	May-15	Manufacture of CNG fuel system components.
	3.4 Equipment Installation	Clean Energy, General Manager, Division Manager, Maintenance Manager	Sep-15	Dec-15	
	3.5 Equipment Testing/Training	Clean Energy, General Manager, Division Manager, Maintenance Manager	Dec-15	Feb-16	
	<b>3 Total Elapsed Time</b>			<b>14 months</b>	
* Start dates and end dates in this category are subject to change based on permit/procedural factors outside of Contractor's control					

## EXHIBIT B-5: IMPLEMENTATION PLAN

**Table 1: Contractor's Implementation Plan**

Category	Task		Start Date	End Date	Comments
<b>Database</b>					
	4 Systems development - customer service/d	Area Municipal Services Manager, Customer Service Supervisor, Asst. Division Controller	Sep-15	Feb-16	Utilize existing database to reconcile versus City database and expand database based on new services.
	4.1 Daly City access to Customer Web Portal	Area Municipal Services Manager, Customer Service Supervisor, Asst. Division Controller	Sep-15	Feb-16	Provide database training for Daly City staff.
	<b>4 Total Elapsed Time</b>		<b>5 months</b>		
Category	Task		Start Date	End Date	Comments
<b>Routing/New Maps</b>					
	5 Reroute entire service area	Operations Manager, Operations Supervisor	Sep-15	Dec-15	Use of Route Editor. Provide Daly City staff with implementation plan.
	5.1 Reroute notification	Operations Manager, Operations Supervisor, Customer Service Supervisor, Recycling Representatives	May-15	Jun-15	Customers receive notice of collection day change. Follow up reminder call the night before their new collection day.
	5.2 Implement new routes	Operations Manager, Operations Supervisor	Feb-16	Feb-16	New routes begin February 1st or a mutually agreed upon alternative date between Allied and the City.
	<b>5 Total Elapsed Time</b>		<b>5 months</b>		
Category	Task		Start Date	End Date	Comments
<b>Customer Service Representative Training</b>					
	6 Train existing Customer Service Representatives and Recycling	Customer Service Supervisor, BU Customer Service Manager, HR Manager	Sep-15	Feb-16	
	6.1 Train Fremont Call Center on new services	Customer Service Supervisor, BU Customer Service Manager, HR Manager	Sep-15	Feb-16	Train Fremont Call Center management and staff on new services to provide for coverage when needed.
	<b>6 Total Elapsed Time</b>		<b>5 months</b>		

## EXHIBIT B-5: IMPLEMENTATION PLAN

**Table 1: Contractor's Implementation Plan**

Category	Task	Start Date	End Date	Comments
<b>Site Modifications*</b>				
	Expand existing 15,000 square feet of parking and container storage by leasing 7 additional 21,000 square feet of space	Division Manager, Maintenance Manager	Nov-14	Mar-15
7.1	Relocate modular safety/break room and	Maintenance Manager, Operations Manager	Oct-15	Oct-15
7.2	Modify Maintenance Shop to accommodate	Maintenance Manager, Operations Manager	Sep-15	Dec-15
	Remove existing buildings, grade and pave	Maintenance Manager, Operations Manager	Jul-15	Dec-15
7.3	site for truck parking and fueling			
7.4	Installation of CNG fueling equipment	Maintenance Manager, Operations Manager	Jul-15	Dec-15 Also shown above in CNG fueling section.
	Resurface and stripe lot adjacent to Annie	Maintenance Manager, Operations Manager	Nov-15	Jan-16
7.5	Street for new employee parking			
	<b>7 Total Elapsed Time</b>		<b>14 months</b>	
* Start dates and end dates in this category are subject to change based on permit/procedural factors outside of Contractor's control				
Category	Task	Start Date	End Date	Comments
<b>Daly City Coordination</b>				
	General Manager, Division Manager, Municipal Services			
8	Establish schedule to provide Daly City updates	Jul-15	Feb-16	Create regular meeting schedule with Daly City staff for implementation updates.
	Address any concerns that may arise during	General Manager, Division Manager, Municipal Services		
8.1	transition	Manager	Jul-15	Feb-16
	<b>8 Total Elapsed Time</b>		<b>8 months</b>	
Category	Task	Start Date	End Date	Comments
<b>Personnel</b>				
9	Hire Municipal Services Manager	General Manager, Division Manager	Apr-15	Jul-15
9.1	Train and introduce to City staff Municipal S	General Manager, Division Manager	Jul-15	Sep-15
9.2	Train drivers on new trucks	Operations Manager, Operations Supervisor	Oct-15	Feb-16
	<b>9 Total Elapsed Time</b>		<b>10 months</b>	



## EXHIBIT B-5: IMPLEMENTATION PLAN

**Table 1: Contractor's Implementation Plan**

Category	Task	Start Date	End Date	Comments
<b>Public Outreach-Start Up</b>				
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Feb-16	Draft, review, approve and mail.
10	Mail announcement to residential			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Feb-16	Draft, review, approve and mail.
10.1	Mail announcement to commercial			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Feb-16	Draft, review, approve and mail.
10.2	Mail announcement to multifamily			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Oct-15	Nov-15	Send customer info on service levels after cart delivery and reroute.
10.3	Mail subscription selection to reside			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Oct-15	Nov-15	Send customer info on service levels after cart delivery and reroute.
10.4	commercial			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Oct-15	Nov-15	Send customer info on service levels after cart delivery and reroute.
10.5	Mail subscription selection to multifamily			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan-16	Feb-16	Reminder calls the night before new service day.
10.6	Collection day change notification to residential			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan-16	Feb-16	Reminder calls the night before new service day.
10.7	Collection day change notification to commercial			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan-16	Feb-16	Reminder calls the night before new service day.
10.8	Collection day change notification to multifamily			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Dec-15	Draft, review, approve and print.
10.9	Multifamily recycle posters			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Dec-15	Draft, review, approve and print.
10.10	Multifamily food scraps posters			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Dec-15	Draft, review, approve and print.
10.11	Commercial recycle posters			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Dec-15	Draft, review, approve and print.
10.12	Commercial food waste posters			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Dec-15	Bags for multifamily tenants will be delivered by September 2015.
10.13	Multifamily bags			
	Division Manager, Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep-15	Dec-15	Draft, review, approve and print.
10.14	Garbage noncollection tag			

## EXHIBIT B-5: IMPLEMENTATION PLAN

**Table 1: Contractor's Implementation Plan**

Category	Task	Start Date	End Date	Comments
<b>Public Outreach-Start Up</b>				
10.15	Recycle noncollection tag	Sep-15	Dec-15	Draft, review, approve and print.
10.16	Yard waste noncollection tag	Sep-15	Dec-15	Draft, review, approve and print.
10.17	Cleanup noncollection tag	Sep-15	Dec-15	Draft, review, approve and print.
10.18	Cleanup reminder notification	Sep-15	Dec-15	Draft, review, approve and print.
10.19	Website update	Jan-16	Feb-16	Include new services and schedule.
10.20	Container delivery/pick up notification	Jan-16	Feb-16	Containers picked up and delivered on customer's collection day. Notify customer
<b>10 Total Elapsed Time</b>		<b>5 months</b>		

Category	Task	Start Date	End Date	Comments
<b>Public Outreach-Annual</b>				
11	Mail annual customer guide for residential	Sep	Jan	Begin updates in September for January mailing.
11.1	Mail annual customer guide for commercial/multifamily	Sep	Jan	Begin updates in September for January mailing.
11.2	Residential quarterly newsletter - bi-l	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house.
11.3	Mail commercial/multifamily quarterly newsletter	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house.
11.4	Multifamily tenant recycling brochure	Mar	May	Review current brochure for any changes and current supply.
11.5	Multifamily posters for food scraps	Mar	May	Review current brochure for any changes and current supply.

## EXHIBIT B-5: IMPLEMENTATION PLAN

**Table 1: Contractor's Implementation Plan**

Category	Task		Start Date	End Date	Comments
<b>Public Outreach-Annual</b>					
	11.6 Multifamily posters for recycle	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	11.7 Commercial posters for food waste	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	11.8 Commercial posters for recycle	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	Commercial flyers - three times per year	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house.
	11.9				
	11.10 Garbage noncollection tag	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	11.11 Recycle noncollection tag	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	11.12 Yard waste noncollection tag	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	11.13 Cleanup noncollection tag	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	Commercial/Multifamily AB341	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house.
	11.14 mailer 2 times per year	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep	Nov	
	11.15 Holiday tree bill insert	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Sep	Dec	
	11.16 Holiday tree multifamily mailer	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Will develop schedule for drafts, approval, printing and delivery methodology.
	11.17 Multifamily education kits	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Will develop schedule for drafts, approval, printing, delivery to mail house.
	Commercial/Multifamily mailer (inserts)	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Mar	May	Review current brochure for any changes and current supply.
	11.18				
	Commercial mailer promoting food waste program	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jun	Aug	Review current brochure for any changes and current supply.
	11.19				
	11.20 Develop school curriculum	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives			

## EXHIBIT B-5: IMPLEMENTATION PLAN

**Table 1: Contractor's Implementation Plan**

Category	Task		Start Date	End Date	Comments
<b>Public Outreach-Annual</b>					
11.21	Buses for tours (5-10 tours per year)	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Will offer tours and set up schedule.
11.22	Multifamily bags	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Assess current inventory.
11.23	Other office/event/food waste containers	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Assess current inventory.
11.24	On-call Cleanup notification	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Assess current inventory.
11.25	Give aways	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Assess current inventory.
11.26	Multifamily reuse notification	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Assess current inventory.
11.27	Container stickers	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Assess current inventory.
11.28	Website updates	Municipal Services Manager, Customer Service Supervisor, Recycling Representatives	Jan	Dec	Update as needed.
<b>11 Total Elapsed Time</b>			<b>12 months</b>		

**EXHIBIT C**  
**PERFORMANCE STANDARDS AND LIQUIDATED**  
**DAMAGES**

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## **ALLIED EXHIBIT C**

### **PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES**

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Contractor may be assessed Liquidated Damages if Contractor fails to fulfill its obligations with regards to provision of Collection Services and Post-Collection Services, and the events listed in this Exhibit C in accordance with the terms and conditions of the Agreement with regards to the time frame for accomplishing each event and nature of the responsibility associated with the event unless otherwise stated in this Exhibit C. Complaints received from Persons or the City (for service to City Facilities or locations) shall be considered Complaints regardless of the Contractor's opinion. For example, if a Customer calls and complains that the Collection occurred before authorized Collection hours, this Complaint shall be counted as a Complaint and Contractor shall not have an opportunity to contest the Complaint; provided, however, that after two unsubstantiated complaints from a single customer, any further complaint from that customer will not be counted as a complaint for purposes of assessing liquidated damages. Contractor shall have the right to bill a customer for missed pickups caused by a customer not setting out his or her Carts prior to the scheduled time for Collection after two unsubstantiated missed pickup complaints from that customer.

Each Cart or Bin of a customer shall be counted as a Service Opportunity, which if not serviced on a given Collection day shall qualify as a missed pick up for purposes of assessing liquidated damages. Thus if Contractor fails to service a customer's Solid Waste, Compostables and Recyclables Carts on a given day, this will be counted as three missed pickups. Conversely, if only one Cart of three is missed, this will count as only one missed pick up. All Service Opportunities shall be counted in determining Contractor ratio of missed pickups to the total number of Service Opportunities.

Contractor's noncompliance, if any, with performance standards shall be determined on a quarterly basis and related Liquidated Damages shall be paid on a quarterly basis with the exception of those related to Diversion rate which shall be determined on an annual basis.

City reserves the right to audit reports submitted by Contractor or request reports that itemize individual Complaints listing requested information such as the date and time the Complaint or Inquiry was received, name, address and telephone number of caller, description of the caller (e.g., Customer, Occupant/service recipient, City, property manager, etc.), description of Complaint or Inquiry, Complaint category (e.g., missed pick-up, noise, spill, discourteous behavior, request for on-call service, request for change in service level, etc.), name of employee recording Complaint or Inquiry, the action taken by Contractor to respond to and remedy Complaint or Inquiry, and the date and time that the Complaint was resolved.

The following table presents the events of nonperformance that warrant liquidated damages and the acceptable performance level and associated liquidated damages for each performance measure.

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>COLLECTION QUALITY</b>					
1.	Missed Pick-Ups Event – Initial Complaints (includes Solid Waste, Recycling and Compostables Collection)	Percentage of missed pick-up Complaints shall be less than or equal to 1 missed pick-up complaint per 1,000 Service Opportunities.	Each Complaint received for missed pick-up of Solid Waste, Recyclable Materials, Compostables with the exception of missed pick-up Complaints for which Contractor: (i) documented in its Customer service system the Customer's failure to properly set out Container or Container was blocked for Collection based on the route driver's report, and, (ii) coded the call for a recollection request or courtesy pick-up rather than missed pick-up Complaint	Contractor shall print a report on a monthly basis from its Customer service system listing the total Complaints coded as missed pick-up for the City	\$50 per Complaint received above the acceptable performance level
2.	Missed Pick-Up Events – Failure to Promptly Collect (includes Solid Waste, Recycling and Compostables Collection)	No Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	<p>Each failure to promptly Collect missed pick-up, where failures shall include two types of events:</p> <ol style="list-style-type: none"> <li>1. Each Complaint received identifying Contractor's failure to Collect a missed pick-up by 5:00 p.m. of the business day following the receipt of the initial missed pick-up Complaint; and,</li> <li>2. Each missed pick-up Complaint record in the Contractor's Customer service system that shows the resolution date for a missed pick-up Complaint occurring after 5:00 p.m. of the day following the receipt of the initial missed pick-up Complaint</li> </ol> <p>Under all circumstances Contractor shall have at least 24 hours to collect a missed pick-up after receipt of a complaint.</p>	Contractor shall print missed pick-up Complaint reports listing for the City each Complaint, the date of the Complaint, the resolution date; and any other information requested by the City	\$50 per Complaint

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>COLLECTION QUALITY</b>					
3.	Other Collection Quality Complaint (includes Solid Waste, Recycling and Compostables Collection)	Number of "Other Collection Quality Complaints" is less than or equal to five hundredths of one percent (0.05%) of the Service Opportunities per quarter	"Other Collection Quality Complaints" shall include all Complaints received regarding events described under Items 3A through 3G herein.	Contractor shall print a report on a quarterly basis from its Customer service system listing the total number of Complaints coded for each category (Items 3A through 3J) for the City	\$150 per Complaint received above the acceptable performance level
	A. Unauthorized Collection Hours (includes Solid Waste, Recycling and Compostables Collection)	See above	Each Complaint that Contractor has performed Collection services outside of hours authorized the Agreement	See above	See above
	B. Inadequate Care of or Damage to Private Property	See above	Each Complaint that Contractor has not closed a Customer's gate, has crossed planted areas, or has damaged private property (including damage of private vehicles)	See above	See above
	C. Failure to Resolve Property Damage Claims	See above	Each Complaint of Contractor's failure to resolve claims of damage to property within thirty (30) calendar days of the date the Complaint damage was reported by customer	See above	See above

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>COLLECTION QUALITY</b>					
	D. Improper Container Placement	See above	Each Complaint of Contractor's failure to return empty Containers to original location (or alternate location if original location was not safe with regard to pedestrian and vehicular traffic), and each Complaint of failure to place Containers in an upright position with lids closed	See above	See above
	E. Excessive Noise	See above	Each Complaint of excessive noise reportedly related to Contractor's Collection operations	See above	See above
	F. Unacceptable Employee Behavior	See above	Each Complaint of reportedly discourteous, rude, or inappropriate behavior by Collection vehicle personnel, Customer service personnel, or other employees of Contractor	See above	See above
	G. Spills of Discarded Materials	See above	Each Complaint of unreasonable leaks, litter, or spills of Solid Waste, Recyclable Materials, or Compostables near Containers or on public streets and Contractor's failure to pick up or clean up such material immediately	See above	See above
4.	Spills of Vehicle Fluids	Number of Complaints in this category is less than or equal to six per quarter	Each Complaint of unreasonable leaks or spills of hydraulic fluids, fuel, motor oil, and other motor vehicle fluids and liquids from the Collection vehicle on public streets or private property.	Contractor shall print a report on a quarterly basis from its Customer service system listing the total number of Complaints coded to this category for the City	\$500 per Complaint received above the acceptable performance level

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>COLLECTION QUALITY</b>					
5.	Injuries to Others	No incidents or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Each incident of personal injury to a Person requiring medical treatment by a physician or hospitalization, where the negligence of the Contractor or its personnel was a contributing factor to the injury	Contractor shall print a report on a quarterly basis from its Customer service system listing the total number of Complaints coded for this category or City may learn of incident through other means	\$5,000 per incident or Complaint not reported
6.	Failure to Perform Non-collection Noticing	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	"Failure to Perform Non-collection Noticing" shall include all Complaints received regarding events described under Items 2A through 2C herein.	Contractor shall print missed pick-up and non-collection Complaint reports listing for the City each Complaint, the date of the Complaint, the resolution date; and any other information requested by the City	\$50 per Complaint

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>COLLECTION QUALITY</b>					
	A. Notice to Service Recipient	See above	Each failure to leave a Non-collection Notice at the premises, pursuant to Sections 3.4.4 or 3.5.3 in the event of non-collection of Solid Waste or Recyclables, respectively.	See above	See above
	B. Notice to City	See above	Each failure to provide notice of non-collection to City staff and/or code enforcement, pursuant to Sections 3.4.4 or 3.5.3 in the event of non-collection of Solid Waste or Recyclables, respectively.	See above	See above
	C. Deliver Replacement Container	See above	Each failure to provide replacement or additional Solid Waste or Recyclables Containers to a Service Recipient following a third Non-collection Notice pursuant to Sections 3.4.4 or 3.5.3, respectively.	See above	See above

	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>CUSTOMER SERVICE QUALITY</b>					
1.	Failure to Achieve Minimum Average Telephone Delay Time	Achievement of an average quarterly delay time of 30 seconds or less (monthly average delay for each month in the quarter shall be submitted with quarterly reports)	Actual average monthly delay time for Persons waiting to speak with a customer service representative exceeds the minimum average monthly delay time of 30 seconds as determined using a method and reports from customer service center that are approved by the City	Contractor shall report monthly Customer service information on a quarterly basis	\$1,000 per second above the minimum average hold time per quarter



# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>CUSTOMER SERVICE QUALITY</b>					
2.	Calls Answered in 30 Seconds	Percentage of calls answered in 30 seconds is less than or equal to 75% for each month in the quarterly reporting period	Number of calls in the month not answered within 30 seconds that needed to be answered to achieve the goal of answering 75% in 30 seconds	Contractor shall report monthly Customer service information on a quarterly basis	\$5 per call for each call not answered in accordance with the standard
3.	Calls Answered in 3 Minutes	Percentage of calls answered in 3 minutes is less than or equal to 90% for the each month in the quarterly reporting period	Documented number of calls in each month not answered within 30 seconds below the goal of answering 90% in 3 minutes	Contractor shall report monthly Customer service information on a quarterly basis	\$5 per call for each call not answered in accordance with the standard
4.	Excessive Dropped Calls (i.e., Call Abandoned Rate)	Dropped call rate is less than or equal to 3% of incoming calls for each month in the quarterly reporting period	Documented number of calls in each month that were dropped above the minimum excessive dropped call rate of 3%	Contractor shall report monthly Customer service information on a quarterly basis	\$5 per call for each drop call above the minimum standard
5.	Untimely Response to Complaints and Inquiries	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Where a complaint cannot readily be resolved by Contractor or requires additional time to reasonably resolve, failure to inform Customer or Person of the action Contractor will take to remedy a Complaint or Inquiry by 5:00 p.m. of the day following receipt of the Complaint/Inquiry for all Complaints/Inquiries received via telephone, voice mail, or e-mail.	Contractor shall document all Complaints and Inquiries including the date of response, and, upon request, shall provide detailed reports for the Agencies review	\$100 per incident

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>CUSTOMER SERVICE QUALITY</b>					
6.	Untimely Resolution of Complaints and Inquiries	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Each failure to resolve or remedy a Complaint or Inquiry within sixty (60) Business Days of receipt of Complaint or Inquiry, with the exception of missed pick-ups which are addressed above; provided, however, that where a complaint cannot readily be resolved by Contractor or requires additional time to reasonably resolve, this liquidated damage provision shall not apply.	Contractor shall document all Complaints and Inquiries including the date of response, and, upon request, shall provide detailed reports for the Agencies review	\$100 per incident
7.	Failure to Record and Process Complaints and Inquiries	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Each failure to record (in the Contractor's Customer service system) Complaints/Inquiries received by the City and communicated by the City to Contractor	Contractor shall document all Complaints and Inquiries and City may request detailed reports to verify completeness of such reports or may check Customer service system for each Complaint/Inquiry entry	\$500 per incident

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>CUSTOMER SERVICE QUALITY</b>					
8.	Failure to Commence Service	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Any failure by Contractor to deliver a Container and begin providing collection service to a Customer at the service level requested by said Customer, within seven calendar days of such request. This may include a new Customer receiving new service or an existing Customer requesting a change in or addition to existing service levels.	Contractor shall document all Complaints and Inquiries including the date of response, and, upon request, shall provide detailed reports for the Agency's review	\$50 per incident
9.	Failure to Replace Container or Remove Graffiti	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Any failure by Contractor to replace or repair a damaged Container within five calendar days of receiving such a request from a Customer or City, or any failure by Contractor to remove graffiti from Containers within forty-eight hours of identification by Contractor or notice by City or Customer if such graffiti includes any written or pictorial obscenities and otherwise within five business days.	Contractor shall document all Complaints and Inquiries including the date of response, and, upon request, shall provide detailed reports for the Agency's review	\$50 per incident
10	Failure to Perform Education and Outreach Activities	No failures or Complaints in this category are acceptable; therefore, any Complaint of this nature shall be considered unacceptable.	Each individual failure by Contractor to develop, produce, and distribute public education material or perform community outreach activities in the form and manner required under Exhibit B to this Agreement.	Contractor shall report all public education and community outreach activities completed each year in the Annual Report.	\$500 per activity

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>MANAGEMENT OF DISCARDED MATERIALS DURING AND FOLLOWING COLLECTION</b>					
1.	Mixing Material Types During Collection	No acceptable failure level	<p>Each individual Container that is intentionally collected by Contractor in a vehicle intended or designated for the purpose of collecting a different material type (e.g. Recyclables collected in Solid Waste vehicle, Solid Waste collected in compostables vehicle, etc.)</p> <p>Intentional mixing of materials during Post-Collection that were delivered as separate streams such that the resulting diversion rate is substantially below the average for the facility for the materials as delivered</p>	Tonnage reports, observation, complaints	<p>\$100/Container during Collection</p> <p>\$5,000 per occurrence during Post-Collection</p>
2.	Delivery to Non-Approved Facility	No acceptable failure level	Each individual occurrence of delivering materials (other than Residue) to a facility other than the Approved Facility(ies) or Contingent Facilities designated for each material type without prior City approval	Tonnage reports	\$100/Ton

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>MANAGEMENT OF DISCARDED MATERIALS DURING AND FOLLOWING COLLECTION</b>					
3.	Contractor Failure to Maintain Approved Post-Collection Facility Capacity	No acceptable failure level	Inability of Contractor to deliver Discarded Material to an Approved Facility due to: a) lack of available capacity; b) Contractor failure to compensate Approved Facility Operator as required; or c) a lack of, or lapse in, a Post-Collection Arrangement, provided that the foregoing shall not apply in the event of (1) Contractor's inability to use an Approved Facility due to an event of force majeure affecting the Approved Facility or Approved Facility Operator, or (2) the Approved Facility Operator's breach of its agreement with Contractor.	Tonnage reports, observation, complaints	\$500/Ton

# ALLIED EXHIBIT C

## PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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	Event of Non-Performance	Acceptable Performance Level	Definition of Complaint, Incident, or Event	Tracking Method	Liquidated Damage Amount
<b>MANAGEMENT OF DISCARDED MATERIALS DURING AND FOLLOWING COLLECTION</b>					
4.	Disposal of Material Targeted for Diversion	No acceptable failure level	<p>Each individual occurrence of Disposal by Contractor, rather than Processing or delivery for Processing, of Recyclables, Compostables or other reusable materials set out for collection by the customer</p> <p>Each individual occurrence of Disposal by an Approved Facility or Contingent Facility, rather than Processing, of Recyclables, Yard Trimmings or other Compostables, or other reusable materials delivered by Contractor for Post-Collection</p> <p>The foregoing liquidated damages shall not apply to Disposal of Residue or of loads of Recyclables, Composables or other reusable materials that the processor reasonably determines are too contaminated to process.</p>	Tonnage reports	\$500/Ton
5.	Failure to Compensate Approved Facility and Contingent Facility Operators	No acceptable failure level	Each failure to pay submitted invoices within thirty (30) days of receipt, provided such invoices are correct and the operator properly performed the services subject to the invoice.	Monthly reports	\$5,000 per day per occurrence



**EXHIBIT D**  
**PUBLIC LOCATIONS FACILITIES SERVICE**

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Contractor Service to Public Facilities and Locations, Cans, Bins and Rolloffs  
Updated February 3rd, 2015

Location	Address	TRASH										RECYCLE										FW/YW		COMMENTS
		32 QTY/SVC	64 QTY/SVC	96 QTY/SVC	1 QTY/SVC	1.5 QTY/SVC	2 QTY/SVC	3 QTY/SVC	4 QTY/SVC	6 QTY/SVC	32 QTY/SVC	64 QTY/SVC	96 QTY/SVC	1 QTY/SVC	1.5 QTY/SVC	2 QTY/SVC	3 QTY/SVC	4 QTY/SVC	6 QTY/SVC	32 QTY/SVC	64 QTY/SVC			
City Can Mission & Templeton	5999 Mission Street	1-5X																						
City Can	1 John Daly Blvd	5-1X																						
Doelger Senior Center	101 Lake Merced Blvd	5-2X		7-1X					1-2X		2-3X		4-2X					1-1X		4-3X				
Westlake Park	111 Lake Merced Blvd	3-3X		2-3X								3-2X												
DC Park Westmoor	123 Edgemont Drive			5-5X																				
City Can Library Mission	134 Hillside Blvd			1-5X							1-1X													
City Can & Center Pacelli Gym	145 Lake Merced Blvd	1-3X							2-2X		1-2X							1-1X						
DC Park Edgewood Park	173 E Vista Avenue	2-2X																						
Fire Staion 92	18 Bepler Street					1-2X												3-1X						
City of DC	204 92nd Street	1-1X		1-1X														2-1X						
City Can Thornton Beach	2198 Skyline Drive	1-2X											1-1X											
City Can Walgreens	22 San Pedro Road	1-5X/1-3X																						
DC Park Hillside	222 Lausanne Avenue	6-2X									1-1X													
City Can at Peninsula Works	271 92nd Street	1-5X										2-1X												
DC Park Imagination Center	280 92nd Street	1-5X																						
DC Park City Hall	333 90th Street		1-3X	1-5X							1-3X		7-3X											
DCPD	333 90th Street		3-1X									3-1X												
DC Park Health Center	380 90th Street	2-5X																						
DC Park Gellert	40 Wembley Drive			16-2X					2-2X										1-3X					
City Can Wendys	401 Mission Street	1-5X																						
DC Park David Rowe	45 Midway Drive	3-2X																						
DC Park Bayshore Heights	450 Martin Street		2-2X																			3-2X	FW to commence by 3/1/15	
DC Park Dueling Site	50 El Portal Way	1-1X																						
DC Orange Park	552 Orange Street			7-2x																				
City Can Mission & Liebig	5998 Mission Street	1-5X																						
City Can Mission & Flournoy	6198 Mission Street	1-5X																						
City Can 3rd Can on Island	6215 Mission Street	1-5X																						
City Can 2nd Can on Island	6222 Mission Street	1-5X																						
City Can Round Table Pizza	6222 Mission Street	1-5X																						
City Can 1st Can on Island	6277 Mission Street	1-5X/1-3X																						
City Can Annex Bar	6282 Mission Street	1-5X																						
City Can Mission & Welligton	6291 Mission Street	1-5X																						
City Can Hilltop Beauty School	6317 Mission Street	1-3X																						
City of DC History Guild	6351 Mission Street	1-1X																						
City Can Hilltop Cleaners	6379 Mission Street	1-5X																						
City Can War Memorial Bus Stop	6655 Mission Street	1-3X										3-1X												
War Memorial Building	6655 Mission Street			8-1X																				
City Can Bus Stop	6676 Mission Street	1-3X									1-1X													
City Can Pacific View Ctr	6676 Mission Street	1-5X																						
City Can Mid City Market	6718 Mission Street	1-5X																						
City Can BAP Auto Parts	6731 Mission Street	1-5X																						
City Can @ABC College	6755 Mission Street	1-5X																						
City Can Mission/Eastlake	6791 Mission Street	1-5X																						
City Can Mission/Westlake	6796 Mission Street	1-5X																						
City Can Just Tires	6798 Mission Street	1-5X																						
City Can VW Used Sales	6800 Mission Street	1-5X																						
City Can VW New Sales	6918 Mission Street	1-5X																						
City Can 76 Gas Station	6989 Mission Street	1-5X																						
City Can B & B Transmission	7073 Mission Street	1-5X																						
City Can Law Offices	7080 Mission Street	1-5X																						
City Can Smog Test Center	7101 Mission Street	1-5X																						
City Can Midas/Bus Stop	7198 Mission Street	1-5X																						
City Can Jack in the Box	7217 Mission Street	1-5X																						
City Can D & J Auto Body	7232 Mission Street	1-5X																						
City Can Toyota Used Cars	7255 Mission Street	1-5X																						
City Can Vale & Mission	7298 Mission Street	1-5X																						
City Can Office Plz/Used Car	7311 Mission Street	1-5X																						
City Can Bank of America	7395 Mission Street	1-5X																						
City Can Napcor Maytag	7404 Mission Street	1-5X																						
City Can Goodwill	7420 Mission Street	1-5X																						
City Can Dental Clinic/Bus	7455 Mission Street	1-5X																						

**Contractor Service to Public Facilities and Locations, Cans, Bins and Rolloffs**  
**Updated February 3rd, 2015**

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**EXHIBIT E**  
**GUARANTY**

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**REPUBLIC SERVICES, INC.**  
**CERTIFICATE OF ASSISTANT SECRETARY**

The undersigned, Assistant Secretary of Republic Services, Inc., a Delaware corporation (the "Company"), does hereby certify on behalf of the Company, that Marsha A. Lacy is the duly elected Vice President and Treasurer of the Company, that in such capacity she can exercise such power and perform such duties as usually accompanies such offices, and implicit in such power is the authority to enter into a Guaranty Agreement, providing for the Company to guarantee the obligations of Allied Waste Services of North America, LLC, a Delaware limited liability company and indirectly owned subsidiary of the Company (the "Subsidiary") in connection with the *Agreement for Integrated Waste Management Services* with the City of Daly City, California, and that the signature below is the officer's genuine signature and there is no current intention to remove her from such offices.

Marsha A. Lacy



IN WITNESS WHEREOF, the undersigned has hereunto set her hand this 8<sup>th</sup> day of December, 2014.



Eileen B. Schuler  
Assistant Secretary

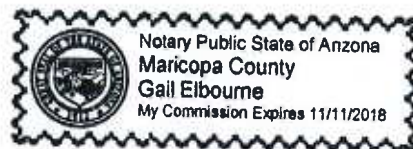
State of Arizona

)  
County of Maricopa

SUBSCRIBED and SWORN to before me, the undersigned notary public, on December 8, 2014.

  
Notary Public

My Commission Expires: 11-11-18





## EXHIBIT E. GUARANTY AGREEMENT

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This Guaranty, made as of the date written below by Republic Services, Inc. (Guarantor), to and for the benefit of the City of Daly City (City), a municipal corporation of the State of California (State).

THIS GUARANTY is made with reference to the following facts and circumstances:

Allied Waste Services of North America, LLC ("Contractor") is a limited liability company organized under the laws of the State of Delaware, all of the issued and outstanding stock of which is indirectly owned by Guarantor.

Guarantor is a corporation organized under the laws of the State of Delaware.

Contractor and City have negotiated an Agreement for Integrated Waste Management Services (such agreement, as it may be amended, modified or waived from time to time, the "Agreement"), under which Contractor is to provide specified services to City. This Guaranty is an Exhibit E to the Agreement and the Agreement is incorporated herein by this reference.

It is a requirement of the Agreement, and a condition to City's entering into the Agreement, that Guarantor guaranty Contractor's performance of the Agreement.

Guarantor is providing this Guaranty to induce City to enter into the Agreement.

NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:

**Guaranty of Contractor's Performance Under Agreement.** Guarantor by this Guaranty directly, unconditionally, irrevocably, and absolutely guaranties the timely and full performance of Contractor's obligations under the Agreement in accordance with the terms and conditions contained therein or to cause that timely and full performance. Within thirty (30) Calendar Days written request therefore by the Authority, Guarantor shall honor the Guaranty. Notwithstanding the unconditional nature of the Guarantor's payment obligations set forth in this Agreement, the Guarantor may assert the defenses provided in the paragraph entitled Defenses under Section 8 of this Guaranty, against claims made under this Guaranty.

**Guarantor's Obligations Are Absolute.** The obligations of the Guarantor hereunder are direct, immediate, absolute, continuing, unconditional and unlimited and, with respect to any payment obligation of Contractor under the Agreement, shall constitute a guarantee of payment and not of collection, and are not conditioned upon the genuineness, validity, regularity or enforceability of the Agreement.

**Waivers and Subordination.** The Guarantor shall have no right to terminate this Guaranty or to be released, relieved, exonerated or discharged from its obligations under Section 1 hereof for any reason whatsoever, including, without limitation: (1) the insolvency, bankruptcy,

reorganization or cessation of existence of the Contractor; (2) any amendment, modification or waiver of any provision of the Agreement or the extension of its Term; (3) the actual or purported rejection of the Agreement by a trustee in bankruptcy, or any limitation on any claim in bankruptcy resulting from the actual or purported termination of the Agreement; (4) any waiver, extension, release or modification with respect to any of the obligations of the Agreement guaranteed hereunder or the impairment or suspension of any of City's rights or remedies against Contractor; or (5) any merger or consolidation of the Contractor with any other organization, or any sale, lease or transfer of any or all the assets of the Contractor.

The Guarantor hereby waives any and all rights, benefits and defenses under California Civil Code Sections 2809, 2815, 2819, 2845, 2849 and 2850, and all other rights permitted to be waived by Section 2856(a) including, without limitation, the right to require City to (a) proceed against Contractor, (b) proceed against or exhaust any security or collateral City may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agree that City may proceed against Guarantor for the obligations guaranteed herein without taking any action against Contractor or any other guarantor or pledgor and without proceeding against or exhausting any security or collateral City may hold now or hereafter hold. City may unqualifiedly exercise in its sole discretion any or all rights and remedies available to it against Contractor or any other guarantor or pledgor without impairing City's rights and remedies in enforcing this Guarantee.

The Guarantor hereby waives and agrees to waive at any future time at the request of City, to the extent now or then permitted by applicable law, any and all rights which the Guarantor may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not affect the liability of the Guarantor hereunder: (a) at any time or from time to time, without notice to the Guarantor, the time for Contractor's performance of or compliance with any of its obligations under the Agreement is extended, or such performance or compliance is waived; (b) the Agreement is modified or amended in any respect; (c) any other indemnification with respect to Contractor's obligations under the Agreement or any security therefore is released or exchanged in whole or in part or otherwise dealt with; (d) any assignment of the Agreement is effected which does not require City's approval; or (e) any termination or suspension of the Agreement arising by reason of a default by Contractor.

The Guarantor hereby expressly waives diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or nonperformance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from City as a preference, fraudulent transfer or otherwise, irrespective of (a) any notice of revocation given by Guarantor or Contractor prior to such avoidance or recovery, or (b) payment in full of any obligations then outstanding.

The Guarantor expressly subordinates and waives its rights to subrogation, reimbursement, contribution or indemnity with respect to performance by Guarantor of the obligations of Contractor guaranteed hereby, until such time as City receives payment or performance in full

of all such obligations.

**Term.** This Guaranty is not limited to any period of time, but shall continue in full force and effect until all of the terms and conditions of the Agreement have been fully performed by Contractor, and Guarantor shall remain fully responsible under this Guaranty without regard to the acceptance by City of any performance bond or other collateral to assure the performance of Contractor's obligations under the Agreement. Guarantor shall not be released of its obligations hereunder so long as there is any claim by City against Contractor arising out of the Agreement based on Contractor's failure to perform which has not been settled or discharged.

**No Waivers by City.** No delay on the part of City in exercising any rights under this Guaranty or failure to exercise such rights shall operate as a waiver of such rights. No notice to or demand on Guarantor shall be a waiver of any obligation of Guarantor or right of City to take other or further action without notice or demand. No modification or waiver by City of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by City and by Guarantor, nor shall any waiver by City be effective except in the specific instance or matter for which it is given.

**Attorney's Fees.** In addition to the amounts guaranteed under this Guaranty, Guarantor agrees to pay actual attorney's fees and all other costs and expenses incurred by City in enforcing this Guaranty, or in any action or proceeding arising out of or relating to this Guaranty, including any action instituted to determine the respective rights and obligations of the parties hereunder.

**Governing Law; Jurisdiction.** This Guaranty is and shall be deemed to be a contract entered into in and pursuant to the laws of the State of California and shall be governed and construed in accordance with the laws of California without regard to its conflicts of laws rules for all purposes, including, but not limited to, matters of construction, validity and performance. Guarantor agrees that any action brought by City to enforce this Guaranty may be brought in any court of the State of California and Guarantor consents to personal jurisdiction over it by such courts. Guarantor appoints the following person as its agent for service of process in California:

CT Corporation System  
818 West Seventh St., 2nd Floor  
Los Angeles, CA 90017

**Severability.** If any portion of this Guaranty is held to be invalid or unenforceable, such invalidity shall have no effect upon the remaining portions of this Guaranty, which shall be severable and continue in full force and effect.

**Binding on Successors.** This Guaranty shall inure to the benefit of City and its successors and shall be binding upon Guarantor and its successors, including a successor entity formed by a merger or consolidation, a transferee of substantially all of its assets, and its shareholders in the event of its dissolution or insolvency.

**Authority.** Guarantor represents and warrants that it has the corporate power to give this guaranty, that its execution of this Guaranty has been authorized by all necessary action under its Articles of Incorporation and by-laws, and that the person signing this Guaranty on its behalf has authority to do so.

**Notices.** Notice shall be given in writing, deposited in the U.S. mail, registered or certified, first class postage prepaid, addressed as follows:

TO CITY:

City Clerk  
City Hall  
333 90th Street,  
Daly City, CA 94015  
(650) 991-8000

With a copy to City Contract Manager and City Attorney at the same address.

TO GUARANTOR:

Area President  
Allied Waste Services of North America, LLC  
3260 Blume Drive, 2<sup>nd</sup> Floor  
Richmond, CA 94806

With a copy to:

Timothy Benter  
Vice President & Deputy General Counsel  
Republic Services, Inc.  
18500 North Allied Way  
Phoenix, AZ 85054

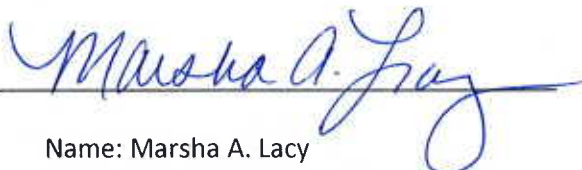
The parties may change the address to which notice is to be sent by giving the other party notice of the change as provided in this Section.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty on the day and year first above written.

GUARANTOR:

Republic Services, Inc.

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



Name: Marsha A. Lacy

Title: Vice President and Treasurer

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**EXHIBIT F**  
**CONTRACTOR'S EXTENDED TERM PROPOSAL**

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# **EXHIBIT F**

## **CONTRACTOR'S EXTENDED TERM PROPOSAL**

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### **EXTENDED TERM PROPOSAL FOR THE CITY OF DALY CITY**

The following describes key components of Allied's extended term (15 year) proposal approved in concept by the Daly City Council on November 19, 2014, and are addressed in the body of the Agreement. The purpose of this text is to reference how the extended term proposal relates to Allied's original collection proposal submitted on March 21, 2014, as contained in this Exhibit F.

Allied Waste Services of North America, LLC ("Allied") is offering the City of Daly City ("City") an extended term proposal designed to provide additional benefits to the City of Daly City above and beyond those offered in the ten (10) year term proposal. This extended term proposal supplements Allied's original 10 year term High Diversion Proposal, utilizing existing containers, that was previously provided to the City during the RFP process. This extended term proposal offers a Franchise Agreement with a term of fifteen (15) years commencing on February 1, 2016 and would expire on January 31, 2031. [Reference Section 3(i), page 110 of the original proposal.]

As a part of this extended term proposal, Allied will defer any compensation rate adjustments, and therefore any price increases to rate payers, until July 1, 2017. This is inclusive of the January 1, 2015 rate adjustment that Allied is eligible for under the current Franchise Agreement with the City, as well as the February 1, 2016 rate adjustment identified as beginning at the start of Rate Period 1 in the Franchise Agreement. Allied proposes that the first rate adjustment scheduled to take effect July 1, 2017 follow the rate adjustment process as outlined in Section 6.2.3 of the Franchise Agreement. [Reference Section 7, page 126 of the original proposal.]

Allied proposes that all source separated recyclables collected curbside from residential, commercial and industrial customers within the City be delivered to the Newby Island Recyclery ("Newby") for processing. Allied will guarantee processing capacity to the City at the Newby Island Recyclery for the term of this agreement. Allied proposes that source separated recyclable materials be delivered to Newby Island via transfer vehicle through the Ox Mountain Landfill and/or the Blue Line Transfer Station. [Reference Section 4(b), page 111 of the original proposal.]

For Rate Period 1, Allied will offer a credit to the post-collection services costs in the amount of \$30.00/ton on all source separated recyclable materials anticipated to be delivered to Newby and collected as part of the Franchise Agreement. This rebate reflects 27.3 % of the November 2014 Low Side of the Official Board Market (OBM) Los Angeles Index for Mixed Paper (2) – Export to China (\$110 per ton). During the process of establishing rates for Rate Period 2 and each successive Rate Period thereafter, the (\$30.00) credit to the post-collection costs shall be adjusted, up or down, to reflect 27.3% of the monthly average for the most recent February through March average values for this index.

Upon the commencement date of the new Franchise Agreement, Allied is offering the use of existing containers and will annually replace a minimum of five percent (5%) of the existing containers in each of the first five years of the Franchise Agreement and a minimum of fifteen percent (15%) of the existing containers in the second five years of the Franchise Agreement such that by the end of Year 10, all containers initially used upon the commencement date will have been replaced. [Reference Section 2, page 26-27 of the original proposal.]

## **EXHIBIT F**

### **CONTRACTOR'S EXTENDED TERM PROPOSAL**

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As set forth in Allied's original High Diversion Proposal with existing containers, Allied has proposed that new Compressed Natural Gas ("CNG") collection vehicles be used to perform all collection services at the Commencement Date. Understanding that the average useful life of these vehicles is approximately ten (10) years, beginning in Year 11, Allied will begin to replace the fleet of collection vehicles with new collection vehicles such that by the end of Year 11, all CNG collection vehicles initially used upon the commencement date will have been replaced with new vehicles. Allied will maintain its original depreciation cost schedule to the City through the term of the Franchise Agreement and will not pass on increased depreciation costs to the City, which result from inflationary costs of new truck purchases in Year 11, as we begin to recapitalize our fleet and bring new collection vehicles into service. [Reference Section 3(f), page 108 of the original proposal.]

All other terms and conditions offered by Allied in our original High Diversion Proposal with used containers remain in full force and effect, except for those expressly described herein.

FULL PROPOSAL ON FILE WITH THE CITY CLERK

**EXHIBIT G**  
**PERFORMANCE BOND**

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To be included here in the final PDF document final executioun of the agreement.

**EXHIBIT H**  
**LABOR AGREEMENTS**

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**COLLECTIVE BARGAINING AGREEMENT**

**Allied Waste Services of North America, LLC  
dba  
Allied Waste Services of Daly City**

**and**

**The International Association of Machinists  
And Aerospace Workers, AFL-CIO  
District Lodge No. 190  
Peninsula Auto Mechanics Local Lodge No. 1414**

**July 1, 2013 – June 30, 2017**



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## **AGREEMENT**

This Agreement made and entered into this 1<sup>st</sup> day of July, 2013, by and between **ALLIED WASTE SERVICES OF DALY CITY**, hereinafter referred to as the "Employer," and **THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO, DISTRICT LODGE NO. 190, and PENINSULA AUTO MACHINISTS, LOCAL LODGE NO. 1414**, hereinafter referred to as the "Union."

### **Witnesseth**

In consideration of the premises and of the respective promises, agreements and covenants of the said parties' signatory hereto, they do hereby mutually agree as follows, to wit:

### **SECTION I - Recognition**

The Employer hereby recognizes the Union as the sole collective bargaining agent for all employees coming under the jurisdiction of the Union exclusive of supervisory personnel.

### **SECTION II - Work Jurisdiction**

The work covered by this Agreement is and shall be the erecting, assembling, installing, repairing, or dismantling of all or any parts thereof of trucks and/or automobiles, truck and/or automobile engines and motors, driving, or driven parts thereof, and all electrical devices, pertaining thereto, whether driven by gasoline, oil, diesel, butane, or electricity, including all fabric or metal appurtenances thereto, composed of steel or iron, whether structural, angle, T, galvanized, bar, tube, rod, shafting, sheet or plate, or of nickel, bronze, lead, copper, brass, aluminum, babbitt, or other substances thereof.

All oxyacetylene, heliarc, or electric cutting or welding when used to substitute the former method of performing truck and/or auto-mobile work including building, repairing and dismantling.

The repairing, refinishing and maintaining of all automobiles, trucks, tractors, trailers, motorcycles, or other automotive repair work.

### **SECTION III - Conditions of Employment**

The Employer agrees that when a new employee is hired, the employee shall immediately report to the Union office for the purpose of informing the Union that he has been hired and intends to assume employment. To implement this procedure, the Union agrees to furnish each person so

reporting with written evidence of such contact, the evidence being a clearance slip, which is to be given to his Shop Steward and/or Employer. Failure on the part of the Employer to adhere to this procedure will result in the new employee being removed from the job by the Business Representative, and sent to the Union office, on the Employer's time, to effectuate contact with the Union.

Only members in good standing in the Union shall be retained in employment. For the purpose of this Section, "members in good standing" shall be defined to mean employee members in the Union who tender their periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership.

The Employer agrees to advise the Union of its requirements for employees prior to filling any vacancies or creating new employment in sufficient time to enable the Union to submit applicants for consideration. The Employer reserves the right to reject any applicant for employment; however, first consideration shall be given to qualified persons who have had previous experience by actual employment in the County of San Mateo and/or Northern Santa Clara County.

#### **DUES CHECKOFF:**

A. Upon receipt of a written assignment and authorization signed by the employee on a mutually acceptable form, the Company agrees to deduct the regular monthly dues and initiation fee for the subsequent month from the pay of such employee. The amount deducted shall be in accordance with the IAM Union Constitution.

Payment shall be made to the Union on or before the first (1<sup>st</sup>) day of the calendar month following the deduction.

B. An employee's deductions shall begin in the first calendar month following receipt of the authorization card by the Company.

C. Should the Company not deduct dues from the employee's pay because of either insufficient earnings or absence for any reason during the deduction period, it will be the sole responsibility of such employee to make the required dues payment directly to the Union Office. The Company will notify the employee when deductions are not made.

D. If the Company complies with this check-off provision, all legal consequences are the responsibility of the Union and the Union agrees to reimburse the Company for any damages sustained by the Company in complying with this provision.

E. The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, legal proceedings, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Section or in reliance of any assignment furnished under any such provisions. The provisions of this Section shall be effective only in accordance with and consistent with applicable provisions of Federal or State law.

Non-members of the Union employed by, or subsequently hired by, the Employer must complete membership on the 31st day following commencement of employment, or the effective date of this Agreement, or the date of signing of this Agreement, whichever is the later. The Employer agrees that upon receipt of written notice from the Union of noncompliance of such employee with the terms as related above respecting the establishment and maintenance of membership in the Union to discharge such employee within forty-eight (48) hours after receipt of such notice.

Whenever an employee quits, is laid off, or is discharged, the Union shall be notified of such fact in writing by the Employer within forty-eight (48) hours. Said notice shall state the time when said employee was severed from the payroll.

The Employer shall be the judge of the competency of employees, subject to the right of any employee whose competency may be challenged to the processes of the grievance procedure hereinafter provided.

Employees covered by this Agreement shall not hold more than one job in the industry at one time.

Suspension or dismissal from service for justifiable cause shall not be considered a violation of any of the provisions of this Agreement.

It is presumed that any employee who has been retained in the service of an Employer for ninety (90) calendar days shall have established competency.

#### **SECTION IV - Work Day / Work Week**

A. Work Day: Eight (8) hours, within not to exceed nine (9) consecutive hours, shall constitute a day's work, starting time to be between 4:00 a.m. and 10:59 a.m. for the day shift, which shall be an established shift.

B. Work Week: Five (5) eight (8) hour days, forty (40) hours, Monday to Friday inclusive, shall constitute a regular week's work for Mechanics.

C. Swing and Graveyard Shift: A swing shift starting from 11:00 a.m. to 7:59 p.m. shall be compensated at one dollar and eighty-five cents (\$1.85) per hour additional pay. A graveyard shift starting from 8:00 p.m. to 3:59 a.m. shall be compensated at two dollars (\$2.00) per hour additional pay.

All Mechanics, with the exception of the day-shift foreman, shall be rotated to the night shift every ninety (90) days. The Employer agrees to give the employees one (1) week notice advising of a shift change, except in an emergency. Shift changes are to start at the beginning of the week.

The Employer agrees to provide a two (2) week notice to employees advising of a permanent change of location, except in emergency cases. A change of location is to be made according to seniority.

D. In the event an employee reports for work and has not received notification from the Employer not later than the preceding work day that he is not to report for work, he shall be guaranteed one day's work or pay thereof, providing the employee was present for work a full day on his last scheduled work day prior to the date of intended layoff, unless absence is due to sickness, accident, or an act by the Employer which prevented the employee from being present for work.

E. In the event an employee should suffer an industrial accident on the job after reporting for work that requires loss of time, he shall nevertheless be paid at his regular rate for the remainder of that shift on which said industrial accident occurs, in the event he is unable to continue work for that day.

F. Employees who have returned to work but who are receiving medical treatment under Worker's Compensation shall be allowed a maximum of two (2) hours a day away from work for the purpose of receiving medical treatment prescribed by the employee's attending physician. Such employee shall receive his regular rate of pay for such time loss.

## **SECTION V - Wage Rates & Classifications**

### **A. DEFINITIONS:**

All employees covered by this Agreement, except sanders/rubbers and foremen who use the tools of the trade, shall, for the purposes hereof, be divided and classed as journeymen or apprentices.

(1) Journeyman: A journeyman is a member of one of the trades mentioned in the classifications listed below who has served his apprenticeship or otherwise acquired the knowledge, experience and ability sufficient to perform work assigned to him within a reasonable time and to the satisfaction of the Employer. He must hold valid licenses as may be required by law.

(2) Apprentices: Apprentices are employees who are indentured to learn a trade. Apprentices shall be under the supervision of a journeyman or journeymen and shall be given a reasonable opportunity to learn the respective craft in which they are employed. They are to be advanced as rapidly as their knowledge and fitness merit. Apprentices shall not be allowed to work overtime, except in company with a journeyman. Apprentices shall be indentured by and be under the supervision of the Automotive Repair Trades Joint Apprenticeship Committee (JAC). This Committee is comprised of an equal number of Employers and Union members.

The term of apprenticeship shall be a period of four (4) years. He shall attend apprentice classes for related instruction of not less than one hundred forty-four (144) hours per year, and not less than five hundred seventy-six (576) hours for the four (4) year period of apprenticeship.

(3) Ratio of Apprentices to Journeymen: One apprentice may be employed in each shop (department not to be considered as a separate shop) where one (1) journeyman is regularly employed and one (1) additional apprentice may be employed for an additional five (5)

Journeyman regularly employed in such shop. Thereafter, an additional apprentice may be employed for each five (5) additional journeymen regularly employed in such shop. Apprentices shall be laid off by seniority within classification.

For the duration of this Agreement the Employer may, upon approval of application to the Joint Apprenticeship Committee, place bona fide fourth-year apprentices in the journeymen ratio for the purpose of computing the number of apprentices allowed for each shop. No journeyman shall be employed to take the place of an apprentice at an apprentice's wage.

(4) Preventive Maintenance Technician:

1. Possess the knowledge and proficiency to perform with dependability all the operations as outlined in the established Preventive Maintenance policies and procedures.
2. Perform all operations as described and outlined in the company's Preventive Maintenance forms as they relate to each specific type of equipment.
3. Possess the ability to perform minor repair operations such as replacing light bulbs, adjusting brakes, etc.
4. Be responsible to perform all Preventive Maintenance inspections in accordance with Company, C.H.P. and safety standards.
5. Be responsible for the accurate initiation of repair orders with all the required areas filled in, parts used by system codes, labor operations detailed and time recorded by system codes.
6. Maintain his/her work area in a clean, efficient and safe manner. Assist in the general clean-up of the shop and surrounding areas.
7. Be responsible for following a preventative maintenance schedule as generated by Preventative Maintenance Tracking Software based on an hour requirement as printed in the Fleet Maintenance Manual.
8. Perform the daily service required on heavy equipment in accordance with policies and procedures.
9. Test drive units after servicing or repairs.
10. Pick up and deliver parts as required.

## **B. CLASSIFICATIONS:**

(1) Journeyman: The term journeyman, as used in this Agreement, applies to all craftsmen within the jurisdiction of the Union who have completed their apprenticeship and are recognized as journeymen by the Employer and the Union, i.e., machinists, painters, body and fendermen, heavy-duty mechanics, radiator repairmen, and welders.

(2) It is understood that the minimum rates of pay cover classifications of work as well as classifications of employees. Employees who perform the work of any such classification shall, regardless of their own classification while so employed, receive not less than the rate of pay provided therefore.

## **C. MINIMUM RATE OF PAY FOR STRAIGHT TIME:**

It is hereby agreed that the following minimum rates of pay shall prevail for the duration of this Agreement.

### Wage Minimums:

Wage rates stipulated in this Agreement are recognized as minimum. Incentive rates may be paid for efficiency and ability at the discretion of the Employer. No reduction in wages shall be made as a result of the signing of this Agreement.

### Abolition of Wage Systems:

The following systems of computing wages will be eliminated from all shops: nonpayment for unapplied time, flat-rate, piece-work, task, contract, and bonus systems.

### Journeyman Machinists, Painters, Body & Fendermen, Radiator Repairmen, Welders and Heavy Duty Mechanics:

July 1, 2013	\$37.86 per hour
July 1, 2014	\$38.81 per hour
July 1, 2015	\$39.81 per hour
July 1, 2016	\$40.86 per hour

Working foremen shall receive five percent (5%) above the rates of pay for their concerned classifications. The Company shall furnish a Letter of Understanding to the Union dealing with the assignment of responsibility to anyone on the day shift or swing shift who may be assigned as working foreman. They shall then receive the five percent (5%) premium required.

### Apprentices:

The following percentages of the Journeyman wage rates shall be paid to the Apprentice classifications with the same effective date of increase applying as follows:



1st 6 months	65%	5th 6 months	85%
2nd 6 months	70%	6th 6 months	90%
3rd 6 months	75%	7th 6 months	95%
4th 6 months	80%	8th 6 months	98%

Apprentices who are required to work on the night shift may do so only during the summer months when the school is closed for summer vacation.

Preventative Maintenance Mechanics:

July 1, 2013	\$30.70 per hour
July 1, 2014	\$31.65 per hour
July 1, 2015	\$32.65 per hour
July 1, 2016	\$33.70 per hour

Premium for ASE Certification:

In addition to the hourly wages listed in section 5(C), the following increases will apply. A.S.E. Certified Mechanics will receive a base hourly wage increase based on the level or levels of certification they obtain and maintain. Upon successful completion of the below A.S.E.'s a 5% increase will be granted to the base rate of pay. These A.S.E.'s serve as the gateway and must be successfully completed first.

- T2 – Diesel Engines (prerequisite for L2)
- T6 – Electrical/Electronic Systems (prerequisite for L2)
- L2 – Medium/Heavy Vehicle Electronic Diesel Engine Diagnostic Specialists
- E2 – Electrical/Electronic Systems Installation and Repair
- F1 – Alternate Fuels

In addition, after successful completion of the below A.S.E.'s an additional 4% increase will be granted to the base rate of pay so long as all gateway certifications have been completed and are kept current.

- T3 – Drive Trains
- T4 – Brakes
- T5 – Suspensions and Steering
- T7 – Heating, Ventilation and A/C
- T8 – Preventive Maintenance Inspection

Failure to maintain certifications will result in removal of the increases. Should any of the gateway A.S.E.'s not be maintained, the entire premium will be removed until certifications are restored.

#### **D. OVERTIME & RATES OF PAY:**

- (1) All time worked outside of the straight-time hours provided for herein or worked in excess of eight (8) hours during such hours, Monday to Friday and Tuesday through Saturday inclusive, shall be paid for at the overtime rates hereinafter provided.
- (2) Overtime continuous with an employee's regular shift shall be one and one-half (1½) times the employee's straight time rate for his regular shift.
- (3) Overtime not continuous with an employee's regular shift shall be paid for at one and one-half (1½) times the regular straight time rate with a minimum of two (2) hours pay at such rate for each time required to report for such overtime work.
- (4) In the event an employee is called into work on his regular days off (Saturday or Sunday), said employee shall be guaranteed eight (8) hours pay at one and one-half (1½) times his straight-time hourly rate for Saturday, and Sunday will be paid for at double-time with a guarantee of eight (8) hours.
- (5) The Employer agrees he shall pay for the physical examination and any lost time from the job if an employee is required to get a special driver's license permitting him to road-test vehicles.
- (6) There shall be no pyramiding of overtime.

#### **SECTION VI - General Provisions**

##### **A. HOLIDAYS:**

New Year's Day, Martin Luther King Jr.'s Birthday, Lincoln's Birthday, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Columbus Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Day, and the Employee's Birthday shall be holidays, and any work performed on these holidays shall be compensated for at the double-time rate in addition to the regular weekly rate. The above-named holidays shall be paid for as if worked, provided the employee is available to work the regularly scheduled workday prior to and the first scheduled workday following the holiday, except in cases where absence from work was due to bona fide accident, illness, or absence was approved by the Employer or by mutual agreement.

Holidays falling on Sunday shall be celebrated on the following Monday. Holidays falling on Saturday shall be compensated for by one additional day's pay.

Employees whose birthday falls on an otherwise-named holiday shall receive either the day prior to the holiday, or the day following the holiday, or another day in lieu thereof, mutually agreeable to the Employer and Employee as their Birthday Holiday.

To qualify for the Birthday Holiday, the employee shall give two (2) weeks' notice to the Employer advising of the Birthday Holiday in advance. Holiday pay to be paid at the shift rate of pay.

In the event any of the holidays are changed as to the day or date of celebration, the Union and the Employer will promptly meet to discuss the situation. There shall be no change in the number of such holidays provided.

The Employer agrees that if any employee is laid off prior to a holiday, and is recalled within forty-five (45) calendar days, he shall be paid for all holidays falling within that forty-five (45) day period.

## **B. VACATIONS:**

Eligible employees will receive the following vacation benefits:

One (1) week (40 hours) of vacation with pay upon completion of one (1) year of employment; two (2) weeks (80 hours) of vacation with pay upon completion of two (2) years of employment; three (3) weeks (120 hours) vacation with pay upon completion of four (4) years of employment; four (4) weeks (160 hours) vacation with pay upon completion of seven (7) years of employment; five (5) weeks (200 hours) vacation with pay upon completion of fifteen (15) years of employment; six (6) weeks (240 hours) of vacation with pay upon completion of twenty (20) years of employment; seven (7) weeks (280 hours) of vacation with pay upon completion of twenty-five (25) years of employment; and eight (8) weeks (320 hours) of vacation with pay upon completion of thirty (30) years of employment.

(1) All employees covered by this Agreement who have been continuously employed by the Employer for a continuous period of ninety (90) calendar days, if thereafter employment is severed by the Employer or by voluntary termination, shall be nevertheless entitled to, and be paid, the vacation pay herein provided for upon the basis of one-twelfth (1/12) of his straight-time weekly wage rate for each calendar month of employment or major portion thereof following the anniversary date of his employment.

(2) All employees covered by this Agreement who shall have been continuously employed by the employer for a continuous period of one (1) year, if thereafter their employment is severed by the Employer or by voluntary termination, shall be nevertheless entitled to, and be paid, the vacation pay herein provided upon the basis of two-twelfths (2/12) of his straight time weekly wage rate for each calendar month of employment or major portion thereof following the anniversary date of his employment.

(3) All employees covered by this Agreement who shall have been continuously employed by the employer for a continuous period of less than the complete vacation year if thereafter their employment is severed by the Employer or by voluntary termination, shall be nevertheless entitled to pro rata vacation pay upon the basis of his straight-time weekly wage rate for each calendar month or major portion thereof following the anniversary date of his employment according to the following formula:

After four (4) years.....three twelfths (3/12)  
 After seven (7) years ..... four twelfths (4/12)  
 After fifteen (15) years.....five twelfths (5/12)  
 After twenty (20) years ..... six twelfths (6/12)  
 After twenty-five (25) years.....seven twelfths (7/12)  
 After thirty (30) years.....eight twelfths (8/12)

(4) No employee covered by this Agreement having less than ninety (90) calendar days continuous employment, who shall resign from his employment or be discharged therefrom, shall be entitled to the vacation pay herein provided.

(5) An employee's continuous employment shall not be affected by involuntary layoffs, absence due to illness or accident aggregating less than sixty (60) calendar days in the annual contract period nor by grants of voluntary requests for time off granted by the Employer. However, if the employee is accepted for re-employment within one (1) year he shall retain any rights to accumulated vacation he has established under this section.

(6) The first two (2) weeks of vacation shall be taken at the choice of the employee; the third or fourth week of vacation to be taken with mutual agreement between the Employer and the employee. Vacation pay shall be paid at the assigned shift rate of pay. Vacation preference shall be made according to seniority.

(7) The Employer shall post a notice or bulletin to be considered a vacation schedule. The employees will sign up according to seniority not later than December 15th, when practical. Vacation pay shall be at the employee's actual weekly rate exclusive of over-time. In arranging vacations, the Employer's business shall not be seriously affected by reason of short staffing (too many employees seeking vacation at the same time).

(8) Holidays recognized in this Agreement which fall during an employee's vacation shall be compensated for with additional days off with pay, to the number required to cover such holidays.

(9) It is also agreed that employees will have the option to work their vacations and receive pay in lieu of time off. If an employee desires to exercise said option, he must communicate his desire during the sign-up for vacation preference. Once the employee has decided to cash out excess vacation, said vacation checks shall be issued during the month of January.

### **C. GUARANTEED WEEKLY WAGE:**

Employees on the Monday through Friday workweek shall be guaranteed a full week's work if told to report on Monday; four (4) days' work if told to report on Tuesday; three (3) days' work if told to report on Wednesday; two (2) days' work if told to report on Thursday; and one (1) day's work if told to report on Friday. In the same manner, employees on the Tuesday through Saturday workweek shall be guaranteed a full week's work if told to report on Tuesday; four (4) days' work if told to report on Wednesday; three (3) days' work if told to report on Thursday; two (2)

days' work if told to report on Friday; and one (1) day's work if told to report on Saturday. This applies only to employees with sixty (60) days service.

No employee shall be required to work more than one-half (½) shift, four (4) hours, without being permitted to take a lunch break. Each employee shall be paid his wages in full each week unless other arrangements are made with the Union. The Employer shall provide a proper means for registering the reporting and quitting time, such means will not require the employee to register on his own time. In the event of a dispute regarding time worked, rate of pay or amount of wages received by an employee, records made as herein provided shall be accessible to the properly authorized representative of the Union, during working hours. No employee shall be discharged or discriminated against for activity in or for representing the Union when authorized to do so by the Union. No employee shall be discharged except for justifiable cause. In the event of discharge, except for justifiable cause, the employee shall be reinstated with full pay for the time lost and without loss of any rights accruing to him through previous service.

#### **D. CHANGE OF OWNERSHIP:**

In the event of a change of ownership, the successor Employer who retains or rehires within thirty (30) days the employees of his predecessor shall maintain the employee's seniority standing established under the former management.

#### **E. SENIORITY:**

Seniority within job classification shall prevail in the reduction and restoration of forces. Employees will be entitled to seniority rights after ninety (90) calendar days of continuous service with the Employer. Such seniority shall date from day of hire. Seniority of apprentices upon attaining journeyman status shall be retroactive to the date of first employment as an apprentice.

When an employee is called back from a lay-off, the employee must report to work within five (5) days after the Employer has sent written notice to report back to work. The Employer agrees to give one (1) week's notice to employees advising of a normal layoff of work forces.

Promotions shall be made by qualifications; where qualifications are equal, promotions shall be made on the basis of seniority.

#### **F. MEETINGS:**

No employee covered by this Agreement will be required to attend in excess of two (2) service instruction meetings per month, not exceeding two (2) hours' duration each, outside of the member's regular working hours provided for in this Agreement, and twenty-four (24) hours' notice will be given in advance. The subject matter of these service meetings, as near as practical, will be confined to service instruction.

No meeting shall be held by the Employer so as to conflict with regular meetings of the Union on the third Thursday of each month. The Union shall furnish the Employer three (3) days' notice of

any special meetings so as to avoid conflict. Should the Employer hold meetings more often than herein provided, such meetings shall be paid for at the rate of straight time.

Whenever an employee is required to attend a meeting outside of the territorial jurisdiction of the Employer, called for the purpose of instruction or information relative to changes in equipment, or product, new processes or such other matters which are deemed necessary for the prompt and efficient performance by the employees of their duties, then said employees shall be paid straight-time, and traveling expenses to and from such meetings.

#### **G. UNIFORMS AND LAUNDRY:**

The Employer agrees to provide adequate coveralls for the employees and further agrees to pay the full cost of rental or purchase and the laundry of same. In addition to the above, the Employer will (i) effective each calendar year on April 1<sup>st</sup> and October 1<sup>st</sup> provide each regular employee a check in the amount of \$125.00 to be used towards the purchase of a pair of work boots, with a maximum allowance of \$250.00 towards the combined purchase of work boots each year; the work boots shall meet the written safety standards of the Company's Corporate Safety Standards (ii) one set of protective raingear (with increased thickness over what has been provided in previous years) each year to each employee upon request; and (iii) adequate safety gear for employee use.

#### **H. VISITS TO ESTABLISHMENTS:**

It is mutually agreed that the duly authorized representative of the Union shall be permitted to visit the establishment of the Employer to ascertain whether or not the terms of this Agreement are being observed, or to assist in the adjusting of any grievance that may arise. Union representatives shall not interfere in any way with the progress of the work upon such visits. Union representatives desiring to avail themselves of this privilege must first obtain the permission of the Company, which shall have the right to make reasonable regulations concerning the time of such visits and the areas of the plant in which such representatives may go.

#### **I. SUBCONTRACT WORK:**

The Employer agrees that the work which historically has been performed by the members of the bargaining unit shall continue to be performed by the members of the bargaining unit. Any dispute regarding the above shall be subject to the grievance procedure set forth in this Agreement.

#### **J. DISCRIMINATION:**

No employee shall be discharged, discriminated against or penalized because of his activities in the Union or for carrying out the duties prescribed by the Union for him to act upon, providing such duties or activities do not interfere with the performance of his regular duties in employment.

Neither the Employer nor the Union shall discriminate for or against any employee or applicant for employment under this Agreement because of race, color, religion, national origin, sex, or to the extent prohibited by law because of age.

#### **K. SHOP STEWARDS:**

The employees in the shop may choose from their number a shop steward to act on their behalf and in such capacity as may be assigned to him by the Union, but such activities shall be performed on such employee's time and shall not interfere with his employment.

#### **L. UNION OR SHOP RULES:**

Neither party to this Agreement shall, during the term of this Agreement, make or enforce any rules or bylaws contrary to the terms of this Agreement.

#### **M. TOOL INSURANCE:**

The Employer shall be responsible for the replacement cost of an employee's tools (based upon the most current inventory) stolen while contained in the employee's locked tool box, from the premises of the Employer, while such premises are closed for business, or when the mechanical department is closed for business, or when the tools were secured by being locked up, or by reason of fire in the Employer's premises at any time. It is recognized that the Employer in the case of theft of tools in locked boxes as referred to herein may replace in-kind the stolen tools.

The employee is obligated to maintain a current inventory of tools with the Employer and keep his tools locked when absent from the mechanical department. All power tools shall be furnished by the Employer. Power tools required by the Employer will be covered for theft or fire loss under the same conditions described in paragraph one.

#### **N. PICKET LINES:**

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a lawful primary labor dispute, or refuses to go through or work behind any lawful primary picket lines, including the lawful primary picket lines of Unions party to this Agreement, and including lawful primary picket lines at the Employers places of business.

No employee coming under the terms of this Agreement shall be replaced because of his honoring a primary picket line, providing he is available for work within forty-eight (48) hours following withdrawal of such primary picket lines.

The Union agrees that it and its members will not engage in any strikes or stoppage of work and the Employer agrees not to engage in any lockouts during the term of this Agreement. Provided, however, that if the trustees of the Joint Welfare Trust Fund find that the Employer has failed to pay premiums and administrative costs, as provided in the Trust Agreement, it shall not be a violation of this Agreement for the Union to take necessary economic action after thirty (30) days



notice of such failure to make contributions.

#### **O. JURY DUTY:**

Where an employee, who has established seniority, is unable to report to work on his regular shift by reason of jury duty, he shall, upon furnishing written proof of such service, be paid the difference between the jury pay and the amount he would have been paid if he had worked an eight (8) hour day. Employees who are called for examination for jury duty or who serve on jury duty by being impaneled in a jury box and actively serving as a juror shall be reimbursed the difference between jury pay and their straight-time pay lost, up to a maximum of ten (10) days per year, under the qualifications set forth below:

(a) Day shift employees called for jury duty or examination and excused by the court prior to 12:00 noon shall return to work for the balance of their day shift and shall be paid the difference between the jury pay or examination pay, if any, and their straight time pay lost.

(b) Swing or graveyard shift employees called for jury duty or examination and excused by the court prior to 12:00 noon shall report for their regular swing shift or graveyard shift work and shall not be eligible for any jury duty pay under this section.

(c) Swing shift or graveyard shift employees (except as provided in subparagraph b) shall not be required to work on jury duty in the daytime and work swing shift or graveyard shift on the same calendar day, but shall receive the difference between their jury pay and their straight-time pay lost.

(d) Employees will present proof of service, including time served and amount of pay received. Jury duty shall not apply in any case where an employee voluntarily seeks jury duty. Employees in a lay-off status shall not be eligible for pay under this section.

#### **P. FUNERAL LEAVE PAY:**

An employee who loses time on scheduled workdays because of the death of a member of the immediate family shall, upon request, be granted three (3) regularly scheduled working days off with pay as necessary to make arrangements for funeral services and the attendance of same. Should a funeral take place outside of the State of California, an employee shall be entitled to five (5) working days off with pay so long as the employee provides to management written verification that the location of the funeral was outside of the State of California. This provision does not apply if the death occurs during the employee's paid vacation, or while on layoff or when he is off due to illness or accident.

For the purpose of this section, a member of the employee's immediate family is defined as spouse, parent, current parent-in-law, child, stepchild, sister, brother and grandparent.

#### **Q. HEALTH & SAFETY:**

The Company shall institute and maintain all reasonable and necessary precautions for safe guarding the health and safety of its employees. Both the Company and the Union recognized their respective obligations to assist in the prevention, correction, and elimination of all hazardous and unhealthy working conditions and practices.

#### **R. MANAGEMENT RIGHTS:**

It is recognized that in addition to other functions and responsibilities, the Employer has and will retain the right and responsibility to direct the operations of the Employer and in this connection, to determine the assignment of all work to employees; to establish work and quality standards and the methods, processes, and means of operation; to select, hire, promote, demote, and transfer employees, including the right to make and apply rules and regulations for discipline, efficiency, and safety; to determine the number of hours per day or week that operations shall be carried on; and to select the equipment to be used in the Employer's operations and from time to time, to change or to discontinue the use of any equipment and to select new equipment for its operations, including equipment for new operations. Provided that in exercising any of these enumerated functions, management will not do anything which conflicts with or is inconsistent with other terms and conditions of the collective bargaining agreement.

### **SECTION VII - Insurance**

A. As a condition of obtaining or retaining employment, an employee shall not be required to take out, or sign for any insurance or individual surety bond other than that which is provided by this Agreement, or except that which is required by law.

B. The Employer agrees to promptly execute a Health and Welfare Agreement (Health, Life, Dental, Orthodontic, Drug, Vision) in the standard format used by the Automotive Industries Welfare Fund ("Welfare Fund") providing for, among other things, the following:

(1) Benefits:

- (a) Health and Basic Life of \$2,500
- (b) Additional Life Benefits of \$47,500
- (c) Dental Plan 9 .....Yes X No \_\_\_\_\_
- (d) Orthodontic.....Yes X No \_\_\_\_\_
- (e) Drug.....Yes X No \_\_\_\_\_
- (f) Vision.....Yes X No \_\_\_\_\_

(2) Eligibility: Employee's eligibility for benefits will be determined under the rules of the Welfare Fund and the Health and Welfare Agreement signed by the Employer.

(3) Contributions: Employer contributions will be payable at the rates and on the employees

as provided in the Health and Welfare Agreement.

By signing the health and Welfare Agreement, the Employer agrees to be bound by the terms of it, the Welfare Fund's Trust Agreement, and the rules of the Welfare Fund as all of them may be amended from time to time.

In the case of any inconsistency between the terms of the Health and Welfare Agreement and this collective bargaining agreement, the terms of the Health and Welfare Agreement shall prevail.

### **SECTION VIII - Retiree Health & Welfare**

The following amounts will be contributed each month by the Employer to a mutually agreed upon retirement fund:

July 1, 2013	\$123.00 per month
July 1, 2014	\$138.00 per month
July 1, 2015	\$153.00 per month
July 1, 2016	\$168.00 per month

Each July 1<sup>st</sup>, any portion of the contributions to the retiree medical fund may be reallocated to wages or the Machinists 401(k) plan by a vote of the members.

### **SECTION IX – California Machinists 401(k) Plan**

The Employer agrees that upon written authorization from each of his or its employees to deduct from said employees total compensation the amounts authorized pursuant to said written agreement and to transmit same as “employee contributions” to the California Machinists 401(k) Trust for the purpose of providing 401(k) benefits to the eligible employees.

The Employer further agrees that said contributions, upon deduction, shall be made no later than the fifteenth (15<sup>th</sup>) day of the month following the completion of the work month in which such contributions have been authorized.

The Employer further agrees that he or it agrees to be bound to the Trust Agreement establishing the California Machinists 401(k) Trust and to accept and be bound to said trust document as it presently exists or may hereinafter be amended or modified by the Trustees of said Fund.

The Employer further agrees to authorize the Employer Trustees appointed to said Trust as his or its attorneys in fact for the purposes of conducting all business of said Trust Fund, including the appointment of Employer Trustees or conducting any other business which may be conducted by said Trustees of said Trust Fund.

## SECTION X - Sick Leave

The Employer agrees to promptly execute a health and Welfare Agreement (Disability Benefits) in the standard format used by Automotive Industries Welfare Fund ("Welfare Fund") providing, among other things, for the following:

- A. Plan Type: Plan B
- B. Benefits: The disability benefits available to eligible employees as determined by the rules of the Welfare Fund.
- C. Contributions: Employer contributions will be payable at the rates and on the employees as provided in the Health and Welfare Agreement (Disability Benefits) signed by the Employer.

By signing the Health and Welfare Agreement (Disability Benefits), the Employer agrees to be bound by the terms of it, the Welfare Fund's Trust Agreement, and the rules of the Welfare Fund and Disability Plan, as all of them may be amended from time to time.

In the case of any inconsistency between the terms of the Health and Welfare Agreement (Disability Benefit) and this collective bargaining agreement, the terms of the Health and Welfare Agreement (Disability Benefit) shall prevail.

Each employee will be entitled to supplemental sick leave days as follows:

July 1, 2013	six (6) days
January 1, 2014	eight (8) days
January 1, 2015	nine (9) days
January 1, 2016	ten (10) days

Supplemental sick leave days (starting with first day of illness) are to be used when Disability Plan benefits are not available (i.e., not accident or hospitalization). Supplemental days not used will be cashed out at the end of the contract year.

## SECTION XI - Pension Plan

The Employer agrees to promptly execute a Pension Agreement in the standard format used by the Automotive Industries Pension Fund ("Pension Fund") providing for, among other things, the following:

- A. Eligibility: Employee's eligibility for benefits will be determined under the rules of the Pension Fund and the Pension Agreement signed by the Employer.
- B. Contributions: Employer contributions will be payable on the employees as provided in the Pension Agreement at the following monthly contribution rate of \$587.60, plus an additional 5% pension assessment, compounding each year for the life of the agreement in accordance with

the provisions of the Rehabilitation Plan of the Automotive Industries Pension Plan.

By signing the Pension Agreement, the Employer agrees to be bound by the terms of it, the Pension Fund's Trust Agreement, and the rules of the Pension Fund, as all of them may be amended from time to time. In the case of any inconsistency between the terms of the Pension Agreement and this collective bargaining agreement, the terms of the Pension Agreement shall prevail.

Any Employer who fails to pay into such Trust Fund the monthly sums as provided shall be personally responsible to the employees herein covered for the benefits which would have been provided by such pension coverage. It shall not be a violation of this Agreement for the Union to take necessary economic action upon the failure of the Employer to make the monthly payments.

If during the term of this agreement, the Employer is legally required to increase its contributions to the Pension Plan over that required therein (or the aggregate effect requires additional contributions) due directly or indirectly to any law, regulation or rule, including the Pension Protection Act of 2006 and any successor legislation, then beginning the effective date of the higher contributions, until the date the additional contribution rate ceases, the Employer shall be entitled to reduce the wage rate as set forth in the Agreement by the amount of the additional Employer contribution rate to the Pension Plan.

## **SECTION XII - Adjustment of Grievances**

Should a controversy, dispute or disagreement arise during the term of this Agreement regarding the interpretation or application of the Agreement as written, there shall be no strike or lockout as a result of such controversy, dispute or disagreement, but the differences shall be adjusted in the following manner:

Should a grievance arise that cannot be satisfactorily adjusted by the Employer and the Employee, the matter should then be referred to the Business Representative of the Union and the representative of the Employer for adjustment, and if the matter is not amicably settled within five (5) days, a written report shall be made by the complaining party setting forth in detail the nature of the specific issues, which shall be referred to a grievance committee, as hereinafter set forth.

All complaints must be filed in writing within thirty (30) days after the matter in dispute or disagreement is alleged to have occurred, provided that any complaints in reference to dismissal must be filed in writing to the Employer within fourteen (14) days from the date of dismissal.

Complaints not filed within the limits herein specified shall be invalid and there shall be no right of appeal by any party involved. If settlement is not reached within five (5) days, the unresolved grievances shall be submitted to a Board of Adjustment, which shall be appointed as follows:

Two (2) members shall be appointed by the Employer involved and two (2) members shall be appointed by the Union. In the event a majority of the appointees do not agree upon a settlement

of the dispute or grievance within five (5) days after their appointment, either party may request arbitration. The Arbitrator shall render a decision that shall be final, binding and conclusive upon all parties. The members of the Committee representing the Employees and the Employers, if compensated, shall be paid by the respective principals and the other expenses incurred as a result of arbitration shall be borne one-half (½) by the Union and one-half (½) by the Employer.

### **SECTION XIII - Savings Clause**

The contracting parties declare and agree that each section, sub-section, sentence, clause and phrase of the Agreement is independent of each other and that if any section, subsection, sentence, clause, or phrase, is for any reason held to be invalid, such decision or holding shall not affect the validity of the remaining portion or provisions of this Agreement. The contracting parties further declare and agree that immediately upon such decision or holding that would make any section, subsection, sentence, or phrase invalid, to enter joint negotiations for the purpose of reestablishing as nearly as possible the actual intent of the invalid portion, or portions.

### **SECTION XIV - Term of Contract**

This Agreement shall be in full force and effect from the 1st day of July, 2013 until the 30th day of June, 2017, and thereafter, with the following exception:

The Agreement, in its entirety, shall remain in effect for one-year terms, subject, however, to revision by notice in writing by either party to the other of a desire to terminate or revise.

Such written notice shall be presented to the other party not less than sixty (60) days prior to the anniversary date. If agreement is reached before the anniversary date on revisions or amendments, the same shall become effective on the anniversary date (July 1).

If the parties fail to agree during the negotiating period of sixty (60) days, this Agreement shall terminate at the expiration date, provided, however, that the parties may, by mutual agreement, extend this Agreement for a specified period beyond such expiration date for the continuance of the negotiations, it being understood that the terms and conditions of this Agreement shall prevail during negotiations. All revisions in wages shall be effective as of the anniversary date of this Agreement unless otherwise specified

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed in their respective names by their authorized representatives as of the 1st day of July, 2013.

INTERNATIONAL ASSOCIATION OF  
MACHINISTS & AEROSPACE  
WORKERS, DISTRICT NO. 190,  
LOCAL NO. 1414

ALLIED WASTE SERVICES OF N.A.,  
LLC dba Allied Waste Services of Daly  
City

By: Steve Older  
Steve Older  
Business Representative

By: Mike Caprio  
Mike Caprio  
Area President



**LETTER OF UNDERSTANDING – Ox Mountain Maintenance**

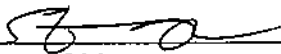
IT IS HEREBY AGREED BETWEEN **ALLIED WASTE SERVICES OF DALY CITY** and the **INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS, AFL-CIO, DISTRICT LODGE NO. 190** and **PENINSULA AUTO MACHINISTS, LOCAL LODGE 1414**, San Mateo, California, both parties to this Collective Bargaining Agreement:

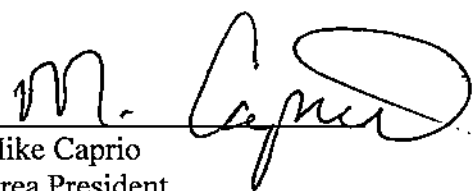
**MAINTENANCE OF COMPANY VEHICLES**

It is understood that the IAM & AW bargaining unit members employed by Allied Waste Services of Daly City may be temporarily or permanently assigned to service and/or repair work of company vehicles at the Ox Mountain Landfill Facility or any other facility in the Allied Waste Services of Daly City business unit. Any service and/or repair work done on Allied Waste Services of Daly City company vehicles will be performed by IAM & AW Local 1414 bargaining unit members as the work falls within the jurisdiction of the IAM & AW regardless of where such vehicle is domiciled.

INTERNATIONAL ASSOCIATION OF  
MACHINISTS & AEROSPACE  
WORKERS, DISTRICT NO. 190,  
LOCAL NO. 1414

ALLIED WASTE SERVICES OF N.A.,  
LLC dba Allied Waste Services of Daly  
City

By:   
Steve Older  
Business Representative

By:   
Mike Caprio  
Area President

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**COLLECTIVE BARGAINING AGREEMENT**

**BETWEEN**

**ALLIED WASTE SERVICES OF NORTH AMERICA, LLC  
dba Allied Waste Services of Daly City**

**AND**

**THE SANITARY TRUCK DRIVERS AND HELPERS  
UNION, TEAMSTERS LOCAL 350**

**April 1, 2013 - March 31, 2018**

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## **PARTIES AND TERMS OF AGREEMENT**

THIS AGREEMENT is made and entered into this 1<sup>st</sup> day of April, 2013 by and between Allied Waste Services of North America, LLC d/b/a/ Allied Waste Services of Daly City hereinafter referred to as the Employer and The Sanitary Truck Drivers and Helpers Union, Local 350, an affiliate of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, hereinafter referred to as the Union.

This Agreement shall become effective April 1, 2013 and shall continue in full force and effect until March 31, 2018 inclusive; and thereafter it shall be considered automatically renewed for successive periods of twelve months unless, at least ninety (90) days prior to the end of any twelve-month effective period, either party shall serve notice upon the other, as prescribed herein, that it desires cancellation, revision or modification of any provision or provisions of this Agreement. If either party serves such notice, the parties shall attempt to reach an agreement with respect to the proposed change or changes.

### **WITNESSETH**

It is the intent and purpose of the parties hereto that this Agreement promote and improve the Industrial and Economic status of the parties, provide orderly collective bargaining relations between the Employer and the Union, and secure a prompt and fair disposition of Grievances, so as to eliminate interruption of work and interference with the efficient operation of the Employer's business.

#### **Section 1: Management Rights**

It is recognized that in addition to other functions and responsibilities, the Employer has and will retain the right and responsibility to direct the operation of the Employer and in this connection, to determine the assignment of all work to employees; to establish work and quality standards; the scheduling of routes and the methods, processes, and means of operation; to select, hire, promote, demote, and transfer employees, including the right to make and apply rules and regulations for discipline, efficiency, and safety; to determine the number of hours per day or week that operations shall be carried on; to determine and to select the equipment to be used in the Employer's operations and from time to time, to change or to discontinue the use of any equipment and to select new equipment for its operations, including equipment for new operations. Provided that in exercising any of these enumerated functions management will not do anything which conflicts with or is inconsistent with other terms and conditions of the collective bargaining agreement.

#### **Section 2: Recognition**

The Employer recognizes the Union as the collective bargaining representative for all employees of the Employer working in the classifications hereinafter set forth, except and excluding office and clerical employees, guards, watchmen and supervisors as defined in the Labor Management Relations Act of 1947, as amended. The Employer agrees not to subcontract any bargaining unit work.

### **Section 3: Union Security and Hiring**

Employees within thirty-one (31) days after employment or the effective date of this Agreement, whichever is later, and as a condition of continued employment shall maintain their membership in the Union. Membership, for purposes of this provision, will be deemed satisfied by the employee either (i) becoming a member in good standing by paying the uniform initiation fee and monthly dues and charges pursuant to the Union's Bylaws; or (ii) becoming a financial core member and paying an amount equal to the uniform initiation fee and monthly dues without joining the Union; or (iii) paying a service fee which shall be equal to the percentage of the Union's initiation fee and monthly dues which reflects the proportion of the amount of the Union's collective bargaining expenditures bear to the Union's total expenditures; provided that employees choosing this option shall notify the Union in writing.

### **Section 4: Payroll Deductions**

An employee may authorize the Employer to deduct the specific amount of money from his/her wages each month. The Employer will deduct the specific amount authorized by the employee each month and forward the total amount collected from and authorized by all employees covered by the terms and conditions of this collective bargaining agreement to the Union each month. The amount specified by employee shall be deducted from the first check the employee is to receive each month. The Employer will forward the total amount collected from all employees to the Union by the last day of each month. An employee can alter, amend or revoke his/her authorization by giving ten (10) days' notice prior to the first of any month to the Union and the Employer.

To the extent that employees authorize voluntary deductions from their paychecks to be made to DRIVE, the Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his paycheck on a bi-weekly basis for all weeks worked. With each designated contributing employee, DRIVE shall provide an employee authorization deduction form signed and dated by each employee so designated by DRIVE to authorize the Employer to make the deduction. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transfer to DRIVE National headquarters on a monthly basis, in one check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the bi-weekly payroll deduction plan. Further, The Union agrees to indemnify the Employer and holds it harmless against any and all suits, claims, demands, and liabilities that shall arise out of or by reason of any action taken or not taken by the Employer for the purpose of complying with the provisions of this bi-weekly payroll deduction plan, DRIVE.

## **Section 5: Health and Welfare Plan**

There is established a health and welfare plan known as the Teamsters Benefit Trust, which provides certain life insurance-medical expense benefits for eligible employees and certain medical expense benefits for their eligible dependents. This Plan will also provide paid prescription, orthodonture care and other benefits for eligible employees and their dependents as set out below.

(a) Health Plan: In order to provide all eligible employees and their dependents with a comprehensive health, life insurance and accidental death and dismemberment plan, the Employer agrees to maintain and continue in effect, group health coverage under the Teamsters, it being understood that the premium currently in effect as of January 1, 2013 is \$ 1,869.00 per month per eligible employee.

(b) Vision Care: The Employer agrees to provide a Vision Care Plan for all eligible employees and their dependents as provided in the Teamsters Benefit Trust in effect on March 31, 2013, it being understood that the premium for such benefits are included in the premium set forth in subsection (a) above.

(c) Income Protection: The Employer shall provide a Weekly Disability Coverage Plan for all eligible employees in accordance with the Amendment to the Certificate Booklet for Teamsters Benefit Trust. The benefits to which eligible employees shall be entitled will be at the level of \$60.00 per week, for the maximum period of twenty-six (26) weeks, and the premium therefore shall be included in subsection (a) above.

(d) Dental Plan: The Employer shall provide a Dental Care Plan for all eligible employees and their dependents, which plan's benefits during the first year of this Agreement shall be at the level of 90% of the usual and customary care costs, as defined by the Plan. The parties understand that the premiums currently in effect for 90% protection are included in subsection (a) above.

(e) Continued Payments of Health and Welfare Premiums: Health and welfare insurance benefits shall continue for a maximum of 24 months for any employee who is off due to any illness or injury, workers compensation or on state disability. Sick leave and holiday pay being paid to employees under workers compensation laws shall terminate after 24 months. Sick leave and holiday pay being paid to employees off due to illness or injury on state disability shall be paid for a maximum of six (6) months. No employee shall suffer a reduction from his or her hourly wage rate by the implementation of this Agreement. In order to return to work, the employee must have a valid California Driver's license of the proper class needed to perform the employee's job duties.

## **RETIREMENT SECURITY PLAN (RSP)**

In addition to maintaining Teamsters Benefit Trust Health and Welfare Plan I in effect, as provided above, effective July 1, 2012, the Employer shall also make such contributions, subject to the procedures stated below, as are necessary to implement the Trust Fund's Retirement



Security (RSP) Plan, which provides for Health and Welfare benefits for retired employees. Additional increases in contributions for RSP as may be established by the Trust Fund's trustees during the Term of Agreement and will be paid by the Employer. The Employer shall provide Teamsters Benefit Trust Retirement Security Health Plan (RSP). The cost of the Plan, as of July 1, 2013 is \$485.26 per month per employee.

(f) Eligible Employees: For the purpose of this Section only, the term "eligible employee" shall mean any employee who has worked eighty (80) hours or more in the calendar month immediately preceding the month in which the premium payment is made.

(g) Notwithstanding the foregoing specified amounts, The Employer shall pay whatever additional amounts as determined by the Trustees from time-to-time during the term of this Agreement, as are necessary to maintain the benefits in the various programs at the appropriate levels as at the commencement of this Agreement.

(h) Employer shall make the foregoing contributions on behalf of each eligible employee not later than the tenth (10th) of the month following the conclusion of the month during which each eligible employee qualifies for such benefits. In the event of failure to do so, the Union may seek penalties in accordance with the Subscriber Agreement to the various trusts.

#### **Section 6: Pension**

Effective as designated below, the Employer shall pay the amounts indicated to the Western Conference of Teamsters Pension Trust Fund on account of each member of the bargaining unit for every hour for which compensation is paid. Said amounts to be computed monthly, and contributions shall be paid on a maximum of 184 hours per month.

The total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of each month, The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such amounts and the accurate reporting and recording of such hours and such amounts paid on account of each member of the bargaining unit. Failure to make all payments herein provided for within the time specified shall be a breach of this Agreement.

The Employer is presently paying the sum of three dollars and ninety cents (\$3.90) for each compensable hour for each employee covered by the terms and conditions of this collective bargaining agreement to the Western Conference of Teamsters Pension Trust. The total of these payments shall not exceed seven hundred and seventeen dollars and sixty cents (\$717.60) each month. The payments to the Western Conference of Teamsters Pension Trust shall be increased as follows:

During the first year beginning on April 1, 2013 of this collective bargaining agreement, the Employer shall pay to the Western Conference of Teamsters Pension Trust the sum of four dollars and fifteen cents (\$4.15) for each compensable hour for each employee covered by the terms and conditions of this collective bargaining agreement. The total of these payments shall not exceed seven hundred and sixty three dollars and sixty cents (\$763.60) (based on a maximum

of 184 hours) each month, which includes \$0.27 to provide for PEER/84.

During the second year beginning on April 1, 2014 of this collective bargaining agreement, the Employer shall pay to the Western Conference of Teamsters Pension Trust the sum of four dollars and twenty five cents (\$4.25) for each compensable hour for each employee covered by the terms and conditions of this collective bargaining agreement. The total of these payments shall not exceed seven hundred and eighty two dollars (\$782.00) (based on a maximum of 184 hours) each month, which includes \$0.28 to provide for PEER/84.

During the third year beginning on April 1, 2015 of this collective bargaining agreement, the Employer shall pay to the Western Conference of Teamsters Pension Trust the sum of four dollars and forty cents (\$4.40) for each compensable hour for each employee covered by the terms and conditions of this collective bargaining agreement. The total of these payments shall not exceed eight hundred and nine dollars and sixty cents (\$809.60) (based on a maximum of 184 hours) each month, which includes \$0.29 to provide for PEER/84.

During the fourth year beginning on April 1, 2016 of this collective bargaining agreement, the Employer shall pay to the Western Conference of Teamsters Pension Trust the sum of four dollars and sixty five cents (\$4.65) for each compensable hour for each employee covered by the terms and conditions of this collective bargaining agreement. The total of these payments shall not exceed eight hundred and fifty five dollars and sixty cents (\$855.60) (based on a maximum of 184 hours) each month, which includes \$0.30 to provide for PEER/84.

During the fifth year beginning on April 1, 2017 of this collective bargaining agreement, the Employer shall pay to the Western Conference of Teamsters Pension Trust the sum of four dollars and eighty five cents (\$4.85) for each compensable hour for each employee covered by the terms and conditions of this collective bargaining agreement. The total of these payments shall not exceed eight hundred and ninety two dollars and forty cents (\$892.40) (based on a maximum of 184 hours) each month, which includes \$0.32 to provide for PEER/84.

The contributions required to provide the Program for Enhanced Early Retirement will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution for the PEER must at all times be 6.5% of the basic contribution and cannot be decreased or discontinued at any time.

The parties agree to execute a suitable supplemental Letter of Understanding, consistent with the foregoing employer contribution rate obligations and conforming to language acceptable to the Trustees of the Plan, upon request.

Military Service: The Uniformed service Employment and Reemployment Rights Act (USERRA) became law on December 12, 1994. Its purpose is to encourage non-career military service with a minimum of disruption of civilian careers. The new law clarifies the obligations of multi-employer pension trusts like the Western "Conference of Teamsters Pension Trust to provide pension coverage to Plan participants for their periods of protected military service, and obligations of contributing employers to make the pension contributions necessary to fund pension coverage.

Under USERRA, as a contributing employer to the Western Conference Trust you have several pension obligations regarding an employee who leaves covered employment to enter military service and thereafter returns to work for you while his USERRA reemployment rights are protected:

First, if your employee is absent from work for no more than 30 consecutive days because of military service, you are obligated under USERRA to continue making pension contributions to the Western Conference Trust just as if the employee had continued in covered employment without interruption.

Second, if your employee is absent from covered employment for more than 30 days because of military service and then returns to work for you while his USERRA reemployment rights are protected, you are obligated under USERRA to do two things:

(A) You must notify the Trust in writing within 30 days after your employee's return to work.

(B) You must pay retroactive pension contributions to the Trust on the employee's behalf for the period he or she was absent from covered employment just as if the employee had never left covered employment with your company.

Under USERRA, you are not obligated to pay interest on these retroactive pension contributions. However, if you fail to pay required USERRA pension contributions to the Trust on a timely basis, those contributions will be considered delinquent and processed under the Trust's regular delinquency procedures just like any other overdue pension contributions, thereby exposing you to liability for interest on those contributions from their due date, plus liquidated damages and attorney fees. Employer compliance with USERRA's pension contribution obligations will also be monitored as part of the Trust's regular employer audit program.

Because USERRA is relatively new, the Trust is ready to work with you in resolving any questions that may arise about your pension obligations under USERRA, for employees who are covered by the Western Conference of Teamsters Pension Plan, When specific questions arise, please contact the Pension Accounting Supervisor at the Area Administrative Office of the Trust.

#### SUPPLEMENTAL INCOME 401(K)

Effective upon ratification of this agreement, the Employer agrees to recognize all written authorizations from the union members covered by this Agreement authorizing deductions from their compensation for contributions to a Supplemental Income 401(k). This Plan will be administered by New York Life at no cost to the Employees. The parties recognize that, due to the need to make administrative and payroll changes in order to participate in this Plan, actual participation may be delayed for a reasonable period of time to allow the administrative and payroll changes to be made. Employees covered by this Agreement and hired after ratification of this agreement, will be eligible to participate on October 1<sup>st</sup> or April 15<sup>th</sup>, whichever comes first following the first 1000 hours of service. If an Employee is hired after ratification of this agreement and has previously participated in the Teamsters

Supplemental Income 401(k) Plan, their entry will be immediate, [subject to the provisions regarding the reasonable time period for administrative changes to be made by the Company]. The participation in the Plan will be on a voluntary basis, without cost to or matching from the Employer.

### **Section 7: Classifications and Wage Rates**

The wages listed below shall be effective from and after the day and date their collective bargaining agreement is signed by both parties to the Agreement.

	4-01-13	4-01-14	4-01-15	4-01-16	4-01-17
Drivers	\$34.00	\$34.90	\$35.80	\$36.90	\$38.10
Helpers	\$32.35	\$33.25	\$34.15	\$35.25	\$36.45
Semi Drivers	\$36.81	\$37.71	\$38.61	\$39.71	\$40.91

All employees who are on the payroll on the date of contract ratification shall immediately receive (100%) the top wage of their individual classification rate of pay.

All new hires (hired after ratification date) will be paid pursuant to the following schedule:

The first ninety (90) days of employment - 70% of the applicable contract rate;

The second ninety (90) days of employment - 80% of the applicable contract rate;

The third ninety (90) days of employment - 90% of the applicable contract rate; and thereafter, the employee will be paid contract rate.

### **Section 8: Hours of Work**

#### **(a) STRAIGHT TIME HOURS**

Forty (40) hours of work shall constitute the maximum straight time workweek provided that this Section shall not be construed as limiting the number of hours of work any employee may perform at overtime wage rate so long as the hours of work performed at an overtime rate do not exceed the Company standards for total available hours the employee is permitted to work per day and/or week.

#### **(b) OVERTIME HOURS**

All work performed in excess of eight (8) hours in any work day shall be paid for at the overtime ratio of one and one-half (1½) times the straight time rate. All work performed in excess of twelve (12) hours in any work day shall be paid at the overtime rate of two (2) times the straight time rate. There shall be no pyramiding of any overtime hours.

(c) SATURDAY AND SUNDAY WORK

All work performed on Saturday shall be paid for at the overtime rate of one and one-half (1½) times the straight time rate; all work performed on Sunday shall be paid for at the overtime rate of two (2) times the straight time rate; and shall be paid for not less than eight (8) hours.

(d) WORK WEEK

The workweek shall be Monday through Friday.

**Section 9: Guaranteed Hours**

(a) All regular employees those employed for 90 calendar days shall be granted forty (40) straight-time hours pay per week, provided such employees make themselves fully available for work and report to work at their regular starting times designated by the Employer, provided, however, such guarantee shall not apply to employees who voluntarily quit or are laid off for disciplinary reasons, are discharged for cause.

(b) Every employee assigned a specific route shall be guaranteed eight (8) hours for the completion of the route; regardless of the actual time required to finish the route. If a route is completed in less than eight (8) hours, an employee shall report to the terminal designated by Employer before going home. Any employee who is reassigned to perform any additional work after completion of his regular route shall be paid time and one-half (1½) for such additional work. The regular duties to be performed before a route is deemed completed shall include the washing and gassing of trucks, and proper lubrication of the packing blade, Such work shall be done at the direction of the Employer. Each employee shall punch his own time card before starting and leaving work.

Once an employee completes their route, they shall report to the terminal. If there is reassignment work and there are no volunteers, the Company may mandate reassignment work to the least senior available employee.

Daily reassignment overtime shall be distributed as equally as possible on a rotating basis and employees from both the Daly City and Mussel Rock locations are eligible for such reassignments, so long as they are qualified to perform the reassignment overtime work. In the event that an employee chooses not to work the overtime and it is their turn in the rotation, the reassignment overtime shall be offered to the next most qualified employee in the rotation who has available hours to work the reassignment overtime. None of the above processes shall interrupt the regularly assigned rotation, which will continue. The overtime shall be on a voluntary basis, subject to the paragraph above.

(c) Clean-up work in the yards or salvage shall not be deemed duties involved in the completion of an employee's route. The parties recognize there is a bin in the yard that is part of a route which is not clean-up work.

(d) There shall be no salvaging/scavenging allowed under any circumstance, unless specified as part of the load check or recycle programs performed at the Mussel Rock Transfer Station.

## **Section 10: Starting Time**

(a) Changing of the starting time shall be at the discretion of the Employer, with notice of change posted on the bulletin board twenty-four (24) hours prior to any change.

(b) All time worked prior to starting time will be paid at the overtime one and one-half (1½) rate.

(c) Eight (8) hours shall constitute a working day. Five (5) working days shall constitute a working week.

(d) All Drivers must take an uninterrupted meal period of at least 30 minutes each day.

In order to ensure the accuracy of employee time cards, all employees will, for each pay period, review the electronic punch report provided to them by the Company, and then electronically attest to the accuracy of such. Any inaccuracies must be brought to the attention of the immediate supervisor with the employee completing a Time Card Correction Request. Should the electronic system not be available, employees are expected to complete, sign and return the Company's Time Card Certification. All Drivers must sign the Company's Driver Meal Period Acknowledgment Form and abide by the practices described therein.

(e) Any employee working any part of a day shall receive a full day's pay, if he presents himself and is available for work during the day unless no work is available due to an "Act of God", strike, fire or flood. If the employee, after reporting for work, makes himself unavailable for work for reasons other than an industrial injury, said employee shall be paid for time he made himself available for work only.

## **Section 11: Paid Holidays**

(a) The holidays set forth in (b) shall be paid holidays under the terms of this Agreement and all regular employees shall receive eight (8) hours straight-time pay for each of such holidays in addition to pay received for work performed during the course of such holiday weeks. The total pay for a holiday received by regular employees shall be eight (8) hours straight time holiday pay plus an additional eight (8) hours pay at the overtime rate of 1½ times the straight time rate of pay for any holiday actually worked, provided such employees work the regularly scheduled work day immediately preceding the holiday and the full regularly scheduled work day following the holiday. The employee shall be excused from the requirement of working the day before and/or the day after if, upon either day, such employee is absent on an approved leave of absence approved in writing by the Operations Manager, or his substitute, excused by evidence of a doctor's note based on a doctor's visit. If the employee works the holiday, but does not work both the full regularly scheduled work day immediately preceding the holiday and the full regularly scheduled work day following the holiday, he will receive eight (8) hours pay at the straight time rate. Additionally, if the employee is absent and not on an approved leave of absence or has not been excused by evidence of a doctor's note based on a doctor's visit, the employee's absence on the day before or after the holiday or the day of the holiday shall be considered an unexcused absence under the Company's disciplinary procedures.

(b) There shall be a total of twelve (12) paid holidays during the work year:

New Year's Day	Labor Day
Lincoln's Birthday	Columbus Day
Washington's Birthday	Veteran's Day
Memorial Day	Thanksgiving Day
Martin Luther King's Birthday	Christmas Day
Fourth of July	Birthday (7 days' notice)

Every eligible employee is excused from the requirement of this subparagraph in the event he suffers from a bona fide illness or injury preventing him from performing his assigned duties, or is on authorized vacation on either of such days. In the case of illness or injury, Employer may require a competent medical opinion satisfactorily certifying the employee's disability from performing his assigned duties.

(c) All non-regular employees (those employed for 90 calendar days) shall be entitled to holiday pay provided such employees work the regularly scheduled work day immediately preceding the holiday and the regularly scheduled work day immediately following the holiday, and work the holiday if requested to do so.

(d) If any of the specified holidays fall on a Sunday, the following Monday shall be observed as a holiday. If any of the specified holidays fall on a Saturday, the preceding Friday shall be observed as a holiday. When an employee is unable to work because of injury or disability, the Employer shall continue to pay the employee's holidays for a period of up to twelve (12) months thereafter.

## **Section 12: Vacations**

### **(a) ELIGIBILITY**

An employee shall be eligible for vacations as follows: after one year of continuous employment, he shall receive one (1) week vacation with pay. After two (2) years of continuous employment, he shall receive two (2) weeks' vacation with pay. After four (4) years of continuous employment, he shall receive three (3) weeks' vacation with pay. After seven (7) years of continuous employment, he shall receive four (4) weeks' vacation with pay. After fifteen (15) years of continuous employment, he shall receive five (5) weeks of vacation with pay. After twenty (20) years of continuous employment, he shall receive six (6) weeks' vacation with pay. After twenty-five (25) years of continuous employment, he shall receive seven (7) weeks' vacation with pay. After thirty (30) years of continuous employment, he shall receive eight (8) weeks' vacation with pay.

Any employee will be allowed to take all of his vacation allotment at one time. It is understood that all employees will be required to take increments of a full week vacation at all times.



(b) PRORATED VACATIONS

A regular employee who is terminated or laid off shall be entitled to prorated vacation pay calculated on a month-to-month basis. Computation of vacation pay for such employees shall be based upon the applicable wage payable to the employee at the time the vacation is due and the remaining unused vacation to which he is entitled, prorated on the basis of the total number of months (or major fraction thereof) worked the year of his termination or lay off.

(c) INTERRUPTION OF SERVICE

A total lapse of service of six (6) months or more in a year shall result in a loss of eligibility for vacation pay, as provided for in the preceding subparagraph provided that the employee's lapse of service is occasioned by a bona fide illness or injury which continuously prevents him from performing his assigned duties. In such case, however the Employer may require a competent medical opinion satisfactorily certifying the employee's disability from performing his assigned duties. Employee shall notify Employer immediately after he sustains such illness or injury. In instances where an employee has been declared eligible for payment of Workers' Compensation benefits because of disability, such determination shall be deemed competent evidence of disability for the purposes of this paragraph.

Days for which Workers' Compensation is paid shall not break continuity of Company seniority.

If the employee is off work for six (6) months or more, it shall result in a loss of eligibility for full vacation pay.

(d) VACATION SCHEDULE

A vacation schedule shall be posted by the Employer no later than December 15<sup>th</sup> of each year for the scheduling of vacations beginning the next January. Employees shall be eligible to select vacations in accordance with seniority. Applications for vacation time shall be filled out and filed with the Employer by each eligible employee prior to December 15 for the succeeding twelve (12) month period which begins on January 1<sup>st</sup>. If an employee desires a leave of absence, as provided for in paragraph (a) of this Section 12, application for the same shall be made concurrently with his application for vacation time. No more than three (3) employees shall be absent at any one time, whether on vacation, personal days or authorized leave of absence. Following the 15<sup>th</sup> of December of each year, the Employer shall fix the vacation schedule (with a leave of absence, if any) in accordance with the requirements of Section 12 and the same shall be posted. Employees may not work during a week or weeks where they have previously scheduled vacation unless: (1) all casual employees are working; (2) the Employer was not able to reach a casual employee or employees, but all casual employees on the list were contacted; (3) all casual employees not working stated that they were not available to work; or (4) all casual employees not working cannot work the shift the Employer needs filled because doing so would, when combined with the hours the employee has worked for another employer, violate the DOT hours of service regulations/guidelines or otherwise result in a legitimate safety concern for the Employer. Once the vacation schedule has been so fixed and posted, it shall not be subject to change unless the employee provides proof of illness, is injured on or off the job, or is on an approved leave of absence. Whenever practical, the Employer agrees to grant vacations on a

consecutive basis and at the time desired by the employee (subject to (a) above).

The employee must sign up for all his vacation weeks during the vacation year and he must take his vacation on those dates or forfeit the opportunity to take the time off at a later date, unless there are open periods available, which vacation periods he may take if approved by the Employer (Subject to paragraph (d) above), during the vacation year. The Vacation Year is the Calendar Year. Finally, if an employee fails to sign up for all his vacation weeks, or fails to take the time off as described above, he will be allowed to continue working and will be paid for his unused vacation at the end of the calendar year in lieu of time off.

(e) **HOLIDAYS DURING VACATION**

During the vacation period, when a holiday falls during the employee's vacation, the employee shall be paid an additional day's pay.

**Section 13: Discharges and Suspensions**

(a) Employees shall be subject to discharge for: dishonesty, intoxication, grossly negligent performance of duties, possession of alcoholic beverages, or willful insubordination without prior warning or notice. Other matters such as: habitual tardiness, failure to report for work, or neglect of duty, will require a written warning to the employee with a copy to the Union. A third offense within six (6) months, when the employee has been properly warned, shall be grounds for discharge. Discipline for habitual tardiness and failure to report for work shall be tracked separately from all other warning letters for purposes of disciplinary action. Warning letters may not be used to support any disciplinary action if said warning letter is more than six (6) months old. Upon ratification all warning letters shall be removed from employees files, subject to Appendix A attached.

(b) Any suspension for more than five (5) days is governed by the same procedure as that requiring discharge. A suspension of five (5) days or less may be given without notice, but said suspension shall constitute a warning notice to the employee and shall not be ordered without just cause. A notice of suspension of less than five (5) days shall be sent to the Union.

(c) The route driver is deemed in possession of and responsible for alcoholic beverages in the assigned track.

**Section 14: No Strike Clause**

There shall be no strikes (including sympathy or wildcat strikes), sit-downs, slowdowns, work stoppages, boycotts, or honoring a picket line except as described herein during the term of this Agreement by the Union, its officers, agents and members, or by the employees.

The Union agrees that it will not authorize, ratify, or condone any strike or any other picket line activity described herein. In the event of any strike not authorized, ratified or condoned by the Union, the Union and its officers, agents, and representatives will make every good faith effort to end such activity.

Any employee(s) participating in any activity proscribed herein shall be subject to disciplinary action, including discharge. Notwithstanding the foregoing, it shall not be a violation of this Article and shall not be cause for discharge or disciplinary action if an employee refuses to go through any lawful primary picket line established, by the Union and/or sanctioned by Teamsters Joint Council No. 7. Should under the foregoing conditions, an employee refuse to go through such a picket line, the Company may utilize a non-bargaining unit employee to service the customers.

The Employer for its part agrees that it will not lockout the Union or its members during the term of this Agreement.

### **Section 15: Equipment**

(a) The Employer shall supply one packing can per year with wheels, as needed for their employees. In the event a can is lost or damaged, the can must be replaced by the employee.

(b) The Employer shall supply the employees with five (5) uniforms per year and the employee shall maintain and launder the uniforms at the employee's expense. Uniforms issued to employees shall be worn during working hours.

(c) The Employer shall supply the employees with twelve (12) pairs of gloves per year. When the Employee has used his allotment of 12 pairs of gloves, in order to receive any new pair of gloves, the employee shall be required to turn in their old pair of gloves.

(d) The Employer shall, effective each calendar year on April 1<sup>st</sup> and October 1<sup>st</sup> provide each regular employee a check in the amount of \$125.00 to be used towards the purchase of a pair work shoes, with a maximum allowance of \$250.00 per year towards the combined purchase of work boots each year. The work boots shall meet the written safety standards of the Company's Corporate Safety Standards.

(e) The Employer shall provide each regular employee one (1) set of rain equipment per year.

(f) Employees who fail to wear uniforms and personal protective equipment (PPE) i.e., reflective clothing, gloves, eye protection (as necessary), ear protection (as necessary), hard had (as necessary), work boots and any other such items as the Company deems necessary from time-to-time, while on duty shall be subject to progressive discipline.

### **Section 16: Seniority and Assignments**

#### **(a) APPLICATION**

The provisions of this paragraph have no application to an employee who has not been employed for a period of at least sixty (60) days consecutively. Following the completion of such sixty (60) day period, seniority attaches to an employee as regular driver or helper. If Employer reduces the number of employees due to lack of work, the last employee hired shall be the first employee laid off, and in the event of rehiring, the last employee laid off shall be the first employee rehired, until all former employees have been rehired.

(b) TERMINATION

In the event of discharge or resignation, all rights of seniority are terminated, Seniority rights will be similarly terminated in the event an employee is absent from work for two (2) working days without prior notice to the Employer of such absence and the reasons therefore, and seniority rights will be terminated in the event of a failure of an employee to return to work within one (1) working day following the mailing of written notice from the Employer to such employee at his last known address, directing him to return.

Employee shall not lose any rights of seniority if he should be absent from work, provided that such absence is occasioned by a bona fide illness or injury, incurred on-the-job, which continuously prevents an employee from fulfilling his assigned duties, and provided that in such event, the employee shall be under the care of a doctor licensed to practice medicine in the United States, which doctor shall, upon request by the Employer, supply a medical opinion satisfactorily certifying the employee's disability from performing his assigned duties. The employee shall have a release from said doctor before returning to work. If an employee is off due to illness or injury off-the-job, the maximum allowable time, prior to loss of seniority rights, shall be twenty-four (24) months; the requirements concerning a doctor's certificate and release apply equally to an employee off due to non-related job illness or injury. The Employer shall be notified by employee immediately after he sustains such illness or injury.

CASUAL AND EXTRA EMPLOYEES

(a) The parties recognize that the Employers have a need for casual and/or extra employees to replace employees who are sick, on vacation or who for other reasons do not report for work. Accordingly, the Employers shall establish a pool of persons who are available for such work. A list of such individuals shall be maintained by the Employer, arranged sequentially in accordance with their first day of work, and shall be updated as needed for accuracy.

(b) Available extra work, including vacation relief shall be assigned by rotation from the list of casuals in the order that such casuals appear on the list. When a casual completes the assignment, he shall be returned to his place on the casual list for further work assignment.

(c) The Employer shall have the right to eliminate names from the casual list on the basis of unreliability, poor work performance, for other legitimate reasons, or if a casual employee has been unavailable to work two (2) times in any three (3) month period provided that those occurrences are not inclusive of bona fide sick or vacation days taken by the employee. In this context, "unavailable" means that the Employer has called the telephone number that the casual employee has provided the Employer but: (1) the Employer was not able to reach the employee; (2) the employee stated that he or she was not available to work; or (3) the employee cannot work the shift the Employer needs filled because doing so would, when combined with the hours the employee has worked for another employer, violate the DOT hours of service regulations/guidelines or otherwise result in a legitimate safety concern for the Employer. The grievance procedures of this Agreement shall not be available to casuals because they have been eliminated from the list, except as provided in paragraph (d) below.

(d) New registrants on the casual list shall be considered on probation, and shall not

acquire seniority until they have completed sixty (60) days of work. Upon achieving seniority, a casual shall be entitled to use the grievance procedures of the Agreement. The weekly Guaranteed Hours provision (Section 9(a)) of the Agreement shall not be applicable to casuals or extra employees.

(e) Casuals shall not be used in the manner that deprives regular employees of reassignments under Section 9(b) of this Agreement. Casuals called into work to fill daily vacancies due to regular employee absences shall not be considered as depriving employees of reassignments.

(f) Vacancies in regular employment shall be filled, from casuals who have achieved seniority, in the order that their names appear on the casual list. In the event of layoff of regular employees, they shall have the right to be included at the top of the casual list, in accordance with their seniority. Their recall rights under this Agreement shall remain intact while performing work as casuals. Such laid off regular employees shall receive the full contractual rate of pay while working off the casual list.

(g) All Casual Employees shall be paid in accordance with Section 7, Classification and Wage Rates applicable to all new hires.

(h) The Employer shall pay the pension rate of 50% of the pension rate from day 1 to 60 days. After the Employee has been employed for 60 days of work, the Employer shall retroactively pay the full rate of pension from the first date of hire (the additional 50% that was not paid during the initial sixty (60) days of work).

(i) Casual employees will be eligible for vacation and sick leave based on their seniority. If a casual employee is unavailable for any reason, the Employer will reduce his sick leave and, if the employee has no remaining sick leave, his vacation entitlement, one day for each day the casual employee is unavailable.

(c) LEAVES OF ABSENCE

Leaves of absence granted by the Employer, or temporary layoff, or absence occasioned by illness or injury as stated above, shall not interrupt the continuity of seniority. In the event of layoff, an employee so laid off shall be restored to duty according to seniority, provided he reports to the call of the Employer, which shall be communicated to the employee at his last known address, as filed with the Employer, by straight telegram, and to the local Union by telegram or telephone, and provided the employee reports for duty within twenty-four (24) hours, exclusive of Saturday, Sunday or holidays, from the time of said call. Notification by Employer of the call, as specified under the terms of this subparagraph, shall fulfill Employer's obligations.

Employees on an unpaid leave of absence, such as FMLA, CFRA and State Disability, under certain circumstances, shall be required to exhaust five (5) accrued paid days off (vacation and/or sick leave) to which they are entitled. Employees on a leave of absence, receiving pay under a disability or other benefit plan, shall be allowed to coordinate their accrued time off (vacation and/or sick leave) with the paid leave up to 100% of their base pay. No employees are required to exhaust any of their paid time off (vacation and/or sick days) when they are off work

and being paid in accordance with applicable laws such as State Disability (i.e., after the 5-day mandatory unpaid waiting period).

(d) ALL JOB OPENINGS

When vacancies in any job classification occur, and before being permanently filled, a notice of such vacancy will be posted on the bulletin board for two (2) weeks. Any employee desiring to fill a posted vacancy will make application by signing the posted form. When, in the sole judgment of the Employer, two (2) or more applicants for single vacancy are in all aspects equally qualified to fill such vacancy, it shall be filled by the employee among such equally qualified applicants having seniority, but if in the sole judgment of the Employer, one of such applicants is better qualified to fill such vacancy, it will be filled by the most qualified applicant. If in the sole judgment of the Employer there are no qualified applicants available, a new employee may be employed to fill the vacancy. A Helper who applies for a Driver's vacancy and is accepted for such Driver's job, and who, in the sole judgment of the Employer does not perform the Driver's job satisfactorily, shall be returned to the job of Helper.

When temporary vacancies occur in the "paper goods" job (Bailer) or at Mussel Rock Transfer Station, they shall be filled by the qualified employee who has the greatest seniority. Temporary vacancies are job openings of thirty (30) days or more and known to the Employer two (2) weeks in advance of such opening. Bidding on such jobs shall be in accordance with the procedures set forth in the preceding paragraph.

(e) JOB SENIORITY IN REASSIGNMENT

Seniority in the classification will not begin until after a thirty (30) day trail period. There can be no establishment of seniority in a classification for vacation relief. Once the Driver has established seniority in a classification and is reassigned to a lower paid classification, he shall be paid at the higher wage scale if job seniority is not observed in his reassignment. However, when an employee at his own request is placed in a lower paid classification, he shall be paid. at the rate of pay of the lower classification.

In the event of a cutback of force, or in the case of discharge, the Employer has the option to offer a lower classification with the corresponding rate of pay.

**Section 17: General Provisions**

(a) FUNERAL LEAVE

In the event of death of an employee's mother, father, mother-in-law, father-in-law, spouse or child, step children, sister or brother, grandfather or grandmother, the employee will be granted a leave of absence with pay from the date of death, for a maximum for seven (7) days to enable the employee to attend funeral services. The Employer will, upon request, grant an additional fifteen (15) days leave of absence, without compensation. Such leave of absence is to be taken consecutively with the aforementioned funeral leave. The Employer may require proof of death prior to allowance of any benefits under the provisions of this subsection.

(b) SICK LEAVE

All full-time regular employees will receive twelve (12) days of sick leave with pay for each full contract year employed after the effective date of this Agreement. Sick leave pay shall be payable for days falling during the work week only. In order for such sick leave to commence with the first day of illness, it is required that the employee call in and advise the Employer of his illness one (1) hour prior to the starting time of his shift. In the event of absence on sick leave for more than three (3) day, Employer may require a competent medical opinion satisfactorily certifying employee's illness.

Unused sick leave shall be paid once each year to each regular full-time employee at the daily rate for the contract year, in which such sick leave accrued, to the extent employee has not been absent for twelve (12) days due to illness. To be eligible for such payment, an employee must have worked a minimum of six (6) months during each year of this Agreement. Payment of unused sick leave shall be made on the first payday following the first full pay period after the conclusion of each contract year.

In the event of resignation, discharge, or death, Employer shall pay to the employee, or to the person entitled thereto, the amount of sick leave benefits specified in this subparagraph.

In instances where illness prevents an Employee from completing his assignment, the Employee will notify the Employer of any/all remaining responsibilities prior to leaving.

(c) PERSONAL DAYS

Employees may take up to five (5) days per contract year of unpaid personal days provided the Employer has been given two (2) workdays notice for each personal day or days off and the Employee has received his supervisor's approval. No more than three (3) employees shall be absent at any one time, whether on vacation, Personal Days or authorized leave of absence.

(d) COFFEE BREAKS

All employees shall be allowed a coffee break during the first half of any shift and a coffee break during the second half of any shift.

House rules regarding the time for such breaks shall be mutually agreed upon between Employer and secretary of the Union. No such coffee break shall exceed fifteen (15) minutes of working time and shall be taken in the immediate vicinity of an establishment where coffee can be obtained.

(e) JURY DUTY

An employee who is required to report for jury duty shall be entitled to leave with pay for a maximum of ten (10) days as the result of such service. For each day of such leave taken, the employee will be compensated by the Company at his straight time regular hourly rate for eight (8) hours pay less the amount received by the employee from the Court. An employee who reports for such service and is excused from said service during his regular work shift shall



promptly contact the Company and report for work, if the Company requests him to do so. In order to be paid by the Company for such leave, the employee must submit to the Company a work release executed by the Administrator of the Court for each day the employee has served jury duty along with the amount of compensation received for such service.

(f) PAY PERIOD

The employees shall be paid on a weekly basis.

**Section 18: Saturday Overtime**

For purposes of Saturday overtime, there will be two (2) divisions in the Employer; the "Regular Division" and the "Front-End-Loader Division." Saturday overtime work in these two divisions shall be assigned as follows:

(1) Regular Division

All Saturday overtime in the Employer, including overtime work on garbage trucks, as well as overtime work on the cardboard detail, and at Mussel Rock, will be distributed equally among all employees in the Regular Division. For purposes of this paragraph (d) only, Regular Division shall mean all Saturday overtime work except overtime work involving the Employer's Front-End Loader truck operations.

Saturday overtime assignments shall be assigned on a rotating basis upon the classification where the overtime occurs. No employee may sign up for more than one classification listing. In the event that an employee chooses not to work the overtime or does not show up to work the overtime, and it is their turn in the rotation, the overtime assignment shall be offered by seniority within the classification provided the employee is qualified to perform the work and has the available hours to work the overtime. This process shall not interrupt the regularly assigned rotation, which shall continue. This overtime will be on a voluntary basis. If there is Saturday overtime work and there are no volunteers, the Company may mandate Saturday overtime work to the least senior available employee.

(2) Front-End Loader Division

Saturday overtime assignments shall be assigned on a rotating basis upon the classification where the overtime occurs. No employee may sign up for more than one classification listing. In the event that an employee chooses not to work the overtime or does not show up to work the overtime, and it is their turn in the rotation, the overtime assignment shall be offered by seniority within the classification provided the employee is qualified to perform the work and has the available hours to work the overtime. This process shall not interrupt the regularly assigned rotation, which will continue. This overtime will be on a voluntary basis. If there is Saturday overtime work and there are no volunteers, the Company may mandate Saturday overtime work to the least senior available employee.

## **Section 19: Sale or Lease**

(a) In the event the Employer should sell its business in its entirety, or cease business activities presently conducted, and such sale or cessation will result in the permanent layoff of any employee, the Employer will notify the Union of such sale or cessation thirty (30) days prior to the consummation of the event.

(b) In the event of the Employer leases equipment used in the operation of its business, the operators of such equipment shall be subject to the provisions of this collective bargaining agreement.

(c) Employer shall not sell, lease or assign any of its routes for the exclusive purposes of reducing the present complement of employees.

## **Section 20: Shop Steward**

One (1) employee of the Daly City District may be designated as shop steward. Such person, so designated, shall be permitted reasonable time to investigate, present, and process grievances or Employer's property within the hours of his regular workday provided, however, under no circumstances may such person, so designated as shop steward, investigate, present or process any grievances during his regular working hours when his assigned duties require that he be on his route, whether as a Driver or a Helper, or in any other capacity for the purpose of collecting customers' garbage.

The person so designated as shop steward shall investigate, present, and process grievances after the completion of his assigned route duties and within his eight (8) hour day. In the event such investigation, presentation, or processing shall not be completed within the above specified limitation, they may be continued on succeeding days, subject, however, to the requirement that assigned route duties be completed first.

Nothing contained in this paragraph, relative to the activities of the shop steward, shall entitle him to receive compensation while investigating, presenting, and processing grievances, other than the rates of pay stated in Section 6 of this Agreement.

## **Section 21: Grievance and Arbitration**

Should a controversy, dispute or disagreement arise during the term of this Agreement regarding the interpretation or application of the Agreement as written, there shall be no strike, slowdown or stoppage of work as a result of such controversy, dispute or disagreement, but the difference shall be adjusted in the following manner:

Should a grievance arise that cannot be satisfactorily adjusted by the Employer and the employee, the matter shall be referred to the business agent of the Union and the representative of the Employer for adjustment, and if the matter is not amicably settled within five (5) days, a written report shall be made by the complaining party to the other party, setting forth in detail the nature of the specific issues, which shall be referred to a grievance committee, as hereinafter set forth.

All complaints must be filed in writing within thirty (30) days after the matter in dispute or disagreement is alleged to have occurred, provided that any complaints in reference to dismissal must be filed in writing to the Employer within ten (10) days from the date of dismissal. Complaints not filed within the time limits herein specified shall be invalid and there shall be no right of appeal by any party involved. If settlement is not reached within five (5) days, the unresolved grievance shall be submitted to Federal Mediation and Conciliation Service. No change in this Agreement, or interpretations resulting from a Federal Mediation and Conciliation Service will be recognized unless agreed to by the Employer and the Union.

(a) Arbitration: In the event that a resolution of a dispute regarding the interpretation or enforcement of any of the sections of this Agreement, or the terms or provisions of written agreements supplementary hereto, is not reached at the FMCS step, the dispute shall, upon the request either of the Union or the Employer, be submitted to a neutral arbitrator mutually selected and agreed upon, whose decision shall be final and binding.

(b) Selection of Arbitrator: Unless the parties can otherwise agree upon an arbitrator, a list of arbitrators shall be requested from the Washington, D.C. Office of the Federal Mediation and Conciliation Service. After a toss of a coin to decide which party shall move first, the Employers' representative and the Union representative shall alternatively strike one name from the list until one name remains and such person shall be the arbitrator for the determination of the case. The next to the last name stricken shall be the alternate arbitrator, and so on. The arbitrator shall have no right, power or authority to add to, subtract from, alter, amend or change any term or provision of this Agreement. Discovery procedures as permitted under California Law are permissible.

(c) Cost of Arbitration: Each party shall bear its own expense in presenting the case to the arbitrator. The expense of the arbitrator and of the reporter, if any, shall be divided between the parties hereto. The Employers agree to pay a sum equal to but not greater than one-half of said expense, and the Union agrees to pay a sum equal to but not greater than one-half of said expense. Each side shall bear its own expense of producing witnesses, experts, interpreters and the like.

(d) No Interruption of Work: There shall be no interruption of work during the settlement of a dispute.

## **Section 22: Front-End Loader**

The Front-End Loader driver will be paid "Driver's Wages" as set forth in Section 6 above. Drivers must have a valid California driver's license for the truck required. There shall be a ten (10) day training period.

## **Section 23: Mussel Rock Transfer Station**

All negotiated changes in the present collective bargaining agreement between Local 350 and the Daly City Solid Waste Collection District shall apply to bargaining unit employees employed at the Mussel Rock Transfer Station.

Employees of the Mussel Rock Transfer Station who are assigned to work at the Daly City Solid Waste Collection District shall not lose any seniority right.

In the event of shut down of the Mussel Rock Transfer Station and/or transition to a service provider other than Allied Waste Services of North America, LLC dba Allied Waste Services of Daly City/Republic Services of Daly City, and which shut down/transition could lead to significant route changes at the collection operation and/or the re-introduction of Mussel Rock Transfer Station personnel into this bargaining unit pursuant to the parties' separate agreement, the parties will meet and confer to determine the method in which job bidding will occur for routes with significant changes and for personnel being reintroduced into the collection operation. The parties agree that this methodology will generally follow the seniority and qualification guidelines outlined in the preceding paragraph.

All Employees working at the Mussel Rock transfer station shall comply with all requirements under the Union Security of the Collective Bargaining Agreement.

#### **Section 24: Non-Discrimination**

It is agreed the policy of the Employer and the Union is and shall be that the provisions of this labor agreement between the parties will apply equally to all employees covered hereunder within the meaning of applicable state and federal laws without regard to age, race, creed, color, religion, marital status, physical or mental disability, sexual orientation, sex, political affiliation, ancestry, Vietnam era Veterans and/or national origin. The Employer and the Union agree that no employee shall be subject to unlawful discrimination or harassment on the basis of any of the foregoing characteristics.

In this Agreement, except where the context otherwise requires or where a bona fide occupational qualification or requirement exists, words of masculine or feminine gender also refer to the opposite gender.

#### **Section 25: Driver's License**

All employees must be in possession of a valid California Driver's License of the proper class needed to perform the employee's job duties.

All employees who lose their license for a medical reason will use their best effort to have the license reinstated. The Employer agrees to make all reasonable accommodations, as defined by law, for the employee to continue to work.

If an employee is unable to obtain a license within thirteen (13) months of a license suspension, the employee shall be discharged. The employee shall be responsible for paying the COBRA premium for his/her health benefits and the Employer shall not be responsible for the continuation of any benefits contained in the Agreement including, but not limited to, vacation, holidays, sick leave, pension, and/or health and welfare benefits during such time off.

The employees agree to be in compliance with any and all regulations of the U.S.

Department of Transportation, California Highway Patrol, and California Department of Transportation regarding hours of work, medical conditions, and required license.

**Section 26: Savings Clause**

Should any part hereof, or any provisions herein contained, be rendered or declared illegal or an unfair labor practice, or by decree of a court of competent jurisdiction or by the decision of any authorized governmental agency, including the National Labor Relations Board, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof; provided, however, upon such invalidation the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair practice.

Executed this 23<sup>RD</sup> day of AUGUST, 2013.

SANITARY TRUCK DRIVERS AND  
HELPERS UNION,  
TEAMSTERS LOCAL 350

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

Robert Morales  
Secretary-Treasurer

ALLIED WASTE SERVICES OF N.A.,  
LLC dba Allied Waste Services of DALY  
CITY

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

Mike Caprio  
Area President

**MEMORANDUM OF UNDERSTANDING  
BY AND BETWEEN  
SANITARY TRUCK DRIVERS AND HELPERS UNION, TEAMSTERS LOCAL 350  
AND  
ALLIED WASTE SERVICES OF NORTH AMERICA, LLC  
dba ALLIED WASTE SERVICES OF DALY CITY**

This Memorandum of Understanding ("MOU") is entered into by and between SANITARY TRUCK DRIVERS AND HELPERS UNION, TEAMSTERS LOCAL 350 ("the Union") and ALLIED WASTE SERVICES OF NORTH AMERICA, LLC dba ALLIED WASTE SERVICES OF DALY CITY ("the Employer") and is executed on this 23<sup>rd</sup> day of AUGUST, 2013.

1. In the event of the closure of the Mussel Rock Transfer Station ("MRTS"), the Employer and the Union agree that personnel stationed at the MRTS will have the opportunity to assimilate into its Daly City collection operation ("Daly City Division") on the basis of seniority and qualifications.
2. MRTS employees displaced by the closure of the MRTS will have the one time option to elect to displace the lowest seniority employee at the Daly City Division within each classification. Classifications for the purposes of this MOU are Front-End Load ("FEL") driver; Automated Side-Load ("ASL") driver; Rear-End Load ("REL") driver; Roll-off driver; Helper and Utility driver.
3. Upon knowing the firm closure date of the MRTS, the Employer will post the route of the lowest seniority employee in each classification at its Daly City Division. At that time, each MRTS employee, who is qualified to perform work at the Daly City Division, will be given the opportunity, on a seniority basis, to identify the route in which he/she wishes to exercise the right to displace the less senior employee by signing the relevant job posting. In the event that there is an MRTS employee or employees that has less seniority than all Daly City Division employees and/or are not qualified to perform the available work at the Daly City Division, said employee or employees will be laid off.
4. MRTS employees who express interest in and are awarded a position in the Daly City Division, will be provided with two (2) weeks of training on the utility/truck/equipment required for performing the work. These employees will be given thirty (30) days,

inclusive of the two (2) weeks of training, to become proficient to Employer standards, with the equipment and on the route which they were awarded. MRTS employees who are not proficient to Employer standards on their new route within said thirty (30) day period, will be re-assigned as a relief driver and the displaced driver re-assigned to his previously held route. Employer, in its sole discretion, will determine the proficiency of employees.

5. Daly City Division employees who have been displaced through this process may not then displace other less senior employees in their same classification or in any other classification, regardless of any bumping or seniority-based right to which that employee might otherwise have been entitled.
6. The Employer and the Union agree that Daly City Division employees displaced as a result of the process described in this MOU will be: 1) offered a position at the Daly City Division on the basis of seniority and qualification if a vacancy exists; but, 2) if no vacancy exists, the displaced employee will be offered a position as a relief driver; or 3) if, at the conclusion of this process, the Employer believes that it has more drivers than it requires and that one or more drivers should be laid off, the Employer will lay off drivers on a seniority basis.

SANITARY TRUCK DRIVERS AND  
HELPERS UNION, TEAMSTERS  
LOCAL 350

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

Robert Morales  
Secretary – Treasurer

ALLIED WASTE SERVICES OF NORTH  
AMERICA, LLC dba ALLIED WASTE  
SERVICES OF DALY CITY

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

Mike Caprio  
Area President



**MEMORANDUM OF UNDERSTANDING  
BY AND BETWEEN  
SANITARY TRUCK DRIVERS AND HELPERS UNION, TEAMSTERS LOCAL 350  
AND  
ALLIED WASTE SERVICES OF NORTH AMERICA, LLC  
dba ALLIED WASTE SERVICES OF DALY CITY**

This Memorandum of Understanding ("MOU") is entered into by and between SANITARY TRUCK DRIVERS AND HELPERS UNION, TEAMSTERS LOCAL 350 ("the Union") and ALLIED WASTE SERVICES OF NORTH AMERICA, LLC dba ALLIED WASTE SERVICES OF DALY CITY ("the Employer") and is executed on this 23<sup>rd</sup> day of AUGUST, 2013.

1. The Employer recognizes the Union as the exclusive bargaining representative of the Employer's Scale Attendants; Scale Attendants are added to the bargaining unit covered by the Collective Bargaining Agreement between the Union and the Employer ("the CBA").
2. Except as provided herein, all terms of the parties' April 1, 2013 — March 31, 2018 CBA shall apply to Scale Attendants.
3. **Scale Attendant Wages.**

April 1, 2013: \$24.50 per hour

April 1, 2016: \$27.40 per hour

April 1, 2014: \$25.40 per hour

April 1, 2017: \$28.60 per hour

April 1, 2015: \$26.30 per hour

4. **Scale Attendant Benefits.** Scale Attendant classification remains in Company Health & Welfare Plan (excluded from Union Health & Welfare and RSP). All other CBA benefits apply to Scale Attendant classification.
5. **Scale Attendant Hours of Work.**
  - a. The regular work week shall consist of five (5) consecutive days, which may be Monday through Friday or Tuesday through Saturday inclusive.
  - b. All work performed on the sixth consecutive day in any work week shall be paid at the overtime rate of one and one-half (1-1/2) times the straight time rate.

c. It is agreed that the Employer has the right to require employees to work overtime as needed and that employees may be held over after completion of their regular shifts as needed. Call-out overtime (e.g. work on the sixth consecutive day) shall be offered in descending order of their seniority on a rotating basis to qualified employees (including qualified relief employees) for each department in which the Employer needs overtime work to be performed. If the most senior qualified employee declines the offer, the overtime shall be offered to the next most senior qualified employee and so forth until the roster is exhausted; the least senior qualified employee (including qualified relief employees) on a rotating basis for each department shall be required to accept the call-out overtime assignment. In the case of an emergency, the Employer shall have the right to depart from the foregoing seniority procedure and the employee designated to work the call-out overtime shall be required to perform the work.

6. **Term.** This MOU shall be incorporated within and co-terminus with the parties' April 1, 2013 - March 31, 2018 CBA.

SANITARY TRUCK DRIVERS AND  
HELPERS UNION, TEAMSTERS  
LOCAL 350

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

Robert Morales  
Secretary – Treasurer

ALLIED WASTE SERVICES OF NORTH  
AMERICA, LLC dba ALLIED WASTE  
SERVICES OF DALY CITY

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

Mike Caprio  
Area President

**EXHIBIT I**  
**APPROVED SUBCONTRACTORS**

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# **EXHIBIT I**

## **APPROVED SUBCONTRACTORS**

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Following are the Approved Collection Subcontractors as of the Effective Date.

On-Call HHW Collection: Safety Kleen or other vendor(s) as designated by the Contractor.

Valet MFD Collection Service: Integrity Waste, Inc., located in Novato, CA or other vendor(s) as designated by the Contractor .

Following is the Approved Post-Collection Subcontractor as of the Effective Date: Blue Line Transfer, Inc.

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## **Post-Collection Agreement**

This Post-Collection Agreement (the "Agreement") sets forth the terms and conditions under which Blue Line Transfer, Inc., a California corporation ("Blue Line"), will provide post-collection transfer and processing services to Allied Waste Services of North America, LLC, a Delaware limited liability company doing business as "Republic Services of Daly City" ("Republic"), in connection with Republic's collection of Solid Waste, Recyclables and Organics in the City of Daly City (the "City") pursuant to the Franchise Agreement for Integrated Solid Waste Management Services between the City and Republic, dated \_\_\_\_\_ (the "Franchise Agreement"). In connection therewith, Republic will cause each of the Newby Recyclery, Ox Mountain and WCCSL OMPF (as defined below and together the "Republic facilities") to accept from Blue Line, and process or dispose of, Solid Waste, Recyclables and Organics received by Blue Line from Republic pursuant to this Agreement. Blue Line and Republic are each sometimes referred to herein as a "Party" and collectively as the "Parties." The Agreement shall be effective commencing on the Effective Date of the Franchise Agreement, as defined therein.

### **Recitals**

This Agreement is made with respect to the following Recitals:

WHEREAS, Blue Line owns and operates a transfer station located at 500 East Jaime Court in South San Francisco, CA (the "Transfer Station"), which is fully permitted under Applicable Laws to perform all of the Post-Collection Services to be performed by Blue Line as described in this Agreement; and

WHEREAS, Republic affiliates own and operate the Ox Mountain Landfill, the West Contra Costa Sanitary Landfill Organics Material Processing Facility ("WCCSL OMPF") and the Newby Island Landfill and Recyclery, which are fully permitted under Applicable Laws to perform all of the services to be performed by them as described in this Agreement; and

WHEREAS, upon the Effective Date of the Franchise Agreement, Republic shall require Blue Line to receive Solid Waste, including Mixed Waste, Organics, Construction and Demolition Debris and potentially Recyclables, and any other materials, as mutually agreed to by the parties, collected in the City by Republic collection vehicles at Blue Line's Transfer Station, and to either Process or Trans-load said materials into transfer trailers provided by Blue Line and transport said materials to one or more of the Republic facilities, and to perform such other Post-Collection Services as are described herein; and

WHEREAS, upon the Effective Date of the Franchise Agreement, the Newby Recyclery, Ox Mountain and WCCSL OMPF will receive from Blue Line and process or dispose of the foregoing materials (other than C&D, excluding the Residue from Processing C&D) as described herein; and

WHEREAS, in exchange for the commitments by Republic to deliver certain categories of Solid Waste, including Mixed Waste, Organics, Construction and Demolition Debris and potentially Recyclables and other materials, as mutually agreed to by the parties, to Blue Line's Transfer Station, and by the Republic facilities to accept and process or dispose of such



materials, and for the payment by Republic to Blue Line of per ton Fees established pursuant to this Agreement, Blue Line will perform all Post-Collection Services described below for the Term of the Franchise Agreement.

### **Agreement**

NOW THEREFORE, the Parties agree as follows:

1. Definitions.

As used in this Agreement, the initially capitalized words and phrases in this Section shall have the following meanings:

“Alternative Daily Cover” means CalRecycle-approved materials other than soil used as a temporary overlay on an exposed landfill face. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

“Alternative Intermediate Cover” means CalRecycle-approved materials other than soil used at a landfill on all surfaces of the fill where no additional Solid Waste will be deposited within one hundred eighty (180) days. Generally, these materials must be processed so that they do not allow gaps in the face surface, which would provide breeding grounds for insects and vermin.

“Applicable Law” means all Federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the collection, transportation, processing or disposal of discarded materials that are in force on the Effective Date of the Franchise Agreement and as may be enacted, issued or amended during the Term of this Agreement.

“Commercial” when used with respect to a material type, is used to describe Mixed Waste, Recyclables, Construction and Demolition Debris or Organics generated at or by property used for conducting business thereon, including, but not limited to, retail sales, services, wholesale operations, manufacturing and industrial operations, school facilities (both public and private), other institutions, and governmental agencies, but excluding businesses conducted upon Residential property.

“Construction and Demolition Debris” or “C&D” means materials resulting from construction, renovation, remodeling, repair, or demolition operations relating to or resulting from a building, structure, pavement or other improvement, including concrete, brick, bituminous concrete, rubble, wood and masonry, composition roofing and roofing paper, steel, and other metals such as copper, but excluding liquid wastes and Hazardous Wastes.

“Debris Box” means open-top containers with a typical capacity of eight (8) to forty (40) cubic yards that are serviced by a roll-off collection vehicle.

“Divert” or “Diversion” (or any variation thereof) means to prevent disposal of

Recyclables and Compostables other than Residue at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods, except for facilities using anaerobic digestion, or as otherwise approved by City) through Source Reduction, Reuse, Recycling, and Composting, as provided in Section 41780-41786 of AB 939, as AB 939 may be hereafter amended or superseded. Diversion includes use of yard trimmings for ADC or AIC, as permitted by State law, and approved by the City. Diversion is a broad concept that is to be inclusive of material handling and Processing changes that may occur over the Term including, but not limited to, changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology as may be used in the provision of collection Services or Post-Collection Services, that reduce disposal risk, decrease costs and/or are for other reasons deemed desirable by the City.

“Excluded Waste” means Hazardous Substances, Hazardous Waste, biomedical waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that Republic reasonably believes would, as a result of or upon Disposal, be a violation of local, State or Federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in Republic’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Republic or City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe collection, Recycling, treatment, and disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.

“Fees” means the fees to be paid by Republic to Blue Line for its Post-Collection Services. These fees are as set forth in Exhibit A, and may be adjusted from time to time per this Agreement.

“Hazardous Substance” means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and, (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated there under to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl’s (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products.

“Hazardous Waste” means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State in Health and Safety Code



§25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the U.S. Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

“Mixed Waste” means Solid Waste materials placed in containers that contain Recyclable and non-Recyclable materials.

“Multi-Family Mixed Waste” when used with respect to a material type, is used to describe Mixed Waste generated at or by the parcel, and the building(s) on it, containing four (4) or more individual Residential dwellings. Multi-Family Properties may have shared, centralized collection service for all dwellings and/or individual cart service, and are billed to one address (typically the owner or property manager).

“Multi-Family Organics” when used with respect to a material type, is used to describe Organics generated at or by the parcel, and the building(s) on it, containing four (4) or more individual Residential dwellings. Multi-Family Properties may have shared, centralized collection service for all dwellings and/or individual cart service, and are billed to one address (typically the owner or property manager).

“Newby Recyclery” means the Newby Island Resource and Recovery Park located at 1601 Dixon Landing Road, Milpitas, California 95035.

“Organics” or “Compostables” means discarded materials that have been source-separated with the intent to be processed through Composting, including but not limited to yard trimmings, food scraps, paper contaminated by food scraps, waxed paper, and compostable food service ware, pieces of unpainted and untreated wood or sawdust, and small pieces of unpainted gypsum wallboard that the City permits, directs or requires service recipients to place separately for collection by Republic.

“Ox Mountain” means the Ox Mountain landfill located at 12310 San Mateo Road (Hwy 92) Half Moon Bay, CA 94019.

“Performance Standards” means the requirements and guarantees for Blue Line’s Processing of C&D materials for the purpose of Diversion and recycling of materials in the C&D waste stream.

“Post-Collection Services” means all obligations to be performed by Blue Line pursuant to this Agreement.

“Process” or “Processing” means to sort, separate, prepare, treat, bale or otherwise package, compost, cure, or to take other steps necessary to re-use materials, or to remanufacture, reconstitute, and or create new products from discarded materials. Processing includes reuse, recycling and composting, and excludes energy conversion processes except by prior approval of the City.

“Recyclables” or “Recyclable” means newspaper (including inserts, coupons, and store

advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated cardboard; glass containers, all colors; aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); scrap metal weighing less than 10 pounds (without cords or chains and fitting into the container); steel, tin or bi-metal cans; plastic containers, Numbers 1 to 7; plastic bags and plastic film (no. 4); aseptic beverage boxes. Recyclables include source separated Recyclables.

“Residential” when used with respect to a material type, is used to describe Mixed Waste, Recyclables, Construction and Demolition Debris or Organics generated at or by property used for residential purposes, irrespective of whether such dwelling units are rental units or owner-occupied, or whether commercial activities are conducted thereon or therefrom, provided that such commercial activities are permitted under applicable zoning regulations and do not consist of the primary use of the property.

“Residue” means unrecoverable materials remaining after Processing discarded materials for which there are no other options for viable use and which therefore must be disposed of in a landfill. Diversion is measured as net of Residue.

“Solid Waste” means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated thereunder as may be amended from time to time, and Residue from Recycling, Processing, and similar processes. Excluded from the definition of Solid Waste are Source-Separated Recyclables, Source-Separated Compostables, Source-Separated C&D, Bio solids and Excluded Waste, in addition to those items specifically excluded under California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated thereunder as may be amended from time to time. Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time.

“Trans-load” means the receipt of materials at the Transfer Station, load screening, segregation and loading of such materials in Blue Line provided transfer trailers for Transport to a Republic destination facility.

“Transport” means the transportation in transfer trailers to Republic destination facilities in Blue Line provided transfer trailers and the unloading of materials from these transfer trailers in the tipping areas designated by Republic for such materials.

“WCCSL OMPF” means the West Contra Costa Sanitary Landfill Organics Material Processing Facility located at 1 Parr Blvd, Richmond, CA 94806.

2. Term.



The Term of this Agreement shall commence on the Effective Date of the Franchise Agreement, and shall be conterminous with the term of the Franchise Agreement plus any extensions thereof, such that this Agreement shall terminate when the Franchise Agreement terminates. Republic hereby agrees not to ask the City for approval to use a facility other than the Transfer Station for any of the Post-Collection Services (except for Contingent Facilities as defined in and under the circumstances permitted by the Franchise Agreement) without Blue Line's prior written consent.

3. Materials to Be Delivered By Republic to Blue Line.

Waste Stream Commitment: Subject to the exceptions stated in this Agreement, Republic will deliver to the Transfer Station, and Blue Line will accept receipt of, the following materials generated and collected by Republic within the City limits of Daly City: Multi-Family Mixed Waste; Debris Box Solid Waste; Residential Organics; Commercial Organics; Multi-Family Organics; and Construction and Demolition Debris.

Optional Waste Delivery: Republic may deliver to the Transfer Station, but is not obligated to deliver to the Transfer Station, Residential Recyclables, Debris Box Recyclables and/or Commercial Recyclables, subject to Section 5 below.

No Minimum Quantity Guaranteed: The Parties acknowledge that this Agreement does not constitute a "put or pay" agreement on the part of Republic, and that Republic does not promise or guarantee the delivery to Blue Line of any minimum amount of materials or tonnage for any period of time. The Parties recognize that the future tonnage deliveries by Republic to Blue Line may vary greatly depending on a variety of economic and other factors, including changes in the generation of waste quantities and types, and the effect of increased Recycling and Diversion activities in the City.

4. Mechanics of Delivery of Materials to Transfer Station.

Transfer Station Days and Hours: The Transfer Station shall be open for the delivery and unloading by Republic and Blue Line's receipt of all materials described in this Agreement, at a minimum, between the hours of 6:00 a.m. and 4:30 p.m. Monday through Friday and 7:30 a.m. and 4:30 p.m. on Saturday, provided that the Transfer Station will be closed on Christmas Day and New Year's Day and may close early on other national holidays. If Republic requests that the Transfer Station be open for additional hours or on additional days, and Blue Line has not already opened the Transfer Station for deliveries on such days and hours, Blue Line shall open the Transfer Station for deliveries of materials during any of the additional days and times set forth on Exhibit A to the extent requested by Republic, for the fixed hourly charges set forth in that Exhibit.

Turnaround Times: Blue Line guarantees that the turnaround time (measured from the time that Republic's vehicles enter a queue to enter the Transfer Station property and the time the vehicle exits from Transfer Station property) for Republic's collection vehicles carrying one type of material will average 20 minutes and will not exceed a maximum turnaround time of 30 minutes. Blue Line will weigh, inspect and screen Republic's loads in accordance with the Transfer Station's existing rules for load inspection.



Excessive Turnaround Time Fee: Should the monthly average turnaround time (based on a calendar month) at Blue Line exceed the maximum turnaround time for Republic collection vehicles, an excessive turnaround time fee of \$100.00 will apply for each Republic collection vehicle that exceeded the maximum turnaround time during the month. Republic will deduct the excessive turnaround time fee from the monthly payment, immediately following said month, owed to Blue Line under this Agreement. This excessive turnaround time fee shall escalate using the same escalation factor applied to Republic's Fees owed to Blue Line. This turnaround time provision shall take into account delays caused by drivers in the performance of their work that are not the result of operations at Blue Line. For example, if a Republic vehicle spends more than 5 minutes unloading, Blue Line may add one minute for every minute in excess of those 5 minutes to the maximum vehicle turnaround time, evidenced to the satisfaction of Republic.

Excluded Waste: Should Blue Line identify any Excluded Waste in any collection vehicle loads delivered by Republic to Blue Line, Blue Line shall immediately take the following steps: (1) take color photographs of the Excluded Waste as soon as it is discovered; (2) segregate the load containing Excluded Waste from other incoming loads or, if feasible, segregate the Excluded Waste and properly store it; and (3) immediately notify Republic's designated representative by telephone and email. If Blue Line notifies Republic of any Excluded Waste delivered by Republic within 48 hours of its receipt at the Transfer Station, Republic shall be solely responsible for its reloading and/or for its proper transportation and disposal, and all costs associated therewith. If Blue Line does not so notify Republic within 48 hours of its receipt of Excluded Waste from Republic, Blue Line shall be deemed to have accepted such Excluded Waste and shall be solely responsible for its proper transportation and disposal, and all costs associated therewith.

#### 4.1 Mechanics of Delivery of Materials to Republic Facilities.

Facility Days and Hours: Each Republic facility shall be open for the delivery and unloading by Blue Line and the Republic facility's receipt of all materials described in this Agreement, at a minimum, between the hours of 6:00 a.m. and 4:30 p.m. Monday through Friday and 7:30 a.m. and 4:30 p.m. on Saturday, provided that each such facility will be closed on Christmas Day and New Year's Day and may close early on other national holidays. There shall be no limits on the amount of materials collected under the Franchise Agreement that Blue Line may deliver to any Republic facility.

Turnaround Times: Republic guarantees that the turnaround time at each Republic facility (measured from the time that Blue Line's vehicles enter a queue to enter the Republic facility property and the time the vehicle exits from Republic facility property) for Blue Line's transfer vehicles will average 25 minutes and will not exceed a maximum turnaround time of 35 minutes. Each Republic affiliate will weigh, inspect and screen Blue Line's loads in accordance with the respective Republic facility's existing rules for load inspection, and will provide Blue Line with a monthly report of such weight information.

Excessive Turnaround Time Fee: Should the monthly average turnaround time (based on a calendar month) at each Republic facility used by Blue Line under this Agreement, exceed the maximum turnaround time for Blue Line transfer vehicles, an excessive turnaround time fee of

\$100.00 will apply for each Blue Line transfer vehicle that exceeded the maximum turnaround time during the month. Blue Line will deduct the excessive turnaround time fee from the monthly payment, immediately following said month, owed to Republic under this Agreement. This excessive turnaround time fee shall escalate using the same escalation factor applied to Republic's Fees owed to Blue Line. This turnaround time provision shall take into account delays caused by drivers in the performance of their work that are not the result of operations at each Republic facility. For example, if a Blue Line vehicle spends more than 5 minutes unloading, the Republic facility may add one minute for every minute in excess of those 5 minutes to the maximum vehicle turnaround time, evidenced to the satisfaction of Blue Line.

Excluded Waste: Should a Republic affiliate identify any Excluded Waste in any transfer vehicle loads delivered by Blue Line to a Republic facility, such Republic affiliate shall immediately take the following steps: (1) take color photographs of the Excluded Waste as soon as it is discovered; (2) segregate the load containing Excluded Waste from other incoming loads or, if feasible, segregate the Excluded Waste and properly store it; and (3) immediately notify Republic's designated representative by telephone and email. Republic and the Republic affiliates shall be solely responsible for the reloading and/or for proper transportation and disposal of all such Excluded Waste, and all costs associated therewith, except to the extent that Blue Line shall have introduced such Excluded Waste into materials delivered by Republic to the Transfer Station.

5. Post-Collection Services To Be Provided By Blue Line.

Blue Line will provide the following Post-Collection Services to Republic, subject to the Capacity Limits set forth below:

Debris Box Solid Waste: Blue Line will receive from Republic, accept, Trans-load, Transport and deliver Debris Box Solid Waste to Ox Mountain.

Multi-Family Mixed Waste: Blue Line will receive from Republic, accept, Trans-load, Transport and deliver Multi-Family Mixed Waste to the Newby Recyclery for Processing by Republic.

Residential, Commercial and Multi-Family Organics: Blue Line shall receive from Republic, accept, Trans-load, Transport and deliver Residential, Commercial and Multi-Family Organics to WCCSL OMPF.

Construction and Demolition Debris: Blue Line will receive from Republic, accept and Process Construction and Demolition Debris. Blue Line will remove from this waste stream and Recycle materials that can be Recycled to meet the Performance Standards, and will Trans-load, Transport and deliver the Residue to Ox Mountain at the then current tip fee stipulated in the Daly City Collection Franchise with Republic.

Capacity Limits and Guarantees: Blue Line's obligations to receive and accept the foregoing material categories, and Republic's obligations to deliver these materials to Blue Line,



are subject to the following Capacity Limits and Guarantees:

- (a) Residential Organics - 15 tons per day
- (b) Multi-Family Mixed Waste - 20 tons per day
- (c) Commercial and Multi-Family Organics - 10 tons per day
- (d) Debris Box Solid Waste - 30 tons per day
- (e) Construction and Demolition Debris – 25 tons per day
- (f) Other materials as agreed to by the parties that may include, but not limited to:  
Residential, Multi-Family or Commercial Recyclables at capacities agreed to by the parties.

Blue Line guarantees to Republic that at all times during the Term of this Agreement, the Transfer Station shall have the ability and adequate capacity to receive, accept, Trans-Load, Transport and, if applicable, Process, all of the foregoing material categories up to the above-stated daily tonnage limits. These capacity limits and guarantees may be changed only by means of a written agreement signed by Republic and Blue Line.

Segregation of Republic Materials: Blue Line shall not commingle materials delivered to the Transfer Station by Republic with materials delivered by Blue Line, its affiliates, other haulers or customers of the Transfer Station, except for C&D materials to be Processed at the Transfer Station.

Weighing Of Incoming And Outbound Loads: Blue Line shall weigh all incoming and outbound loads containing materials delivered to the Transfer Station by Republic.

Daly City Collection Franchise: Blue Line acknowledges that it has received and familiarized itself with a copy of the Franchise Agreement. Subject to the terms of this Agreement, Blue Line agrees to comply with all Post-Collection Responsibilities described in Article 3 “Collection and Post-Collection Services” of the Franchise Agreement with respect to the Transfer Station or to the extent it pertains to Blue Line’s Post-Collection Services described herein. Without limiting the generality of the foregoing, subject to the terms of this Agreement, Blue Line shall comply with all applicable provisions of Sections 3.9, 3.10 and 3.13 of the Franchise Agreement. Blue Line shall provide Republic with reports on its Post-Collection Services to the extent such reports are necessary for Republic to comply with its reporting obligations to the City under the Franchise Agreement. Blue Line shall make its records available for inspection by the City pursuant to the provisions of the Franchise Agreement.

#### 6. Processing of C&D Materials.

Blue Line covenants and guarantees to Republic that: (a) Blue Line will Process all C&D Materials received at the Transfer Station from Republic using Blue Line’s current C&D processing line(s) at the Transfer Station, including any future improvements or expansions thereof; and (b) Blue Line will recover and Divert a minimum of fifty percent (50%) by weight each calendar quarter of all C&D materials delivered by Republic to the Transfer Station. Blue Line may satisfy the 50% Diversion guaranty by showing that on a mass balance basis, at least fifty percent by weight each calendar quarter of all C&D material Processed at the Transfer Station has been Diverted in such a manner as to qualify for Diversion credit from the California



Department of Resources Recycling and Recovery ("CalRecycle") or any successor agency. The Parties agree that a small percentage of C&D delivered by Republic, but not to exceed the recent historical average necessary for Blue Line to satisfy the fifty percent (50%) Diversion requirement, that is ground by Blue Line for use as ADC and/or AIC may be counted as Diverted, provided that such use qualifies for Diversion credit from CalRecycle. Unless otherwise agreed to be the Parties in writing, Blue Line shall have no duty to Process or recycle any materials delivered by Republic to the Transfer Station other than C&D.

7. Vehicles; Employees; Labor Policy and Labor Peace.

Title and Risk of Loss: Except for Excluded Waste which is timely rejected by either Party as provided herein, title, risk of loss and all other incidents of ownership of materials delivered by either Party (i.e., to Blue Line at its Transfer Station on the one hand, and to Republic's destination facility affiliates on the other hand) to the other Party (including its affiliates) shall transfer from the delivering Party to the receiving Party upon the delivery, unloading and inspection of such materials, and in any event no later than 48 hours after such delivery. Except as otherwise provided in this Agreement, title, risk of loss and all other incidents of ownership of timely rejected Excluded Waste shall at no time be transferred from the delivering Party to the receiving Party, and shall at all times remain with the delivering Party.

Provision of Safe Working Environment: Each Party will use reasonable efforts, to the extent within its control, and consistent with industry practices to provide a safe working environment for the other Party and its employees, agents and subcontractors for the performance of this Agreement, and on any premises owned or controlled by such Party or its affiliates.

Grant of Non-Exclusive Right of Access to Facilities: Each Party (or as applicable, its affiliates) hereby grants to the other Party a non-exclusive license to enter the Party's facilities for the sole purpose of delivering materials at an area designated by the receiving Party. The delivering Party agrees to comply with, and to cause its subcontractors to comply with, all rules and regulations of the receiving Party's (or its affiliates') facilities, including those relating to the use and operation of the facility and the conduct of persons on the premises of the facility, as the same may be amended by the facility operator from time to time, which are provided in writing to the delivering Party.

Unloading Priority: Neither Party shall give its own vehicles or those of its affiliates or other haulers or customers preference in the weighing or unloading of the delivering Party's delivery vehicles but shall weigh and unload all customers' vehicles on a "first come, first served" basis.

Compliance with Applicable Law: All Parties agree to comply with Applicable Laws and maintain all required permits at all times throughout the Term of this Agreement; and shall obtain and maintain any permits, licenses, or approvals which are required for each Party's (and its affiliates') facilities and the performance of their respective obligations under this Agreement.

Transfer Trailers: Blue Line shall use self-unloading transfer trailers for the Transport of materials from the Transfer Station to Republic's destination facilities under this Agreement.



Blue Line may use diesel fueled transfer vehicles provided they comply with Applicable Laws.

Blue Line Employees: Blue Line's workers that will participate in providing the Post-Collection Services are subject to a collective bargaining agreement (the "CBA") between Teamsters Local Union 350 (the "Union"), Blue Line and South San Francisco Scavenger Co., Inc. ("Scavenger") and, pursuant to a memorandum of understanding between Scavenger, Blue Line and the Union dated July 22, 2013, will continue to receive the wages and benefits under the CBA. Blue Line will be obligated to hire any vehicle drivers terminated by Republic, but only to the extent such individuals are needed to provide the Post-Collection Services. These workers are not third party beneficiaries of this Agreement.

Labor Policy: For employees performing services under this Agreement, Blue Line will provide its employees with initial wages and benefits equaling no less than the wages and benefits included in the collective bargaining agreement in place between South San Francisco Scavenger Co., Inc. (SSFSC) and Blue Line and Sanitary Truck Drivers and Helpers, Teamsters Local Union 350 (Local 350) in place in 2013, and consistent with the Memorandum of Understanding between SSFSC and Blue Line and Local 350 dated July 22, 2013.

Employee Retention Policy: Blue Line will retain workers who have been employed by the previous contractor for at least 120 calendar days prior to the expiration of the contracts. These retained workers will fill open positions, provided that the future contractor(s) shall not be required to create additional positions that the contractor(s) does not need. Contractor is prohibited from discharging any retained workers for at least 90 calendar days after the contract startup (Commencement Date) except for cause. Additionally, the contractor(s) shall maintain a list of the predecessor contractor's employees who were not offered employment after twelve months from the start of the new Agreement (Commencement Date). If any positions become available during the nine months following the initial three-month contract period, from May 1, 2016 through January 31, 2017, Contractor shall offer employment to qualified persons on the list by seniority within the collective bargaining unit (if it exists). Contractor shall be required to include this language in the collective bargaining agreements, if any such agreement exists or is negotiated with relation to providing service under this Agreement.

Contractor Demonstration of Compliance: Contractor has anticipated the aforementioned labor requirements in its cost proposal, as provided in Exhibit J.

Labor Peace: The City has determined that the level of vulnerability of the proposed Agreement to service or labor disputes is sufficient to warrant that labor peace is essential to the propriety interests of the City. The determination was based on considerations including, but not limited to the following factors:

- A. The service or labor will be provided on City site or a site which is important to the propriety interests of the City;
- B. The service provider relies on a significant amount of public patronage;
- C. The economic effect of any disruption of City expenditures or revenues is significant;
- D. The effect of any disruption on the citizens, tourists and businesses in the community is significant.

8. Fees for Post-Collection Services; Billing; Payment.

Initial Fees: The initial Fees (including after-hours charges) to be paid by Republic to Blue Line for providing the Post-Collection Services are set forth on Exhibit A, which is attached hereto and incorporated herein by this reference, as adjusted in this Section 8 if the Effective Date of the Franchise Agreement occurs after June 30, 2015. The Fees in Exhibit A, as adjusted from time to time per this Agreement, shall constitute Blue Line's sole compensation for all such Post-Collection Services, including the provision by Blue Line of the Transfer Station, and all qualified personnel, vehicles, fuel, equipment, insurance, governmental fees imposed on any operations of the Transfer Station, overhead costs, wages and benefits, maintenance, and all other expenses incurred by Blue Line in performing its obligations under this Agreement, including but not limited to all Processing, Trans-loading, Transport, and other Post-Collection Services described herein, and Blue Line's diversion and capacity guarantees.

Cost of Living Adjustments: Such Fees (including after-hours charges) will be subject to a cost of living adjustment on July 1<sup>st</sup> of every year commencing on July 1, 2015, as follows:

Each Fee in Exhibit A shall be adjusted upward or downward on the basis of one hundred percent (100%) of the net percentage change in the Consumer Price Index, Urban Wage Earners and Clerical Workers, San Francisco-Oakland-San Jose, All items, 1982-84=100, CWURA422SAO (the "Index").

The net percentage change shall be calculated by the following formula:

$$\text{Net percentage change (NPC)} = \frac{X(i) - X(i-1)}{X(i-2)}$$

Where,

X(i) = Index value for December of the calendar year immediately preceding the coming July 1st;

X(i-1) = Index value for December 12 months preceding the December in X(i).

Changes in the net percentage change of less than one tenth of one point (0.1) shall be rounded to the nearest one-tenth of a point, i.e., 1.50 to 1.54 shall be treated as 1.5; 1.55 to 1.59 shall be treated as 1.6.

Should the Index not be published in December of any year required for calculation of a rate adjustment, the Index values for the month most immediately preceding December shall be used in X(i) and X(i-1). If the Index is discontinued, it shall be replaced by that consumer price index which most closely approximates the Index as determined by the U.S. Bureau of Labor Statistics.

Invoicing and Payment: Blue Line shall submit monthly invoices to Republic for all Post-Collection Services provided by Blue Line to Republic during the prior month. Blue Line shall provide Republic support for each invoice as reasonably requested by Republic, including a summary print out showing the truck number, date, tare weight, net load tonnage and material type of all inbound Republic loads delivered to the Transfer Station, and the same information for all outbound transfer trailer loads delivered to Republic destination facilities. The invoice

support shall also include the tons of Republic-delivered C&D Processed by Blue Line during the prior month and the tonnage Recycled therefrom, including the tons of all different material types Recycled and tons of ADC/AIC produced by Blue Line.

C&D Recyclable Marketing: Blue Line shall bear all costs associated with the marketing of Recyclables recovered by Blue Line from C&D delivered by Republic, and shall retain all revenues from the sale of such Recyclables.

Delinquent Invoices: Republic shall pay Blue Line's invoices within 30 days of receipt. The unpaid balance of any delinquent invoices shall bear a late charge of one percent (1%) per month but not more than the maximum amount permitted under Applicable Law; provided, however, that in the event Blue Line fails to provide Republic with the required support for the invoice or if there is a bona fide dispute regarding any item of a Blue Line invoice, Republic will not owe Blue Line any late charges for that item until the dispute is resolved.

Payment of Tipping Fees: Republic will be responsible for the payment of all tipping and other fees charged at Republic destination facilities, including governmental fees and taxes, for materials delivered to the Transfer Station by Republic and thereafter Trans-loaded and Transported to the Republic destination facility by Blue Line (including the Residue from C&D Processed by Blue Line). Republic shall pay such fees directly to each Republic destination facility.

Change in Destination Facility: Should Republic or the City request Blue Line to deliver materials to any facility not described in this Agreement, Blue Line agrees to deliver materials to such alternative facility after the Parties have agreed upon Blue Line's charges to deliver materials to the alternative facility. The Parties shall meet in good faith to negotiate an appropriate Fee for such services. Should the Parties be unable to agree on such a Fee, either Party may submit the matter to arbitration and, during the pendency of the arbitration, Republic shall pay Blue Line a Fee equal to (a) Blue Line's documented average per ton cost of Trans-loading materials at the Transfer Station as then in effect, plus (b) after subtracting out the Trans-loading cost in (a) from each of the then-current Fees to Republic's facilities under Exhibit A, the average per mile amount paid by Republic to Blue Line for Transport to the Republic facilities described in Exhibit A times the mileage to the new destination facility.

## 9. Indemnification and Insurance.

Indemnification by Blue Line: Blue Line agrees to defend, indemnify and hold harmless Republic and its direct and indirect parent companies, subsidiaries and affiliates, and their respective directors, officers, agents, employees and subcontractors, and the City, and its officers and employees (collectively, the "Republic Indemnified Parties") from and against any and all liabilities, losses, damages, costs, expenses and disbursements, including reasonable legal fees and expenses, arising out of any claim or loss of or damage to property and injuries to or death of any persons, including any Republic Indemnified Parties, caused by: (i) the breach of any term, covenant, agreement or undertaking herein of Blue Line or any Blue Line affiliate (other than a breach caused by Republic's (or any Republic affiliate's) breach of its obligations hereunder); or (ii) Blue Line's (or any of Blue Line's affiliate's) non-compliance with any Applicable Laws in



performing the Post-Collection Services; or (iii) the negligence or willful misconduct of any Blue Line Indemnified Parties. This obligation shall survive termination of this Agreement.

Subject to the provisions of Public Resources Code section 40059.1, Blue Line's duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle on the City if the requirements of AB 939, AB 341, AB 1594 or AB 1826 are not met by Blue Line with respect to the C&D materials delivered by Republic to Blue Line under this Agreement, and such failure is: (i) due to the failure of Blue Line to meet its obligations under this Agreement; or (ii) due to Blue Line's delays in providing information that prevents Republic or the City from submitting reports to regulators in a timely manner.

Indemnification by Republic: Republic agrees to defend, indemnify and hold harmless Blue Line and its direct and indirect parent companies, subsidiaries and affiliates, and their respective directors, officers, agents, employees and subcontractors (the "Blue Line Indemnified Parties") from and against any and all liabilities, losses, damages, costs, expenses and disbursements, including reasonable legal fees and expenses, arising out of any claim or loss of or damage to property and injuries to or death of any persons, including any Blue Line Indemnified Parties, caused by (i) the breach of any term, covenant, agreement or undertaking herein of Republic or any Republic affiliate (other than a breach caused by Blue Line's breach of its obligations hereunder); or (ii) Republic's (or any Republic affiliate's) non-compliance with any Applicable Laws; or (iii) the negligence or willful misconduct of any of the Republic Indemnified Parties. This obligation shall survive termination of this Agreement.

Hazardous Substance Indemnification as To Both Parties:

To the extent allowed by Applicable Law, each Party shall indemnify, defend with counsel acceptable to the other Party or Parties or the City (provided that such acceptance shall not be unreasonably withheld), and hold harmless the other Party or Parties, its and their direct and indirect parent companies, subsidiaries and affiliates, and their respective directors, officers, agents, employees and subcontractors and the City and its employees, volunteers, and agents (collectively, "Hazardous Substance Indemnitees") from and against any and all claims, damages (including but not limited to special, consequential, natural resources, and punitive damages), injuries, costs (including but not limited to all response, remediation, and removal costs), losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including reasonable attorneys' and expert witness fees incurred in connection with defending against any of the foregoing or in enforcing this indemnity (collectively, "damages")) of any nature whatsoever paid, incurred, suffered by, or asserted against the Hazardous Substance Indemnitees, arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure, or other plan concerning any Hazardous Substances or Hazardous Waste released, spilled, or disposed of by that Party pursuant to this Agreement.

Notwithstanding the foregoing, however, no Party is required to indemnify the Hazardous Substance Indemnitees against claims arising from that Party's delivery of waste materials to a facility owned or operated by (a) another Party or (b) an affiliate of another Party or (c) a third party, unless such claims are a direct result of the Party's negligence or willful misconduct. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42

U.S.C. Section 9607(e), California Health and Safety Code Section 25364, and the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. to defend, protect, hold harmless, and indemnify the Hazardous Substance Indemnitees from liability, and shall survive the expiration or earlier termination of this Agreement.

Each of the Indemnified Parties described in the foregoing defense and indemnity provisions in this Section 9 are intended as third party beneficiaries of this Agreement.

Insurance: Each Party agrees at all times during this Agreement to maintain in full force and effect at least the following coverages:

#### WORKERS' COMPENSATION

Coverage A	Statutory
Coverage B	\$1,000,000 each bodily injury by accident \$1,000,000 policy limit bodily injury by disease \$1,000,000 each occurrence bodily injury by disease

#### AUTOMOBILE LIABILITY

Bodily Injury/Property Damage	\$3,000,000 each Accident
Combined – Single Limit	Coverage is to apply to all owned, non-owned, hired and leased vehicles (including trailers)
Pollution Endorsement	MCS-90 or ISO CA 99 48 09 02, or equivalent, endorsement, whichever is applicable

#### COMMERCIAL GENERAL LIABILITY, including Contractual Liability:

Bodily Injury/Property Damage	\$1,000,000 each occurrence \$3,000,000 general aggregate
Combined – Single Limit	\$3,000,000 products/completed operations

#### EXCESS/UMBRELLA LIABILITY

May be utilized in combination with any of the above primary policies to obtain required total liability limits

Insurance Requirements as To Blue Line: All such insurance policies will be primary without the right of contribution from any other insurance coverage maintained by Republic. The Republic Indemnified Parties shall be shown as additional insured's on all policies except the Workers' Compensation policies. The fact that insurance is obtained by Blue Line shall not release or diminish the liability of Blue Line, including liability under the indemnity provisions of this Agreement, although the payment of any damages by Blue Line's carriers shall be a credit



against Blue Line's indemnity obligations hereunder. Blue Line agrees to waive any and all rights of subrogation it may have against the Republic Indemnified Parties by virtue of any claims that may arise as a result of the performance of services hereunder by Blue Line, and Blue Line also agrees to obtain a waiver of subrogation in favor of the Republic Indemnified Parties from its insurance carrier(s) with respect to any claims that may arise as a result of the performance of services hereunder by Blue Line.

Insurance Requirements as To Republic: All such insurance policies will be primary without the right of contribution from any other insurance coverage maintained by Blue Line. The Blue Line Indemnified Parties shall be shown as additional insured's on all policies except the Workers' Compensation policies. The fact that insurance is obtained by Republic shall not release or diminish the liability of Republic, including liability under the indemnity provisions of this Agreement, although the payment of any damages by Republic's carriers shall be a credit against Republic's indemnity obligations hereunder. Republic agrees to waive any and all rights of subrogation they may have against the Blue Line Indemnified Parties by virtue of any claims that may arise as a result of the performance of services hereunder by Republic, and Republic also agrees to obtain a waiver of subrogation in favor of Blue Line from their insurance carrier(s) with respect to any claims that may arise as a result of the performance of services hereunder by Republic.

Insurance Requirements As to all Parties: All policies required herein shall be written by insurance carriers with a rating of A.M. Bests of at least "A-" and a financial size category of at least VIII. Insurance certificates evidencing the above requirements shall be exchanged by the Parties before commencing the services hereunder and the insured Party shall provide reasonable prior notice to the Party (for whose benefit the certificates are being provided), of any cancellation or non-renewal of the policies. In addition, the following requirements apply:

- (I) The Commercial General Liability policy must include Contractual Liability coverage specifically covering each Party's obligation to indemnify the other Parties.
- (II) Any liability policy shall also contain a Cross Liability/Severability of Interests provision assuring that the acts of one insured do not affect the applicability of coverage to another insured.
- (III) Each Party shall have the General, Auto and Excess Liability policies endorsed naming the other Parties hereto as "ADDITONAL INSURED", with a blanket "WAIVER OF SUBROGATION" with respect to any claims that may arise as a result of performance hereunder by any Party.

#### 10. Termination and Remedies.

Events of Default of a Party: Each of the following shall be an event of default by a Party under this Agreement:

- (i) A Party fails to observe and perform any material term, covenant or agreement contained in this Agreement on its part to be performed and the continuance of

such failure for a period of 30 days after written notice to that Party specifying the nature of such failure and requesting that it be remedied; provided, however, that if the cure for such failure to perform reasonably requires more than 30 days, then that Party shall not be deemed in default so long as the Party promptly commences such cure and diligently pursues such cure to its completion;

(ii) A Party makes a general assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions or applies to any tribunal for any custodian, receiver or trustee for it or any substantial part of its property, commences any proceeding relating to it under bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereinafter in effect, or if there shall have been filed any such proceeding in which an order for relief or the appointment of any custodian, receiver of or any trustee for it or any substantial part of its property is sought, or suffers such custodianship, receivership or trusteeship, and such filing or order shall continue undismissed for a period of 60 days or more; or

(iii) Actions on the part of one Party or its agents or subcontractors cause a second Party to be in material or repeated violation of the second Party's permits, licenses or approvals.

Remedies on Default: Whenever any event of default shall have occurred and be continuing, the non-defaulting Party or Parties shall have the following rights and remedies;

(i) Upon 30 days' written notice to the defaulting Party, if the defaulting Party is then in default, the non-defaulting Party shall have the option to terminate this Agreement in its entirety unless the event of default is cured prior to the expiration of such 30-day period or unless during such period the defaulting Party has taken remedial steps the effect of which would be to enable the defaulting Party to cure such event of default within a reasonable period of time; and

(ii) In addition to the foregoing remedies, each Party shall retain and may seek through legal action any and all remedies for damages or equitable relief that would be available to that Party under this Agreement or pursuant to Applicable Law.

#### 11. Dispute Resolution.

Mediation: In the event a dispute arises between the Parties concerning this Agreement, including but not limited to its interpretation or enforcement, prior to the commencement of any legal action on the merits of such dispute, the Parties shall attempt in good faith to mediate their differences.

The Parties shall mutually select a neutral mediator within 10 days of either Party giving written notice to any other Party of the existence and nature of the dispute. If the Parties are unable to agree on a mediator, then the San Francisco office of the Judicial Arbitration and Mediation Service (JAMS) may be contacted by any Party to appoint a mediator. (If JAMS is unable to perform the services described in this Agreement, the Parties shall use the American



Arbitration Association in its stead.) The Parties shall attend a one-day mediation session with their counsel and principals authorized to resolve the dispute within 60 days of the initial written notice of the dispute. The Parties will cooperate in good faith to mediate their differences, but nothing in this section shall bind any Party to accept a mediator's proposal or to settle their differences at the mediation session.

Legal Action: In the event that a mediation does not resolve the dispute, any Party shall be entitled to commence an action against the other Party or Parties in the federal or state courts in and for the County of San Mateo, California, to the jurisdiction of which each party hereby submits.

Damages Limitations; Waiver of Jury Trial; Statute of Limitations: No Party shall be liable to any other Party for indirect or consequential damages, including lost profits, but excepting from this provision the payment of Fees owed to Blue Line under this Agreement. The Parties hereby agree to waive their respective rights to a jury trial. Any lawsuits, claims, demands or causes of action arising under or relating to this Agreement shall be filed, brought or initiated, if at all, within two years of their accrual or they shall be deemed to be barred by this claims limitations provision. The commencement of a mediation pursuant to this Agreement shall be deemed the initiation of a claim, which shall stop the running of this contractual limitations period. The prevailing Party in any action hereunder shall be entitled to recover its reasonable attorneys' fees and costs, including such fees and costs on appeal, from the non-prevailing Party or Parties.

## 12. General Provisions.

Force Majeure: Except for a Party's obligation to make payments to the other Party or a Party's obligations to provide insurance and a defense and indemnity hereunder, any Party's obligations under this Agreement may be suspended by that Party in the event of any of the following shall adversely and materially affect the ability of that Party to perform its obligations hereunder or to comply with the requirements of any governmental order, permit or other approval: (i) an occurrence beyond the reasonable control of that Party; or (ii) an act of God, landslides, lighting, earthquakes, hurricanes, tornadoes, tsunamis, severe weather, fires, explosions, floods, acts of a public enemy, war, blockades, insurrections, riots or civil disturbances, pandemics, the threat of such natural disasters, strike, lockout or labor unrest.

Notwithstanding the foregoing, should an event of Force Majeure disable a Party from complying with any material term of this Agreement for more than 90 days, the other Party or Parties for whose benefit the suspended performance is to be rendered may elect to terminate this Agreement and, upon such termination, Blue Line shall be paid for its services rendered to date and no Party shall have claims against the terminating Party for breach of this Agreement due to such termination. Without limiting the survival of any other provisions of this Agreement, such termination shall not extinguish a Party's defense and indemnity obligations under this Agreement.

Assignment Binding Effect: No Party shall assign its rights or obligations under this Agreement without the prior written consent of the other Parties, which shall not be withheld unreasonably nor required in the event of an assignment to an affiliate. Subject to the foregoing,

this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

Entire Agreement: This Agreement supersedes all prior agreements, written or oral, with respect to the subject matter of this Agreement. This Agreement may be changed only by a written instrument signed by all Parties hereto.

Severability: In the event that any one or more of the provisions contained in this Agreement is, for any reason, held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, all of which provisions shall remain in full force and effect, and the Parties will negotiate in good faith to replace the invalid, illegal or unenforceable provision.

Waiver: No delay or omission by a Party in exercising any right under this Agreement will operate as a waiver of that or any other right. A waiver or consent given by a Party on any occasion must be in writing and is effective only in that instance and will not be construed as a bar to or waiver of any right on any other occasion.

Notice: Except for invoices and supporting material, any notice, request, information or other document to be given hereunder to one of the Parties by any other Party shall be in writing and shall be given by hand delivery, facsimile, certified or registered U.S. mail or a private courier service which provides evidence of receipt as part of the service, and shall be deemed given upon receipt, as follows;

If to Republic:

Republic Services of Daly City  
1680 Edgeworth Ave.  
Daly City, CA 94015  
Attn: Division Manager

If to Blue Line:

500 East Jamie Court  
South San Francisco, CA 94080  
Attn: Doug Button

Invoicing and Reports: Invoices, weight reports and supporting materials will be submitted to Republic by electronic mail at the following address(es):

Directly to:

Evan Boyd, Division Manager – [eboyd@republicservices.com](mailto:eboyd@republicservices.com)

With Copy to:

Maya Alberto, Assistant Division Controller – [ealberto@republicservices.com](mailto:ealberto@republicservices.com)

Kris Braunschweig, General Manager – [kbraunschweig@republicservices.com](mailto:kbraunschweig@republicservices.com)

Independent Contractors: The services and labor herein provided for shall be performed and furnished by the Parties as independent contractors and under the sole supervision, management, direction and control of each Party in accordance with the terms and conditions of this Agreement. This Agreement shall not be construed to create a partnership or joint venture relationship between any of the Parties.

Governing Law: This Agreement shall be governed by and construed in accordance with the internal laws of the State of California, irrespective of choice of law principles.

ALLIED WASTE SERVICES OF  
NORTH AMERICA, LLC

By: Michael Caprio  
Title: Aoca President  
Northern California  
Aoca

BLUE LINE TRANSFER, INC.

By: [Signature]  
Title: President

**EXHIBIT J**  
**OPERATING ASSUMPTIONS AND COST BASIS FOR RATE**  
**PERIOD ONE RATES**

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**Total Contractor Compensation Summary**  
**Proposer Name: Allied Waste Services of Daly City**

**City of Daly City**  
**3/13/2015**

	Base Proposal with Muni Mgr & Cooking Oil	Add City Selected Optional Services Form 13-A	Add 15-Year Proposal with Used Containers & Recyclables to Newby	Total (15yr) High Diversion Plan with New CNG Trucks & Used Containers, Resi/Comm Foodwaste & M/F Wet/Dry Processing
Base Collection Cost	\$ 11,365,475	\$ -	\$ -	\$ 11,365,475
Alternative Services Cost	\$ -	\$ 92,766	\$ -	\$ 92,766
Used Container Savings	\$ -	\$ -	\$ (198,173)	\$ (198,173)
<b>Collection Subtotal</b>	<b>\$ 11,365,475</b>	<b>\$ 92,766</b>	<b>\$ (198,173)</b>	<b>\$ 11,260,068</b>
Post Collection Cost	\$ 1,894,527	\$ 697,358	\$ (80,258)	\$ 2,511,627
<b>Total Compensation (before City Fees)</b>	<b>\$ 13,260,002</b>	<b>\$ 790,124</b>	<b>\$ (278,430)</b>	<b>\$ 13,771,695</b>
TS Closure Fees	\$ 400,000	\$ -	\$ -	\$ 400,000
City Accounting Clerk	\$ 94,320	\$ -	\$ -	\$ 94,320
13.5% Franchise Fees	\$ 2,146,628	\$ 123,314	\$ (43,454)	\$ 2,226,488
Add City Contract Mgr. Paid by Allied	\$ 150,000	\$ -	\$ -	\$ 150,000
<b>Total Revenue Requirement</b>	<b>\$ 16,050,950</b>	<b>\$ 913,438</b>	<b>\$ (321,885)</b>	<b>\$ 16,642,503</b>

**General Proposer Information****City of Daly City****Proposer Name: Allied Waste Services of Daly City****Note to proposer: Input data in yellow shaded areas only.**

<b>A. Primary Contact Information</b>	
1. Name	Evan Boyd
2. Title	Division Manager
3. Phone	(650) 756-1130
4. Fax	(650) 756-4813
5. E-mail	<a href="mailto:eboyd@republicservices.com">eboyd@republicservices.com</a>
<b>B. Support Facilities</b>	
1. Address of collection vehicle parking, maintenance, washing, and route staff parking facility(ies)	1680 Edgeworth Ave., Daly City, CA 94015 (and adjacent properties)
2. Address of administrative office	1680 Edgeworth Ave., Daly City, CA 94015
3. Address of billing office	1680 Edgeworth Ave., Daly City, CA 94015
4. Address of customer service office	1680 Edgeworth Ave., Daly City, CA 94015
<b>C. Vehicle Manufacturer and Specifications (Body Capacity, Load Capacity)</b>	
1. Residential Collection Vehicles	Autocar ACX 64 Fully Automated Side Load, 30 cu.yd Heil body, 8.5 ton payload
2. Commercial Collection Vehicles	1) Autocar ACX 64 Standard Front Load, 40 cu.yd Heil body, 10 ton payload; 2) Autocar ACX 64 Standard Rear Load, 27 cu.yd Heil Body, 9 ton payload
3. Debris Box Vehicles	Autocar ACX 64 Standard Roll Off, Amrep 22' Hoist, 10 ton payload
<b>D. Container Manufacturer, Sizes Offered, and Specifications</b>	
1. Carts	1) Otto Environmental - 32 gallons, 64 gallons, 96 gallons; 2) Schaefer Systems - 32 gallons, 64 gallons, 96 gallons
2. Bins	1) WasteQuip - 1.5 cu.yd, 2 cu.yd, 3 cu.yd, 4 cu.yd, 6 cu.yd; 2) Consolidated Fabricators - 1.5 cu.yd, 2 cu.yd, 3 cu.yd, 4 cu.yd, 6 cu.yd
3. Debris Boxes	1) WasteQuip - 8 cu.yd, 15 cu.yd, 20 cu.yd, 30 cu.yd, 40 cu.yd; 2) Consolidated Fabricators - 8 cu.yd, 15 cu.yd, 20 cu.yd, 30 cu.yd, 40 cu.yd
<b>E. Transfer Station</b>	
1. Transfer Station	n/a
2. Owner's name	n/a
3. Operator's name	n/a
4. Address of Transfer Station	n/a

Proposer Name: Allied Waste Services of Daly City

## Operating Statistics

**Note to proposer:** Input data in yellow shaded areas only. Report statistics for a 12-month period.

From July 1, 2014 to June 30, 2015		Single-Family (Form 6A)				Commercial/ Multi-Family (Form 6B)				Debris Box (Form 6C)			TOTAL
		Solid Waste	Recyclables	Yard Trimmings	Bulky Waste Pickup	Solid Waste	Recyclable Materials	Yard Trimmings	Commercial Food Scraps	Solid Waste	Recyclable Materials	Yard Trimmings	
<b>1 Account Information</b>													
# of weekly accounts (customers)		23,244	22,241	21,893		2,641	2,492	PU w/ SF	29				
<b>Labor Information</b>													
2 # of regular route personnel		5.00	5.00	2.00	1.00	3.75	1.95		0.30	1.62	0.21	0.17	21.0
3 Labor hours/day/person		8.7	8.4	8.0	9.5	9.2	9.2		9.2	10.3	10.3	10.3	
4 Total labor hours/year		11,245	10,855	4,160	2,467	8,947	4,658		716	4,316	560	459	48,383
<b>Route Information</b>													
# of routes per													
5 Weekday		5.00	5.00	2.00	0.50	3.75	1.95		0.30	1.62	0.21	0.17	20.50
6 Saturday													
7 Sunday													
# of persons per route per													
8 Weekday		1.0	1.0	1.0	2.0	1.5	1.0		1.0	1.0	1.0	1.0	
9 Saturday													
10 Sunday													
# of route hours/day/route per													
11 Weekday		8.7	8.4	8.0	9.5	9.2	9.2		9.2	10.3	10.3	10.3	
12 Saturday													
13 Sunday													
# of route hours per year per:													
14 Weekday		11,245	10,855	4,160	1,234	8,947	4,658		716	4,316	560	459	47,150
15 Saturday													
16 Sunday													
17 Total Route Hours per Year (all routes)		11,245	10,855	4,160	1,234	8,947	4,658		716	4,316	560	459	47,150
18 # of FTE routes		5.41	5.22	2.00	0.59	4.30	2.24		0.34	2.08	0.27	0.22	22.67
19 Total # of cart setouts per day for all routes		4,649	3,203	963	54								
20 # of cart setouts/day/FTE route		860	614	482	90								
21 # of cart setouts per week for all routes		23,244	16,014	4,816	268								
22 # of household drive-bys per wk for all routes		23,244	22,241	21,893	268								
23 Set out rate (%)		100%	72%	22%	100%								
24 # of lifts or pulls per week for all routes						5,207	3,097		91	49	6	5	
25 # of lifts or pulls per year for all routes						270,764	161,044		4,732	2,550	331	271	
26 # of lifts or pulls per route hour						30.3	34.58		6.61	0.59	0.59	0.59	
<b>Vehicle Information</b>													
27 # of regular collection vehicles (from Form 4)		5.0	5.0	2.0	1.0	3.8	2.0		0.3	1.6	0.2	0.2	21.0
28 # of spare collection vehicles (from Form 4)		1.0	1.0			1.0				1.0			4.0
29 Total # of collection vehicles		6.0	6.0	2.0	1.0	4.8	2.0		0.3	2.6	0.2	0.2	25.0
<b>Tonnage Information (annual)</b>													
30 Solid waste collected		14,936			1,568	12,078				9,521			38,102
31 Recyclable materials collected			8,968			2,131	3,602			1,680	1,506		17,887
32 Organic Materials collected				2,595				1,259				677	4,531
33 Total Collected		14,936	8,968	2,595	1,568	14,209	3,602	1,259	11,201	1,506	677		60,521
34 Processing residue disposed			717		784	171	288	88	67	60			2,175
35 Net Diverted (Line 31 + 32 - 35)			8,251	2,595	(784)	1,961	3,313	1,171	1,613	1,446	677		20,243
												Projected Diversion Rate	33.4%



Form 3  
Proposed Labor Requirements

City of Daly City Base Services

Proposer Name: Allied Waste Services of Daly City

**Note to proposer:** Input data in yellow shaded areas only.

Route Personnel Headcount (include fraction of employee)	# of Regular Personnel	# of Casual/Pool	Total
Single-family Solid Waste	5.00	0.65	5.65
Single-family Recyclables	5.00	0.65	5.65
Single-family Yard Trimmings	2.00	0.26	2.26
Single-family Bulky Waste Pickup	1.00	0.13	1.13
Commercial / Multi-family Solid Waste	5.74	0.75	6.49
Commercial / Multi-family Recyclable Materials	1.95	0.25	2.21
Commercial / Multi-family Yard Trimmings	0.00	0.00	0.00
Commercial / Multi-family Food Waste	0.30	0.04	0.34
Drop Box Solid Waste	1.62	0.21	1.83
Drop Box Recyclable Materials	0.21	0.03	0.24
Drop Box Yard Trimmings	0.17	0.02	0.19
<b>Subtotal Route Personnel</b>	<b>23.00</b>	<b>3.00</b>	<b>26.00</b>
Other Personnel Headcount (include fraction of employee)	Notes		# of Employees
Executive Management (CEO, CFO, COO, etc.)			0.00
General Manager			0.50
Operations Manager			0.70
Route Supervisor			0.70
Dispatcher			0.70
Container Distribution			1.00
Container Maintenance/Welder			0.00
Maintenance Supervisor			0.70
Maintenance Personnel			3.50
Controller			1.00
Staff Accountant			0.00
Office Manager			1.00
Accounting Clerk			0.00
Customer Service Supervisor			1.00
Customer Service Representatives			2.00
Recycling Manager			0.00
Recycling/Public Education Coordinator			2.00
Other (specify): _____			0.00
Other (specify): _____			0.00
Other (specify): _____			0.00
<b>Subtotal Other Personnel</b>			<b>14.80</b>
	<b>Total All Personnel</b>		<b>40.80</b>

**Form 4**  
**Capital Requirements**

**City of Daly City Base Services**

**Proposer Name: Allied Waste Services of Daly City**

**Note to proposer:** Input data in yellow shaded areas only.

	Quantity									Total Capital Cost Over Contract Term
	New			Used			Total			
	Actual	Spare	Total	Actual	Spare	Total	Actual	Spare	Total	
Vehicles										
Collection Vehicles										
Single-family Solid Waste	5.00		5.00		1.00	1.00	5.00	1.00	6.00	\$1,371,875
Single-family Recyclables	5.00		5.00		1.00	1.00	5.00	1.00	6.00	\$1,371,875
Single-family Yard Trimmings	2.00		2.00		-	-	2.00	-	2.00	\$519,950
Single-family Bulky Waste Pickup	1.00		1.00			1.00	-	-	1.00	\$246,794
Commercial / Multi-family Solid Waste	3.75		3.75		1.00	1.00	3.75	1.00	4.75	\$828,566
Commercial / Multi-family Recyclable Materials	1.95		1.95			-	1.95	-	1.95	534,933.75
Commercial / Multi-family Yard Trimmings	-		-			-	-	-	-	-
Commercial / Multi-family Food Waste	0.30		0.30			-	0.30	-	0.30	\$2,297.50
Drop Box Solid Waste	1.62		1.62		1.00	1.00	1.62	1.00	2.62	\$363,178
Drop Box Recyclable Materials	0.21		0.21			-	0.21	-	0.21	\$41,164
Drop Box Yard Trimmings	0.17		0.17			-	0.17	-	0.17	\$33,702
Subtotal	21.00	-	21.00	-	4.00	4.00	21.00	4.00	25.00	\$5,394,336
Other Vehicles										
Pickup Trucks	2.00		2.00			-	2.00	-	2.00	\$52,094
Container Distribution			-		1.00	1.00	-	1.00	1.00	\$0
Mobile Service Truck			-		1.00	1.00	-	1.00	1.00	\$40,742
Other (specify): _____			-			-	-	-	-	\$0
Other (specify): _____			-			-	-	-	-	\$0
Subtotal	2.00	-	2.00	-	2.00	2.00	2.00	2.00	4.00	\$92,836
							Total Vehicle Cost	\$5,487,172		
Containers										
Carts										
Solid Waste 32-gallon	23,504		23,504			-	23,504	-	23,504	\$871,998
Solid Waste 64-gallon	1,637		1,637			-	1,637	-	1,637	\$77,610
Solid Waste 96-gallon	1,348		1,348			-	1,348	-	1,348	\$71,417
Recyclable Material 32-gallon	815		815			-	815	-	815	\$30,237
Recyclable Material 64-gallon	22,464		22,464			-	22,464	-	22,464	\$1,064,928
Recyclable Material 96-gallon	1,884		1,884			-	1,884	-	1,884	\$99,814
Yard Trimmings 32-gallon	22,304		22,304			-	22,304	-	22,304	\$827,478
Yard Trimmings 64-gallon	224		224			-	224	-	224	\$10,620
Yard Trimmings 96-gallon	23		23			-	23	-	23	\$1,219
Subtotal	74,203	-	74,203	-	-	-	74,203	-	74,203	\$3,055,321
Bins										
1 cubic yard	137		137			-	137	-	137	\$64,200
1.5 cubic yard	152		152			-	152	-	152	\$74,230
2 cubic yards	193		193			-	193	-	193	\$98,063
3 cubic yards	237		237			-	237	-	237	\$129,179
4 cubic yards	129		129			-	129	-	129	\$79,949
5 cubic yards	-		-			-	-	-	-	\$0
6 cubic yards	48		48			-	48	-	48	\$40,672
Subtotal	896	-	896	-	-	-	896	-	896	\$486,293
Drop Boxes										
8 cubic yards	3		3			-	3	-	3	\$8,545
15 cubic yards	18		18			-	18	-	18	\$66,201
20 cubic yards	-		-			-	-	-	-	\$0
30 cubic yards	11		11			-	11	-	11	\$40,677
40 cubic yards	3		3			-	3	-	3	\$14,793
Subtotal	35	-	35	-	-	-	35	-	35	\$130,216
Other (specify): Container Delivery	75132		75132			0	75132	0	75132	\$412,130
Other (specify): _____			0			0	0	0	0	
Subtotal	75,132	-	75,132	-	-	-	75,132	-	75,132	\$412,130
							Total Container Cost	\$4,083,959		
Other	Description									
Offices	Leasehold Improvements									\$126,504
Processing Site(s)										
Transfer Station										
Corporation Yard/Maintenance										
Container Storage Yard										
Shop Equipment										
Fueling Equipment										
Computer and Office Equipment										
Other (specify): Used Spare Truck Replacements	Years 6 & 7									\$359,611
Other (specify): Lost/Damaged Cart Replacements	Years 2 thru 10									\$197,007
							Total Other Cost	\$683,123		
Total Capital Cost									\$10,254,255	

**Form 5**  
**Summary of Proposed Costs**

**City of Daly City Base Services**

**Proposer Name: Allied Waste Services of Daly City**

**Note to proposer:** No data input required on this Form 5; costs are pulled automatically from Forms 6A through 6C.

From July 1, 2014 to June 30, 2015	Single-Family (Form 6A)				Commercial/ Multi-Family (Form 6B)				Debris Box (Form 6C)			TOTAL
	Solid Waste	Recyclables	Yard Trimmings	Bulky Waste Pickup	Solid Waste	Recyclables	Yard Trimmings	Commercial Food Scraps	Solid Waste	Recyclables	Yard Trimmings	
<b>Eligible Expenses</b>												
Labor-Related Costs	\$962,920	\$929,530	\$356,225	\$105,643	\$877,235	\$456,648	\$0	\$70,205	\$319,028	\$41,413	\$33,905	\$4,152,752
Vehicle-Related Costs	\$28,020	\$28,020	\$11,208	\$5,604	\$21,007	\$10,935	\$0	\$1,681	\$9,067	\$1,177	\$963	\$117,682
Fuel Costs	\$164,652	\$155,769	\$60,912	\$36,128	\$102,793	\$53,509	\$0	\$8,226	\$90,004	\$11,683	\$9,565	\$693,242
Other Costs	\$27,553	\$39,079	\$10,610	\$4,276	\$23,324	\$11,266	\$0	\$1,732	\$9,549	\$1,239	\$1,016	\$129,642
Direct Depreciation	\$265,814	\$282,403	\$156,505	\$26,087	\$106,278	\$100,282	\$0	\$1,167	\$48,348	\$6,276	\$5,138	\$998,299
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$807,007	\$779,018	\$298,546	\$88,538	\$642,107	\$334,251	\$0	\$51,387	\$309,758	\$40,208	\$32,919	\$3,383,739
Total Allocated Costs - Depreciation & Start-Up	\$13,306	\$12,845	\$4,923	\$1,460	\$10,587	\$5,511	\$0	\$847	\$5,107	\$663	\$543	\$55,793
<b>Total Eligible Expenses</b>	\$2,269,273	\$2,226,664	\$898,929	\$267,736	\$1,783,331	\$972,402	\$0	\$135,245	\$790,862	\$102,659	\$84,049	\$9,531,149
<b>Profit</b>	\$346,272	\$339,770	\$137,169	\$40,854	\$272,121	\$148,380	\$0	\$20,637	\$120,679	\$15,665	\$12,825	\$1,454,373
<b>Pass-Through Costs</b>												
Interest Expense	\$100,896	\$106,965	\$58,892	\$9,929	\$41,269	\$38,151	\$0	\$582	\$18,825	\$2,444	\$2,001	\$379,952
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Pass-Through Costs</b>	\$100,896	\$106,965	\$58,892	\$9,929	\$41,269	\$38,151	\$0	\$582	\$18,825	\$2,444	\$2,001	\$379,952
<b>Total Contractor Costs before City Fees*</b>	\$2,716,441	\$2,673,399	\$1,094,989	\$318,519	\$2,096,721	\$1,158,934	\$0	\$156,464	\$930,366	\$120,767	\$98,875	\$11,365,475
<b>City Fees</b>												
Franchise Fee	---	---	---	---	---	---	---	---	---	---	---	\$1,874,361
Mussel Rock Landfill Fee	---	---	---	---	---	---	---	---	---	---	---	\$400,000
Other	---	---	---	---	---	---	---	---	---	---	---	\$244,320
<b>Total City Fees</b>	---	---	---	---	---	---	---	---	---	---	---	\$2,518,681
<b>Total Contractor Costs (without disposal)</b>	---	---	---	---	---	---	---	---	---	---	---	\$13,884,156
Add Disposal/Transfer Costs												\$1,894,527
Add Associated Franchise Fees												\$295,678
<b>Grand-Total Revenue Requirement</b>												<b>\$16,074,360</b>
*Amounts to tie to Forms 6A through 6C.												

Add Alternative Services Cost	913,438
Add Used Container Savings	(321,885)
<b>Total Revenue Requirement</b>	<b>16,665,913</b>

Collection Cost Proposal

City of Daly City Base Services

Proposer Name: Allied Waste Services of Daly City

**Note to proposer:** No data input required on Form 6; costs are pulled automatically from Forms 6A through 6C.

**SUMMARY (Total Costs from Forms 6A through 6C)**

Feb 1, 2016 through  
June 30, 2017

Labor-Related Costs (include regular & pool personnel)

Regular Wages	\$1,682,301
Overtime Wages	\$280,565
Holiday Wages	\$131,508
Vacation Wages	\$226,486
Sick Leave Wages	\$87,672
Workers Compensation Insurance Premiums	\$143,052
Workers Compensation Claims	\$335,300
Health & Welfare	\$806,754
Pension/ Retirement Benefits	\$231,868
Payroll Taxes	\$227,247
Other (Please List)	\$0
<b>Total Labor Related-Costs</b>	<b>\$4,152,752</b>

Vehicle-Related Costs (do **not** include depreciation)

Tires & Tubes	\$0
Parts & Supplies (fluid, oil, etc.)	\$0
Taxes & Licenses	\$101,509
Other (Radios/Communication)	\$16,173
<b>Total Vehicle-Related Costs</b>	<b>\$117,682</b>

Fuel Costs	\$693,242
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Other Costs

Liability & Property Damage Insurance	\$48,961
Equipment Insurance	\$8,712
Training & Safety Programs	\$40,887
Uniforms	\$19,082
Other (Sharps/Cooking Oil Processing)	\$12,000
<b>Total Other Costs</b>	<b>\$129,642</b>

Direct Depreciation

Container Depreciation	\$428,097
Route Vehicle Depreciation	\$570,203
Other Depreciation	\$0
<b>Total Direct Depreciation</b>	<b>\$998,299</b>

Allocated Costs - **Labor, Vehicle, Fuel & Other Costs**

From General and Administrative (6D)	\$2,182,862
From Vehicle Maintenance (6D)	\$1,138,157
From Container Maintenance (6D)	\$62,720
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>	<b>\$3,383,739</b>

Allocated Costs - **Depreciation and Start-Up Costs**

From General and Administrative (6D)	\$46,527
From Vehicle Maintenance (6D)	\$4,074
From Container Maintenance (6D)	\$5,192
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>	<b>\$55,793</b>

Total Eligible Expenses	\$9,531,149
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Profit (% Operating Ratio; i.e. 95%):	86.8 %	\$1,454,373
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Pass-Through Costs

Interest Expense	\$379,952
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Direct Lease Costs

Route Vehicles	\$0
Other (Please List)	\$0
<b>Total Direct Lease Costs</b>	<b>\$0</b>

**Form 6**  
**Summary of Costs**

<b>SUMMARY (Total Costs from Forms 6A through 6C)</b>		Feb 1, 2016 through June 30, 2017
Allocated Lease Costs		
From General and Administrative (6D)		\$0
From Vehicle Maintenance (6D)		\$0
From Container Maintenance (6D)		\$0
Total Allocated Lease Costs		\$0
Total Pass-Through Costs		\$379,952
Total Contractor Costs Before City Fees		<b>\$11,365,475</b>
City Fees		
Franchise Fee	13.5%	\$1,874,361.07
Mussel Rock Landfill Fee		\$400,000
City Accounting Clerk/Contract Mgr		\$244,320
Total City Fees		\$2,518,681
Total Contractor Costs (without disposal)		<b>\$13,884,156</b>
Add Disposal/Transfer Costs		\$1,894,527
Add Associated Franchise Fees	13.5%	\$295,678
<b>Grand-Total Revenue Requirement</b>		<b>\$16,074,360</b>
Add Alternative Services Cost		913,438
Add Used Container Savings		(321,885)
<b>Total Revenue Requirement</b>		<b>16,665,913</b>

Detailed Collection Cost Proposal Information  
Proposer Name: Allied Waste Services of Daly City

City of Daly City Base Services

Note to proposer: Input data in yellow shaded areas only.

From Feb 1, 2016 through June 30, 2017					
SINGLE-FAMILY COSTS	Solid Waste	Recyclables	Yard Trimmings	Bulky Item Pickup	Subtotal
Labor-Related Costs (include regular & pool personnel)					
Regular Wages	\$389,663	\$376,150	\$144,153	\$42,750	\$952,716
Overtime Wages	\$64,985	\$62,732	\$24,041	\$7,130	\$158,888
Holiday Wages	\$30,459	\$29,404	\$11,269	\$3,342	\$74,474
Vacation Wages	\$52,460	\$50,641	\$19,407	\$5,755	\$128,263
Sick Leave Wages	\$20,308	\$19,603	\$7,512	\$2,228	\$49,651
Workers Compensation Insurance Premiums	\$33,446	\$32,286	\$12,373	\$3,669	\$81,774
Workers Compensation Claims	\$78,394	\$75,675	\$29,001	\$8,601	\$191,671
Health & Welfare	\$186,865	\$180,384	\$69,129	\$20,501	\$456,879
Pension/ Retirement Benefits	\$53,706	\$51,844	\$19,868	\$5,892	\$131,310
Payroll Taxes	\$52,635	\$50,811	\$19,472	\$5,775	\$128,693
Other (Please List)	\$0	\$0	\$0	\$0	\$0
Total Labor Related-Costs	\$962,920	\$929,530	\$356,225	\$105,643	\$2,354,318
Vehicle-Related Costs (do <b>not</b> include depreciation)					
Tires & Tubes	\$0	\$0	\$0	\$0	\$0
Parts & Supplies (fluid, oil, etc.)	\$0	\$0	\$0	\$0	\$0
Taxes & Licenses	\$24,169	\$24,169	\$9,668	\$4,834	\$62,840
Other (Radios/Communication)	\$3,851	\$3,851	\$1,540	\$770	\$10,012
Total Vehicle-Related Costs	\$28,020	\$28,020	\$11,208	\$5,604	\$72,852
Fuel Costs	\$164,652	\$155,769	\$60,912	\$36,128	\$417,462
Other Costs					
Liability & Property Damage Insurance	\$11,447	\$11,050	\$4,235	\$1,256	\$27,988
Equipment Insurance	\$2,227	\$2,150	\$824	\$244	\$5,445
Training & Safety Programs	\$9,735	\$9,735	\$3,894	\$1,947	\$25,311
Uniforms	\$4,144	\$4,144	\$1,657	\$829	\$10,773
Other (Cooking Oil Processing)	\$0	\$12,000	\$0	\$0	\$12,000
Total Other Costs	\$27,553	\$39,079	\$10,610	\$4,276	\$81,517
Direct Depreciation					
Container Depreciation	\$120,802	\$137,390	\$101,544	\$0	\$359,736
Route Vehicle Depreciation	\$145,013	\$145,013	\$54,961	\$26,087	\$371,073
Other Depreciation	\$0	\$0	\$0	\$0	\$0
Total Direct Depreciation	\$265,814	\$282,403	\$156,505	\$26,087	\$730,809
Allocated Costs - Labor, Vehicle, Fuel & Other Costs					
From General and Administrative (6D)	\$520,603	\$502,548	\$192,593	\$57,116	\$1,272,860
From Vehicle Maintenance (6D)	\$271,445	\$262,031	\$100,419	\$29,781	\$663,676
From Container Maintenance (6D)	\$14,958	\$14,440	\$5,534	\$1,641	\$36,573
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$807,007	\$779,018	\$298,546	\$88,538	\$1,973,109
Allocated Costs - Depreciation and Start-Up Costs					
From General and Administrative (6D)	\$11,096	\$10,712	\$4,105	\$1,217	\$27,130
From Vehicle Maintenance (6D)	\$972	\$938	\$359	\$107	\$2,376
From Container Maintenance (6D)	\$1,238	\$1,195	\$458	\$136	\$3,028
Total Allocated Costs - Depreciation and Start-Up Costs	\$13,306	\$12,845	\$4,923	\$1,460	\$32,534
Total Eligible Expenses	\$2,269,273	\$2,226,664	\$898,929	\$267,736	\$5,662,601
Profit (Enter % Operating Ratio; i.e. 95%): 86.8 %	\$346,272	\$339,770	\$137,169	\$40,854	\$864,065
Pass-Through Costs					
Interest Expense	\$100,896	\$106,965	\$58,892	\$9,929	\$276,681
Direct Lease Costs					
Route Vehicles	\$0	\$0	\$0	\$0	\$0
Other (Please List)	\$0	\$0	\$0	\$0	\$0
Total Direct Lease Costs	\$0	\$0	\$0	\$0	\$0
Allocated Lease Costs					
From General and Administrative (6D)	\$0	\$0	\$0	\$0	\$0
From Vehicle Maintenance (6D)	\$0	\$0	\$0	\$0	\$0
From Container Maintenance (6D)	\$0	\$0	\$0	\$0	\$0
Total Allocated Lease Costs	\$0	\$0	\$0	\$0	\$0
Total Pass-Through Costs	\$100,896	\$106,965	\$58,892	\$9,929	\$276,681
Total Contractor Costs before City Fees	\$2,716,441	\$2,673,399	\$1,094,989	\$318,519	\$6,803,348

**Form 6B**  
**Commercial/Multi-Family Costs**

**Detailed Collection Cost Proposal Information**

**City of Daly City Base Services**

**Proposer Name: Allied Waste Services of Daly City**

**Note to proposer:** Input data in yellow shaded areas only.

	From Feb 1, 2016 through June 30, 2017				
COMMERCIAL / MULTI-FAMILY COSTS	Solid Waste	Recyclables	Yard Trimmings	Commercial Food Scraps	Subtotal
Labor-Related Costs (include regular & pool personnel)					
Regular Wages	\$357,452	\$186,073	\$0	\$28,607	\$572,132
Overtime Wages	\$59,614	\$31,032	\$0	\$4,771	\$95,417
Holiday Wages	\$27,943	\$14,546	\$0	\$2,236	\$44,725
Vacation Wages	\$48,123	\$25,051	\$0	\$3,851	\$77,025
Sick Leave Wages	\$18,628	\$9,697	\$0	\$1,491	\$29,816
Workers Compensation Insurance Premiums	\$28,860	\$15,023	\$0	\$2,310	\$46,193
Workers Compensation Claims	\$67,645	\$35,213	\$0	\$5,414	\$108,272
Health & Welfare	\$171,418	\$89,232	\$0	\$13,718	\$274,368
Pension/ Retirement Benefits	\$49,267	\$25,646	\$0	\$3,943	\$78,856
Payroll Taxes	\$48,285	\$25,135	\$0	\$3,864	\$77,284
Other (Please List)	\$0	\$0	\$0	\$0	\$0
Total Labor Related-Costs	\$877,235	\$456,648	\$0	\$70,205	\$1,404,088
Vehicle-Related Costs (do <b>not</b> include depreciation)					
Tires & Tubes	\$0	\$0	\$0	\$0	\$0
Parts & Supplies (fluid, oil, etc.)	\$0	\$0	\$0	\$0	\$0
Taxes & Licenses	\$18,120	\$9,432	\$0	\$1,450	\$29,002
Other (Radios/ Communication)	\$2,887	\$1,503	\$0	\$231	\$4,621
Total Vehicle-Related Costs	\$21,007	\$10,935	\$0	\$1,681	\$33,623
Fuel Costs	\$102,793	\$53,509	\$0	\$8,226	\$164,528
Other Costs					
Liability & Property Damage Insurance	\$9,878	\$5,142	\$0	\$790	\$15,810
Equipment Insurance	\$1,361	\$708	\$0	\$109	\$2,178
Training & Safety Programs	\$7,299	\$3,799	\$0	\$584	\$11,682
Uniforms	\$4,786	\$1,617	\$0	\$249	\$6,652
Other (Please List)	\$0	\$0	\$0	\$0	\$0
Total Other Costs	\$23,324	\$11,266	\$0	\$1,732	\$36,322
Direct Depreciation					
Container Depreciation	\$28,089	\$26,504	\$0	\$308	\$54,901
Route Vehicle Depreciation	\$78,190	\$73,778	\$0	\$859	\$152,826
Other Depreciation	\$0	\$0	\$0	\$0	\$0
Total Direct Depreciation	\$106,278	\$100,282	\$0	\$1,167	\$207,728
Allocated Costs - Labor, Vehicle, Fuel & Other Costs					
From General and Administrative (6D)	\$414,225	\$215,626	\$0	\$33,150	\$663,002
From Vehicle Maintenance (6D)	\$215,979	\$112,429	\$0	\$17,285	\$345,693
From Container Maintenance (6D)	\$11,902	\$6,196	\$0	\$952	\$19,050
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$642,107	\$334,251	\$0	\$51,387	\$1,027,745
Allocated Costs - Depreciation and Start-Up Costs					
From General and Administrative (6D)	\$8,829	\$4,596	\$0	\$707	\$14,132
From Vehicle Maintenance (6D)	\$773	\$402	\$0	\$62	\$1,237
From Container Maintenance (6D)	\$985	\$513	\$0	\$79	\$1,577
Total Allocated Costs - Depreciation and Start-Up Costs	\$10,587	\$5,511	\$0	\$847	\$16,946
Total Eligible Expenses	\$1,783,331	\$972,402	\$0	\$135,245	\$2,890,979
Profit (Enter % Operating Ratio; i.e. 95%): <u>86.8</u> %	\$272,121	\$148,380	\$0	\$20,637	\$441,139
Pass-Through Costs					
Interest Expense	\$41,269	\$38,151	\$0	\$582	\$80,002
Direct Lease Costs					
Route Vehicles	\$0	\$0	\$0	\$0	\$0
Other (Please List)	\$0	\$0	\$0	\$0	\$0
Total Direct Lease Costs	\$0	\$0	\$0	\$0	\$0
Allocated Lease Costs					
From General and Administrative (6D)	\$0	\$0	\$0	\$0	\$0
From Vehicle Maintenance (6D)	\$0	\$0	\$0	\$0	\$0
From Container Maintenance (6D)	\$0	\$0	\$0	\$0	\$0
Total Allocated Lease Costs	\$0	\$0	\$0	\$0	\$0
Total Pass-Through Costs	\$41,269	\$38,151	\$0	\$582	\$80,002
Total Contractor Costs before City Fees	\$2,096,721	\$1,158,934	\$0	\$156,464	\$3,412,120

**Form 6C  
Debris-Box Costs**

**Detailed Collection Cost Proposal Information**  
**Proposer Name: Allied Waste Services of Daly City**

**City of Daly City Base Services**

**Note to proposer:** Input data in yellow shaded areas only.

Do not include costs for on-call C&D collection.

From Feb 1, 2016 through June 30, 2017				
DEBRIS-BOX COSTS	Solid Waste	Recyclables	Yard Trimmings	Subtotal
Labor-Related Costs (include regular & pool personnel)				
Regular Wages	\$127,381	\$16,535	\$13,537	\$157,453
Overtime Wages	\$21,244	\$2,758	\$2,258	\$26,260
Holiday Wages	\$9,958	\$1,293	\$1,058	\$12,309
Vacation Wages	\$17,149	\$2,226	\$1,823	\$21,198
Sick Leave Wages	\$6,638	\$862	\$705	\$8,205
Workers Compensation Insurance Premiums	\$12,204	\$1,584	\$1,297	\$15,085
Workers Compensation Claims	\$28,604	\$3,713	\$3,040	\$35,357
Health & Welfare	\$61,086	\$7,929	\$6,492	\$75,507
Pension/ Retirement Benefits	\$17,557	\$2,279	\$1,866	\$21,702
Payroll Taxes	\$17,207	\$2,234	\$1,829	\$21,270
Other (Please List)	\$0	\$0	\$0	\$0
Total Labor Related-Costs	\$319,028	\$41,413	\$33,905	\$394,346
Vehicle-Related Costs (do <b>not</b> include depreciation)				
Tires & Tubes	\$0	\$0	\$0	\$0
Parts & Supplies (fluid, oil, etc.)	\$0	\$0	\$0	\$0
Taxes & Licenses	\$7,821	\$1,015	\$831	\$9,667
Other (Radios/Communication)	\$1,246	\$162	\$132	\$1,540
Total Vehicle-Related Costs	\$9,067	\$1,177	\$963	\$11,207
Fuel Costs	\$90,004	\$11,683	\$9,565	\$111,252
Other Costs				
Liability & Property Damage Insurance	\$4,177	\$542	\$444	\$5,163
Equipment Insurance	\$881	\$114	\$94	\$1,089
Training & Safety Programs	\$3,150	\$409	\$335	\$3,894
Uniforms	\$1,341	\$174	\$143	\$1,657
Other (Please List)	\$0	\$0	\$0	\$0
Total Other Costs	\$9,549	\$1,239	\$1,016	\$11,803
Direct Depreciation				
Container Depreciation	\$10,889	\$1,413	\$1,157	\$13,459
Route Vehicle Depreciation	\$37,460	\$4,862	\$3,981	\$46,303
Other Depreciation	\$0	\$0	\$0	\$0
Total Direct Depreciation	\$48,348	\$6,276	\$5,138	\$59,762
Allocated Costs - <b>Labor, Vehicle, Fuel &amp; Other Costs</b>				
From General and Administrative (6D)	\$199,826	\$25,938	\$21,236	\$247,001
From Vehicle Maintenance (6D)	\$104,190	\$13,524	\$11,073	\$128,788
From Container Maintenance (6D)	\$5,742	\$745	\$610	\$7,097
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$309,758	\$40,208	\$32,919	\$382,885
Allocated Costs - <b>Depreciation and Start-Up Costs</b>				
From General and Administrative (6D)	\$4,259	\$553	\$453	\$5,265
From Vehicle Maintenance (6D)	\$373	\$48	\$40	\$461
From Container Maintenance (6D)	\$475	\$62	\$51	\$588
Total Allocated Costs - Depreciation and Start-Up Costs	\$5,107	\$663	\$543	\$6,313
Total Eligible Expenses	\$790,862	\$102,659	\$84,049	\$977,569
Profit (Enter % Operating Ratio; i.e. 95%): <u>86.8</u> %	\$120,679	\$15,665	\$12,825	\$149,169
Pass-Through Costs				
Interest Expense	\$18,825	\$2,444	\$2,001	\$23,270
Direct Lease Costs				
Route Vehicles	\$0	\$0	\$0	\$0
Other (Please List)	\$0	\$0	\$0	\$0
Total Direct Lease Costs	\$0	\$0	\$0	\$0
Allocated Lease Costs				
From General and Administrative (6D)	\$0	\$0	\$0	\$0
From Vehicle Maintenance (6D)	\$0	\$0	\$0	\$0
From Container Maintenance (6D)	\$0	\$0	\$0	\$0
Total Allocated Lease Costs	\$0	\$0	\$0	\$0
Total Pass-Through Costs	\$18,825	\$2,444	\$2,001	\$23,270
Total Contractor Costs before City Fees	\$930,366	\$120,767	\$98,875	\$1,150,008



Detailed Collection Cost Proposal Information  
Proposer Name: Allied Waste Services of Daly City

City of Daly City Base Services

Note to proposer: Input data in yellow shaded areas only.

From Feb 1, 2016 through June 30, 2017				
PROPOSED ALLOCATED COST	General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
Labor-Related Costs (include non-route personnel only)				
Regular Wages	\$527,487	\$235,198	\$0	\$762,685
Overtime Wages	\$52,514	\$39,225	\$0	\$91,739
Holiday Wages	\$26,930	\$18,385	\$0	\$45,315
Vacation Wages	\$40,396	\$31,664	\$0	\$72,060
Sick Leave Wages	\$21,544	\$12,257	\$0	\$33,801
Workers Compensation Insurance Premiums	\$15,054	\$20,188	\$0	\$35,242
Workers Compensation Claims	\$30,108	\$47,318	\$0	\$77,426
Pension/ Retirement Benefits	\$12,283	\$32,417	\$0	\$44,700
Payroll Taxes	\$51,740	\$31,771	\$0	\$83,511
Other (Health & Welfare)	\$198,577	\$112,790	\$0	\$311,367
Total Labor Related-Costs	\$976,633	\$581,213	\$0	\$1,557,846
Vehicle-Related Costs				
Tires & Tubes	\$0	\$297,442	\$0	\$297,442
Parts	\$0	\$117,634	\$18,524	\$136,158
Parts & Supplies (fluid, oil, etc.)	\$0	\$119,575	\$44,196	\$163,771
Total Vehicle-Related Costs	\$0	\$534,651	\$62,720	\$597,371
Fuel Costs	\$0	\$12,667	\$0	\$12,667
Other Costs				
Liability & Property Damage Insurance	\$0	\$0	\$0	\$0
Equipment Insurance	\$0			\$0
Rent	\$91,092	\$0	\$0	\$91,092
Utilities	\$19,441	\$0	\$0	\$19,441
Telephone	\$33,231	\$0	\$0	\$33,231
Non-vehicle Related Supplies	\$16,113	\$0	\$0	\$16,113
Non-vehicle Related Taxes & Licenses	\$51,477	\$1,250	\$0	\$52,727
Training & Safety Programs	\$0	\$4,543	\$0	\$4,543
Initial Public Education & Outreach Efforts	\$9,058			\$9,058
Ongoing, Annual Public Education & Outreach Efforts	\$130,452			\$130,452
Uniforms	\$0	\$3,833	\$0	\$3,833
Bad Debt	\$84,427			\$84,427
Performance Bond	\$2,250			\$2,250
Regional and Corporate Overhead Charge (Please List)	\$481,526			\$481,526
Other (City Billing Fees, Advertising, Professional Fees....etc)	287,163	\$0	\$0	\$287,163
Total Other Costs	\$1,206,230	\$9,626	\$0	\$1,215,856
Total Labor, Vehicle, Fuel, and Other Costs	\$2,182,862	\$1,138,157	\$62,720	\$3,383,739
Depreciation (non-route specific) and Start-Up Costs				
Vehicle Depreciation (non-route vehicles)	\$5,209	\$4,074	\$5,192	\$14,476
Other Depreciation	\$12,650	\$0	\$0	\$12,650
Procurement Cost Reimbursement (\$28,666.67 allowable per year)	\$28,667			\$28,667
Start-up Costs	\$0			\$0
Total Depreciation and Start-Up Costs	\$46,527	\$4,074	\$5,192	\$55,793
Lease Costs				
Facility Costs: _____ (describe)	\$0	\$0	\$0	\$0
Lease Costs: _____ (describe)	\$0	\$0	\$0	\$0
Total Lease Costs	\$0	\$0	\$0	\$0
Total Costs to be Allocated	\$2,229,389	\$1,142,231	\$67,912	\$3,439,532

Detailed Collection Cost Proposal Information  
Proposer Name: Allied Waste Services of Daly City

City of Daly City Base Services

Note to proposer: Input data in yellow shaded areas only.

		From Feb 1, 2016 through June 30, 2017			
PROPOSED ALLOCATED COST		General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
<b>Labor, Vehicle, Fuel, &amp; Other Costs Allocated Out</b>	<b>Percentage</b>				
To Single-family Solid Waste (6A)	23.85%	\$520,603	\$271,445	\$14,958	\$807,007
To Single-family Recyclables (6A)	23.02%	\$502,548	\$262,031	\$14,440	\$779,018
To Single-family Yard Trimmings (6A)	8.82%	\$192,593	\$100,419	\$5,534	\$298,546
To Single-family Bulky Waste Pickup (6A)	2.62%	\$57,116	\$29,781	\$1,641	\$88,538
To Commercial / Multi-family Solid Waste (6B)	18.98%	\$414,225	\$215,979	\$11,902	\$642,107
To Commercial / Multi-family Recyclables (6B)	9.88%	\$215,626	\$112,429	\$6,196	\$334,251
To Commercial / Multi-family Yard Trimmings (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial / Multi-family Food Waste (6B)	1.52%	\$33,150	\$17,285	\$952	\$51,387
To Drop Box Solid Waste (6C)	9.15%	\$199,826	\$104,190	\$5,742	\$309,758
To Drop Box Recyclables (6C)	1.19%	\$25,938	\$13,524	\$745	\$40,208
To Drop Box Yard Trimmings (6C)	0.97%	\$21,236	\$11,073	\$610	\$32,919
Total Labor, Vehicle, Fuel & Other Costs Allocated Out	100.00%	\$2,182,862	\$1,138,157	\$62,720	\$3,383,739
<b>Depreciation and Start-Up Costs Allocated Out</b>					
To Single-family Solid Waste (6A)	23.85%	\$11,096	\$972	\$1,238	\$13,306
To Single-family Recyclables (6A)	23.02%	\$10,712	\$938	\$1,195	\$12,845
To Single-family Yard Trimmings (6A)	8.82%	\$4,105	\$359	\$458	\$4,923
To Single-family Bulky Waste Pickup (6A)	2.62%	\$1,217	\$107	\$136	\$1,460
To Commercial / Multi-family Solid Waste (6B)	18.98%	\$8,829	\$773	\$985	\$10,587
To Commercial / Multi-family Recyclables (6B)	9.88%	\$4,596	\$402	\$513	\$5,511
To Commercial / Multi-family Yard Trimmings (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial / Multi-family Food Waste (6B)	1.52%	\$707	\$62	\$79	\$847
To Drop Box Solid Waste (6C)	9.15%	\$4,259	\$373	\$475	\$5,107
To Drop Box Recyclables (6C)	1.19%	\$553	\$48	\$62	\$663
To Drop Box Yard Trimmings (6C)	0.97%	\$453	\$40	\$51	\$543
Total Depreciation and Start-Up Costs Allocated Out	100.00%	\$46,527	\$4,074	\$5,192	\$55,793
<b>Lease Costs Allocated Out</b>					
To Single-family Solid Waste (6A)	23.85%	\$0	\$0	\$0	\$0
To Single-family Recyclables (6A)	23.02%	\$0	\$0	\$0	\$0
To Single-family Yard Trimmings (6A)	8.82%	\$0	\$0	\$0	\$0
To Single-family Bulky Waste Pickup (6A)	2.62%	\$0	\$0	\$0	\$0
To Commercial / Multi-family Solid Waste (6B)	18.98%	\$0	\$0	\$0	\$0
To Commercial / Multi-family Recyclables (6B)	9.88%	\$0	\$0	\$0	\$0
To Commercial / Multi-family Yard Trimmings (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial / Multi-family Food Waste (6B)	1.52%	\$0	\$0	\$0	\$0
To Drop Box Solid Waste (6C)	9.15%	\$0	\$0	\$0	\$0
To Drop Box Recyclables (6C)	1.19%	\$0	\$0	\$0	\$0
To Drop Box Yard Trimmings (6C)	0.97%	\$0	\$0	\$0	\$0
Total Lease Costs Allocated Out	100.00%	\$0	\$0	\$0	\$0
<b>Total Allocated Out</b>		<b>\$2,229,389</b>	<b>\$1,142,231</b>	<b>\$67,912</b>	<b>\$3,439,532</b>

**Form 7**  
**Single-Family Rate Proposal**

**Instructions to Proposer: Only enter rates and/or service level estimates into cells shaded yellow. Other rates and estimated revenues will be calculated based on these inputs.**

**Proposer Name: Allied Waste Services of Daly City**

Note that Single-Family Customers include single-family premises and each unit of a duplex, triplex, townhouse or condominium which receives individual Cart collection services.

**Rates for Regularly Scheduled Curbside Cart Service**

Basic Service (Monthly Rate includes Solid Waste, Recyclable Materials, and Organic Materials Collection Services)														
				Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
				Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Size of Solid Waste Container	Service Frequency	Current No. of Containers	Current Monthly Rate											
32/35-gal Cart	1 pick-up/week	20,405	\$25.58	\$ 17.58	\$ 2.36	\$ 19.94	21,871	\$ 4,613,906	\$ 619,387	\$ 5,233,293	\$ -	\$ -	\$ 19.94	\$5,233,293
64-gal Cart	1 pick-up/week	1,670	\$51.17	\$ 35.16	\$ 4.72	\$ 39.88	1,279	\$ 539,636	\$ 72,443	\$ 612,078	\$ -	\$ -	\$ 39.88	\$612,078
96-gal Cart	1 pick-up/week	177	\$76.74	\$ 52.74	\$ 7.08	\$ 59.82	94	\$ 59,491	\$ 7,986	\$ 67,477	\$ -	\$ -	\$ 59.82	\$67,477

**Additional Cart(s) for Solid Waste, Organic Materials and Recyclable Materials (Monthly Rate)**

Extra 32/35-gal Solid Waste Cart	1 pick-up/wk	Not Available	---	\$ 17.81	\$ 2.13	\$ 19.94	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19.94	\$0
Extra 64-gal Solid Waste Cart	1 pick-up/wk	Not Available	---	\$ 35.63	\$ 4.26	\$ 39.89	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39.89	\$0
Extra 96-gal Solid Waste Cart	1 pick-up/wk	Not Available	---	\$ 53.45	\$ 6.39	\$ 59.84	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59.84	\$0
Extra Organic Materials Cart	1 pick-up/wk	Not Available	\$13.39	\$ 10.03	\$ 1.00	\$ 11.03	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11.03	\$0
Extra Recyclable Materials Cart	1 pick-up/wk	Not Available	---	\$ 8.71	\$ (0.99)	\$ 7.72	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.72	\$0

**Rates for Regularly Scheduled Backyard or Sideyard Cart Service**

Basic Service (Monthly Rate for Basic Service includes Solid Waste, Recyclable Materials, Organic Materials and Backyard Collection Services for all Containers)				Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
				Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Size of Solid Waste Container	Service Frequency	Current No. of Containers*	Current Monthly Rate											
32/35-gal Cart	1 pick-up/wk	Included above		\$ 60.70	\$ 2.36	\$ 63.06	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63.06	\$0
64-gal Cart	1 pick-up/wk	Included above		\$ 78.29	\$ 4.72	\$ 83.01	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83.01	\$0
96-gal Cart	1 pick-up/wk	Included above		\$ 16.09	\$ 7.08	\$ 23.17	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23.17	\$0

\* Data not available to quantify how many customers currently pay.

**Form 7**  
**Single-Family Rate Proposal**

**Rates for Miscellaneous Services (Per Occurrence)**

Type of Service	Receptacle	Current No. of Occurrences	Current Rate per Pick-Up	Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
				Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Cost of pre-paid overage bags (includes bag and collection service)	Solid waste overage bag	Not Available		\$ 7.55	\$ 1.68	\$ 9.23	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.23	\$0
	Organics overage bag	Not Available	---	\$ 7.55	\$ 1.68	\$ 9.23	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.23	\$0
Extra On-Call Bulky Cleanup	Not Applicable	Not Available	---	\$ 49.10	\$ 10.95	\$ 60.05	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60.05	\$0
	Not Applicable	Per-Occurrence Rate	---	\$ 60.05	\$ -	\$ 60.05	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60.05	\$0
Cart replacement (charge if Customer requires Cart replacement in excess of one replacement per year at no cost for damage or theft)	Not Applicable	Per-Occurrence Rate	---	\$ 32.35	\$ -	\$ 32.35	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32.35	\$0
<b>Estimated Single-Family Revenue</b>								<b>\$ 5,213,033</b>	<b>\$ 699,816</b>	<b>\$ 5,912,848</b>		<b>\$ -</b>		<b>\$5,912,848</b>

**Form 8**  
**Commercial and Multi-Family Rate Proposal - Cart Service**

**Instructions to Proposer: Only enter rates and/or service level estimates into cells shaded yellow. Other rates and estimated revenues will be calculated based on these inputs.**

**Proposer Name: Allied Waste Services of Daly City**

Note that Multi-Family Customers include any Residential premises (other than Single-Family Premises), which have centralized collection services. Each unit of a duplex, triplex, townhouse or condominium that receives individual collection services is considered a Single-Family Premises and charged Single-Family Rates.

Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Current No. of Containers	Current Monthly Rate	Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
					Collection Portion of Monthly Rate	Post- Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post- Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue

**Rates for Regularly Scheduled Cart Service (Monthly Rate for Customers)**

Solid Waste	32/35-gallon cart	1	210	\$25.58	\$ 13.74	\$ 4.72	\$ 18.46	669	\$ 110,305	\$ 37,892	\$ 148,197	\$ -	\$ -	\$ 18.46	\$148,197
		2	32	---	\$ 27.48	\$ 9.44	\$ 36.92	135	\$ 44,518	\$ 15,293	\$ 59,810	\$ -	\$ -	\$ 36.92	\$59,810
		3	2	---	\$ 41.22	\$ 14.16	\$ 55.38	7	\$ 3,462	\$ 1,189	\$ 4,652	\$ -	\$ -	\$ 55.38	\$4,652
		4	1	---	\$ 54.96	\$ 18.88	\$ 73.84	1	\$ 660	\$ 227	\$ 886	\$ -	\$ -	\$ 73.84	\$886
		5	0	---	\$ 68.70	\$ 23.60	\$ 92.30	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92.30	\$0
		6	0	---	\$ 82.44	\$ 28.32	\$ 110.76	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110.76	\$0
Solid Waste	64-gallon cart	1	78	\$51.17	\$ 27.48	\$ 9.44	\$ 36.92	231	\$ 76,175	\$ 26,168	\$ 102,342	\$ -	\$ -	\$ 36.92	\$102,342
		2	9	---	\$ 54.96	\$ 18.88	\$ 73.84	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73.84	\$0
		3	3	---	\$ 82.44	\$ 28.32	\$ 110.76	7	\$ 6,925	\$ 2,379	\$ 9,304	\$ -	\$ -	\$ 110.76	\$9,304
		4	1	---	\$ 109.92	\$ 37.76	\$ 147.68	4	\$ 5,276	\$ 1,812	\$ 7,089	\$ -	\$ -	\$ 147.68	\$7,089
		5	0	---	\$ 137.40	\$ 47.20	\$ 184.60	1	\$ 1,649	\$ 566	\$ 2,215	\$ -	\$ -	\$ 184.60	\$2,215
		6	0	---	\$ 164.88	\$ 56.64	\$ 221.52	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221.52	\$0
Solid Waste	96-gallon cart	1	227	\$76.74	\$ 41.22	\$ 14.16	\$ 55.38	460	\$ 227,534	\$ 78,163	\$ 305,698	\$ -	\$ -	\$ 55.38	\$305,698
		2	79	---	\$ 82.44	\$ 28.32	\$ 110.76	339	\$ 335,366	\$ 115,206	\$ 450,572	\$ -	\$ -	\$ 110.76	\$450,572
		3	20	---	\$ 123.66	\$ 42.48	\$ 166.14	93	\$ 138,005	\$ 47,408	\$ 185,412	\$ -	\$ -	\$ 166.14	\$185,412
		4	3	---	\$ 164.88	\$ 56.64	\$ 221.52	13	\$ 25,721	\$ 8,836	\$ 34,557	\$ -	\$ -	\$ 221.52	\$34,557
		5	10	---	\$ 206.10	\$ 70.80	\$ 276.90	37	\$ 91,508	\$ 31,435	\$ 122,944	\$ -	\$ -	\$ 276.90	\$122,944
		6	0	---	\$ 247.32	\$ 84.96	\$ 332.28	145	\$ 430,337	\$ 147,830	\$ 578,167	\$ -	\$ -	\$ 332.28	\$578,167
Recyclables	32/35-gallon cart	1	192	---	\$ -	\$ -	\$ -	209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	2	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	10	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	0	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	1	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	0	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Recyclables	64-gallon cart	1	185	---	\$ -	\$ -	\$ -	175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	4	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	5	---	\$ -	\$ -	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	0	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	0	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	0	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Recyclables	96-gallon cart	1	1602	---	\$ -	\$ -	\$ -	1,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	150	---	\$ -	\$ -	\$ -	147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	70	---	\$ -	\$ -	\$ -	58	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	0	---	\$ -	\$ -	\$ -	4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	12	---	\$ -	\$ -	\$ -	12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	0	---	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

**Form 8**  
**Commercial and Multi-Family Rate Proposal - Cart Service**

**Proposer Name: Allied Waste Services of Daly City**

					Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
					Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Current No. of Containers	Current Monthly Rate											
Organic Materials	32/35-gallon cart	1	2	\$19.19	\$ 10.85	\$ 3.00	\$ 13.85	2	\$ 260	\$ 72	\$ 332	\$ -	\$ -	\$ 13.85	\$332
		2	4	---	\$ 21.70	\$ 6.00	\$ 27.70	4	\$ 1,042	\$ 288	\$ 1,330	\$ -	\$ -	\$ 27.70	\$1,330
		3	0	---	\$ 32.55	\$ 9.00	\$ 41.55	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41.55	\$0
		4	0	---	\$ 43.40	\$ 12.00	\$ 55.40	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55.40	\$0
		5	0	---	\$ 54.25	\$ 15.00	\$ 69.25	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69.25	\$0
		6	0	---	\$ 65.10	\$ 18.00	\$ 83.10	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83.10	\$0
Organic Materials	64-gallon cart	1	0	\$38.37	\$ 21.70	\$ 6.00	\$ 27.70	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27.70	\$0
		2	0	---	\$ 43.40	\$ 12.00	\$ 55.40	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55.40	\$0
		3	1	---	\$ 65.10	\$ 18.00	\$ 83.10	1	\$ 781	\$ 216	\$ 997	\$ -	\$ -	\$ 83.10	\$997
		4	0	---	\$ 86.80	\$ 24.00	\$ 110.80	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110.80	\$0
		5	0	---	\$ 108.50	\$ 30.00	\$ 138.50	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138.50	\$0
		6	0	---	\$ 130.20	\$ 36.00	\$ 166.20	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 166.20	\$0
Organic Materials	96-gallon cart	1	8	\$57.56	\$ 65.10	\$ 18.00	\$ 83.10	8	\$ 6,250	\$ 1,728	\$ 7,978	\$ -	\$ -	\$ 83.10	\$7,978
		2	3	---	\$ 130.20	\$ 36.00	\$ 166.20	3	\$ 4,687	\$ 1,296	\$ 5,983	\$ -	\$ -	\$ 166.20	\$5,983
		3	0	---	\$ 195.30	\$ 54.00	\$ 249.30	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249.30	\$0
		4	0	---	\$ 260.40	\$ 72.00	\$ 332.40	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 332.40	\$0
		5	0	---	\$ 325.50	\$ 90.00	\$ 415.50	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 415.50	\$0
		6	0	---	\$ 390.60	\$ 108.00	\$ 498.60	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 498.60	\$0

					Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
					Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Type of Service	Receptacle	Rate Information	Monthly # of Occurrences	Current Rate											
Extra can or bag of Solid Waste or Organic Materials collected on customer's regularly scheduled collection day	Extra 32/35-gal bag of solid waste	Per-Occurrence Rate	Not Available	---	\$ 5.87	\$ 3.36	\$ 9.23	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.23	\$0
	Extra 32/35-gal bag of organics	Per-Occurrence Rate	Not Available	---	\$ 22.68	\$ 5.04	\$ 27.72	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27.72	\$0
	Lost Lock	Per-Occurrence Rate	Not Available		\$ 23.81	\$ -	\$ 23.81	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23.81	\$0
Steam cleaning Cart (charge per visit)	Not Applicable	Per-Occurrence Rate	Not Available		\$ 66.70	\$ -	\$ 66.70	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66.70	\$0
Cart replacement (charge if customer requires Cart replacement in excess of one replacement per year at no cost for damage or theft)	Not Applicable	Per-Occurrence Rate	Not Available	---	\$ 60.05	\$ -	\$ 60.05	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60.05	\$0
Trip Charge (if driver must return due to Customer/Generator error, such as failure to place Cart at point of Collection before Collection time, overfilled Cart, incorrect Cart placement, contaminated materials)	Not Applicable	Per-Hour Rate	Not Available		\$ 64.54	\$ -	\$ 64.54	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64.54	\$0

<b>Estimated Multi-Family and Commercial Revenue - Cart Service</b>	<b>\$ 1,510,460</b>	<b>\$ 518,004</b>	<b>\$ 2,028,465</b>	<b>\$ -</b>	<b>\$2,028,465</b>
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**Form 9**  
**Commercial and Multi-Family Rate Proposal - Bin Service**

**Instructions to Proposer: Enter only rates and/or account estimates into cells shaded yellow only. Other rates and estimated revenues will be calculated based on these inputs.**

**Proposer Name: Allied Waste Services of Daly City**

Note that Multi-Family Customers include any Residential premises (other than Single-Family Premises), which have centralized collection services. Each unit of a duplex, triplex, townhouse or condominium that receives individual collection services is considered a Single-Family Premises and charged Single-Family Rates.

Rates for Regularly Scheduled Solid Waste Bin (Monthly Rate)								Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Cubic Yards per Week	Current No. of Bins in Service	Current Monthly Rate Per Yard	Current Monthly Rate	Rate Factor	Collection Portion of Monthly Rate	Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Monthly Per-Cubic-Yard Rate								\$ 140.09	\$ 17.62									
Solid Waste	1 cubic yard container	1	1	70	\$183.25	\$183.25	1.00	\$ 140.09	\$ 17.62	\$ 157.71	64	\$ 107,589	\$ 13,532	\$ 121,121	\$ -	\$ -	\$ 157.71	\$121,121
		2	2	22	\$168.89	\$337.78	1.84	\$ 258.22	\$ 32.48	\$ 290.70	24	\$ 74,367	\$ 9,354	\$ 83,722	\$ -	\$ -	\$ 290.70	\$83,722
		3	3	9	\$164.11	\$492.33	2.69	\$ 376.36	\$ 47.34	\$ 423.70	5	\$ 22,582	\$ 2,840	\$ 25,422	\$ -	\$ -	\$ 423.70	\$25,422
		4	4	0	\$161.72	\$646.87	3.53	\$ 494.50	\$ 62.20	\$ 556.70	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 556.70	\$0
		5	5	0	\$160.28	\$801.42	4.37	\$ 612.65	\$ 77.07	\$ 689.72	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 689.72	\$0
		6	6	2	\$159.33	\$955.97	5.22	\$ 730.80	\$ 91.93	\$ 822.73	1	\$ 8,770	\$ 1,103	\$ 9,873	\$ -	\$ -	\$ 822.73	\$9,873
Solid Waste	1.5 cubic yard container	1	1.5	26	\$177.54	\$266.31	1.45	\$ 203.58	\$ 25.61	\$ 229.19	23	\$ 56,188	\$ 7,068	\$ 63,256	\$ -	\$ -	\$ 229.19	\$63,256
		2	3	17	\$166.04	\$498.12	2.72	\$ 380.79	\$ 47.90	\$ 428.69	34	\$ 155,362	\$ 19,543	\$ 174,906	\$ -	\$ -	\$ 428.69	\$174,906
		3	4.5	7	\$162.21	\$729.93	3.98	\$ 558.00	\$ 70.19	\$ 628.19	12	\$ 80,352	\$ 10,107	\$ 90,459	\$ -	\$ -	\$ 628.19	\$90,459
		4	6	0	\$160.29	\$961.74	5.25	\$ 735.21	\$ 92.48	\$ 827.69	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 827.69	\$0
		5	7.5	2	\$159.14	\$1,193.55	6.51	\$ 912.42	\$ 114.77	\$ 1,027.19	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,027.19	\$0
		6	9	1	\$158.37	\$1,425.36	7.78	\$ 1,089.62	\$ 137.06	\$ 1,226.68	2	\$ 26,151	\$ 3,289	\$ 29,440	\$ -	\$ -	\$ 1,226.68	\$29,440
Solid Waste	2 cubic yard container	1	2	36	\$173.93	\$347.86	1.90	\$ 265.92	\$ 33.45	\$ 299.37	37	\$ 118,068	\$ 14,852	\$ 132,920	\$ -	\$ -	\$ 299.37	\$132,920
		2	4	13	\$164.23	\$656.92	3.58	\$ 502.19	\$ 63.17	\$ 565.36	26	\$ 156,683	\$ 19,709	\$ 176,392	\$ -	\$ -	\$ 565.36	\$176,392
		3	6	14	\$161.00	\$965.99	5.27	\$ 738.46	\$ 92.89	\$ 831.35	16	\$ 141,784	\$ 17,835	\$ 159,619	\$ -	\$ -	\$ 831.35	\$159,619
		4	8	4	\$159.38	\$1,275.06	6.96	\$ 974.73	\$ 122.61	\$ 1,097.34	5	\$ 58,484	\$ 7,357	\$ 65,840	\$ -	\$ -	\$ 1,097.34	\$65,840
		5	10	2	\$158.41	\$1,584.06	8.64	\$ 1,210.94	\$ 152.33	\$ 1,363.27	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,363.27	\$0
		6	12	3	\$157.77	\$1,893.20	10.33	\$ 1,447.27	\$ 182.05	\$ 1,629.32	9	\$ 156,305	\$ 19,661	\$ 175,967	\$ -	\$ -	\$ 1,629.32	\$175,967
Solid Waste	3 cubic yard container	1	3	22	\$167.66	\$502.98	2.74	\$ 384.51	\$ 48.37	\$ 432.88	25	\$ 115,353	\$ 14,511	\$ 129,864	\$ -	\$ -	\$ 432.88	\$129,864
		2	6	20	\$161.10	\$966.57	5.27	\$ 738.90	\$ 92.95	\$ 831.85	22	\$ 195,070	\$ 24,539	\$ 219,608	\$ -	\$ -	\$ 831.85	\$219,608
		3	9	15	\$158.91	\$1,430.18	7.80	\$ 1,093.31	\$ 137.53	\$ 1,230.84	57	\$ 747,824	\$ 94,071	\$ 841,895	\$ -	\$ -	\$ 1,230.84	\$841,895
		4	12	5	\$157.81	\$1,893.75	10.33	\$ 1,447.69	\$ 182.11	\$ 1,629.80	4	\$ 69,489	\$ 8,741	\$ 78,230	\$ -	\$ -	\$ 1,629.80	\$78,230
		5	15	3	\$157.16	\$2,357.41	12.86	\$ 1,802.14	\$ 226.69	\$ 2,028.83	4	\$ 86,503	\$ 10,881	\$ 97,384	\$ -	\$ -	\$ 2,028.83	\$97,384
		6	18	3	\$156.72	\$2,821.02	15.39	\$ 2,156.54	\$ 271.27	\$ 2,427.81	3	\$ 77,635	\$ 9,766	\$ 87,401	\$ -	\$ -	\$ 2,427.81	\$87,401
Solid Waste	4 cubic yard container	1	4	13	\$164.37	\$657.49	3.59	\$ 502.62	\$ 63.23	\$ 565.85	23	\$ 138,723	\$ 17,451	\$ 156,175	\$ -	\$ -	\$ 565.85	\$156,175
		2	8	17	\$159.45	\$1,275.63	6.96	\$ 975.16	\$ 122.67	\$ 1,097.83	16	\$ 187,231	\$ 23,553	\$ 210,783	\$ -	\$ -	\$ 1,097.83	\$210,783
		3	12	12	\$157.81	\$1,893.75	10.33	\$ 1,447.69	\$ 182.11	\$ 1,629.80	10	\$ 173,723	\$ 21,853	\$ 195,576	\$ -	\$ -	\$ 1,629.80	\$195,576
		4	16	3	\$156.99	\$2,511.89	13.71	\$ 1,920.23	\$ 241.55	\$ 2,161.78	2	\$ 46,086	\$ 5,797	\$ 51,883	\$ -	\$ -	\$ 2,161.78	\$51,883
		5	20	5	\$156.50	\$3,130.03	17.08	\$ 2,392.77	\$ 300.99	\$ 2,693.76	5	\$ 143,566	\$ 18,059	\$ 161,626	\$ -	\$ -	\$ 2,693.76	\$161,626
		6	24	1	\$156.17	\$3,748.16	20.45	\$ 2,865.30	\$ 360.43	\$ 3,225.73	2	\$ 68,767	\$ 8,650	\$ 77,418	\$ -	\$ -	\$ 3,225.73	\$77,418
Solid Waste	6 cubic yard container	1	6	1	\$161.57	\$969.41	5.29	\$ 741.07	\$ 93.22	\$ 834.29	3	\$ 26,679	\$ 3,356	\$ 30,034	\$ -	\$ -	\$ 834.29	\$30,034
		2	12	2	\$158.05	\$1,896.63	10.35	\$ 1,449.89	\$ 182.38	\$ 1,632.27	2	\$ 34,797	\$ 4,377	\$ 39,174	\$ -	\$ -	\$ 1,632.27	\$39,174
		3	18	1	\$156.88	\$2,823.87	15.41	\$ 2,158.72	\$ 271.55	\$ 2,430.27	1	\$ 25,905	\$ 3,259	\$ 29,163	\$ -	\$ -	\$ 2,430.27	\$29,163
		4	24	1	\$156.30	\$3,751.12	20.47	\$ 2,867.56	\$ 360.71	\$ 3,228.27	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,228.27	\$0
		5	30	1	\$155.95	\$4,678.35	25.53	\$ 3,576.39	\$ 449.88	\$ 4,026.27	1	\$ 42,917	\$ 5,399	\$ 48,315	\$ -	\$ -	\$ 4,026.27	\$48,315
		6	36	0	\$155.71	\$5,605.59	30.59	\$ 4,285.22	\$ 539.04	\$ 4,824.26	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,824.26	\$0



**Form 9**  
**Commercial and Multi-Family Rate Proposal - Bin Service**

Rates for Regularly Scheduled Recyclable Materials Bins (Monthly Rate)																		
								Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
								Collection Portion of Monthly Rate	Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Annual Revenue (Post- Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Type of Service	Receptacle	Service Frequency (Pick- Ups/Week)	Cubic Yards per Week	Current No. of Bins in Service*	Current Per- Yard Rate	Current Monthly Rate	Rate Factor											
Recyclable Materials	1 cubic yard container	1	1	10	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	2	7	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	3	3	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	4	1	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	5	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	6	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Recyclable Materials	1.5 cubic yard container	1	1.5	31	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	3	27	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	4.5	9	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	6	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	7.5	3	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	9	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Recyclable Materials	2 cubic yard container	1	2	40	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	4	17	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	6	5	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	8	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	10	1	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	12	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Recyclable Materials	3 cubic yard container	1	3	52	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	48	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	6	22	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	9	15	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	12	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	15	3	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	18	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Recyclable Materials	4 cubic yard container	1	4	26	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	8	8	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	12	7	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	16	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	20	11	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	24	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Recyclable Materials	6 cubic yard container	1	6	10	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		2	12	10	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		3	18	8	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		4	24	1	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		5	30	8	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
		6	36	0	\$0.00	\$0.00	-	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

**Form 9**  
**Commercial and Multi-Family Rate Proposal - Bin Service**

Rates for Regularly Scheduled Organic Materials Bin (Monthly Rate)																		
								Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
								Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Cubic Yards per Week	Current No. of Bins in Service	Current Per- Yard Rate	Current Monthly Rate	Rate Factor											
Organic Materials	1 cubic yard container	1	1	1	\$137.44	\$137.44	0.75	\$ 105.07	\$ 13.22	\$ 118.29	11	\$ 13,869	\$ 1,745	\$ 15,614	\$ -	\$ -	\$ 118.29	\$15,614
		2	2	0	\$126.68	\$253.35	1.38	\$ 193.67	\$ 24.36	\$ 218.03	4	\$ 9,296	\$ 1,169	\$ 10,465	\$ -	\$ -	\$ 218.03	\$10,465
		3	3	0	\$123.09	\$369.26	2.02	\$ 282.27	\$ 35.51	\$ 317.78	1	\$ 3,387	\$ 426	\$ 3,813	\$ -	\$ -	\$ 317.78	\$3,813
		4	4	0	\$121.29	\$485.16	2.65	\$ 370.88	\$ 46.65	\$ 417.53	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 417.53	\$0
		5	5	0	\$120.21	\$601.07	3.28	\$ 459.49	\$ 57.80	\$ 517.29	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 517.29	\$0
		6	6	0	\$119.50	\$717.00	3.91	\$ 548.10	\$ 68.95	\$ 617.05	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 617.05	\$0
Organic Materials	1.5 cubic yard container	1	1.5	0	---	---	---	\$ 152.69	\$ 19.21	\$ 171.90	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171.90	\$0
		2	3	6	---	---	---	\$ 285.59	\$ 35.93	\$ 321.52	6	\$ 20,562	\$ 2,587	\$ 23,149	\$ -	\$ -	\$ 321.52	\$23,149
		3	4.5	2	---	---	---	\$ 418.50	\$ 52.64	\$ 471.14	2	\$ 10,044	\$ 1,263	\$ 11,307	\$ -	\$ -	\$ 471.14	\$11,307
		4	6	0	---	---	---	\$ 551.41	\$ 69.36	\$ 620.77	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 620.77	\$0
		5	7.5	0	---	---	---	\$ 684.32	\$ 86.08	\$ 770.40	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 770.40	\$0
		6	9	0	---	---	---	\$ 817.22	\$ 102.80	\$ 920.02	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 920.02	\$0
Organic Materials	2 cubic yard container	1	2	0	\$99.87	\$199.74	1.09	\$ 199.44	\$ 25.09	\$ 224.53	10	\$ 23,933	\$ 3,011	\$ 26,944	\$ -	\$ -	\$ 224.53	\$26,944
		2	4	0	\$93.40	\$373.60	2.04	\$ 376.64	\$ 47.38	\$ 424.02	6	\$ 27,118	\$ 3,411	\$ 30,529	\$ -	\$ -	\$ 424.02	\$30,529
		3	6	0	\$91.24	\$547.46	2.99	\$ 553.85	\$ 69.67	\$ 623.52	4	\$ 26,585	\$ 3,344	\$ 29,929	\$ -	\$ -	\$ 623.52	\$29,929
		4	8	0	\$90.17	\$721.32	3.94	\$ 731.05	\$ 91.96	\$ 823.01	1	\$ 8,773	\$ 1,104	\$ 9,876	\$ -	\$ -	\$ 823.01	\$9,876
		5	10	0	\$89.52	\$895.18	4.89	\$ 908.21	\$ 114.25	\$ 1,022.46	1	\$ 10,899	\$ 1,371	\$ 12,270	\$ -	\$ -	\$ 1,022.46	\$12,270
		6	12	0	\$89.09	\$1,069.05	5.83	\$ 1,085.45	\$ 136.54	\$ 1,221.99	2	\$ 26,051	\$ 3,277	\$ 29,328	\$ -	\$ -	\$ 1,221.99	\$29,328
Organic Materials	3 cubic yard container	1	3	0	\$86.96	\$260.89	1.42	\$ 288.38	\$ 36.28	\$ 324.66	4	\$ 13,842	\$ 1,741	\$ 15,584	\$ -	\$ -	\$ 324.66	\$15,584
		2	6	2	\$82.12	\$492.70	2.69	\$ 554.18	\$ 69.71	\$ 623.89	6	\$ 39,901	\$ 5,019	\$ 44,920	\$ -	\$ -	\$ 623.89	\$44,920
		3	9	0	\$80.50	\$724.51	3.95	\$ 819.98	\$ 103.15	\$ 923.13	9	\$ 88,558	\$ 11,140	\$ 99,698	\$ -	\$ -	\$ 923.13	\$99,698
		4	12	0	\$79.69	\$956.32	5.22	\$ 1,085.77	\$ 136.58	\$ 1,222.35	1	\$ 13,029	\$ 1,639	\$ 14,668	\$ -	\$ -	\$ 1,222.35	\$14,668
		5	15	0	\$79.21	\$1,188.12	6.48	\$ 1,351.61	\$ 170.02	\$ 1,521.63	1	\$ 16,219	\$ 2,040	\$ 18,260	\$ -	\$ -	\$ 1,521.63	\$18,260
		6	18	0	\$78.89	\$1,419.93	7.75	\$ 1,617.41	\$ 203.45	\$ 1,820.86	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,820.86	\$0

**Form 9**  
**Commercial and Multi-Family Rate Proposal - Bin Service**

Rates for Regularly Schedule Bin Compactor Service (Monthly Rate per Cubic Yard Rate per pick-up)																			
								Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017				
								Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue	
Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	Cubic Yards per Week	Current No. of Bins in Service	Current Per- Yard Rate	Current Monthly Rate	Rate Factor												
Solid waste (Compactor Bins)	1 cubic yard Compactor	1	1	0	\$366.50	\$366.50	2.00	\$ 280.17	\$ 35.24	\$ 315.41	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 315.41	\$0
		2	2	0	\$337.78	\$675.56	3.69	\$ 516.44	\$ 64.96	\$ 581.40	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 581.40	\$0	
		3	3	0	\$328.22	\$984.66	5.37	\$ 752.73	\$ 94.69	\$ 847.42	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 847.42	\$0	
		4	4	0	\$323.44	\$1,293.74	7.06	\$ 989.01	\$ 124.41	\$ 1,113.42	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,113.42	\$0	
		5	5	0	\$320.57	\$1,602.84	8.75	\$ 1,225.30	\$ 154.13	\$ 1,379.43	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,379.43	\$0	
		6	6	0	\$318.66	\$1,911.94	10.43	\$ 1,461.59	\$ 183.85	\$ 1,645.44	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,645.44	\$0	
Solid waste (Compactor Bins)	2 cubic yard Compactor	1	2	0	\$347.86	\$695.72	3.80	\$ 531.85	\$ 66.90	\$ 598.75	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 598.75	\$0
		2	4	0	\$328.46	\$1,313.84	7.17	\$ 1,004.37	\$ 126.34	\$ 1,130.71	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,130.71	\$0	
		3	6	0	\$322.00	\$1,931.98	10.54	\$ 1,476.91	\$ 185.78	\$ 1,662.69	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,662.69	\$0	
		4	8	0	\$318.77	\$2,550.12	13.92	\$ 1,949.45	\$ 245.22	\$ 2,194.67	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,194.67	\$0	
		5	10	0	\$316.81	\$3,168.12	17.29	\$ 2,421.89	\$ 304.65	\$ 2,726.54	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,726.54	\$0	
		6	12	0	\$315.53	\$3,786.40	20.66	\$ 2,894.53	\$ 364.11	\$ 3,258.64	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,258.64	\$0	
Solid waste (Compactor Bins)	3 cubic yard Compactor	1	3	0	\$335.32	\$1,005.96	5.49	\$ 769.01	\$ 96.73	\$ 865.74	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 865.74	\$0
		2	6	0	\$322.19	\$1,933.14	10.55	\$ 1,477.80	\$ 185.89	\$ 1,663.69	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,663.69	\$0	
		3	9	0	\$317.82	\$2,860.36	15.61	\$ 2,186.62	\$ 275.06	\$ 2,461.68	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,461.68	\$0	
		4	12	0	\$315.63	\$3,787.50	20.67	\$ 2,895.38	\$ 364.21	\$ 3,259.59	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,259.59	\$0	
		5	15	0	\$314.32	\$4,714.82	25.73	\$ 3,604.27	\$ 453.38	\$ 4,057.65	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,057.65	\$0	
		6	18	0	\$313.45	\$5,642.04	30.79	\$ 4,313.09	\$ 542.55	\$ 4,855.64	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,855.64	\$0	
Solid waste (Compactor Bins)	4 cubic yard Compactor	1	4	3	\$328.75	\$1,314.98	7.18	\$ 1,005.24	\$ 126.45	\$ 1,131.69	3	\$ 36,189	\$ 4,552	\$ 40,741	\$ -	\$ -	\$ -	\$ 1,131.69	\$40,741
		2	8	0	\$318.91	\$2,551.26	13.92	\$ 1,950.32	\$ 245.33	\$ 2,195.65	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,195.65	\$0	
		3	12	0	\$315.63	\$3,787.50	20.67	\$ 2,895.38	\$ 364.21	\$ 3,259.59	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,259.59	\$0	
		4	16	0	\$313.99	\$5,023.78	27.41	\$ 3,840.46	\$ 483.09	\$ 4,323.55	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,323.55	\$0	
		5	20	0	\$313.00	\$6,260.06	34.16	\$ 4,785.54	\$ 601.98	\$ 5,387.52	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,387.52	\$0	
		6	24	0	\$312.35	\$7,496.32	40.91	\$ 5,730.60	\$ 720.86	\$ 6,451.46	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,451.46	\$0	
Solid waste (Compactor Bins)	6 cubic yard Compactor	1	6	0	\$323.14	\$1,938.82	10.58	\$ 1,482.14	\$ 186.44	\$ 1,668.58	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,668.58	\$0
		2	12	0	\$316.11	\$3,793.26	20.70	\$ 2,899.78	\$ 364.77	\$ 3,264.55	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,264.55	\$0	
		3	18	0	\$313.76	\$5,647.74	30.82	\$ 4,317.45	\$ 543.09	\$ 4,860.54	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,860.54	\$0	
		4	24	0	\$312.59	\$7,502.24	40.94	\$ 5,735.13	\$ 721.43	\$ 6,456.56	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,456.56	\$0	
		5	30	0	\$311.89	\$9,356.70	51.06	\$ 7,152.78	\$ 899.75	\$ 8,052.53	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,052.53	\$0	
		6	36	0	\$311.42	\$11,211.18	61.18	\$ 8,570.45	\$ 1,078.08	\$ 9,648.53	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,648.53	\$0	
Recyclables (Compactor Bins)	1 to 6 cubic yard Compactors	1 - 6		0	---	---	Per Yard, Per Pickup	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Organic Materials (Compactor Bins)	1 to 6 cubic yard Compactors	1 - 6		0	---	---	Per Yard, Per Pickup	\$ 44.37	\$ 8.13	\$ 52.50	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52.50	\$0

**Form 9**  
**Commercial and Multi-Family Rate Proposal - Bin Service**

Rates for Miscellaneous Services (Per Occurrence)					Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
Type of Service	Receptacle	Rate Information	Average # of Occurrences per Month	Current Rate	Collection Portion of Monthly Rate	Post-Collection Portion of Monthly Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Containers	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Annual Revenue before Fees	Monthly Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Monthly Rate	Estimated Total Annual Revenue
Extra pick-up (per cubic yard rate per pick-up)	Solid waste container	Per-Occurrence Rate	Not Available	---	\$ 48.42	\$ 4.07	\$ 52.49	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52.49	\$0
	Recyclable materials container	Per-Occurrence Rate	Not Available		\$ 26.25	\$ -	\$ 26.25	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26.25	\$0
	Organic materials container	Per-Occurrence Rate	Not Available		\$ 36.31	\$ 3.05	\$ 39.36	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39.36	\$0
Bin Lock Installation (new lock)	Not Applicable	Per-Occurrence Rate	Not Available	---	\$ 124.30	\$ -	\$ 124.30	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124.30	\$0
Lost Lock	Not Applicable	Per-Occurrence Rate	Not Available		\$ 23.81	\$ -	\$ 23.81	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23.81	\$0
Steam cleaning Bin	Not Applicable	Per-Occurrence Rate	Not Available		\$ 66.70	\$ -	\$ 66.70	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66.70	\$0
Overage charges	Not Applicable	Per-Cubic-Yard Rate	Not Available	---	\$ 22.18	\$ 4.07	\$ 26.25	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26.25	\$0
Container relocation charge	Not Applicable	Per-Cubic-Yard Rate	Not Available		\$ 64.54	\$ -	\$ 64.54	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64.54	\$0
Trip Charge (if driver must return due to Customer/Generator error, such as failure to place Cart at point of Collection before Collection time, overfilled Cart, incorrect Cart placement, contaminated materials)	Not Applicable	Per-Hour Rate	Not Available		\$ 64.54	\$ -	\$ 64.54	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64.54	\$0
Push/pull charge	Not Applicable	per p/u, per day, per bin, per 25'	per p/u day per bin	\$11.16	\$ 9.23	\$ -	\$ 9.23	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.23	\$0
Lock/unlock charge	Not Applicable	per p/u, per day, per bin, per 25'	per p/u day per bin	\$11.16	\$ 9.23	\$ -	\$ 9.23	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.23	\$0
<b>Estimated Multi-Family Commercial Revenue - Bin Service</b>									<b>\$ 3,731,208</b>	<b>\$ 469,356</b>	<b>\$ 4,200,563</b>		<b>\$ -</b>		<b>\$4,200,563</b>

Form 10  
Debris Box and Compactor Service Rates

Proposer Name: Allied Waste Services of Daly City

Rates for Debris Box and Compactor Service																
Type of Service	Receptacle	Rate Information	Cubic Yards per Pull	Current Rate per Cubic Yard per Pick- Up	Tonnage Limit Per P/U	Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
						Collection Portion of Per Pull Rate	Post-Collection Portion of Per Pull Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Monthly Pulls	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post- Collection)	Estimated Annual Revenue before Fees	Per Pull Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Per Pull Rate	Estimated Total Annual Revenue
Solid waste (Debris Box)	8 cubic yard Debris Box	Per-pull Rate	8	\$0.00	2	\$ 300.00	\$ 143.22	\$ 443.22	2.83	\$ 10,200.00	\$ 4,869.48	\$ 15,069.48	\$ -	\$ -	\$ 443.22	\$15,069
	15 cubic yard Debris Box	Per-pull Rate	15	\$0.00	2	\$ 300.00	\$ 143.22	\$ 443.22	30.45	\$ 109,620.00	\$ 52,332.59	\$ 161,952.59	\$ -	\$ -	\$ 443.22	\$161,953
	30 cubic yard Debris Box	Per-pull Rate	30	\$0.00	4	\$ 300.00	\$ 286.44	\$ 586.44	44.03	\$ 158,508.00	\$ 151,343.44	\$ 309,851.44	\$ -	\$ -	\$ 586.44	\$309,851
	40 cubic yard Debris Box	Per-pull Rate	40	\$0.00	5	\$ 300.00	\$ 358.05	\$ 658.05	0.08	\$ 300.00	\$ 358.05	\$ 658.05	\$ -	\$ -	\$ 658.05	\$658
Recyclables (Debris Box)	15 cubic yard Debris Box	Per-pull Rate	15	\$0.00	2	\$ 300.00	\$ 96.98	\$ 396.98	3.99	\$ 14,355.00	\$ 4,640.49	\$ 18,995.49	\$ -	\$ -	\$ 396.98	\$18,995
	30 cubic yard Debris Box	Per-pull Rate	30	\$0.00	3	\$ 300.00	\$ 145.47	\$ 445.47	5.77	\$ 20,757.00	\$ 10,065.07	\$ 30,822.07	\$ -	\$ -	\$ 445.47	\$30,822
	40 cubic yard Debris Box	Per-pull Rate	40	\$0.00	4	\$ 300.00	\$ 193.96	\$ 493.96	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493.96	\$0
Green Waste (Debris Box) No Foodwaste	15 cubic yard Debris Box	Per-pull Rate	15	\$0.00	2	\$ 300.00	\$ 111.14	\$ 411.14	1.81	\$ 6,525.00	\$ 2,417.30	\$ 8,942.30	\$ -	\$ -	\$ 411.14	\$8,942
	30 cubic yard Debris Box	Per-pull Rate	30	\$0.00	4	\$ 300.00	\$ 222.28	\$ 522.28	2.62	\$ 9,435.00	\$ 6,990.71	\$ 16,425.71	\$ -	\$ -	\$ 522.28	\$16,426
	40 cubic yard Debris Box	Per-pull Rate	40	\$0.00	5	\$ 300.00	\$ 277.85	\$ 577.85	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 577.85	\$0
Solid waste (Compactor)	6 cubic yard Compactor	Per-pull Rate	6	\$0.00	1.2	\$ 300.00	\$ 85.93	\$ 385.93	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 385.93	\$0
	15 cubic yard Compactor	Per-pull Rate	15	\$0.00	3.0	\$ 300.00	\$ 214.83	\$ 514.83	16.50	\$ 59,415.00	\$ 42,547.08	\$ 101,962.08	\$ -	\$ -	\$ 514.83	\$101,962
	20 cubic yard Compactor	Per-pull Rate	20	\$0.00	4.0	\$ 300.00	\$ 286.44	\$ 586.44	30	\$ 106,590.00	\$ 101,772.13	\$ 208,362.13	\$ -	\$ -	\$ 586.44	\$208,362
	30 cubic yard Compactor	Per-pull Rate	30	\$0.00	6.0	\$ 300.00	\$ 429.66	\$ 729.66	51	\$ 183,090.00	\$ 262,221.50	\$ 445,311.50	\$ -	\$ -	\$ 729.66	\$445,311
	35 cubic yard Compactor	Per-pull Rate	35	\$0.00	7.0	\$ 300.00	\$ 501.27	\$ 801.27	3	\$ 12,495.00	\$ 20,877.90	\$ 33,372.90	\$ -	\$ -	\$ 801.27	\$33,373
	40 cubic yard Compactor	Per-pull Rate	40	\$0.00	8.0	\$ 300.00	\$ 572.88	\$ 872.88	12	\$ 44,115.00	\$ 84,242.00	\$ 128,357.00	\$ -	\$ -	\$ 872.88	\$128,357
Recyclables (Compactor)	6 cubic yard Compactor	Per-pull Rate	6	\$0.00	1.2	\$ 300.00	\$ 58.19	\$ 358.19	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 358.19	\$0
	15 cubic yard Compactor	Per-pull Rate	15	\$0.00	3.0	\$ 300.00	\$ 145.47	\$ 445.47	3	\$ 10,485.00	\$ 5,084.18	\$ 15,569.18	\$ -	\$ -	\$ 445.47	\$15,569
	20 cubic yard Compactor	Per-pull Rate	20	\$0.00	4.0	\$ 300.00	\$ 193.96	\$ 493.96	5	\$ 18,810.00	\$ 12,161.29	\$ 30,971.29	\$ -	\$ -	\$ 493.96	\$30,971
	30 cubic yard Compactor	Per-pull Rate	30	\$0.00	6.0	\$ 300.00	\$ 290.94	\$ 590.94	9	\$ 32,310.00	\$ 31,334.24	\$ 63,644.24	\$ -	\$ -	\$ 590.94	\$63,644
	35 cubic yard Compactor	Per-pull Rate	35	\$0.00	7.0	\$ 300.00	\$ 339.43	\$ 639.43	1	\$ 2,205.00	\$ 2,494.81	\$ 4,699.81	\$ -	\$ -	\$ 639.43	\$4,700
	40 cubic yard Compactor	Per-pull Rate	40	\$0.00	8.0	\$ 300.00	\$ 387.92	\$ 687.92	2	\$ 7,785.00	\$ 10,066.52	\$ 17,851.52	\$ -	\$ -	\$ 687.92	\$17,852
Green Waste (Compactor) With Foodwaste	6 cubic yard Compactor	Per-pull Rate	6	\$0.00	1.2	\$ 300.00	\$ 125.38	\$ 425.38	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 425.38	\$0
	15 cubic yard Compactor	Per-pull Rate	15	\$0.00	3.0	\$ 300.00	\$ 313.44	\$ 613.44	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 613.44	\$0
	20 cubic yard Compactor	Per-pull Rate	20	\$0.00	4.0	\$ 300.00	\$ 417.92	\$ 717.92	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 717.92	\$0
	30 cubic yard Compactor	Per-pull Rate	30	\$0.00	6.0	\$ 300.00	\$ 626.88	\$ 926.88	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 926.88	\$0
	35 cubic yard Compactor	Per-pull Rate	35	\$0.00	7.0	\$ 300.00	\$ 731.36	\$ 1,031.36	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,031.36	\$0
	40 cubic yard Compactor	Per-pull Rate	40	\$0.00	8.0	\$ 300.00	\$ 835.84	\$ 1,135.84	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,135.84	\$0

Rates for Miscellaneous Services (Per Occurrence)														
				Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
				Collection Portion of Per Pull Rate	Post-Collection Portion of Per Pull Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Monthly Pulls	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Estimated Annual Revenue before Fees	Per Pull Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Per Pull Rate	Estimated Total Annual Revenue
Type of Service	Service Details	Rate Information	Average # of Occurrences per Month											
Demurrage charge (rental charge if customer keeps Box longer than 7 days without pick-up or return)	All box sizes	Daily Rate per Debris Box or Compactor Box	---	\$ 109.72	\$ -	\$ 109.72	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109.72	\$0
Placement charge	All box sizes	Per-Placement Rate	---	\$ 43.86	\$ -	\$ 43.86	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43.86	\$0
Relocation charge	All box sizes	Per-Relocation Rate	---	\$ 64.55	\$ -	\$ 64.55	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64.55	\$0
Cancellation service	All box sizes	Per Occurrence Rate	---	\$ 64.55	\$ -	\$ 64.55	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64.55	\$0
Overage charge - Solid Waste	All roll off & Compactors Sizes	Per-Ton Rate For Each Ton In Excess of Limits	---	\$ -	\$ 71.61	\$ 71.61	19	\$ -	\$ 16,462.96	\$ 16,462.96	\$ -	\$ -	\$ 71.61	\$16,463
Overage charge - Recyclables	All roll off & Compactors Sizes	Per-Ton Rate For Each Ton In Excess of Limits	---	\$ -	\$ 48.49	\$ 48.49	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48.49	\$0
Overage charge - Clean GreenWaste (No Foodwaste)	All roll off & Compactors Sizes	Per-Ton Rate For Each Ton In Excess of Limits	---	\$ -	\$ 55.57	\$ 55.57	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55.57	\$0
Overage charge - GreenWaste (with Foodwaste)	All roll off & Compactors Sizes	Per-Ton Rate For Each Ton In Excess of Limits	---	\$ -	\$ 104.48	\$ 104.48	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104.48	\$0
Restart Fee after 120-days late and service reduction		Per- Occurrence Rate	---	\$ 30.00	\$ -	\$ 30.00	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30.00	\$0
Late Fee		After 60-days past due	---	1.50%	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Insufficient Funds Fee		Per- Occurrence Rate	---	\$ 30.00	\$ -	\$ 30.00	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30.00	\$0
Estimated Debris Box Revenue								\$807,000	\$822,282	\$1,629,282		\$0		\$1,629,282

Summary: Estimated Total Revenue														
Single-family service (Form 7)								\$5,213,033	\$699,816	\$5,912,848		\$0		\$5,912,848
Multi-family and Commercial Cart service (Form 8)								\$1,510,460	\$518,004	\$2,028,465		\$0		\$2,028,465
Multi-family and Commercial Bin service (Form 9)								\$3,731,208	\$469,356	\$4,200,563		\$0		\$4,200,563
Debris Box service (Form 10)								\$807,000	\$822,282	\$1,629,282		\$0		\$1,629,282
Total								\$11,261,700	\$2,509,457	\$13,771,158		\$0		\$13,771,158

Rates for Construction and Demolition Debris Service (Not Included in Revenue Estimate)														
				Proposed Monthly Rates- Contractor Compensation Feb 1, 2016 to June 30, 2017			Estimated Revenue Before Fees Feb 1, 2016 to June 30, 2017				Feb 1, 2016 to June 30, 2017			
				Collection Portion of Per Pull Rate	Post-Collection Portion of Per Pull Rate	Total Contractor Portion of Monthly Rate	Estimated Number of Monthly Pulls	Estimated Annual Revenue (Collection)	Estimated Annual Revenue (Post-Collection)	Total Estimated Annual Revenue before Fees	Per Pull Fees (Entered by City)	Total Estimated Annual Fee Revenue	Total Maximum Per Pull Rate	Estimated Total Annual Revenue
Type of Service	Receptacle	Proposed Maximum Rate per Pull	* Proposed Maximum Per-Ton Processing or Disposal Charge											
Dirt (Debris box)	8 cubic yard Debris Box	\$300.00	\$36.80	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Concrete (Debris box)	8 cubic yard Debris Box	\$300.00	\$46.40	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Wood (Debris box)	15 cubic yard Debris Box	\$300.00	\$30.00	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
	30 cubic yard Debris Box	\$300.00	\$30.00	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
	40 cubic yard Debris Box	\$300.00	\$30.00	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Mixed C&D (Debris box)	15 cubic yard Debris Box	\$300.00	\$100.00	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
	30 cubic yard Debris Box	\$300.00	\$100.00	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0
	40 cubic yard Debris Box	\$300.00	\$100.00	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0

\*All per ton rates do not include City franchise fees.

Collection Vehicle Transport Costs

City of Daly City Base Services

Proposer Name: Allied Waste Services of Daly City

Note to proposer: Input data in yellow shaded areas only.

	Single-Family				Commercial / Multi-Family				Drop Box			Average
	Solid Waste	Recyclables	Yard Trimmings	Bulky Waste Pickup	Solid Waste	Recyclables	Yard Trimmings	Commercial Food Scraps	Solid Waste	Recyclables	Yard Trimmings	
Collection vehicle transport rate (\$ per hour)	\$241.05	\$241.05	\$241.05	\$241.05	\$241.05	\$241.05	n/a	\$241.05	\$241.05	\$241.05	\$241.05	\$241.05
Average tons per load (tons)	9.0	4.8	6.4	6.0	9.2	5.3	n/a	4.8	6.6	4.1	3.5	6.0

\* Rates do not include City franchise fees or disposal



## Operating Statistics

## City of Daly City Alternative Services

Proposer Name: Allied Waste Services of Daly City

Note to proposer: Input data in yellow shaded areas only. Report statistics for a 12-month period. Provide operating statistics (if applicable) for Alternative Services as incremental increases or decreases compared to Base Services.

From Feb 1, 2016 through June 30, 2017		Expanded Single Stream	Expanded Commercial Food Scraps Collection*	Apartments under 50 units; and Condos, Town Homes, Mobile Homes Food Scraps Collection*	MF Two Stream Collection Large Apartment Complexes*	MF Mixed Waste Service*	Single Family Food Scraps Service	Alternative Fuel
<b>1 Account Information</b>								
# of weekly accounts (customers)			29	124	49			
<b>Labor Information</b>								
<b>2 # of regular route personnel</b>			0.10	0.20				
<b>3 Labor hours/ day/person</b>			9.2	9.2				
<b>4 Total labor hours/year</b>								
<b>Route Information</b>								
# of routes per								
5	Weekday		0.10	0.20				
6	Saturday							
7	Sunday							
# of persons per route per								
8	Weekday		1.00	1.00				
9	Saturday							
10	Sunday							
# of route hours/day/route per								
11	Weekday		0.92	1.84				
12	Saturday							
13	Sunday							
# of route hours/year per								
14	Weekday		238.68	477.36	-542.90			
15	Saturday							
16	Sunday							
17	Total							
# of FTE routes								
19 Total # of cart setouts per day for all routes								
20 # of cart setouts/day/FTE route								
21 # of cart setouts per week for all routes								
22 # of household drive-bys per wk for all routes								
23 Set out rate (%)								
24 # of lifts/pulls per week for all routes			50	189				
25 # of lifts/pulls per year for all routes								
26 # of lifts/pulls per route hour								
<b>Vehicle Information</b>								
27 # of regular collection vehicles								
28 # of spare collection vehicles								
29 Total # of collection vehicles								
<b>Tonnage Information (annual)</b>								
30 Solid waste collected (reduction)		-815	-408	-304	-4,127		-860	
31 Recyclable materials/Mixed Waste collected		815			4,127			
32 Organic Materials collected			408	304			860	
33 Total Collected		0	0	0	0	0	0	
34 Processing residue disposed		65	29	21	2,064		34	
35 Net Diverted (Line 31 + 32 - 35)		750	379	283	2,064		826	

\*\* All proposal prices assume combined collection & post collection contracts awarded.

**Form 13-AAIt. Services Summary Costs**

**Summary of Contractor's Compensation**

**Proposer Name: Allied Waste Services of Daly City**

**Note to proposer:** Provide costs for Alternative Services as annual incremental cost increases or decreases compared to Base Services.

From Feb 1, 2016 through June 30, 2017	Expanded Single Stream	Expanded Commercial Food Scraps Collection*	Apartments under 50 units; and Condos, Town Homes, Mobile Homes Food Scraps Collection*	MF Two Stream Collection Large Apartment Complexes*	Single Family Food Scraps Service	Alternative Fuel	Total of Selected Optional Programs	Smaller Lighter Collection Vehicles	Used Containers Savings for 15- year Proposal
<b>Eligible Expenses</b>	<b>No Addn'l Charge</b>	<b>Included in Base Proposal</b>					<b>Columns H thru N</b>		
Labor-Related Costs	\$0	\$15,972	\$25,556	(\$70,934)	(\$19,457)	\$0	(\$64,835)	\$742,245	\$0
Vehicle-Related Costs	\$0	\$561	\$0	(\$2,488)	(\$4,358)	\$0	(\$6,846)	\$22,968	\$0
Fuel Costs	\$0	\$1,373	\$2,194	\$0	(\$4,479)	(\$386,398)	(\$388,683)	\$131,613	\$0
Other Costs	\$0	\$303	\$485	\$0	\$0	\$146,880	\$147,365	\$21,917	\$0
Direct Depreciation	\$0	\$632	\$2,711	\$0	\$13,436	\$279,477	\$295,624	\$62,069	(\$130,793)
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$0	\$3,044	\$4,865	\$0	\$0	\$0	\$4,865	\$0	\$0
Total Allocated Costs - Depreciation & Start-Up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Eligible Expenses</b>	\$0	\$21,885	\$35,811	(\$73,422)	(\$14,858)	\$39,959	(\$12,510)	\$980,811	(\$130,793)
<b>Profit</b> 86.8 %	\$0	\$3,339	\$5,464	(\$11,204)	(\$2,267)	\$6,097	(\$1,909)	\$149,663	(\$19,958)
<b>Pass-Through Costs</b>									
Interest Expense	\$0	\$229	\$982	\$0	\$4,872	\$101,331	\$107,185	\$22,505	(\$47,422)
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Pass-Through Costs</b>	\$0	\$229	\$982	\$0	\$4,872	\$101,331	\$107,185	\$22,505	(\$47,422)
<b>Total Contractor Costs before City Fees*</b>	\$0	\$25,453	\$42,257	(\$84,626)	(\$12,253)	\$147,388	\$92,766	\$1,152,979	(\$198,173)
<b>City Fees</b>									
Franchise Fee 13.5 %	\$0	\$3,972	\$6,595	(\$13,207)	(\$1,912)	\$23,003	\$14,478	\$179,945	(\$30,929)
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total City Fees</b>	\$0	\$3,972	\$6,595	(\$13,207)	(\$1,912)	\$23,003	\$14,478	\$179,945	(\$30,929)
<b>Total Proposed Incremental Costs (Savings) Above (or Below) Cost of Base Services</b>	\$0	\$29,426	\$48,853	(\$97,833)	(\$14,166)	\$170,390	\$107,244	\$1,332,923	(\$229,102)
Add Disposal/Transfer Costs	\$0	\$24,268	\$18,082	\$418,354	\$260,922	\$0	\$697,358	\$0	(\$80,258)
Add Associated Franchise Fees 13.5 %	\$0	\$3,787	\$2,822	\$65,292	\$40,722	\$0	\$108,836	\$0	(\$12,526)
<b>Grand-Total Revenue Requirement</b>	\$0	\$57,481	\$69,757	\$385,813	\$287,478	\$170,390	\$913,438	\$1,332,923	(\$321,885)

\* Values for Multi-Family/Commercial Food Scraps Collection, MF Two Stream Collection, and MF Mixed Waste Service are populated from form 13-B. Do not input data on this form.

## Detailed Collection Cost Proposal Information

Proposer Name: Allied Waste Services of Daly City

Note to proposer: Input data in yellow shaded areas only.

		From Feb 1, 2016 through June 30, 2017		
	Food Scraps Collection	Food Scraps Collection	Two Stream Collection	
	Expanded Commercial	Apartments under 50 units; and Condos, Town Homes, Mobile Homes	Large Apartment Complexes	
Labor-Related Costs (include regular & pool personnel)				
Regular Wages	\$6,470	\$10,353	\$0	
Overtime Wages	\$1,079	\$1,727	(\$56,838)	
Holiday Wages	\$506	\$809	\$0	
Vacation Wages	\$871	\$1,394	\$0	
Sick Leave Wages	\$337	\$540	\$0	
Workers Compensation Insurance Premiums	\$550	\$880	(\$2,785)	
Workers Compensation Claims	\$1,290	\$2,063	(\$6,480)	
Health & Welfare	\$3,103	\$4,965	\$0	
Pension/ Retirement Benefits	\$892	\$1,427	\$0	
Payroll Taxes	\$874	\$1,398	(\$4,831)	
Other (Please List)	\$0	\$0	\$0	
Total Labor Related-Costs	\$15,972	\$25,556	(\$70,934)	
Vehicle-Related Costs (do <b>not</b> include depreciation)				
Tires & Tubes	\$0	\$0	(\$2,488)	
Parts & Supplies (fluid, oil, etc.)	\$0	\$0	\$0	
Taxes & Licenses	\$484	\$0	\$0	
Other (Please List)	\$77	\$0	\$0	
Total Vehicle-Related Costs	\$561	\$0	(\$2,488)	
Fuel Costs	\$1,373	\$2,194	\$0	
Other Costs				
Liability & Property Damage Insurance	\$132	\$211	\$0	
Equipment Insurance	\$18	\$29	\$0	
Training & Safety Programs	\$97	\$156	\$0	
Uniforms	\$56	\$89	\$0	
Other (Please List)	\$0	\$0	\$0	
Total Other Costs	\$303	\$485	\$0	
Direct Depreciation				
Container Depreciation	\$632	\$2,711	\$0	
Route Vehicle Depreciation	\$0	\$0	\$0	
Other Depreciation	\$0	\$0	\$0	
Total Direct Depreciation	\$632	\$2,711	\$0	
Allocated Costs - Labor, Vehicle, Fuel & Other Costs				
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$3,044	\$4,865	\$0	
Allocated Costs - Depreciation and Start-Up Costs				
Total Allocated Costs - Depreciation and Start-Up Costs	\$0	\$0	\$0	
Total Eligible Expenses	\$21,885	\$35,811	(\$73,422)	
Profit (Enter % Operating Ratio; i.e. 95%): 86.761 %	\$3,339	\$5,464	(\$11,204)	
Pass-Through Costs				
Interest Expense	\$229	\$982	\$0	
Direct Lease Costs				
Route Vehicles	\$0	\$0	\$0	
Other (Please List)	\$0	\$0	\$0	
Total Direct Lease Costs	\$0	\$0	\$0	
Allocated Lease Costs				
Total Allocated Lease Costs	\$0	\$0	\$0	
Total Pass-Through Costs	\$229	\$982	\$0	
Total Contractor Costs before City Fees	\$25,453	\$42,257	(\$84,626)	

Daly City Solid Waste Procurement  
Allied - Post-Collection Material Flows

ALLIED - POST-COLLECTION MATERIAL FLOWS REVISED*																				
SECTORS	PROGRAMS	Diversion		Transfer/Transport							Processing				Disposal					Total Initial Annual Cost**
		Collected Tons	Estimated Diversion (Net of Residue)	Transfer Location	Annual Tons	Initial Per-Ton Transfer Per-Ton Cost	Total Initial Annual Transfer Cost**	Initial Per-Ton Transport Per-Ton Cost	Total Initial Annual Transfer Cost**	Total Initial Annual Transfer and Transport Cost**	Processing Location	Annual Tons	Initial Per-Ton Cost	Initial Annual Processing Cost, Net of Revenue**	Disposal Location	Annual Tons	Initial Per-Ton Gate Charge	Initial Per-Ton Fees	Total Initial Annual Disposal Cost**	
RESIDENTIAL	MSW	13,261	0	Direct Haul											Ox Mountain	13,261	\$ 33.77	\$ 11.23	\$ 596,745	\$ 596,745
	Recyclables	9,783	9,000	Direct Haul							Newby Island	9,783	\$ (30.00)	\$ (293,490)						\$ (293,490)
	Yard Waste	0	0	N/A																N/A
	Organics/Compost	3,455	3,317	BLTS	3,455	\$ 19.00	\$ 65,645	\$ 23.48	\$ 81,123	\$ 146,768	W. Contra Costa	3,455	\$ 62.00	\$ 214,210						\$ 360,978
	Bulky Waste Pickup	1,568	784	Direct Haul											Ox Mountain	784	\$ 33.77	\$ 11.23	\$ 35,280	\$ 35,280
COMMERCIAL/ MULTI-FAMILY	MSW	7,239	0	Direct Haul											Ox Mountain	7,239	\$ 33.77	\$ 11.23	\$ 325,755	\$ 325,755
	MF Mixed Waste	4,127	2,064	BLTS	4,127	\$ 12.39	\$ 51,134	\$ 23.98	\$ 98,965	\$ 150,099	Newby Island	4,127	\$ 110.00	\$ 453,970						\$ 604,069
	Recyclables	5,733	5,274	Direct Haul							Newby Island	5,733	\$ (30.00)	\$ (171,990)						\$ (171,990)
	Organics/Compost	1,971	1,833	BLTS	1,971	\$ 19.00	\$ 37,449	\$ 23.48	\$ 46,279	\$ 83,728	W. Contra Costa	1,971	\$ 62.00	\$ 122,202						\$ 205,930
	MSW1 (open top)	6,961	0	BLTS	6,961	\$ 12.39	\$ 86,252	\$ 14.22	\$ 98,991	\$ 185,243					Ox Mountain	6,961	\$ 33.77	\$ 11.23	\$ 313,264	\$ 498,507
DEBRIS BOXES	MSW2 (compactors)	2,560	0	Direct Haul											Ox Mountain	2,560	\$ 33.77	\$ 11.23	\$ 115,181	\$ 115,181
	C&D	2,390	2,294	Direct Haul							BLTS	2,390	\$ 100.00	\$ 238,950						\$ 238,950
	Recycling	797	765	Direct Haul							Newby Island	797	\$ (30.00)	\$ (23,895)						\$ (23,895)
	Yard Waste	677	677	Direct Haul											Ox Mountain	677	\$28.96	\$0.00	\$ 19,606	\$ 19,606
		60,521	26,008		16,514		\$ 240,479		\$ 325,359	\$ 565,839		28,255		\$ 539,957		31,482			\$ 1,405,831	\$ 2,511,627

Allied Revised*				
Material	Transfer	Processing	Disposal	Total
Solid Waste	\$ 185,243		\$ 1,386,225	\$ 1,571,468
Mixed Waste	\$ 150,099	\$ 453,970		\$ 604,069
Recyclables		\$ (250,425)		\$ (250,425)
Organics	\$ 230,496	\$ 336,412		\$ 566,908
Yard Waste			\$ 19,606	\$ 19,606
	\$ 565,839	\$ 539,957	\$ 1,405,831	\$ 2,511,627

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**EXHIBIT K**  
**APPROVED POST-COLLECTION FACILITIES**

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# EXHIBIT K

## APPROVED POST-COLLECTION FACILITIES

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### Approved Facilities

Following are the Approved Facilities and Approved Facility Operators designated to provide Post-Collection Services as of the Effective Date.

Approved C&D Processing Facility and Operator: The Blue Line Transfer Station located in South San Francisco, CA, and owned and operated by Blue Line Transfer, Inc.

Blue Line - C&D Processing	
	Mixed Materials
	15-Year Term
	Construction and Demolition Materials
	Mixed Materials
	15-Year Term
Facility Name	BLUE LINE TRANSFER
Facility Location	South San Francisco
Average tons per load (tons)	21.0
Average/guaranteed vehicle turnaround time at transfer station (minutes)	15/20
Desirable Materials	
1.	Wood
2.	Metal
3.	Sheetrock
4.	Cardboard
5.	Beverage Containers
6.	
Prohibited Materials	
1.	Hazardous Materials
2.	Organics
3.	Dirt, Rocks, Concrete

## EXHIBIT K

### APPROVED POST-COLLECTION FACILITIES

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Blue Line - C&D Processing	
Allowed Contaminants	List Limit Allowed
1. Trash	20%

Receiving Hours: Public hours are Monday through Friday from 6:00am to 4:30pm and on Saturdays from 7:00am to 4:30pm. Blue Line is permitted to accept materials when not in full operation.

Capacity Commitment: Up to 2,500 TPY or other capacity commitments as mutually agreed upon in writing by the City and the Contractor.

Residue Level: Average on a monthly basis <5 percent

# EXHIBIT K

## APPROVED POST-COLLECTION FACILITIES

Approved Compostables Processing Facility and Operator: The West Contra Costa Sanitary Landfill Organics Materials Processing Facility located in Richmond, CA, and owned and operated by Republic Services, Inc.

Allied - West Contra Costa Organics Processing		
2. Organic Materials		
	Food Scraps	Commingled
	15-Year Term	15-Year Term
	Food Scraps	Commingled
	15-Year Term	15-Year Term
Facility Name	West Contra Costa Sanitary Landfill Organic Materials Processing Facility	West Contra Costa Sanitary Landfill Organic Materials Processing Facility
Facility Location	One Parr Blvd., Richmond, CA 94806	One Parr Blvd., Richmond, CA 94806
Average tons per load (tons)	0.0	0.0
Average/guaranteed vehicle turnaround time at transfer station (minutes)	25/30	25/30
Desirable Materials		
1. Bread, grains & pasta	X	X
2. Bones	X	X
3. Coffee grounds	X	X
4. Dairy	X	X
5. Eggshells	X	X
6. Fish & shellfish	X	X
7. Fruit (pits ok)	X	X
8. Meat	X	X
9. Poultry	X	X
10. Vegetables	X	X
11. Branches & brush	X	X
12. Flowers & floral trimmings	X	X
13. Grass & yard clippings	X	X
14. Leaves	X	X
15. Tree trimmings	X	X
16. Untreated, clean wood	X	X

## EXHIBIT K

### APPROVED POST-COLLECTION FACILITIES

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	Allied - West Contra Costa Organics Processing	
Prohibited Materials		
1. Animal waste	X	X
2. Ash	X	X
3. Cat litter	X	X
4. Concrete & Asphalt	X	X
5. Diapers	X	X
6. Glass	X	X
7. Liquids	X	X
8. Palm fronds	X	X
9. Plastic bags	X	X
10. Plastic corks	X	X
11. Plywood	X	X
12. Styrofoam packaging, food containers & peanuts	X	X
13. Treated & painted wood	X	X
Allowed Contaminants		
1. Biodegradable plastic bags	< 20%/load	< 20%/load
2. Biodegradable plastics (utensils, food containers & clamshells)	< 20%/load	< 20%/load

Receiving Hours: Monday – Friday: 5:00a.m. – 5:00 p.m.  
 Saturdays: 9:00a.m. – 5:00 p.m.

Capacity Commitment: 6,000 tons per year (TPY) or other capacity commitments as mutually agreed upon in writing by the City and the Contractor.

Residue Level: 18% by weight of total tons delivered.

## EXHIBIT K

### APPROVED POST-COLLECTION FACILITIES

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Approved Disposal Facility and Operator: The Ox Mountain Landfill located near Half Moon Bay, CA, and owned and operated by Republic Services, Inc.

Allied - Ox Mountain		
	1. MSW	
	MSW Disposal	
	15-Year Term	
	MSW Disposal Service	
	MSW Disposal	
	15-Year Term	
Government component		
Average vehicle turnaround time at the landfill (minutes)	24	

Receiving Hours: Monday – Saturday: 4:00 a.m. – 4:30 p.m.

Capacity Commitment: No effective capacity limitation related to Daly City MSW. Will accept all tonnage delivered.

# EXHIBIT K

## APPROVED POST-COLLECTION FACILITIES

Approved Recyclables Processing Facilities and Operators: The Newby Island Resource Recovery Park, located in Milpitas, CA, and owned and operated by Republic Services, Inc.

Allied – Newby Processing		
	1. Recyclable Materials	
	Commingled Residential and Commercial Recyclables	Source Separated Cardboard
	15-Year Term	15-Year Term
	Recyclable Materials	
	Commingled Recyclables	Source Separated Cardboard
	15-Year Term	15-Year Term
Facility Name	Newby Island Recyclery	Newby Island Recyclery
Facility Location	1601 Dixon Landing Road, Milpitas, CA 95035	1601 Dixon Landing Road, Milpitas, CA 95035
Average tons per load (tons)		
Average/guaranteed vehicle turnaround time at transfer station (minutes)	20/30	20/30
Desirable Materials		
Corrugated Cardboard #11		
Old Newspaper #7-#8		
Mixed Paper #1		
#2 HDPE Color		
#2 HDPE Natural		
#1 PET		
Mixed Rigid Plastics		
Scrap Ferrous Metal		
Tin		
Glass Mixed Color		
Mixed Plastics (#3-#7)		
Film Plastic #4		
Aluminum Cans		
Aspetic Beverage Boxes		

## EXHIBIT K

### APPROVED POST-COLLECTION FACILITIES

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Allied – Newby Processing		
Prohibited Materials		
1. Refuse		
2. Putrescible Waste		
3. Hazardous Waste		
4. Toxic Waste		
5. Wax Paper		
6. Soiled Paper, Napkins and Paper Towels		
7. Pet Food Bags and Dryer Sheets		
8. Liquid Waste		
9. Batteries		
10. All Styrofoam		
11. Soiled Aluminum Foil and Soiled Tin Cans		
12. Soiled Pizza Boxes and Soiled Cardboard		
13. Windowpane Glass		
14. Any type of plastic that has NO number for recycling		
15. Laminates		
16. Food Waste, Organics and Green Waste		
17. Soiled Plastic Bottles and Bags		
Allowed Contaminants	List Limit Allowed	
1. Moisture	12%	12%
2. Paper Board		1%
3. Mix Paper		1%
4. Carrier Board		0.50%
5. Molded Pulp		0.50%

Receiving Hours: Monday – Friday: 4:00 a.m. – 5:00 p.m.; Saturday 5:00 a.m. – 1:30 p.m.

Capacity Commitment: 65 tons per day (TPD) or 17,000 tons per year (TPY) of single-stream recyclables.

Residue Level: 18% by weight of total single-stream recyclable tons delivered.



# EXHIBIT K

## APPROVED POST-COLLECTION FACILITIES

Approved Transfer Facility and Operator: The Blue Line Transfer Station located in South San Francisco, CA, and owned and operated by Blue Line Transfer, Inc.

Blue Line - Transfer					
	MSW		Organic Materials		
	MSW intended for Processing and/or Disposal		Yard Trimmings	Food Scraps	Commingled Yard Trimmings and Food Scraps
	15-Year Term	15-Year Term	15-Year Term	15-Year Term	15-Year Term
	MSW Materials		Organic Materials		
	MSW for Disposal	MSW for Processing	Yard Trimmings	Food Scraps	Commingled Yard Trimmings and Food Scraps
	15-Year Term	15-Year Term	15-Year Term	15-Year Term	15-Year Term
Facility Name	Ox Mountain	Newby Island	West Contra Costa Sanitary Landfill Organic Materials Processing Facility	West Contra Costa Sanitary Landfill Organic Materials Processing Facility	West Contra Costa Sanitary Landfill Organic Materials Processing Facility
Facility Location	Half Moon Bay	Milpitas	One Parr Blvd., Richmond, CA 94806	One Parr Blvd., Richmond, CA 94806	One Parr Blvd., Richmond, CA 94806
Average tons per load (tons)	21.0	21.0	18.0	18.0	18.0
Average/guaranteed vehicle turnaround time at transfer station (minutes)	20/30	20/30	20/30	20/30	20/30

Receiving Hours: Public hours are Monday through Friday from 6:00am to 4:30pm and on Saturdays from 7:00am to 4:30pm. Blue Line is permitted to accept materials when not in full operation.

Capacity Commitment: Up to 400 tons per day (TPD).

Residue Level: N/A

# EXHIBIT K

## APPROVED POST-COLLECTION FACILITIES

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### Contingent Facilities

#### Third Party Contingent Facilities

Contingent Recyclables Processing Facilities and Operator: The Blue Line Transfer Station located in South San Francisco, CA, and owned and operated by Blue Line Transfer, Inc.

	1. Recyclable Materials			
	Commingled Single-Stream		Source-Separated	
	15-Year Term		15-Year Term	
	Recyclable Materials			
	Commingled Recyclables		Source Separated Cardboard	
	15-Year Term		15-Year Term	
Facility Name	BLUE LINE TRANSFER		BLUE LINE TRANSFER	
Facility Location	South San Francisco		South San Francisco	
Average tons per load (tons)		0.0		0.0
Average/guaranteed vehicle turnaround time at transfer station (minutes)		20/30		20/30
Desirable Materials				
1.	Paper Products		Cardboard	
2.	Glass Bottles and jars		Mixed Paper	
3.	Aluminum and metal			
4	plastics labled 1- 7			

## EXHIBIT K

### APPROVED POST-COLLECTION FACILITIES

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Prohibited Materials		
1.	Styrofoam	Garbage
2.	Plastic bags	Organics
3.	Organics	Styrofoam
4	Garbage	plastic straps
5.		film plastics
6.		other packing materials
Allowed Contaminants	List Limit Allowed	
1.	5%	5%
2.		
3.		
4		
5.		
6.		

Receiving Hours: Public hours are Monday through Friday from 6:00am to 4:30pm and on Saturdays from 7:00am to 4:30pm. Blue Line is permitted to accept materials when not in full operation.

Capacity Commitment: Up to 65 tons per day (TPD) on an short-term (30 days or less) or emergency basis, pursuant to Section 3.9.13 of the Agreement. As broadly provided in Section 3.9.1A.7. of the Agreement, should capacity be required for a longer but finite period of time and/or should Contractor and City wish to designate Blue Line Transfer Station as an Approved Recyclables Processing Facility, the parties shall meet and confer to determine an ongoing daily and/or annual capacity commitment to be provided at the per-ton fees (as adjusted) provided in Exhibit A.

Residue Levels:

Average on a monthly basis: Single-Stream Recyclables, 15 to 20 percent

Average on a monthly basis: Source---Separated Cardboard & Metal, <0.05%

## EXHIBIT K

### APPROVED POST-COLLECTION FACILITIES

Contingent Recyclables Processing Facilities and Operators: West Contra Costa Resource Recovery (WCCRR), located in Richmond, CA, and owned and operated by Republic Services, Inc.

Allied – West Contra Costa Resource Recovery (WCCRR)		
	1. Recyclable Materials	
	Commingled Residential and Commercial Recyclables	Source Separated Cardboard
	15-Year Term	15-Year Term
	Recyclable Materials	
	Commingled Recyclables	Source Separated Cardboard
	15-Year Term	15-Year Term
Facility Name	WCCRR	WCCRR
Facility Location	101 Pittsburg Ave., Richmond, CA 94801	101 Pittsburg Ave., Richmond, CA 94801
Average tons per load (tons)		
Average/guaranteed vehicle turnaround time at transfer station (minutes)	20/30	20/30
Desirable Materials		
Corragated Cardboard #11		
Old Newspaper #7-#8		
Mixed Paper #1		
#2 HDPE Color		
#2 HDPE Natural		
#1 PET		
Mixd Rigid Plastics		
Scrap Ferrous Metal		
Tin		
Glass Mixed Color		
Mixed Plastics (#3-#7)		
Film Plastic #4		
Aluminum Cans		
Aspetic Beverage Boxes		

# EXHIBIT K

## APPROVED POST-COLLECTION FACILITIES

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Allied – West Contra Costa Resource Recovery (WCCRR)		
Prohibited Materials		
1. Refuse		
2. Putrescible Waste		
3. Hazardous Waste		
4. Toxic Waste		
5. Wax Paper		
6. Soiled Paper, Napkins and Paper Towels		
7. Pet Food Bags and Dryer Sheets		
8. Liquid Waste		
9. Batteries		
10. All Styrofoam		
11. Soiled Aluminum Foil and Soiled Tin Cans		
12. Soiled Pizza Boxes and Soiled Cardboard		
13. Windowpane Glass		
14. Any type of plastic that has NO number for recycling		
15. Laminates		
16. Food Waste, Organics and Green Waste		
17. Soiled Plastic Bottles and Bags		
Allowed Contaminants	List Limit Allowed	
1. Moisture	12%	12%
2. Paper Board		1%
3. Mix Paper		1%
4. Carrier Board		0.50%
5. Molded Pulp		0.50%

Receiving Hours: Monday – Friday: 4:00 a.m. – 5:00 p.m.; Saturday 5:00 a.m. – 1:30 p.m.

Capacity Commitment: 65 tons per day (TPD) or 17,000 tons per year (TPY) of single-stream recyclables.

Residue Level: 18% by weight of total single-stream recyclable tons delivered.

# EXHIBIT K

## APPROVED POST-COLLECTION FACILITIES

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### Affiliated Contingent Facilities

Contingent Mixed Waste Processing Facilities and Operator: The Newby Island Resource Recovery Park, located in Milpitas, CA, and owned and operated by Republic Services, Inc.

Allied - Newby Processing	
	5. MSW
	15-Year Term
	MSW for Processing
	15-Year Term
Facility Name	Newby Island Recyclery
Facility Location	1601 Dixon Landing Rd., Milpitas, CA 95035
Average tons per load (tons)	
Average vehicle turnaround time at transfer station (minutes)	24
Desirable Materials	
1. Clean paper and cardboard	X
2. Glass bottles and jars	X
3. Rigid plastics	X
4. Metal cans and scrap metal	X
5. Clean wood	X
6. Fruits and vegetables	X
7. Breads and pastas	X
8. Yard trimmings and clean wood	X
9. Food-soiled cardboard, paper, napkins and cups	X
10. Dairy products	X
11. Meat and seafood	X
12. Coffee grounds & filters	X
Allied will also collect several material types not normally recovered, including:	
1. Reusable Items	X

## EXHIBIT K

### APPROVED POST-COLLECTION FACILITIES

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2. PLA bioplastic bottles	X
3. Plastic bags	X
4. Mixed plastics	X
5. Non-container aluminum foil and extruded)	X
6 All other materials for which a viable market can be found	X
Prohibited Materials	
1. Universal Waste	X
2. Hazardous Waste	X
Allowed Contaminants	List Limit Allowed

Receiving Hours: Monday – Friday: 4:00 a.m. – 5:00 p.m.  
 Saturday – 5:00 a.m. – 1:30 p.m.

Capacity Commitment: 4,200 tons per year (TPY) or other capacity commitments as mutually agreed upon in writing by the City and the Contractor.

Residue Level: 32.5% average monthly residual level

Other Contingent Facilities will be Contractor affiliates, to be provided as necessary pursuant to Section 3.9.2 of the Agreement.