

FRANCHISE AGREEMENT
BETWEEN
CITY OF ALAMEDA
AND
ALAMEDA COUNTY INDUSTRIES AR, INC.
FOR
RECYCLABLES, ORGANICS, AND SOLID WASTE
COLLECTION AND PROCESSING SERVICES

JULY 1, 2021

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1 **FRANCHISE AGREEMENT**
2 **BETWEEN**
3 **CITY OF ALAMEDA**
4 **AND**
5 **ALAMEDA COUNTY INDUSTRIES AR, INC.**
6 **FOR RECYCLABLE MATERIALS, ORGANIC MATERIALS, AND**
7 **SOLID WASTE SERVICES**

8 THIS FRANCHISE AGREEMENT is made and entered into as of _____, 2021 between the
9 City of Alameda, California, a political subdivision of the State of California (hereinafter "City"), and
10 Alameda County Industries AR, Inc., (hereinafter referred to as the "Contractor").

11 **RECITALS**

12 This Agreement is entered into with reference to the following facts and circumstances:

13 **WHEREAS**, the Legislature of the State of California, by enactment of the California Integrated Waste
14 Management Act of 1989 (AB 939) (California Public Resources Code Section 40000 et seq.), has declared
15 that it is in the public interest to authorize and require local agencies to make adequate provisions for
16 Solid Waste Collection within their jurisdiction; and

17 **WHEREAS**, the State of California has found and declared that the amount of refuse generated in
18 California, coupled with diminishing Disposal capacity and potential adverse environmental impacts from
19 landfilling and the need to conserve natural resources, have created an urgent need for State and local
20 agencies to enact and implement an aggressive integrated waste management program. The State has,
21 through enactment of AB 939 and subsequent related legislation including, but not limited to: the Jobs
22 and Recycling Act of 2011 (AB 341), the Event and Venue Recycling Act of 2004 (AB 2176), SB 1016
23 (Chapter 343, Statutes of 2008 [Wiggins, SB 1016]), the Mandatory Commercial Organics Recycling Act of
24 2014 (AB 1826), and the Short-Lived Climate Pollutants Bill of 2016 (SB 1383), directed the responsible
25 State agency, and all local agencies, to promote Diversion and to maximize the use of feasible waste
26 reduction, re-use, Recycling, and Composting options in order to reduce the amount of refuse that must
27 be Disposed; and

28 **WHEREAS**, the City has adopted local policies including a Zero Waste Implementation Plan and Climate
29 Action and Resiliency Plan, which include policy goals that this Agreement serves as a primary vehicle to
30 fulfill; and

31 **WHEREAS**, pursuant to California Public Resources Code Section 40059(a)(2), and Section 18-1 of the
32 City's Charter, the City has determined that the public health, safety, and well-being require that an
33 exclusive right be awarded to a qualified Contractor to provide for the Collection of Recyclable Materials,
34 Organic Materials, and Solid Waste and other services related to meeting the City's economic and
35 environmental goals; and

36 **WHEREAS**, the City further declares its intent to approve and maintain reasonable Rates for the Collection,
37 Recycling, Processing, Composting, and/or Disposal of Recyclable Materials, Organic Materials, and Solid
38 Waste; and

39 **WHEREAS**, the City desires, having determined that Contractor, by demonstrated experience, reputation
40 and capacity is qualified to provide for both the Collection of Recyclables Materials, Organic Materials,
41 and Solid Waste within the corporate limits of the City and the Transportation of such material to
42 appropriate places of Processing, Recycling, Composting, and/or Disposal, that Contractor be engaged to
43 perform such services on the basis set forth in this Agreement; and

44 **WHEREAS**, the City and Contractor have attempted to address conditions affecting their performance of
45 services under this Agreement but recognize that reasonably unanticipated conditions may occur during
46 the Term of this Agreement that will require the Parties to meet and confer to reasonably respond to such
47 changed conditions; and

48 **WHEREAS**, under Municipal Code Section CH31-20.1, the City is obliged to enter into a contract for the
49 Collection, removal and Disposal of all refuse in and from the City and the collection of Rates therefore,
50 and the City Council is authorized to enter into such contract with any terms it deems necessary to protect
51 the best interests of the City.

52 **NOW, THEREFORE**, in consideration of the mutual promises, covenants, and conditions contained in this
53 Agreement and for other good and valuable consideration, the Parties agree as follows:

54 **ARTICLE 1.** 55 **GRANT AND ACCEPTANCE OF FRANCHISE**

56 **1.1 GRANT AND ACCEPTANCE OF FRANCHISE**

57 By the signing of this Agreement, the City grants to Contractor and Contractor accepts an exclusive
58 franchise within the corporate limits of the City. The franchise granted to Contractor shall be for the scope
59 of services described in this Agreement, subject to the limitations described in Section 1.2 and except
60 where otherwise precluded by Federal, State, and local laws and regulations.

61 **1.2 LIMITATIONS TO THE FRANCHISE**

62 The award of this Agreement shall not preclude the categories of Recyclable Materials, Organic Materials,
63 and Solid Waste listed below from being delivered to and Collected and Transported by others, provided
64 that nothing in this Agreement is intended to or shall be construed to excuse any Person from obtaining
65 any authorization from the City which is otherwise required by law:

- 66 A. **Commercial Recyclable and Organic Materials.** Other Persons shall have the right to Collect Source
67 Separated Recyclable Materials and Source Separated Organic Materials from Commercial
68 Generators, and charge Rates for Collection, to the extent permitted by Section 21-20.3g. of the
69 Municipal Code, provided that such Persons maintain a City-issued non-exclusive franchise granting
70 such right, subject to the limits of their five year notice rights under Public Resources Code Section
71 49520, which notices will be given by City not later than July 1, 2021.

- 72 B. **Self-Hauled Materials.** A Commercial business Owner or Resident may Dispose of Recyclable
73 Materials, Organic Materials, Solid Waste, and Construction and Demolition Debris generated in or
74 on their own Premises with their own vehicle. However, the Owner or Resident shall be required to
75 subscribe to and pay for the minimum required level of level of Solid Waste, Recyclable Materials,
76 and Organic Materials Collection services provided by the Contractor in accordance with Exhibit B.
- 77 C. **Construction and Demolition Debris (C&D).** Other Persons shall have the right to Collect C&D,
78 provided that: such Persons maintain a City-issued permit or license granting such right, managed
79 in a manner consistent with the City's Municipal Code which requires Recycling of a minimum of
80 fifty percent (65%) of such materials; the C&D was generated from a construction, demolition,
81 alteration, or remodel project pursuant to a permit issued by the City; and Collection is managed in
82 a manner consistent with the California Green Building Standards Code (CALGreen) and the City's
83 Municipal Code.
- 84 D. **Donated or Sold Materials.** Any items which are Source Separated at any Premises by the
85 Generator and sold or donated to other Persons, including youth, civic, or charitable organizations.
- 86 E. **Edible Food.** Edible Food which is provided by the Generator for the purposes of feeding people,
87 regardless of whether it is donated, or a fee has been paid for other Person(s) to Collect it from the
88 Generator.
- 89 F. **Materials That Contractor Does Not Divert.** Discarded Materials which the Contractor is not
90 required to Process and Divert under this Agreement as of the Effective Date of this Agreement
91 which subsequently, in the City's reasonable judgment, become economically feasible to source
92 separate and Divert. In such event, Contractor shall have the exclusive right to Collect and Process
93 such materials if Contractor agrees to do so without any change in Rates. If Contractor is unwilling
94 to Process and Divert such new materials at existing Rates, the City may provide for Collection,
95 Processing, and Diversion of such Source Separated materials in any manner it deems appropriate.
96 Such Source Separated materials may include, but not be limited to, Organic Materials which
97 Contractor would otherwise Dispose. Contractor may not enforce its exclusive franchise rights in a
98 manner that would prevent the Diversion of Source Separated material that Contractor is unable or
99 unwilling to Divert.
- 100 G. **Beverage Containers.** Containers delivered for Recycling under the California Beverage Container
101 Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code.
- 102 H. **Materials Removed by Customer's Contractor as Incidental Part of Services.** Recyclable Materials,
103 Organic Materials, Solid Waste, and Bulky Items removed from a Premises by a contractor (e.g.,
104 gardener, landscaper, tree-trimming service, construction contractor, Residential clean-out service)
105 as an incidental part of the service being performed, rather than as a separately contracted or
106 subcontracted hauling service; or if such contractor is providing a service which is not included in
107 the scope of this Agreement.
- 108 I. **In-Place Composting.** Organic Materials Composted or otherwise legally managed at the site where
109 it is generated (e.g., backyard Composting, on-site anaerobic digestion).
- 110 J. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse or
111 butcher shops, grease, or used cooking oil.

112 K. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash,
113 grit, and screenings.

114 M. **Excluded Materials.** Excluded Materials regardless of its source.

115 N. **Materials Generated by Federal, State, and County Facilities.** Materials generated by Federal,
116 State, and County facilities located in the City, including but not limited to the Alameda Unified
117 School District, provided that the Generator self-hauls, has arranged services with other Persons, or
118 has arranged services with the Contractor through a separate agreement.

119 Contractor acknowledges and agrees that the City may permit other Persons besides the Contractor to
120 Collect any and all types of materials excluded from the scope of this Franchise, as set forth above, without
121 seeking or obtaining approval of Contractor. If Contractor can produce evidence that other Persons are
122 servicing Collection Containers or are Collecting and Transporting Recyclable Materials, Organic Materials,
123 and/or Solid Waste in a manner that is not consistent with this Agreement or the City's Code, it shall
124 report the location, the name and phone number of the Person or company to the City's Contract Manager
125 along with Contractor's evidence. In such case, City shall notify the Generator and Person providing
126 service in violation of Contractor's rights under this Agreement, and Contractor shall have the right to take
127 legal action to enforce its rights under this Agreement.

128 This Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law, now
129 and during the Term of the Agreement. If future judicial interpretations of current law or new laws,
130 regulations, or judicial interpretations limit the ability of the City to lawfully contract for the scope of
131 services in the manner consistent with all provisions as specifically set forth herein, Contractor agrees that
132 the scope of the Agreement will be limited to those services and materials which may be lawfully included
133 herein and that the City shall not be responsible for any lost profits or losses claimed by Contractor to
134 arise out of limitations to the scope or provisions of the Agreement set forth herein. In such an event, it
135 shall be the responsibility of Contractor to minimize the financial impact of such future judicial
136 interpretations or new laws and the Contractor may meet and confer with City and may petition for a Rate
137 adjustment pursuant to Section 8.3.

138 **1.3 OBLIGATIONS OF PARTIES**

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

140 A. Use their reasonable commercial efforts to cooperatively enforce the exclusive nature of the
141 franchise by the Contractor's identification and documentation of violations of the franchise
142 Agreement and the City's notification of Generators and collection companies reasonably believed
143 to be violating the franchise regarding the terms of this Agreement.

144 B. Provide timely notice to one another of a perceived failure to perform any obligations under this
145 Agreement and access to information demonstrating the Party's failure to perform.

146 C. Provide timely access to the City Contract Manager and the Contractor's designated representative,
147 and complete and timely responses to requests of the other Party.

148 D. Provide timely notice of matters which may affect either Party's ability to perform under the
149 Agreement.

ARTICLE 2.
TERM OF AGREEMENT

2.1 TERM AND OPTION TO EXTEND

The Term of this Agreement shall commence July 1, 2021 (Commencement Date) and continue in full force for a period of twelve (12) years, through and including June 30, 2033, unless the Agreement is extended in accordance with this Section or terminated pursuant to Section 10.2.

At City's sole discretion, this Agreement may be extended two (2) times without amendment for a period of up to four (4) years each. If City desires to extend the Agreement, City shall provide the Contractor with written notice of its decision to extend the Agreement at least one (1) year before the expiration of the initial Term and at least six (6) months before the expiration of any extended Term. Such notice by City shall specify the duration of the extension.

If the City chooses to exercise its right to extend the Agreement and the Contractor demonstrates to the City's satisfaction that Contractor is in default of its loan covenants related to loans secured for equipment, property, or operations for the purposes of performing its obligations of this Agreement, the Parties shall initiate a cost-based Rate adjustment process (as described in Article 8 and Exhibit E2) to review Contractor's actual costs that will result in Rates being set at a level that should allow Contractor to fulfill its loan covenants, provided that such loan covenants are common in the industry for similar types of loans.

If the Parties agree to extend the Agreement, the Parties shall meet and confer to discuss Collection vehicle and Container acquisition needs and related costs, if any. The equipment replacement plans presented on Contractor's depreciation schedule (shown in Exhibit G) in Contractor's proposed costs shall serve as the basis for negotiations. The extension to the Agreement may be approved if the Parties agree on how depreciation and interest expenses shall be treated during the extension period. Other terms and conditions of the Agreement may also be renegotiated by the Parties.

Notwithstanding any other provision in this Agreement, City shall have the right to take over at any time, upon twenty-four (24) months' prior written notice to Contractor, the franchise granted hereunder without compensation for the value of such franchise subject to City's purchase of the Service Assets utilized within City on the date of take over. During the Initial Term, the purchase price to be paid by City to Contractor for the Service Assets shall equal the aggregate remaining (i.e., undepreciated) cost of such Service Assets (as depreciated for purposes of determining Contractor's Compensation hereunder) at the date of purchase. Any fully depreciated Service Assets as so determined shall be transferred to City at no cost. Prior to during any extension period, the Parties shall meet and confer on the valuation of Service Assets for such extension period which shall be approved as part of the treatment of equipment and similar costs pursuant to the preceding paragraph, and shall agree on the cost of such Service Assets for purposes of this paragraph.

In the event that the Contractor achieves the annual Diversion targets as described and calculated in accordance with Section 5.12 in eight (8) or more years during Rate Periods One through Ten, this Agreement may be automatically extended, at Contractor's sole discretion, without amendment for a period of three (3) additional years. During such an extension period, all other provisions of this Agreement shall remain unchanged, and any formulaic adjustments, including but not limited to Rate adjustments, shall continue during such extension period. If Contractor desires to not extend the

Agreement in accordance with this Section, Contractor shall provide the City with written notice of its decision to forego such extension as soon as possible, but no less than two (2) years before the expiration of the initial Term.

Between the Effective Date and Commencement Date, Contractor shall perform all activities necessary to prepare itself to start providing services required by this Agreement on the Commencement Date.

2.2 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 only, in whole or in part by City.

A. Accuracy of Representations. The Contractor's representations and warranties made in Contractor's Proposal and Article 11 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 Article 9 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:

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

D. Permits Furnished. Contractor has provided City with copies of all permits necessary for operation of all Approved Facilities owned or operated by Contractor or any Subcontractor for use under the terms of this Agreement.

E. Legal Challenge. Contractor understands and acknowledges that the award of this Agreement may be subject to review and repeal by the City's citizens through a referendum or similar petition, and to various types of legal and environmental challenges (such referenda, similar petition and legal and environmental challenges being referred to collectively as "Legal Challenges"). Accordingly, this Agreement shall not become effective until the City Contract Manager reasonably determines that (i) any Legal Challenges that had been initiated as of the time of such determination have been resolved in favor of the City's award of this Agreement to Contractor; and (ii) the deadline to initiate any additional Legal Challenges has expired; provided, however, that Contractor shall be entitled to rescind this Agreement upon thirty (30) days' prior written notice to the City Contract Manager if such determination is not made within seventy-five (75) days after City Council approval of the Agreement. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its Mayor, Council, officers, representatives, agents, employees and volunteers, harmless against any and all liability, claims, losses, damages, or expenses including reasonable attorney's

fees, arising from any Legal Challenges. In the event of any election regarding a Legal Challenge, City shall meet and confer with Contractor to determine if the City will hold an election on the Legal Challenge. Contractor shall have the option of asking the City not to contest the Legal Challenge. If City decides to conduct an election, Contractor shall reimburse City for its reasonable costs of doing so.

ARTICLE 3.

SCOPE OF AGREEMENT

Contractor shall prepare an Implementation Plan and Schedule, to be attached as Exhibit G3 to this Agreement, and submit to the City for review and approval within thirty (30) calendar days after the execution of this Agreement. Should Contractor anticipate a delay in the delivery of new Collection vehicles called for in such Exhibit, it shall notify the City Contract Manager and the Parties shall meet and confer on a reasonable extension of the in-service date(s) for such vehicles.

3.1 SUMMARY SCOPE OF SERVICES

The Contractor or its Subcontractor(s) shall be responsible for the following:

- A. Collecting Recyclable Materials, Organic Materials, and Solid Waste (with the exception of materials excluded under Article 1) generated by and placed for Collection by Customers pursuant to the requirements of Article 4 and Exhibit B;
- B. Transporting Collected materials to the appropriate Approved Facilities pursuant to requirements of Article 4 and Exhibit B;
- C. Processing Collected Recyclable Materials at the appropriate Approved Facilities pursuant to the requirements of Article 4 and Exhibit B;
- D. Performing all other services required by this Agreement including, but not limited to, Customer billing, public education, Customer service, record keeping, and reporting pursuant to Articles 4 and 6 and Exhibits C (Public Education & Outreach) and D (Reporting);
- E. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement;
- F. Paying all expenses related to provision of services required by this Agreement including, but not limited to, taxes, regulatory fees (including City Reimbursements and Franchise Fees), and utilities;
- G. Performing or providing all services necessary to fulfill its obligations in substantial conformance with the Contractor's Proposal, and in full accordance with this Agreement, and the performance standards contained within, at all times using best industry practice for comparable operations; and
- H. Complying with all Applicable Laws.

The enumeration and specification of particular aspects of service, labor, or equipment requirements shall not relieve Contractor of the duty to perform all other tasks and activities necessary to fulfill its obligations

under this Agreement, regardless of whether such requirements are enumerated elsewhere in the Agreement, unless excused in accordance with Section 10.7

3.2 USE OF APPROVED FACILITIES

The Contractor, without constraint and as a free-market business decision in accepting this Agreement, agrees to use the Approved Facilities for the purposes of Processing and/or Disposing of all Recyclable Materials, Organic Materials, Solid Waste, and other materials Collected in the City. Such decision by Contractor in no way constitutes a restraint of trade notwithstanding any Change in Law regarding flow control limitations or any definition thereof.

3.3 SUBCONTRACTING

Contractor is solely responsible for management and oversight of the activities of all Subcontractors and subcontractors. Contractor shall be considered to be in breach or default should the activities of any Subcontractor constitute a breach or event of default under this Agreement.

Contractor shall not engage any Subcontractors for Collection, Transportation, or Processing of Recyclable Materials, Organic Materials, or Solid Waste services without the prior written consent of City Contract Manager, which may be granted in his or her sole discretion. As of the Effective Date of this Agreement, City has approved Contractor's use of those Subcontractors and subcontractors identified in Contractor's Proposal, included herein as Exhibit G5. If the Contractor plans to engage and Affiliate as a Subcontractor in the provision of services, Contractor shall provide City Contract Manager with thirty (30) days written notification of its plans and provide an explanation of any potential impacts related to the quality, timeliness, or cost of providing services under this Agreement. Contractor shall require that each Subcontractor, including for this purpose only subcontractors Browning-Ferris Industries, Inc. and Zanker Recycling, file an insurance certificate with the City describing such Subcontractor's (or subcontractor's) insurance coverage, and name City as an additional insured. The City Contract Manager may waive or excuse these insurance requirements in its sole discretion. Contractor shall require that all Subcontractors that are Affiliates comply with all material terms of this Agreement.

3.4 RESPONSIBILITY FOR MATERIALS

Once Recyclable Materials, Organic Materials, and/or Solid Waste are placed in the Contractor's Containers and at the Collection location, the responsibility for their proper handling shall transfer directly from the Generator to Contractor, with the exception of Excluded Materials if the Contractor can identify the Generator pursuant to Section 5.8.B. Once Recyclable Materials, Organic Materials, and/or Solid Waste are deposited by Contractor at the appropriate Approved Facility, such materials shall become the responsibility of the Owner or operator of the Approved Facility with the exception of Excluded Materials pursuant to Section 5.8.C.

Responsibility for Excluded Materials 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.

3.5 CITY-DIRECTED CHANGES TO SCOPE

City shall require a proposal from Contractor to establish the scope of any modification to existing services (which may include use of Approved Facilities) that City wishes to have provided under this Agreement.

In such case, Contractor shall present, within thirty (30) calendar days of City's request, unless an alternate schedule is mutually agreed-upon, a written proposal to provide such modified or additional services, including adjustments in Contractor's Compensation ("Contractor's proposal"). City shall review the Contractor's proposal for the change in scope of services. City and Contractor will meet and confer to negotiate Contractor's proposed revisions and costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-upon changes in scope. If the City and Contractor are unable to agree on terms and conditions, including compensation adjustments, of such services within ninety (90) calendar days from City receipt of Contractor's proposal for such services, the City may permit other Persons to provide such services. Nothing herein shall prevent the City from soliciting cost and operating information from other Persons in order to inform the City's evaluation of Contractor's proposal.

At any time during the Term of this Agreement, the City may solicit proposals from other Persons for services not contemplated under this Agreement. In the event that contracting with other Persons for such services will reduce Contractor's Compensation under this Agreement, as described in Article 8, the Contractor shall be offered the opportunity to match any other Person's proposed pricing, and retain the added scope of services. However, nothing in this Agreement shall prevent the City from contracting with other Persons in the event that Contractor is unable or unwilling to provide such services at or below the cost proposed by the other Person.

ARTICLE 4.

SCOPE OF SERVICES

Contractor shall perform the Recyclable Materials, Organic Materials, Solid Waste, and Bulky Item services described in this Article 4. This Article 4 describes the general requirements for the services to be provided. More specific requirements for how each service shall be provided to each Customer Type are described in Exhibit B. Failure to specifically require an act necessary to perform the service does not relieve Contractor of its obligation to perform such act.

4.1 RECYCLABLE MATERIALS

A. Collection. Contractor shall provide Recyclable Materials Collection services as described in Exhibit B.

B. Transfer. Contractor may Transport Recyclable Materials to the Approved Transfer Facility where the materials will be unloaded from Collection vehicles and loaded into large-capacity vehicles and Transported to the Approved Recyclable Materials Processing Facility. Contractor shall keep all existing permits and approvals necessary for use of the Approved Transfer Facility in full regulatory compliance, so long as such Facility is owned or operated by Contractor or one of its Affiliates. Upon request, Contractor shall provide copies of facility permits and/or notices of violations (obtained from its Transfer facility Subcontractor if necessary) to City Contract Manager.

If Contractor is unable to use the Approved Transfer Facility due to an emergency or sudden and unforeseen closure of the Transfer facility that is outside the control of the Contractor, Contractor may use an alternative Transfer facility provided that the Contractor provides written notice to City Contract Manager. Within forty-eight (48) hours of such emergency or sudden and unforeseen closure, the Contractor shall provide a written description of the reasons the use of the Approved Transfer Facility is not feasible and the period of time Contractor proposes to use the alternative

Transfer facility. Such a change in Transfer facility shall be temporarily permitted until such time as the City Contract Manager is able to consider and respond to the use of the proposed alternative Transfer facility. During such time, to the extent feasible, Contractor shall continue to comply with the requirements of Article 6. If the use of the proposed alternative Transfer facility is anticipated to or actually does exceed thirty (30) days in a consecutive twelve (12) month period, the use of such Transfer facility shall be subject to approval by the City Contract Manager. The City Contract Manager may, in their sole discretion, approve, conditionally approve, temporarily approve, or disapprove of the use of the proposed alternative Transfer facility. In the event that the City disapproves the use of the proposed alternative Transfer facility, the Parties shall meet and confer to determine an acceptable Transfer facility.

If the need to use the alternative Transfer facility is discretionary or for reasons within Contractor's, or its Transfer facility Subcontractor's, reasonable control, Contractor's Compensation shall not be adjusted for any change in Transportation or Transfer costs associated with use of the alternative Transfer facility. If the need to use the alternative Transfer facility results from reasons beyond Contractor's, or its Subcontractor's, reasonable control, City shall adjust, either up or down, Contractor's Compensation for changes in Transportation and Transfer costs associated with use of the alternative Transfer facility. In the event that a change in the Transfer facility results in increased costs, City may identify and direct Contractor to an alternative Transfer facility that results in less cost than the Contractor-identified alternative.

Except for the emergency conditions described in this Section, Contractor shall not change its selection of the Approved Transfer Facility without City's written approval, which may be withheld in the City's sole discretion. If Contractor elects to use a Transfer facility that is different than the initial Approved Transfer Facility, it shall request written approval from the City Contract Manager sixty (60) calendar days prior to use of the site and obtain City's written approval no later than ten (10) calendar days prior to use of the site. City's approval may be conditioned on such Transfer facility's ability to guarantee sufficient Processing capacity to the City for the Term of this Agreement, and the status of such facility's permits.

- C. **Processing.** Contractor shall Transport and deliver all Source Separated Recyclable Materials placed by Customers in Recyclable Material Containers in the City to the Approved Recyclable Materials Processing Facility. All tipping fees and other costs associated with Transporting to and Processing of such Recyclable Materials at the Approved Recyclable Materials Processing Facility and Disposing of the Residue as required in Section 4.1.E below shall be paid by Contractor.

Contractor guarantees sufficient capacity at the Approved Recyclable Materials Processing Facility to Process all Source Separated Recyclable Materials Collected by Contractor under this Agreement throughout the Term of the Agreement, so long as such Facility is owned or operated by Contractor or one of its Affiliates.

Contractor shall maintain all existing permits and approvals necessary for use of the Approved Recyclable Materials Processing Facility in full regulatory compliance, so long as such Facility is owned or operated by Contractor or one of its Affiliates. Upon request, Contractor shall provide copies of facility permits and/or notices of violations (obtained from its Processing Facility Subcontractor if necessary) to City Contract Manager.

If Contractor is unable to use the Approved Recyclable Materials Processing Facility due to an emergency or sudden and unforeseen closure of the Processing Facility that is outside the control of the Contractor, Contractor may use an alternative Processing Facility provided that the Contractor provides written notice to City Contract Manager. Within forty-eight (48) hours of such emergency or sudden and unforeseen closure, the Contractor shall provide a written description of the reasons the use of the Approved Recyclable Materials Processing Facility is not feasible and the period of time Contractor proposes to use the alternative Processing Facility. Such a change in Processing Facility shall be temporarily permitted until such time as the City Contract Manager is able to consider and respond to the use of the proposed alternative Processing Facility. During such time, to the extent feasible, Contractor shall continue to comply with the requirements of Article 6. If the use of the proposed alternative Processing Facility is anticipated to or actually does exceed thirty (30) days in a consecutive twelve (12) month period, the use of such Processing Facility shall be subject to approval by the City Contract Manager. The City Contract Manager may, in their sole discretion, approve, conditionally approve, temporarily approve, or disapprove of the use of the proposed alternative Processing Facility. In the event that the City disapproves the use of the proposed alternative Processing Facility, the Parties shall meet and confer to determine an acceptable Processing Facility.

If the need to use the alternative Processing Facility is discretionary or for reasons within Contractor's, or its Processing Facility Subcontractor's, reasonable control, Contractor's Compensation shall not be adjusted for any change in Transportation and Processing costs associated with use of the alternative Processing Facility. If the need to use the alternative Processing Site results from reasons beyond Contractor's, or its Subcontractor's, reasonable control, City shall adjust, either up or down, Contractor's Compensation for changes in Transportation and Processing costs associated with use of the alternative Processing Facility. The performance of Recyclable Materials commodity markets shall not be considered an acceptable basis for the need to use an alternative Processing Facility nor shall it serve as the basis for any adjustment in Contractor's Compensation under this Agreement, other than as specifically contemplated in Exhibit E to this Agreement. In the event that a change in the Processing Facility results in increased costs, City may identify and direct Contractor to an alternative Processing Facility that results in less cost than the Contractor-identified alternative.

Except for the emergency conditions described in this Section, Contractor shall not change its selection of the Approved Recyclable Materials Processing Facility without City's written approval, which may be withheld in the City's sole discretion. If Contractor elects to use a Recyclable Materials Processing Facility that is different than the initial Approved Recyclable Materials Processing Facility, it shall request written approval from the City Contract Manager sixty (60) calendar days prior to use of the site and obtain City's written approval no later than ten (10) calendar days prior to use of the site. City's approval may be conditioned on such Recyclable Materials Processing Facility's ability to guarantee sufficient Processing capacity to the City for the Term of this Agreement, and the status of such facility's permits.

Contractor shall observe and comply with all regulations in effect at the Approved Recyclable Materials Processing Facility and cooperate with and take direction from the operator thereof with respect to delivery of Recyclable Materials. In accordance with Exhibit K, Contractor shall actively work with the Approved Recyclable Materials Processing Facility operator throughout the Term of this Agreement to ensure that contamination of the Recyclable Materials Collected under this

Agreement delivered to the Processing Facility remains below any limits established by Applicable Law including, without limitation, SB 1383.

D. Marketing. The Contractor shall be responsible for marketing Recyclable Materials Collected in City that are delivered for Processing at Contractor's Approved Recyclable Materials Processing Facility, so long as such Facility is owned or operated by Contractor or one of its Affiliates. Contractor's marketing strategy shall promote the highest and best use of materials presented in the waste management hierarchy established by AB 939. Where practical, the marketing strategy should include use of local, regional, and domestic markets for Recyclable Materials.

E. Residue Disposal. Residue from the Processing of Source Separated Recyclable Materials Collected under this Agreement at the Approved Recyclable Materials Processing Facility, which cannot be marketed, shall be Disposed of by Contractor, or the Approved Recyclable Materials Processing Facility Subcontractor. Contractor shall make best efforts, including those measures specifically identified in this Agreement as well as effective industry practices that may be identified during the Term of this Agreement, to reduce the percentage of Recyclable Materials delivered for Processing that become Residue that must be Disposed. Contractor shall use information resulting from the Prohibited Container Contaminant monitoring program and any material characterization studies performed on City Discarded Materials to propose education and outreach campaigns, as required in Exhibit C, that target specific problem materials.

4.2 ORGANIC MATERIALS

A. Collection. Contractor shall provide Organic Materials Collection services as described in Exhibit B.

B. Transfer. Contractor may Transport Organic Materials to the Approved Transfer Facility where the materials will be unloaded from Collection vehicles and loaded into large-capacity vehicles and Transported to the Approved Organic Materials Processing Facility. Contractor shall keep all existing permits and approvals necessary for use of the Approved Transfer Facility in full regulatory compliance so long as such Facility is owned or operated by Contractor or one of its Affiliates. Upon request, Contractor shall provide copies of facility permits and/or notices of violations (obtained from its Transfer Facility Subcontractor if necessary) to City Contract Manager.

If Contractor is unable to use the Approved Transfer Facility due to an emergency or sudden and unforeseen closure of the Transfer facility that is outside the control of the Contractor, Contractor may use an alternative Transfer facility provided that the Contractor provides written notice to City Contract Manager. Within forty-eight (48) hours of such emergency or sudden and unforeseen closure, the Contractor shall provide a written description of the reasons the use of the Approved Transfer Facility is not feasible and the period of time Contractor proposes to use the alternative Transfer facility. Such a change in Transfer facility shall be temporarily permitted until such time as the City Contract Manager is able to consider and respond to the use of the proposed alternative Transfer facility. During such time, to the extent feasible, Contractor shall continue to comply with the requirements of Article 6. If the use of the proposed alternative Transfer facility is anticipated to or actually does exceed thirty (30) days in a consecutive twelve (12) month period, the use of such Transfer facility shall be subject to approval by the City Contract Manager. The City Contract Manager may, in their sole discretion, approve, conditionally approve, temporarily approve, or disapprove of the use of the proposed alternative Transfer facility. In the event that the City

disapproves the use of the proposed alternative Transfer facility, the Parties shall meet and confer to determine an acceptable Transfer facility.

If the need to use the alternative Transfer facility is discretionary or for reasons within Contractor's, or its Transfer facility Subcontractor's, reasonable control, Contractor's Compensation shall not be adjusted for any change in Transportation or Transfer costs associated with use of the alternative Transfer facility. If the need to use the alternative Transfer facility results from reasons beyond Contractor's, or its Subcontractor's, reasonable control, City shall adjust, either up or down, Contractor's Compensation for changes in Transportation and Transfer costs associated with use of the alternative Transfer facility. In the event that a change in the Transfer facility results in increased costs, City may identify and direct Contractor to an alternative Transfer facility that results in less cost than the Contractor-identified alternative.

Except for the emergency conditions described in this Section, Contractor shall not change its selection of the Approved Transfer Facility without City's written approval, which may be withheld in the City's sole discretion. If Contractor elects to use a Transfer facility that is different than the initial Approved Transfer Facility, it shall request written approval from the City Contract Manager sixty (60) calendar days prior to use of the site and obtain City's written approval no later than ten (10) calendar days prior to use of the site. City's approval may be conditioned on such Transfer facility's ability to guarantee sufficient Processing capacity to the City for the Term of this Agreement, and the status of such facility's permits.

C. Processing. Contractor shall Transport and deliver all Source Separated Organic Materials placed by Customers in Organic Material Containers in the City to the Approved Organic Materials Processing Facility. All tipping fees and other costs associated with Transporting to and Processing such Organic Materials at the Approved Organic Materials Processing Facility and Disposing of the Residue as required in Section 4.2.E below shall be paid by Contractor.

Contractor will enter into an agreement to guarantee sufficient capacity at the Approved Organic Materials Processing Facility to Process all Source Separated Commercial Organic Materials Collected by Contractor under this Agreement throughout the Term of the Agreement.

Contractor will enter into an agreement to ensure that the Approved Organic Materials Processing Facility keep all existing permits and approvals necessary for use of the Approved Organic Materials Processing Facility in full regulatory compliance. Upon request, Contractor shall provide copies of facility permits and/or notices of violations (obtained from its Processing Facility Subcontractor if necessary) to City Contract Manager.

If Contractor is unable to use the Approved Organic Materials Processing Facility due to an emergency or sudden and unforeseen closure of the Processing Facility, Contractor may use an alternative Processing Facility provided that the Contractor provides written notice to City Contract Manager. Within forty-eight (48) hours of emergency or sudden and unforeseen closure, the Contractor shall provide a written description of the reasons the use of the Approved Organic Materials Processing Facility is not feasible and the period of time Contractor proposes to use the alternative Processing Facility. Such a change in Processing Facility shall be temporarily permitted until such time as the City Contract Manager is able to consider and respond to the use of the proposed alternative Processing Facility. If the use of the proposed alternative Processing Facility is anticipated to or actually does exceed thirty (30) days in a consecutive twelve (12) month period,

the use of such Processing Facility shall be subject to approval by the City Contract Manager. The City Contract Manager may, in their sole discretion, approve, conditionally approve, temporarily approve, or disapprove of the use of the proposed alternative Processing Facility. In the event that the City disapproves the use of the proposed alternative Processing Facility, the Parties shall meet and confer to determine an acceptable Processing Facility.

If the need to use the alternative Processing Facility is discretionary or for reasons within Contractor's, or its Processing Facility Subcontractor's, reasonable control, Contractor's Compensation shall not be adjusted for any change in Transportation and Processing costs associated with use of the alternative Processing Facility. If the need to use the alternative Processing Site results from reasons beyond Contractor's, or its Subcontractor's, reasonable control, City shall adjust, either up or down, Contractor's Compensation for changes in Transportation and Processing costs associated with use of the alternative Processing Facility. In the event that a change in the Processing Facility results in increased costs, City may identify and direct Contractor to an alternative Processing Facility that results in less cost than the Contractor-identified alternative.

Except for the emergency conditions described in this Section, Contractor shall not change its selection of the Approved Organic Materials Processing Facility without City's written approval, which may be withheld in the City's sole discretion. If Contractor elects to use an Organic Materials Processing Facility that is different than the initial Approved Organic Materials Processing Facility, it shall request written approval from the City Contract Manager sixty (60) calendar days prior to use of the site and obtain City's written approval no later than ten (10) calendar days prior to use of the site. City's approval may be conditioned on such Organic Materials Processing Facility's ability to guarantee sufficient Processing capacity to the City for the Term of this Agreement, and the status of such facility's permits.

Contractor shall observe and comply with all regulations in effect at the Approved Organic Materials Processing Facility and cooperate with and take direction from the operator thereof with respect to delivery of Organic Materials. In accordance with Exhibit K, Contractor shall actively work with the Approved Organic Materials Processing Facility operator throughout the Term of this Agreement to ensure that contamination of the Organic Materials Collected under this Agreement delivered to the Processing Facility remains below any limits established by Applicable Law including, without limitation, SB 1383.

Contractor shall accept Poly-coated paper products (e.g. paper cups, paper to-go containers, and paper milk, juice, and ice cream cartons) in Organic Materials Containers for Collection and Composting. In the event that the Approved Processing Facilities can no longer accept such materials for Composting, or if any of those materials are banned from Organic Materials Containers by Applicable Law (including the final version of the SB 1383 regulations), the Parties shall meet and confer to discuss if, when, and how to change program guidelines and public education messaging.

D. Marketing. The Contractor shall use commercially reasonable business efforts to have the Approved Organic Materials Processing Facility be responsible for marketing Commercial Organic Materials Collected in the City that are delivered for Processing at the Approved Organic Materials Processing Facility. The Approved Organic Materials Processing Facility's marketing strategy shall promote the highest and best use of materials presented in the waste management hierarchy

established by AB 939. Where practical, the marketing strategy should include use of local markets for Organic Materials.

- E. **Residue Disposal.** Residue from the Processing of Commercial Organic Materials Collected under this Agreement at the Approved Organic Materials Processing Facility, which cannot be marketed, shall be Disposed of by Contractor, or the Approved Organic Materials Processing Facility Subcontractor. Residue delivered for Disposal shall not include any Excluded Materials.

4.3 SOLID WASTE

Contractor shall offer and provide Solid Waste Collection services as described in Exhibit B.

Contractor acknowledges that 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, with the involvement of the Contractor, subject to the provisions of Section 3.5, or without the Contractor (which would not be subject to the provisions of Section 3.5) that may impact the overall quantity or composition of Solid Waste to be Collected by Contractor. Contractor shall not be entitled to any compensation or other relief resulting from a decline in Solid Waste volumes or Tonnage or from a change in the composition of Solid Waste.

Contractor shall Transport all Solid Waste Collected in City to the Designated Disposal Facility. Contractor shall pay all costs associated with Transportation and Disposal of Solid Waste including payment of any gate fees charged at the Designated Disposal Facility. Contractor shall observe and comply with all regulations and posted rules in effect at the Designated Disposal Facility and cooperate with and take direction from the operator thereof with respect to delivery of Solid Waste.

4.4 BULKY ITEMS, REUSABLE MATERIALS, AND ABANDONED WASTE

Contractor shall maintain the capacity to schedule up to a maximum of thirty (30) Collection service events, including Abandoned Waste service events, per Working Day (Monday through Friday) under this Agreement ("daily limit"). The maximum number of daily events includes: (i) on-call Bulky Item and Reusable Materials Collection events provided to both Single-Family and Multi-Family Customers, and those events provided at no charge and events paid for by the Customer, or property manager as described in Section 4.4.A; and, (ii) abandoned waste as described in Section 4.4.B. Upon reaching the maximum number of daily events, requested Bulky Item and Reusable Materials Collection service events shall be scheduled on the next available regularly scheduled Working Day.

Contractor shall notify the City when the daily average number of events reaches twenty-five (25) events, where the daily average is calculated on a weekly basis. When this threshold is met, the Parties shall meet and confer to agree on a strategy for handling the volume of Bulky Item, Abandoned Waste and Reusable Materials Collection service events. If the "daily limit" is exceeded, the City shall have the option of either: (i) expanding the program capacity by an additional thirty (30) Collection service events per Working Day at the then-current allowable cost of the Bulky Item program; (ii) extending the scheduling timeline from the Working Day requirements in Exhibit B; or, (iii) revising the program in some other way as a City-directed change in scope, subject to the requirements of Section 3.5.

- A. **Bulky and Reusable Materials.** Contractor shall offer Bulky Item and Reusable Materials Collection services as described in Exhibit B. On-call Bulky Item and Reusable Materials Collection services shall be offered to Customers within the Working Days specified in Exhibit B of the Customer's requested

service day. Pursuant to Exhibit B, Contractor shall make reasonable efforts to schedule on-call Bulky Item and Reusable Materials Collections on a day that is convenient to the Customer. Pursuant to the provisions of Exhibit B, Contractor shall handle Reusable Materials in such a way as to preserve such items for reuse, and Transport all Bulky Items and Reusable Materials Collected under this Agreement to the Approved Reusable Materials Processing Facility. Contractor shall pay all costs associated with Transporting and Processing Bulky Items and Reusable Materials. Contractor shall observe and comply with all regulations in effect at the Approved Reusable Materials Processing Facility, and cooperate with and take direction from the operator(s) thereof with respect to delivery of Bulky Items and/or Reusable Materials.

The City agrees not to assess Liquidated Damages if Contractor does not meet the Working Day requirements specified in Exhibit B if the delay has resulted from (i) the volume of on-call Bulky Item and Reusable Materials Collection events being in excess of the "daily limit" for the City service area, or (ii) the Customer's request to schedule the event on a beyond the Working Days specified in Exhibit B.

- B. Abandoned Waste.** Contractor shall Collect Solid Waste and Bulky Items abandoned by Generators in the City. Contractor shall dispatch a truck to Collect Abandoned Waste at locations in the City identified by Contractor or at locations identified by the City. In instances when the Contractor has received verbal request from the City to Collect Abandoned Waste at a specific location, Contractor shall Collect Abandoned Waste from such location within forty-eight (48) hours of receiving the verbal request (on Monday for requests received Friday) unless special circumstances warrant a longer period, in which case Contractor shall notify the City of such circumstances and the need for additional time to Collect materials within twenty-four (24) hours of the City's verbal notice to Collect Abandoned Waste. Contractor shall be responsible for Collection, Transportation, and Disposal of such material. Contractor shall record the date, time, location, and description of material Collected including estimated volume of such material; location where such material was Disposed; and cost of Disposal. Copies of receipts from Disposal site for Disposal of Abandoned Waste shall be made available by Contractor upon request by the City. Tonnage or volume of material Collected shall be separately recorded and reported to the City on a quarterly basis.

4.5 SPECIAL EVENTS

Contractor shall provide Recyclable Materials, Organic Materials, and Solid Waste services to up to seventeen (17) special event days, examples of which are identified in Exhibit B5, per Rate Period at no cost to the event or City. In the event that, due to reasons outside the City's control (including but not limited to long-term restrictions on social gatherings for purposes of preserving public health and safety), the City is unable to direct Contractor to serve seventeen (17) special event days in any Rate Period, City and Contractor shall meet and confer to agree upon redirection of Contractor funds which would otherwise be designated for such special event service. Contractor shall provide the special event services to other events that are sponsored by City upon thirty (30) calendar days' advance request by the City Contract Manager. For special event services provided to the City beyond the seventeen (17) days in any Rate Period, the Contractor shall be compensated pursuant to the Rates in Exhibit J. Special event services include:

- A. Event Collection Stations.** Contractor shall utilize, set-up, and take-down City-provided event Collection stations for Collection of Recyclable Materials, Organic Materials, and Solid Waste at City-sponsored special events.

636 B. **Consolidation Containers.** Upon request, Contractor shall provide Containers for the aggregation
637 of material removed from event Collection stations during the course of the event. Contractor shall
638 provide Containers in sufficient number of appropriate type(s) for the needs of the event (which
639 shall include consideration of needs of the vendors for discarded packing materials) as determined
640 by Contractor in cooperation with the event organizer. Contractor shall service Containers, as
641 agreed-upon with the event organizer, and deliver Collected materials to the appropriate Approved
642 Facility for Processing and/or Disposal.

643 C. **Public Education Booth.** Upon request of either the City Contract Manager or the event organizer,
644 Contractor shall staff a booth or exhibit at the event for the purpose of educating the public about
645 the services and programs provided by Contractor under this Agreement and the benefits of Source
646 Reduction, reuse, Recycling, and Composting.

647 D. **Reporting.** Within thirty (30) calendar days of the end of the event (unless otherwise requested by
648 City on an event-by-event basis), Contractor shall submit a report to the City Contract Manager and
649 event organizer. The report should include, at a minimum: the number of event Collection stations
650 deployed at the event, the number of Collection station monitors, the Tonnage of each material
651 type (i.e., Recyclable Materials, Organic Materials, and Solid Waste) Collected, and a description of
652 the public education provided at the event.

653 Contractor may, at its sole discretion and expense, coordinate with event sponsors, local youth,
654 community, or charitable organizations to provide some or all of the required services. Regardless of
655 Contractor's use of such an organization, Contractor shall be responsible for ensuring that service is
656 provided to the Customer in a professional and timely manner.

657 For special events which are not identified in Exhibit B5 or otherwise hosted or sponsored by the City,
658 Contractor shall provide the above-described special event services at the request of the event organizer
659 and may negotiate the charges for such services with the event organizer based on the specific needs of
660 the event.

661 4.6 PUBLIC EDUCATION AND OUTREACH

662 The public education and outreach activities included in the scope of services provided by Contractor
663 under this Agreement are described in Exhibit C. As further described in Exhibit C, Contractor shall prepare
664 and distribute public education and outreach materials.

665 A. **Program Objectives.** Contractor's public education and outreach strategy shall focus on improving
666 Customer understanding of the benefits of and opportunities for Source Reduction, reuse,
667 Recycling, and Composting. In general, Contractor-provided public education and outreach should:
668 (i) inform Customers about the services that are provided under this Agreement with specific focus
669 on describing the methods and benefits of Source Reduction, reuse, Recycling, and Composting; (ii)
670 instruct Customers on the proper method for placing materials in Containers for Collection and
671 setting Containers out for Collection with specific focus on minimizing contamination of Recyclable
672 and Organic Materials; (iii) clearly define Excluded Materials and educate Customers about the
673 hazards of such materials and their opportunities for proper handling; (iv) discourage Customers
674 from buying products if the product and its packaging are not readily reusable, Recyclable, or
675 Compostable; (v) encourage Customers to recover Edible Food for consumption by humans or
676 animals; (vi) encourage the use of Compost; (vii) encourage use of drought tolerant landscaping that

generates less plant trimmings; and (viii) encourage Customers to purchase products/packaging made with Recycled content materials.

B. Coordination with City Educational Efforts. Contractor acknowledges that they are part of a multi-party effort to operate and educate the public about the regional integrated waste management system. Contractor shall cooperate and coordinate with the City Contract Manager on public education activities to minimize duplicative, inconsistent, or inappropriately timed education campaigns.

Contractor shall obtain approval from the City Contract Manager on all Contractor-provided public education materials including, but not limited to: print, radio, television, or internet media before publication, distribution, and/or release. City shall have the right to request that Contractor include City identification and contact information on public education materials and approval of such requests shall not be unreasonably withheld.

4.7 BILLING

Contractor shall bill all Customers and be solely responsible for collecting billings at Rates set in accordance with Article 8. Billing shall be performed on the basis of services rendered and this Agreement shall create no obligation on the part of any Person on the sole basis of the Ownership of property. Individual contracts between Contractor and a Customer for services provided under this Agreement shall be prohibited unless otherwise approved in writing by the City Contract Manager on a case by case basis.

Contractor shall administer the special Rate programs for Low Income Residents and Senior Residents. Contractor shall determine that a Customer qualifies for the Low Income Resident discount or Senior Resident discount if Contractor obtains documentation that the Customer has met established criteria reasonably satisfactory to the City and is consistent with the definition of Low Income Resident or Senior Resident provided in Exhibit A. Contractor shall charge Low Income Residents or Senior Residents Rates that include a discount that complies with City-established policies. The Senior Resident Discount does not apply to multiple Containers or to Containers greater than thirty-two (32) gallons.

Contractor shall bill all Single-Family, Multi-Plex, and Multi-Family Cart Customers quarterly in advance of services provided. Contractor shall bill all Commercial, and Multi-Plex Bin Customers and Multi-Family Bin Customers for scheduled and regularly recurring services on a monthly basis in arrears of services provided. Contractor shall bill Customers for any on-call and/or non-recurring services no more frequently than monthly and may only proactively invoice for services provided during the previous billing period. Contractor may require pre-payment arrangements for Drop Box service. Contractor shall remit invoices to Customers no earlier than the twentieth (20th) day of the month preceding the period for which service is being billed. Quarterly billing shall be on the calendar quarter (January-March, April-June, July-September, October-December). Upon establishing new Customer accounts, or restoring service to a previously delinquent account, Contractor may require a deposit from the Customer not to exceed one (1) month's billings for monthly billed customers and not to exceed one (1) quarter's billings for customers billed quarterly at the Customer's Service Level.

Contractor shall develop and maintain a database of Customer contact information, which shall include an email address for each Customer account. Contractor shall maintain, and make such database available upon request from the City Contract Manager, in accordance with Section 6.1.

717 Contractor shall bill Customers electronically using paperless invoices; however, Contractor shall bill
718 Customers who decline or are otherwise unable to provide email contact information by standard mail,
719 using standard (printed) invoices. Contractor shall permit Customers the ability to pay their bills through
720 an electronic check or credit card and include the ability for Customer billings to be automatically charged
721 on a recurring basis. Contractor shall prepare, mail, and collect bills from Customers who decline to use
722 such internet-based billing system. Contractor shall make arrangements to allow such Customers to pay
723 bills by cash, check, electronic check, money order, and credit card.

724 Up to four (4) times per calendar year City may direct Contractor to attach inserts to Customer invoices.
725 Contractor shall provide electronic bill inserts (or separate email attachments) to Customers who are
726 billed electronically, and paper bill inserts to Customers who receive paper bills. Electronic bill
727 inserts/attachments must be readily available for the Customer to view upon receipt of the invoice.
728 Contractor shall comply with such request during its next billing cycle for the targeted Customer group.
729 Contractor shall perform this service with no additional requirement for compensation.

730 Contractor shall maintain copies of all billings and receipts, each in chronological order, for the Term of
731 this Agreement, for inspection and verification by the City Contract Manager at any reasonable time but
732 in no case more than thirty (30) calendar days after receiving a request to do so.

733 Contractor shall be responsible for collection of payment from Customers with past due accounts ("bad
734 debt") in accordance with this Section 4.7. Contractor shall make reasonable efforts to obtain payment
735 from delinquent accounts through issuance of late payment notices, telephone requests for payments,
736 assistance from collection agencies, and filing collection actions.

737 Quarterly Customer invoices shall be due thirty (30) calendar days after the end of the billing period.
738 Monthly Customer invoices shall be due thirty (30) calendar days after the first day of the billing period.
739 In the event that any account becomes more than thirty (30) calendar days past due, Contractor shall
740 notify such Customer of the delinquency via written correspondence, instructing the Customer that
741 unpaid bills which become more than forty-five (45) calendar days delinquent may be assessed late fees
742 approved by the City in Exhibit G1. Contractor shall provide a second written notice of delinquency to any
743 account which becomes more than sixty (60) calendar days past due, and a third written notice of
744 delinquency to any account which becomes more than ninety (90) calendar days past due. Should any
745 account become more than ninety (90) calendar days past due, Contractor may discontinue providing
746 service to the Customer. No less than seven (7) calendar days prior to discontinuing service to a Customer,
747 Contractor shall notify the City Contract Manager of the address, Service Level, service frequency, and
748 delinquent billing amount. Contractor may withhold service from a delinquent account until past
749 delinquencies are paid in full. Upon restoring service to a previously delinquent account, Contractor may
750 require a deposit from the Customer not to exceed one (1) month's billings at the Customer's Service
751 Level.

752 If Contractor fails to invoice a Customer, or otherwise under-charges a Customer for services provided for
753 more than twelve (12) months, Contractor may not subsequently attempt to collect the under-charged
754 amount for more than twelve (12) months of service. If Contractor over-charges a Customer for a period
755 of more than twelve (12) months, Contractor shall reimburse or credit the Customer for at least twelve
756 (12) months of the over-charged service, but is not required by this Agreement to reimburse or credit the
757 Customer for more than twelve (12) months of overcharges. This Agreement also does not prohibit
758 Contractor from reimbursing or crediting a Customer for more than twelve (12) months of overcharges.

4.8 CUSTOMER SERVICE PROGRAM

4.8.1 Program Requirements

A. Availability of Representatives. A representative of the Contractor who is knowledgeable of the service area, services, and Rates shall be available during business office hours to communicate with the public by telephone, virtual method (including email, live chat, or other electronic method as mutually agreed between City and Contractor), and the City's authorized online or other customer relationship management system (as further described in Section 4.9). Contractor shall maintain a local or toll-free telephone number which it shall publicize. Contractor shall also maintain an after-hours telephone number allowing twenty-four (24) hour per day access to Contractor management by City Contract Manager in the event of an emergency involving Contractor's equipment or services including, but not necessarily limited to, fires, blocked access, or property damage. Contractor's primary Customer service center shall be located no more than thirty (30) miles from the City. Contractor shall maintain Customer service staffing levels consistent with the levels stated in Exhibit G, unless otherwise approved by the City Contract Manager.

B. Telephone. Contractor shall secure, use, pay all costs incurred by, and maintain during the Term of this Agreement, a local toll-free phone number which shall serve as the primary point of contact between Contractor and the public during normal business hours. The Contractor shall provide the City with a separate emergency telephone number for use by the City Contract Manager outside normal business hours. The Contractor shall have contact with such representative, available at the emergency telephone number during all hours other than normal office hours.

Contractor shall maintain a telephone system in operation from 7:00 a.m. to 6:00 p.m. and shall have sufficient equipment in place and staff a representative, or an answering service available to handle the volume of calls experienced on the busiest days and such telephone equipment shall be capable of recording the responsiveness to calls. Contractor's telephone system shall offer Customers who have been placed on-hold the option of leaving a voice message, rather than remaining on-hold. In the event that Contractor's telephone customer service performance falls below the performance standards established in Exhibit F, the City and Contractor shall meet and confer regarding existing staffing levels and customer service system capacities. Following such meet and confer period, the City shall have the right to require Contractor to increase its staffing levels and/or call handling capacity without requirement for any additional compensation to the Contractor. Recording of Contractor's responsiveness to calls shall include, at a minimum, all items included in the "Service Quality and Reliability" and "Customer Service" performance standards listed in Exhibit F. An answering machine or voicemail service shall record Customer calls and voice messages between 6:00 p.m. and 7:00 a.m. Contractor shall provide a live, not automated, call back on the same day to all Customers who leave voice messages by 5:00 p.m. on Working Day and shall provide a live call back by noon of the following Working Day for any voice messages left after 5:00 p.m.

C. Web Site and Email Access. Contractor shall develop and maintain an Alameda specific section of Contractor's web site that is accessible by the public. Contractor's Alameda web page(s) shall include all public education and outreach materials described in Exhibit C and provide the public the ability to e-mail Contractor questions, service requests, or Complaints. The site shall have a link from the City's web site. Contractor shall respond the same day to all Customers who leave e-mail messages by 5:00 p.m. on a Working Day and shall respond by noon of the following Working Day for any e-mail messages left after 5:00 p.m. (for purposes of this Section 4.8.1.C, Saturdays shall be

excluded from the definition of "Working Day"). Contractor may respond to Customer e-mails either via e-mail or phone. In the event that during the Term of this Agreement Contractor obtains or develops a mobile device web application which may be used by Customers, Contractor shall notify City, and shall make such application available for Customer use.

D. Training. Customer service representatives shall receive training during each quarter of the calendar year on City-specific Collection programs and service requirements. During the training, a City-specific Collection service and Rate information sheet, training agenda, and associated documentation shall be provided to and discussed with employees. Information sheet, training agenda, and associated documentation shall be forwarded by Contractor to the City Contract Manager each quarter after the training in accordance with quarterly reporting requirements of Section 6.2. The City Contract Manager may review the training materials and request changes.

The Contractor shall notify the City Contract Manager of the date and time of the scheduled Customer service training sessions and the City Contract Manager may, at its option, attend the meetings.

Upon request by the City Contract Manager but not more than two (2) times per Rate Period, Contractor shall arrange and host a meeting to include the City Contract Manager, Contractor's contract manager, Contractor's customer service representatives, and any other City staff requested by the City Contract Manager. The purpose of such meeting shall be to discuss topics including (by way of example but not limitation): Customer questions, Complaints, and/or service issues, or other topics identified by the City Contract Manager.

4.8.2 Service Requests, Compliments, Complaints

Contractor shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all Customer service requests and Complaints. Contractor shall record, in its computer system or a separate log, approved as to form by City Contract Manager, all Complaints, noting the name and address of Complainant, date and time of Complaint, nature of Complaint, and nature and date of resolution. The Contractor shall retain this Complaint log for the Term. Contractor shall record and respond to all Complaints as communicated by the Customer, utilizing a "Customer is always right" approach, shall not challenge or dispute the Customer's assertions or Complaints, and shall at all times prioritize Customer satisfaction. Upon request by the City Contract Manager, Contractor shall compile and submit a summary statistical table of the Complaint log.

Contractor deviations from the "Customer is always right" approach may be granted on a Customer by Customer basis based on demonstrated individual Customer abuse of the policy wherein Contractor is able to provide evidence to the City Contract Manager of a history of such policy misuse by that Customer.

Contractor shall respond to all Complaints received in accordance with the requirements of Section 4.8.1.B, and 4.8.1.C. Complaints related to missed Collections shall be addressed in accordance with Section 4.8.3. Complaints related to repair or replacement of Carts or Bins, shall be addressed in accordance with Section 5.6.

4.8.3 Missed Collections

A. Missed Collection Complaints. When handling Customer Complaints related to missed or incomplete Collections, Contractor shall not question or contest the Customer's claim that the

Collection was missed or incomplete, even in cases where the Route driver recorded the Container(s) in question as already "Collected" or "not out."

- B. Schedule for Resolution.** Contractor shall resolve each and every Customer Complaint of a missed or incomplete Collection by returning to the Customer address and completing the Collection. For all Complaints related to missed Collections that are received by 12:00 p.m. from Bin or Drop Box Customers, or that are received by 3:00 p.m. from Cart Customers on a Working Day, the Contractor shall return to the Customer address and Collect the missed materials on the same Working Day on which the missed Collection was reported. For those Complaints related to missed Collections that are received after 12:00 p.m. from Bin or Drop Box Customers, or after 3:00 p.m. from Cart Customers on a Working Day, the Contractor shall have until the end of the following Working Day to resolve the Complaint.

Contractor shall not be required to return and complete a Collection in response to a Complaint if the Contractor's driver has left a Non-Collection Notice, or recorded in Contractor's customer database a "not-out" event in accordance with Section 5.3.B.

- C. Courtesy Collections for Admitted Late Set-Outs.** In the event that a Customer: (i) reports that their Container(s) were placed for Collection after Contractor's Collection vehicle had already passed the Premises for regularly scheduled Collection; (ii) does not claim that Contractor missed the Collection; and (iii) requests that the Contractor return and Collect their Containers, Contractor shall return to the Customer Premises and provide a Courtesy Collection at no charge to the Customer. Contractor is not required to provide more than one (1) Courtesy Collection for admitted late set-outs per Customer per calendar year. For Residential Customers, one (1) Courtesy Collection represents Collection of up to three (3) Carts (Recyclable Materials, Organic Materials, Solid Waste) per incident. Contractor shall complete the Courtesy Collection by the end of the following Working Day. The provisions of this Section shall only apply if the Customer acknowledges, and Contractor documents in writing, that the event did not constitute a missed or incomplete Collection event by the Contractor.

4.8.4 Customer Satisfaction Survey

The City reserves the right to conduct a Customer satisfaction survey every Rate Period and such survey shall be paid for by the Contractor, within thirty (30) calendar days of receipt of invoice from City or its agent, provided that the cost of such survey shall not exceed twenty thousand dollars (\$20,000) per Rate Period. The Contractor can recover the cost of each survey by including the costs in the Contractor's Compensation in the applicable Rate Period as an "other adjustment" pursuant to Exhibit E1, Section 2.F, mutually agreed between City and Contractor.

4.9 ACCESS TO CUSTOMER SERVICE AND BILLING SYSTEMS

Contractor shall provide access and any necessary training to one (1) or more City employee(s) (as designated by the City) regarding the use of Contractor information systems as described in this Section. Contractor shall designate one (1) member of Contractor staff to work directly with such City employee. Such City employee and Contractor employee shall cooperate to ensure that the Contractor's information systems are integrated with the City's customer service systems, or are otherwise able to receive information from such City systems on a daily basis (e.g. through manual input by Contractor staff). Contractor shall have access to the City's automated Customer Response Management System (CRM) or any subsequent similar system (including, but not limited to the City's SeeClickFix system used to

document abandoned waste issues), and shall respond to Customer requests transmitted to Contractor through the City's CRM system and enter resolutions to Customer requests directly into the City's CRM system. Additionally, Contractor shall provide such City employee with access to Contractor's Customer service, call center, and operations information systems in order to validate Contractor performance standards, and recommend changes to Customer Service Levels to resolve service issues or otherwise address Customer needs. In the event that recommended Service Level changes are made, the designated City staff will work with Contractor's Route manager to make such changes, which shall not be denied by Contractor except for reasons related to Customer, Route driver, and/or equipment safety. Contractor shall also provide read-only access to Customer contact information (including email addresses) for purposes of City-provided public education and outreach activities. In addition, Contractor shall ensure that the City Contract Manager and any other City staff, as requested by the City, have read-only access to all service order, billing, and Customer service records in Contractor's internal information systems. Such read-only access is intended to provide the City the ability to review notes related to Customer service and/or billing issues.

4.10 SERVICE EXEMPTIONS

- A. Integrated Waste Service Exemptions.** The City's Municipal Code allows for Residential and Commercial Business Customers that meet specific criteria to be exempt from the requirement to subscribe and pay for Integrated Waste Collection services. Contractor shall be required to review all applications made by Customers to determine conformance with exemption provisions in the City's Municipal Code and shall forward such requests to the City's Contract Manager for review and approval by the City Public Works Director. The review process of each application shall include an inspection of the applicant's property, Solid Waste, Recyclable Materials, and Organic Materials. These exemptions shall be effective for a period of one (1) year from the date the application is approved unless service is stopped and new service is started at the same address. The review process of each application shall include an inspection of the applicant's property, Solid Waste, Recyclable Materials, and Organic Materials and shall be completed within fifteen (15) Working Days from receipt of application.
- B. Vacancy Exemptions.** Upon Customer request Contractor shall cease providing (and collecting payment for) Collection services to a Premises which is anticipated to be vacant for no less than thirty (30) days. In addition, Contractor shall modify or otherwise cease providing Collection services to Customers requesting other service exemptions, provided that such Customers consistently demonstrate the ability to responsibly manage Discarded Materials generated at the Premises in question, in a manner consistent with Applicable Law.
- C. Service Location Exemptions.** The City's Municipal Code allows for Persons that have a disability in compliance with the American Disabilities Act that are Occupants of Single-Family Premises or Multi-Plex Premises to receive Collection services at a location other than Curbside at no extra charge. Contractor shall be required to review all applications made by Customers to determine conformance with the exemption provisions in the City's Municipal Code and shall grant exemptions if applicable. With regards to all requirements of this subsection, the Contractor shall make reasonable accommodations with regards to Container and Collection requirements (e.g., with regards to the Container size and type, placement of Containers for Collection, etc.) for any individual with a disability in compliance with the American Disabilities Act at no additional cost to the Customer, provided that Contractor shall not be required to service Containers from locations on a Customer Premises determined to be unsafe for Collection.

ARTICLE 5.
STANDARD OF PERFORMANCE

5.1 GENERAL

Contractor shall at all times comply with Applicable Law and provide services in a manner that is safe to the public and the Contractor's employees. Except to the extent that a higher performance standard is specified in this Agreement, Contractor shall perform services in accordance with Recyclable Materials, Organic Materials, and Solid Waste management practices common to the San Francisco Bay Area.

5.2 OPERATING HOURS AND SCHEDULES

A. Hours of Collection. Unless otherwise authorized by the City Contract Manager, Contractor's days and hours for Collection operations shall be as follows:

1. **Residential Premises.** Collection from Residential Premises shall only occur between the hours of 6:00 a.m. and 6:00 p.m., Monday through Friday.
2. **Commercial Premises.** Collection from Commercial Premises that are two hundred (200) feet or less from the nearest Residential Premises shall only occur between the hours of 6:00 a.m. and 6:00 p.m., Monday through Saturday. Collection from Commercial Premises more than two hundred (200) feet from Residential Premises shall only occur between the hours of 5:30 a.m. and 10:00 p.m., Monday through Saturday.
3. **Extended Collection Hours.** On July 4th, Collection from Residential and Commercial Premises may occur earlier than the regular Collection hours stated in Sections 5.2.A.1 and 5.2.A.2, to allow for Collection to occur on a Customer's regularly scheduled Collection day while avoiding the City's 4th of July Parade route and resulting traffic and street closure impacts.

B. Holiday Collection Schedule. Contractor, at its sole discretion, may choose not to provide Collection services on a Holiday. In such event, Contractor shall provide Single-Family Collection services on the day following the Holiday thereby adjusting subsequent work that week with normally scheduled Friday Collection services being performed on Saturday; however, Customer service days shall be returned to the normal schedule within one (1) week of the Holiday. Multi-Family, Commercial, and City Collection services shall be adjusted as agreed between the Contractor and the Customer but must meet the minimum frequency requirement of one (1) time per week. The Contractor shall provide Customers notice of Holiday-related changes in Collection schedules at least two (2) weeks prior to the change.

5.3 COLLECTION STANDARDS

A. Servicing Containers. Contractor shall Collect and return each Container to the location where the Occupant properly placed the Container for Collection provided that Contractor shall not replace Containers in such a manner that blocks the public right-of-way or bicycle lanes, regardless of how the Containers were placed for Collection. Contractor shall place the Containers upright with lids properly secured. Such proper placement is designated in the Exhibits for each Customer Type.

Contractor, at the request of Customers, may provide special services including: (i) unlocking Containers; (ii) accessing Container enclosures with a key; or (iii) pulling or pushing Containers

before and after Collection. Contractor may charge Customers for such extra services at the Rates approved by City for such services.

Contractor shall establish a hard-to-service Route for each material type, using smaller Collection vehicles if needed for the purposes of servicing Single-Family Customers in areas of the City that are difficult to access, do not have space to make turn-arounds, or where Contractor is otherwise unable to provide service meeting the highest safety standards. The City Contract Manager may, within reason and based on the specific circumstances of the Customer, require the Contractor to provide service to specific Single-Family Customers on this hard-to-service Route, and Contractor shall ensure that it maintains a sufficient number of smaller Collection vehicles to accommodate such requests. Contractor shall be compensated for establishing such needed hard-to-service Route(s), subject to the provisions of Section 3.5.

Contractor may require Customers on private roads to sign road damage liability waivers prior to operating on such private streets. Additionally, Contractor may require Customers (including groups of Customers and home owners' associations) requesting Collection service from on-property motor-courts to sign damage liability waivers indicating the Customer's choice to receive Collection services in such manner, prior to operating on such private streets or motor-courts. If Customers requesting service on private roads or on-property motor-courts fail to sign such waivers, Contractor may, upon approval, which may or may not be conditional, from the City Contract Manager require them to receive service at the nearest public right of way.

B. Non-Collection, Courtesy Noticing. Prior to the Commencement Date, Contractor shall develop, and submit to the City Contract Manager for review and approval: a template Non-Collection Notice, for use in instances of acceptable non-Collection of Discarded Materials; and, a template Courtesy Notice, for use in instances of improper set-out of Discarded Materials, which the Contractor, at its sole option, elects or is otherwise required by this Section to Collect as a courtesy to the Customer. Such notices shall be specific to the City of Alameda. In the event that Contractor encounters circumstances at a Customer Premises which prevents the Contractor from Collecting Discarded Materials which have been placed for Collection, Contractor shall leave a Non-Collection Notice at the Customer Premises clearly explaining Contractor's reason for refusal to Collect the Discarded Materials, including specific identification of improper Customer sorting or Container placement. Contractor shall not be required to Collect Discarded Materials which are reasonably believed to contain Excluded Materials, pursuant to the requirements of Section 5.8. If Contractor intentionally refuses to Collect Discarded Materials (including Cardboard overages), but does not leave a Non-Collection Notice, it shall be considered a missed Collection per Section 4.8.3. Contractor may propose an alternative to a paper Non-Collection Notice left at Customer Premises (e.g. Customer notification via a phone call or e-mail) subject to City approval. Such an alternative must involve pro-active communication with Customer, initiated by Contractor.

In the event that Contractor encounters circumstances at a Customer Premises which allow for safe Collection of Discarded Materials, but do not otherwise reflect proper set-out procedures (including, but not limited to, over-full Containers, spills not caused by the Contractor, Carts placed too close together, Carts placed in front of one another, Carts placed too close to parked cars), Contractor shall Collect the material and leave a Courtesy Notice at the Customer Premises clearly explaining how the Customer failed to comply with proper set-out procedures.

1009 Contractor may educate the public on proper set-out procedures designed to maximize the
 1010 efficiency of Collection (e.g. Carts spaced three (3) feet apart). However, Contractor acknowledges
 1011 that such procedures are not practical in all circumstances and failure of the Customer to follow
 1012 such procedures does not constitute a reason for non-Collection if the Discarded Materials may be
 1013 safely and reasonably serviced. Contractor's Route drivers shall dismount their Collection vehicles
 1014 and reposition Containers as necessary to provide Collection service. Contractor may not require a
 1015 Customer to set out the Customer's Containers in such a manner that would block vehicle access to
 1016 Customer's driveway or garage. Contractor and Customers may mutually agree to uncommon
 1017 service locations if necessary for Collection in specific areas (e.g. setting out all of the Carts in a court
 1018 in a line down the middle of the court as opposed to Curbside.)

1019 Contractor may refuse to Collect Recyclable Materials or Organic Materials Containers which are
 1020 contaminated in accordance with Exhibit B, and shall leave an approved Non-Collection Notice
 1021 informing Customer how to properly separate materials. Contractor shall perform at least one (1)
 1022 Courtesy Collection per Rate Period per Customer of contaminated Recyclable Materials, and at
 1023 least one (1) Courtesy Collection per Rate Period per Customer of contaminated Organic Materials,
 1024 and leave an approved Courtesy Notice notifying the Customer of the specific materials that have
 1025 been incorrectly placed, and informing the Customer in which Container the materials should be
 1026 placed. A Courtesy Collection of contaminated Recyclable Materials or Organic Materials may be
 1027 made with a Solid Waste Collection vehicle, provided that the contaminants may safely and lawfully
 1028 be Collected as Solid Waste.

1029 By way of example, and not limitation, the City and Contractor agree to the manner in which the
 1030 following common occurrences will be addressed with regard to Non-Collection Notices and/or
 1031 Courtesy Notices provided under this Agreement:

Collect, leave Courtesy Notice	Refuse Collection, leave Non-Collection Notice
<ul style="list-style-type: none"> • Cart placement <ul style="list-style-type: none"> ○ Too close to another Cart ○ In front of/behind another Cart ○ Too close to a car, mailbox ○ Under tree, basketball hoop, or overhang ○ Wheels not against Curb ○ Cart on top of Curb instead of in the street ○ Cart facing the wrong way ○ Lid open • 1st instance of non-hazardous contamination in 12 months • Container filled past "water line", but safe to Collect, not likely to spill 	<ul style="list-style-type: none"> • Not safe to Collect • Contains hazardous, radioactive, biohazardous, or infectious materials • 2nd or more instance of non-hazardous contamination in 12 months • Container filled past "water line", and will likely spill material onto the ground if Collected • Solid Waste outside of a Container without a pre-paid Extra Service Tag • Container is overweight and may break if lifted

1032 **C. Litter Abatement.** Contractor shall use due care to prevent spills or leaks of material placed for
 1033 Collection, fuel, and other vehicle fluids while providing services under this Agreement. If any
 1034 materials are spilled or leaked during Collection and Transportation, the Contractor shall clean up
 1035 all spills or leaks before leaving the site of the spill. Contractor's vehicles shall be equipped at all
 1036 times with spill kits, including but not limited to a broom, shovel, and absorbent.

1037 Contractor shall not Transfer loads from one vehicle to another on any Public Street, unless it is
 1038 necessary to do so because of mechanical failure, combustion of material in the truck, or accidental
 1039 damage to a vehicle.

1040 Contractor shall cover all open Drop Boxes at the pickup location before Transporting materials to
 1041 the Approved Facility.

1042 Contractor shall conduct public outreach and staff training to Customers on best management
 1043 practices for litter abatement as part of the public outreach program Such best management
 1044 practices include, without limitation:

- 1045 1. Closing Container lids and right sizing service: Contractor staff will tag overfull Containers with
 1046 Courtesy Notices, which will serve as outreach and education to the Customer. Photos of the
 1047 Container will be taken by Contractor staff, attached to the Customer's account, and will be
 1048 available to outreach and Customer service staff in order to demonstrate to the Customer
 1049 where a problem exists.
- 1050 2. Outreach to Customer on importance of bagging lightweight materials such as plastic bags,
 1051 film plastics, foam peanuts, and other materials that can easily become litter due to their
 1052 lightweight nature.
- 1053 3. Driver training on litter reduction techniques and litter removal best management practices.
- 1054 4. Affixing signage to the back of Contractor trucks which provides a phone number for residents
 1055 to report material spills.

1056 **D. Development and Review of Collection Specifications.** Contractor shall work with the City to
 1057 develop standard specifications for Collection Container enclosures at Commercial and Multi-Family
 1058 Premises. These specifications shall be developed to ensure that the Collection Container
 1059 enclosures are built to provide adequate space for and suitable configuration to allow the
 1060 Contractor to safely and efficiently service Recyclable Materials, Organic Materials, and Solid Waste
 1061 Containers. Contractor's Operations Manager or other appropriately qualified staff shall, upon
 1062 request by the City Contract Manager, provide a review of plans for new Single-Family, Multi-Family,
 1063 Commercial, or other development or project design drawings. Contractor shall provide comments
 1064 and recommendations resulting from the review in writing within ten (10) Working Days of receipt
 1065 of the documents for review. In each review report, Contractor shall comment on the acceptability
 1066 of the proposed enclosure arrangements in terms of: (i) the adequacy of space for Recyclable
 1067 Materials, Organic Materials, and Solid Waste Containers; (ii) the accessibility of the Containers for
 1068 Collection including whether additional charges (e.g., Push/Pull, etc.) would apply; and (iii) ease of
 1069 use by tenants.

1070 **E. No Commingling of Materials.** Contractor shall Collect materials generated in the City in Collection
 1071 Vehicles separately from other materials generated outside the City service area, unless otherwise
 1072 approved by the City Contract Manager. In the event that the City Contract Manager approves
 1073 comingling of materials generated in the City with materials generated outside the City, on a
 1074 temporary or permanent basis, Contractor shall maintain clear records documenting the
 1075 methodology used to allocate Collected materials to the City. Contractor and City acknowledge that
 1076 as of the Effective Date, the City has approved comingling of City materials with other agency
 1077 materials in order for Contractor to provide weekend Collection service. Contractor shall not
 1078 comingling materials which have been Source Separated with other materials types (for example,

1079 Source Separated Recyclable Materials which have been properly placed for Collection shall not be
1080 combined with Solid Waste or Source Separated Organic Materials).

1081 **5.4 TRANSFER AND PROCESSING STANDARDS**

1082 **5.4.1 Equipment and Supplies**

1083 Contractor shall equip and operate the Approved Processing Facilities that are run by Affiliates in a manner
1084 to fulfill Contractor's obligations under this Agreement. Contractor is solely responsible for the adequacy,
1085 safety, and suitability of the Approved Processing Facilities that are run by Affiliates. Contractor shall
1086 modify, enhance, and/or improve the Approved Processing Facilities that are run by Affiliates as needed
1087 to fulfill Services under this Agreement.

1088 Contractor shall provide all rolling stock, stationary equipment, material storage containers, spare parts,
1089 maintenance supplies, Transfer, Transport, and Processing equipment, and other consumables as
1090 appropriate and necessary to operate the Approved Processing Facilities that are run by Affiliates and
1091 provide all services required by this Agreement. Contractor or such Affiliates shall place the equipment
1092 in the charge of trained and competent operators. Contractor shall repair and maintain all equipment at
1093 its own cost and expense.

1094 **5.4.2 Scales and Weighing**

1095 Contractor is solely responsible for ensuring accurate weighing of all materials entering and leaving the
1096 Approved Processing Facilities that are run by Affiliates.

1097 **A. Facility Scales.** Contractor shall maintain State-certified motor vehicle scales in accordance with
1098 Applicable Law. All scales shall be linked to a centralized computer recording system at such
1099 Approved Processing Facilities to record weights for all incoming and outgoing materials. Contractor
1100 shall provide back-up generator(s) capable of supplying power to the scales in the event of a power
1101 outage. Contractor shall promptly arrange for use of substitute portable scales should its usual
1102 scales not be available for whatever reason. Pending substitution of portable scales, Contractor or
1103 such Affiliates shall as necessary estimate the Tonnages of materials delivered to and Transported
1104 from such Approved Processing Facilities, on the basis of delivery vehicle and Transfer trailer
1105 volumes, tare weights, and/or other available facility weight records. These estimates shall take the
1106 place of actual weights while scales are inoperable, and shall be identified as estimates in electronic
1107 records and reporting. For any Approved Facility not run by Contractor or an Affiliate, Contractor
1108 shall ensure that it receives certified weight tickets for each and every load delivered under this
1109 Agreement.

1110 **B. Tare Weights.** No less than thirty (30) calendar days prior to the Commencement Date, Contractor
1111 shall ensure that all vehicles used by Contractor to deliver Recyclable Materials, Organic Materials,
1112 and Solid Waste to the Approved Processing Facilities are weighed to determine unloaded ("tare")
1113 weights. Contractor shall electronically record the tare weight, identify vehicle as Contractor owned,
1114 and provide a distinct vehicle identification number for each vehicle. Contractor shall provide City
1115 with a report listing the vehicle tare weight information upon request. Contractor shall promptly
1116 weigh additional or replacement vehicles prior to placing them into service. Contractor shall check
1117 tare weights at least annually, or within fourteen (14) calendar days of a City request, and shall re-
1118 tare vehicles immediately after any major maintenance or service event.

1119 C. **Testing.** Contractor shall test and calibrate all such scales in accordance with Applicable Law, but
1120 at least every twelve (12) months or upon City request.

1121 D. **Records.** Contractor shall maintain computerized scale records and reports that provide
1122 information including date of receipt, inbound time, inbound and outbound weights of vehicles, and
1123 vehicle identification number. Contractor shall also maintain computerized scale records and
1124 reports providing historical vehicle tare weights for each vehicle and the date and location for each
1125 tare weight recorded.

1126 E. **Upon-Request Reporting.** If vehicle receiving and unloading operations are recorded on video
1127 cameras at the Approved Processing Facilities, Contractor shall make those videos available for City
1128 review during the Approved Processing Facility's operating hours, upon request of the City, and shall
1129 provide the name of the driver of any particular load if available. City acknowledges that Contractor
1130 only maintains limited video storage capacity and that older video records are overwritten when
1131 storage capacity is reached.

1132 **5.5 COLLECTION VEHICLE REQUIREMENTS**

1133 In accordance with the City's Zero Waste Implementation Plan and Climate Action Resiliency Plan, all
1134 Collection operations shall, to the maximum extent feasible, maintain and over time further implement a
1135 low-carbon or no-carbon footprint. As of the Effective Date, all Collection vehicles shall operate on
1136 compressed natural gas (CNG). The Contractor and City shall evaluate the Clean Alternative Fuel Vehicle
1137 program on an annual basis and if the City believes expanding the use of the Clean Alternative Fuel
1138 Vehicles is feasible and economically practical, the City shall require Contractor to incorporate use of more
1139 or different Clean Alternative Fuel Vehicles for regular on-Route or off-Route operations. The annual
1140 evaluation shall include review of the technical options, cost, documentation of savings in maintenance
1141 costs, and timing for expanding Contractor's use of electric vehicles for light-duty and medium-duty
1142 applications to include heavy-duty collection vehicles. City shall compensate Contractor for any
1143 documented increases in net costs associated with the use of heavy electric vehicles as provided in Section
1144 8.4 and/or through the use of the Balancing Account.

1145 Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently
1146 perform the work required by the Agreement in strict accordance with its terms. Contractor shall have
1147 available sufficient back-up vehicles for each type of Collection vehicle used to respond to scheduled and
1148 unscheduled maintenance, service requests, Complaints, and emergencies. All such vehicles shall have
1149 watertight bodies designed to prevent leakage, spillage, or overflow. All such vehicles shall meet On-Road
1150 Heavy Duty Vehicle emissions requirements for model year 2015, or the appropriate emission
1151 requirements for the model year of the vehicle purchased, if newer, and generally comply with all Federal,
1152 State, and local laws and regulations. Contractor's vehicles shall utilize Recycled motor oil to the extent
1153 practicable. Upon City approval, Collection vehicles shall have the capability of carrying and safely
1154 Transporting empty and full Used Oil Recovery Kits, as well as the capacity to Collect and Transport loose
1155 Cardboard overages, to ensure that Contractor is capable of complying with Exhibit B.

1156 Vehicles used in the Collection of Solid Waste, Recyclable Materials and Organic Materials shall be
1157 thoroughly washed on a minimum of one (1) time per week or more frequently if necessary so as to
1158 present a clean appearance of the exterior and interior compartment of the vehicle under this Agreement.
1159 Contractor's name and local telephone number shall be displayed on all vehicles in at least four (4) inch
1160 characters. Vehicles shall be equipped with sign board holders or other hardware to allow public

1161 education signage of no less than thirty-six (36) by forty-eight (48) inches to be displayed on both sides of
1162 the vehicle.

1163 Contractor shall not place the City's logo on its vehicles. Contractor shall not use vehicles identified for
1164 use in the City in any other jurisdiction, or use vehicles labeled for use in other jurisdictions in the City
1165 without prior approval from the City, excluding incidental and weekend use.

1166 Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles
1167 that are not operating properly shall be taken out of service until they are repaired and operate properly.
1168 Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are
1169 needed because of accident, breakdown or any other cause so as to maintain all equipment in a safe and
1170 operable condition. City Contract Manager may inspect vehicles at any reasonable time, and within three
1171 (3) calendar days of such a request, to determine compliance with sanitation requirements.

1172 All Collection operations shall be conducted as quietly as possible and shall conform to applicable Federal,
1173 State, County, and City noise level regulations. The City may request Contractor to check any piece of
1174 equipment for conformance with the noise limits in response to Complaints and/or when the City Contract
1175 Manager believes it is reasonable to do so. In the event that Contractor's Collection activities are the
1176 subject of noise Complaints from Residents that are near non-Residential service locations, Contractor
1177 shall meet and confer with the City Contract Manager to identify whether alternative Collection times or
1178 methods could be used to mitigate the noise concerns.

1179 Contractor shall furnish the City a written (electronic) inventory of all vehicles, including Collection
1180 vehicles, used in providing service, and shall update the inventory report annually. The inventory shall list
1181 all vehicles by manufacturer, ID number, date of acquisition, fuel type, capacity and decibel rating.

1182 **5.6 CONTAINER REQUIREMENTS**

1183 **A. Containers Provided to Customers.** All Carts, Bins and Drop Boxes shall be provided by Contractor
1184 to all Customers as part of services provided by Contractor. Contractor shall provide Containers for
1185 storage and Collection of Solid Waste, Recyclable Materials, and Organic Materials. Contractor shall
1186 provide Containers to new Customers requesting service initiation, or existing Customers requesting
1187 a Used Oil Recovery Kit within five (5) Working Days of Contractor's first receipt of the Customer
1188 request. Contractor-provided Containers shall be new or clean used Containers, and Carts and Bins
1189 shall be designed and constructed to be watertight and prevent the leakage of liquids. All Containers
1190 shall display the City's name, Container capacity (yards or gallons) and some identifying inventory
1191 or serial number. Upon Customer request, Contractor shall provide containers approximately
1192 twenty-three (23) gallons in capacity ("Slim Jims") for indoor containment of Recyclable Materials
1193 and Organic Materials prior to Customer placement in Carts, Bins, or Drop Boxes. Such "Slim Jim"
1194 containers shall have dimensions of approximately twenty-two (22) inches long, eleven (11) inches
1195 wide, and thirty (30) inches tall. Contractor may charge Customers an amount up to Contractor's
1196 actual cost of procuring such "Slim Jim" containers, and such revenues shall not be included in Gross
1197 Receipts. Contractor shall not be required to Collect from such "Slim Jim" containers.

1198 **B. Container Standards**

1199 1. All Carts shall be manufactured by injection or rotational molding methods. Carts provided
1200 to Customer shall have a useful life of ten (10) or more years as evidenced by a manufacturer's
1201 warranty or other documentation acceptable to the City.

- 1202 2. All Containers with a capacity of one (1) cubic yard or more shall meet applicable Federal
1203 regulations for Bin safety and be covered with attached lids.
- 1204 3. Contractor shall differentiate Solid Waste Containers, Recyclable Materials Containers and
1205 Organic Materials Containers from each other by providing Containers of different colors
1206 (blue for Recyclable Materials, green for Organic Materials, and grey for Solid Waste), unless
1207 approved otherwise by the City Contract Manager in accordance with Section 5.6.B and
1208 Applicable Law.
- 1209 4. Contractor shall obtain the City's written approval of Container specifications, colors, and
1210 labeling before acquisition, painting, and labeling occurs.
- 1211 5. When purchasing plastic Collection Containers, Contractor shall purchase Containers that
1212 contain a minimum of 30% post-consumer Recycled plastic content.
- 1213 6. All such Containers shall be 100% Recyclable at the end of their useful life.
- 1214 7. Prior to ordering Containers for use under this Agreement, Contractor and City Contract
1215 Manager shall meet and confer to ensure the proposed Container specifications and labels
1216 comply with Applicable Law, including the final SB 1383 regulations.
- 1217 C. **Container Labeling.** All markings on the Containers shall be approved by the City in advance of
1218 ordering such Containers. On the lid of each Cart, and the body of each Bin, Drop Box and Public
1219 Litter Module, Contractor shall label the ultimate destination of such materials as follows:
1220 "LANDFILL" for Solid Waste; "RECYCLE" for Recyclable Materials (including Cardboard, mixed paper,
1221 metal, etc.); and, "ORGANICS" for Organic Materials (including Food Scraps, Yard Trimmings, wood
1222 waste, etc.). On the body of each Cart, Bin, and Drop Box, Contractor shall label the Container
1223 capacity (in gallons for Carts, and cubic yards for Bins and Drop Boxes). Container body labeling shall
1224 be positioned on the side of each Container, so it is visible to the Customer at all times. Each Cart
1225 shall be stamped with the City Logo, and no Container shall be stamped or labeled with Contractor's
1226 name or logo, unless otherwise approved by City Contract Manager.
- 1227 Containers must be in readily identifiable colors to facilitate Customer's ready recognition of Solid
1228 Waste, Recyclable Materials, and Organic Materials. Unless otherwise approved in writing by the
1229 City Contract Manager, Solid Waste Containers shall be grey, Recyclable Materials Containers shall
1230 be blue, and Organic Materials Containers shall be green. Subject to City approval, Contractor shall
1231 display City's name using labels, decals, hot stamp, or other approved method. Contractor shall be
1232 prohibited from including Contractor's name and/or logo on any Containers utilized in the City
1233 unless otherwise approved by City Contract Manager.
- 1234 All Containers shall be labeled in accordance with the requirements of SB 1383. Recyclable Materials
1235 and Organic Materials Container labels must include at least three (3) graphic examples of materials
1236 that are accepted in the Container, and at least two (2) graphic examples of materials that are
1237 prohibited from being placed in the Container, clearly displaying that the prohibited materials are
1238 prohibited (using recognizable symbols). Solid Waste Container labels must include at least two (2)
1239 graphic examples of materials that are prohibited from being placed in the Container, clearly
1240 displaying that the prohibited materials are prohibited (using recognizable symbols), and a
1241 statement that proper separation of Recyclable Materials and Organic Materials is mandatory.
- 1242 All Carts shall include a high-quality educational information label using in-mold technology, such
1243 that all labeling shall be integral to the lid, though the use of injection molding, and shall not be

1244 affixed to any part of the Cart or lid through the use of adhesives, unless otherwise approved in
1245 advance by the City Contract Manager. Notwithstanding the provisions of this Section, or the
1246 requirements of SB 1383, the in-mold lid label shall include: information about the Collection
1247 program; acceptable materials; prohibited materials; notification forbidding Hazardous Waste and
1248 describing proper Disposal thereof; notification forbidding scavenging (through words and
1249 international symbols) and describing the penalties therefore under California law or City
1250 Resolution; and the City's name and logo.

1251 Contractor shall provide Drop Boxes containing permanent, fully SB 1383 compliant labeling and
1252 color specifications to Customers subscribing to regular, ongoing Drop Box service.

1253 **D. Repair and Replacement of Containers; Inventory.**

1254 1. Contractor shall be responsible for repairing or replacing Containers when Contractor
1255 determines the Container is no longer suitable for service; or when the City or Customer
1256 requests replacement of a Container that does not properly function, leaks, is damaged, or is
1257 otherwise not fit for service. Contractor shall be responsible for acquiring and providing the
1258 replacement Containers. Contractor shall repair or replace all lost, stolen, missing, damaged
1259 or broken Containers within one (1) week of Customer or City request. Any such replacements
1260 are in addition to replacements requested by a Customer under Section 5.6.D.3 below. In the
1261 event that Contractor has reason to believe that a Customer may be abusing the
1262 repair/replacement requirement of this Section, Contractor may present the basis for their
1263 belief to the City Contract Manager who may, in their sole discretion, modify the obligations
1264 of this Section with respect to such Customer.

1265 2. Contractor shall maintain a sufficient inventory of Containers to accommodate new Customer
1266 requests for service, requests for change in Service Levels (size, type, or number of
1267 Containers) from current Customers, and requests for replacement due to damage.

1268 3. Contractor shall provide to Single-Family Customers at least one (1) free Cart replacement per
1269 any twelve (12) month period for any reason, upon Customer request. If Customer requests
1270 more than one (1) Cart replacement per any twelve (12) month period, Contractor shall make
1271 Carts available at the City-approved Rate for such services. In addition, Customers may also
1272 request one Cart size exchange per Rate Period at no charge. All such Containers shall be
1273 provided on or before Customer's next regular Collection date. Contractor's failure to comply
1274 with the Container requirements may result in assessment of Liquidated Damages pursuant
1275 to Section 10.6 and Exhibit F.

1276 4. Contractor shall replace one (1) gallon kitchen pails provided to Single-Family Premises and
1277 each Multi-Plex Residential unit upon request by the Customer.

1278 **E. Maintenance, Cleaning, Painting.** All Containers shall be maintained in a safe, serviceable, and
1279 functional condition and present a clean appearance. Such maintenance shall include but not be
1280 limited to ensuring that Bins have operational wheels if equipped. Contractor shall repair or replace
1281 all Containers damaged by Collection operations in accordance with standards specified in Section
1282 5.6.D, unless damage is caused by Customer's gross negligence, in which case, the Customer will be
1283 billed for repair or replacement of Container at a City-approved Rate for such service. All Containers
1284 shall be maintained in a functional condition.

1285 Contractor to provide clean and repainted Containers as needed (other than Carts) to present a
1286 clean appearance. Contractor shall offer steam cleaning service (or clean Container exchange) to
1287 Customers requesting such service and shall charge Customers for such cleaning (or Container
1288 exchange) at the City-approved Rate for such service.

1289 Contractor shall remove graffiti from Containers within one (1) Working Day of identification by
1290 Contractor or notice by City or Customer if such graffiti includes any written or pictorial obscenities
1291 and otherwise within a one (1) week period.

1292 Upon request from the City Contract Manager, Contractor shall provide the City with a list of
1293 Containers and the date each Container was painted and maintained.

1294 **F. City Ownership of Containers at End of Term.** Upon expiration or early termination of Agreement,
1295 all Containers purchased under this Agreement shall become property of the City at no cost to the
1296 City, if such Containers are fully depreciated. Upon expiration or early termination of Agreement,
1297 all Containers purchased under this Agreement that have not been fully depreciated shall be
1298 available to the City, at the City's option, at a cost equal to the then remaining depreciation to be
1299 claimed; provided, however, that the City must purchase all Containers (in addition to the other
1300 Service Assets) that have not been fully depreciated, at a cost equal to the then remaining
1301 depreciation to be claimed, if the City terminates this Agreement pursuant to Section 2.1 above.
1302 Depreciation for purposes of this Section 5.6.F. will be calculated as used for determining
1303 Contractor's Compensation under this Agreement.

1304 At its sole discretion, the City may elect not to exercise its rights with regards to this Section and, in
1305 such case, the Containers shall remain the property of the Contractor upon the date of this
1306 Agreement's expiration or earlier termination. In such case, Contractor shall be responsible for
1307 outstanding depreciation and for removing all Containers in service from the Premises within
1308 fourteen (14) Working Days of the expiration date or early termination date of this Agreement or
1309 within a different timeframe mutually agreed to by the Parties. Contractor shall arrange for reuse
1310 or Recycling of Containers removed from the City, provided that Contractor not place Containers
1311 labeled for use in the City into service in any other jurisdiction without prior written approval from
1312 the City Contract Manager.

1313 **5.7 PERSONNEL**

1314 **A. General.** Contractor shall furnish such qualified personnel as may be necessary to provide the
1315 services required by this Agreement in a safe and efficient manner. Contractor shall designate at
1316 least one (1) qualified employee as City's primary point of contact with Contractor who is principally
1317 responsible for Collection operations and resolution of service requests and Complaints. Such
1318 individual shall be empowered to negotiate on behalf of and bind Contractor with respect to any
1319 changes in scope, dispute resolution, compensation adjustments, and service-related matters which
1320 may arise during the Term of this Agreement.

1321 Contractor shall use its best efforts to assure that all employees present a neat appearance and
1322 conduct themselves in a courteous manner. Contractor shall not permit its employees to accept,
1323 demand, or solicit, directly or indirectly, any additional compensation, or gratuity from Customers
1324 or members of the public.

1325 **B. Hiring of Displaced Employees.** Contractor is aware of and shall comply with the requirements of
1326 and duties imposed by Sections 1072 and 1075 of the California Labor Code regarding offers of
1327 employment to any displaced employees resulting from a change in service provider, if any,
1328 resulting from this Agreement or upon the expiration of this Agreement.

1329 The number of staffing positions to be provided by Contractor to perform the services described
1330 herein to the City are identified in Exhibit H. Failure to consistently maintain these staffing levels,
1331 by position, during the Term of the Agreement shall be considered a material breach, provided that
1332 prior to such action being determined a breach, Contractor and City shall meet and confer to
1333 determine whether staffing levels may be adjusted. If City and Contractor agree to a reduction in
1334 Contractor staffing levels, the resulting cost savings shall be reflected as an "Other Adjustment"
1335 during the next scheduled Rate adjustment, in accordance with Exhibit E.

1336 **C. Driver Qualifications.** All drivers must have in effect a valid driver's license, of the appropriate class,
1337 issued by the California Department of Motor Vehicles. Contractor shall use the Class II California
1338 Department of Motor Vehicles employer "Pull Notice Program" to monitor its drivers for safety.

1339 **D. Safety Training.** Contractor shall provide suitable operational and safety training for all of its
1340 employees who operate Collection vehicles or equipment. Contractor shall train its employees
1341 involved in Collection to identify, and not to Collect, Excluded Materials. Upon the City Contract
1342 Manager's request, Contractor shall provide a copy of its safety policy and safety training program,
1343 the name of its safety officer, and the frequency of its trainings.

1344 **E. Key Personnel.** Contractor shall make every reasonable effort to maintain the stability and
1345 continuity of Contractor's staff assigned to perform the services required under this Agreement.
1346 Contractor shall notify the City of any changes in Contractor's key staff to be assigned to perform
1347 the services required under this Agreement and shall obtain the approval of the City Contract
1348 Manager of all proposed key staff members, including the General Manager, Sustainability
1349 Specialist, and Customer Service Manager, who are to be assigned to perform services under this
1350 Agreement prior to any such performance.

1351 Notwithstanding City's approval of Contractor's personnel, Contractor shall not be relieved from
1352 any liability resulting from the work to be performed under this Agreement, nor shall Contractor be
1353 relieved from its obligation to ensure that its personnel maintain all requisite certifications, licenses,
1354 and the like, and Contractor shall at all times ensure that its personnel fully comply with Applicable
1355 Law.

1356 At any point during the Term of this Agreement, the City may request in writing, followed by a meet
1357 and confer with Contractor senior management, that any of Contractor's employees be reassigned
1358 such that they no longer perform work directly relating to this Agreement. Such request by City shall
1359 provide a statement describing the reasonable cause for such request. Following such meet and
1360 confer period, if the Parties agree that such employee may be reassigned or legally terminated,
1361 Contractor shall remove the identified employee(s) from performing work directly related to this
1362 Agreement; the vacated position(s) must be filled by Contractor with a suitable replacement within
1363 ten (10) calendar days and Contractor shall immediately fill the vacated position with a temporary
1364 replacement, if required to perform without delay, all services required under this Agreement. If
1365 during the process, the Contractor is unable to find a suitable replacement and the performance
1366 has been accurately performed, the City may waive Liquidated Damages.

1367 **F. Sustainability Specialist.** Contractor shall provide no less than one (1) full-time Sustainability
1368 Specialist(s) and maintain staff in such position through the Term of the Agreement. The duties of
1369 the Sustainability Specialist(s) will be focused on public education, community outreach,
1370 Commercial and Multi-Family site visits, and technical assistance, and will be substantially as
1371 described in Exhibit C Public Education and Outreach Requirements. The Sustainability Specialist(s)
1372 shall be full-time, regular, professional positions, compensated in accordance with the wages shown
1373 in Contractor's Proposal for such positions (which may also be called "Recycling Coordinators" or
1374 "Diversion Coordinators"). Contractor acknowledges that the Sustainability Specialist role is not
1375 intended to be an internship, or entry-level role, and that the role shall not include serving as regular
1376 support for other internal or administrative Contractor functions. City shall have the option to
1377 participate in the hiring and training process of Contractor's Sustainability Specialist(s). City shall
1378 also hire a full-time corresponding staff member who will work in partnership with Contractor's
1379 Sustainability Specialist(s), Contractor shall have the option to participate in the training of such City
1380 employee.

1381 In the event that Contractor fails to provide the required number of full-time equivalent
1382 Sustainability Specialists for more than four (4) months (eighteen consecutive weeks), Contractor
1383 shall remit to the City eight thousand four hundred dollars (\$8,400) per un-provided Sustainability
1384 Specialist for every month (in excess of four months) such employee is not provided. Such amount
1385 shall be adjusted annually by the same percentage used to adjust Rates in accordance with Exhibit
1386 E. For example, if for six months Contractor provides only one employee, rather than the required
1387 two, Contractor would remit to the City a minimum of \$16,800 (assuming no annual adjustment of
1388 the amount has occurred). Contractor shall remit such payment within fifteen (15) Business Days of
1389 a written request by the City. The intent of this payment is for the City to utilize the funds to
1390 separately procure equivalent public education services and ensure the contractually agreed upon
1391 levels of technical assistance and outreach to Customers. In the event that the City, in its sole
1392 discretion, determines that Contractor has demonstrated a good faith effort, but has been unable
1393 to fulfil the requirements of this Section 5.7.F within the timelines described herein, the City shall
1394 have the right to waive this requirement though written notice to the Contractor.

1395 **G. Wages and Benefits.** Wages and benefits applicable to employees performing work under the
1396 Agreement shall not be less than those general prevailing rates in Alameda County for comparable
1397 work. Either the City or the Contractor may apply to the Director of the California Department of
1398 Industrial Relations for a determination of such prevailing wages and benefits, if the Parties do not
1399 reach agreement on the amounts involved.

1400 **5.8 HAZARDOUS WASTE INSPECTION AND HANDLING**

1401 **A. Inspection Program and Training.** Contractor shall develop a load inspection program that includes
1402 the following components: (i) personnel and training; (ii) load checking activities; (iii) management
1403 of wastes; and (iv) record keeping and emergency procedures.

1404 Contractor's load checking personnel, including its Collection vehicle drivers, shall be trained in: (i)
1405 the effects of Hazardous Substances on human health and the environment; (ii) identification of
1406 prohibited materials; and (iii) emergency notification and response procedures. Collection vehicle
1407 drivers shall inspect Containers before Collection when practical.

B. Response to Excluded Materials Identified During Collection. If Contractor determines that material placed in any Container for Collection is Excluded Materials or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material. The Generator shall be contacted by the Contractor and requested to arrange proper Disposal. If the Generator cannot be reached immediately, the Contractor shall, before leaving the Premises, leave Non-Collection Notice, which indicates the reason for refusing to Collect the material and lists the phone number of a facility that accepts the Excluded Materials or a phone number of an entity that can provide information on proper Disposal of the Excluded Materials. Under no circumstances shall Contractor's employees knowingly Collect Excluded Materials or remove unsafe or poorly containerized Excluded Materials from a Collection Container.

If Excluded Materials is found in a Collection Container or Collection area that could possibly result in imminent danger to people or property, the Contractor shall immediately notify the Fire Department.

C. Response to Excluded Materials Identified At Processing or Disposal Facility. Materials Collected by Contractor will be delivered to the Approved Facilities for purposes of Processing or Disposal. In the event that load checkers and/or equipment operators at such facility identify Excluded Materials in the loads delivered by Contractor, such personnel shall remove these materials for storage in approved, on-site, Excluded Materials storage Container(s). Contractor, or Processing/Disposal site personnel, shall arrange for removal of the Excluded Materials by permitted haulers in accordance with Applicable Laws and regulatory requirements. The cost of removal and proper handling and Disposal shall be the Contractor responsibility and Contractor may at its sole expense attempt to identify and recover the cost of Disposal from the Generator. If the Generator can be successfully identified, the cost of this effort, as well as the cost of Disposal shall be chargeable to the Generator. If the Generator cannot be successfully identified, the cost of this effort shall be recoverable by the Contractor through the Rate review process.

5.9 CONTRACT MANAGEMENT

City has designated staff, the City Contract Manager, to be responsible for the monitoring and administration of this Agreement. Contractor shall designate an employee to serve as Contractor's Contract Manager(s), to be responsible for working closely with the City Contractor Manager in the monitoring and administration of this Agreement. At any point during the Term of this Agreement, the City may require that Contractor's Contract Manager not be involved in the management, operations, administration, marketing, or other activities of Contractor other than under this Agreement and up to one (1) other community's franchise agreement if Contractor's Contract Manager is unable to devote the necessary time to Contractor's obligations under this Agreement, provided that Contractor's Contract Manager may be involved with up to (2) other communities in order to respond to temporary, short-term staffing turnover as needed. In such case, Contractor shall be responsible for notifying the City Contract Manager of such other community(ies), the length Contractor's Contract Manager's involvement therewith, and any change in assignments. In the event the Contractor's Contract Manager(s) is not providing satisfactory responsiveness to City Contract Manager requests, City may require Contractor to appoint a new Contractor Contract Manager, which can include appointing a new Contractor Contract Manager who is part of the existing Contractor staff performing significant functions within the City, at no additional cost.

The Contractor's Contract Manager shall meet and confer with the City Contract Manager to resolve differences of interpretation and implement and execute the requirements of this Agreement in an efficient, effective, manner that is consistent with the stated objectives of this Agreement.

From time to time the City Contract Manager may designate other agents of City to work with Contractor on specific matters. In such cases, those individuals should be considered designates of the City Contract Manager for those matters to which they have been engaged. Such designates shall be afforded all of the rights and access granted thereto. In the event of a dispute between the City Contract Manager's designate and Contractor, the City Contract Manager's determination shall be conclusive.

In the event of dispute between the City Contract Manager and the Contractor regarding the interpretation of or the performance of services under this Agreement, the City Contract Manager's determination shall be conclusive except where such determination results in a material impact to the Contractor's revenue and/or cost of operations. In the event of a dispute between the City Contract Manager and the Contractor results in such material impact to the Contractor, the provisions of Section 10.9 shall apply. For the purposes of this Section 5.9, "material impact" is an amount equal to or greater than fifty thousand dollars (\$50,000) per year.

City Contract Manager or their designate shall have the right to observe and review Contractor operations and Processing Facilities and enter Premises for the purposes of such observation and review, including review of Contractor's records, during reasonable hours with reasonable notice. In no event shall Contractor prevent access to such Premises for a period of more than three (3) calendar days after receiving such a request. City Contract Manager shall be granted access to Contractor's information systems and Customer service database in accordance with Section 4.9.

5.10 ENVIRONMENTALLY-PREFERRABLE PURCHASING

Contractor shall, prior to the Commencement Date, develop and implement an "Environmentally Preferable Purchasing Policy". Contractor's proposed draft Environmentally Preferable Purchasing Policy is included in Exhibit I. The policy shall be subject to review, request for modification, and approval by the City Contract Manager, which approval will not be unreasonably delayed or withheld. The policy shall, at a minimum, include provisions for: (1) purchasing materials with the highest available Recycled content without materially degrading the performance of the product; (2) purchasing materials that utilize non-toxic, non-polluting alternative chemistry; (3) a twenty percent (20%) price preference, relative to virgin or toxic content products, for purchasing environmentally preferable materials and supplies; and, (4) Source Reduction and pollution prevention strategies for Contractor's operations. Contractor shall include a summary of their environmentally preferable purchasing activities in their Annual Report to City (e.g., volume of Recycled content paper purchased, Source Reduction strategies implemented during the year and the quantified results of that strategy, etc.).

5.11 LOCAL PURCHASING PREFERENCE

Contractor shall, throughout the Term of this Agreement, give preference to purchasing materials and supplies used in connection with this Agreement from local vendors within the County or State; and in that order of preference. At a minimum, upon mutual agreement with City, Contractor shall purchase the following items from vendors within the County: vehicle supplies (e.g., fuel, fluids, tires, parts, etc.); printing and publishing services for any and all public education and outreach materials (unless printing and publishing of outreach and education materials are elements of Contractor's Billings, such as

1491 newsletters and inserts included with bills); uniforms, safety clothing/equipment, and work boots; and
1492 office supplies.

1493 **5.12 DIVERSION REQUIREMENTS**

1494 Contractor shall perform services under this Agreement in a manner which supports the City's
1495 environmental goals. This includes, but is not limited to, providing services, education, and outreach to
1496 Customers and in the community which promote Source Reduction, reuse, Recycling, Composting, and
1497 other methods to reduce landfill Disposal. Contractor is expected, wherever appropriate, to suggest
1498 opportunities for Customers to reduce their Solid Waste subscription levels and increase the level of
1499 Recyclable Materials and Organic Materials service received.

1500 Contractor shall achieve the following minimum Diversion targets:

1501

Figure 5.12: Minimum Diversion Targets

Rate Period	Minimum Diversion Rate
1	65.00%
2	70.00%
3	75.00%
4	80.00%
5	85.00%
6	89.00%
7	89.00%
8	89.00%
9	89.00%
10	89.00%

1502 For purposes of this Section 5.12, Diversion shall be calculated as follows (as further displayed in Exhibit
1503 G5):

1504
$$\text{Diversion} = \frac{[(\text{total Tons of Recyclable Materials Collected} + \text{total Tons of Organic Materials Collected} + \text{total Tons of Bulky Items/Reusable Materials Collected}) - (\text{Approved Recyclable Materials Processing Facility Residue} + \text{Approved Organic Materials Processing Facility Residue} + \text{Approved Reusable Materials Processing Facility Residue})]}{\text{total Tons of all materials Collected}}.$$

1505
1506
1507
1508 A. Notes and Further Explanation Regarding Diversion Calculation.

1509 1. Residue from Processing the City's materials at the following facilities will not be counted
1510 towards "Diversion":

1511 a. Approved Recyclable Materials Processing Facility;

1512 b. Approved Organic Materials Processing Facility; and

1513 c. Approved Reusable Materials Processing Facility(ies) (including any facility used to
1514 receive and Process materials Collected through the On-call Bulky Item Collection
1515 programs).

- 1516 2. Construction and Demolition Debris (C&D) Collected in the City by any Persons will not be
1517 counted towards "Diversion" or as Disposal.
- 1518 3. Tons used as Alternative Daily Cover (ADC) or Alternative Intermediate Cover (AIC) will only
1519 count as "Diversion" under the methodology to the extent that those Tons are accepted as
1520 Diversion for purposes of reporting to CalRecycle.
- 1521 4. A sample calculation is provided in Exhibit G5.

1522 Failure to achieve the target presented in Figure 5.12 in any calendar year shall result in adjustments to
1523 the Waste Management Recycling and Program Fee, as described in Section 7.2, provided however, that
1524 the Contractor shall have the opportunity to meet and confer with the City Contract Manager to present
1525 Contractor's efforts in striving to achieve such targets, prior to such additional fees being due. City may in
1526 its sole discretion waive such additional fee amounts based on a determination that Contractor has made
1527 a good faith effort towards achievement of such Diversion target(s).

1528 In addition, Contractor shall demonstrate compliance with the Commercial Recycling mandates of AB 341,
1529 and AB 1826. Once per quarter, Contractor shall submit to the City as a part of the Quarterly report
1530 (submitted in accordance with Section 6.2) a list of Commercial Customers with Solid Waste Service Levels
1531 of four (4) or more cubic yards per week. This list shall indicate whether Contractor is providing Recyclable
1532 Materials and/or Organic Materials Collection services to each such Customer. For Customers on this list
1533 who do not subscribe to Recyclable Materials, or Organic Materials Collection from Contractor,
1534 Contractor shall determine and report if that Customer is in compliance with the AB 341, and AB 1826
1535 Commercial Recycling mandates through some other approved method, including, but not limited to,
1536 Recycling with another City-approved service provider (in accordance with Section 1.2), self-hauling to a
1537 Recycling center, or back-hauling materials through their distribution system to a central location for
1538 Diversion. Quarterly AB 341/AB 1826 compliance reports shall be in a format approved by the City. When
1539 SB 1383 regulations are implemented, Contractor shall submit quarterly SB 1383 compliance reports in a
1540 format approved by the City.

1541 **ARTICLE 6.**

1542 **RECORD KEEPING AND REPORTING**

1543 **6.1 RECORD KEEPING**

1544 Contractor shall maintain Customer contact data, Customer service, accounting, statistical, operational,
1545 and other records related to its performance as shall be necessary to provide reporting under this
1546 Agreement, Applicable Law, and to demonstrate compliance with this Agreement. Unless otherwise
1547 required in this Article, Contractor shall retain all records and data required to be maintained by this
1548 Agreement for the Term of this Agreement plus three (3) years after its expiration or earlier termination.
1549 Records and data shall be in chronological and organized form and readily and easily interpreted. Upon
1550 request, any such records shall be retrieved within ten (10) Working Days of a request by the City Contract
1551 Manager and made available to the City Contract Manager. Contractor shall maintain adequate record
1552 security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an
1553 earthquake. Electronically-maintained data and records shall be protected and backed-up. To the extent
1554 that Contractor utilizes its computer systems to comply with record keeping and reporting requirements
1555 under this Agreement, Contractor shall, on a monthly basis, save all system-generated reports supporting

1556 those record keeping and reporting requirements in a static format in order to provide an audit trail for
1557 all data required.

1558 City views its ability to defend itself against Comprehensive Environmental Response, Compensation and
1559 Liability Act (CERCLA), and related litigation as a matter of great importance. For this reason, City regards
1560 its ability to prove where Collected Recyclable Materials, Organic Materials, and Solid Waste are taken for
1561 Transfer, Processing, or Disposal. Contractor shall maintain records which can establish where Recyclable
1562 Materials, Organic Materials, and Solid Waste Collected were Transferred, Processed, or Disposed. This
1563 provision shall survive the expiration or earlier termination of this Agreement. Contractor shall maintain
1564 these records for a minimum of ten (10) years beyond expiration or earlier termination of the Agreement.
1565 Contractor shall provide these records to City (upon request or at the end of the record retention period)
1566 in an organized and indexed manner rather than destroying or Disposing of them.

1567 **6.2 REPORT SUBMITTAL REQUIREMENTS**

1568 Contractor shall submit quarterly reports no later than thirty (30) calendar days after the end of the
1569 calendar quarter. Contractor shall submit annual reports no later than forty-five (45) calendar days after
1570 the end of each calendar year (with the exception that Contractor shall coordinate with the City Contract
1571 Manager to ensure that any materials scheduled to be included in the annual report due in 2022 be
1572 provided earlier if necessary for the City to comply with the reporting requirements of SB 1383). Quarterly
1573 and annual reports shall, at a minimum, include all data and information as described in Exhibit D.
1574 Additionally, upon request by the City, Contractor shall provide any data, described in Exhibit D, required
1575 to respond to requests by local, regional, or State agencies within five (5) Business Days.

1576 Contractor may propose report formats that are responsive to the objectives and audiences for each
1577 report. The format of each report shall be approved by the City Contract Manager, in their sole discretion.
1578 City Contract Manager may, from time to time during the Term, review and request changes to
1579 Contractor's report formats and content and Contractor shall not unreasonably deny such requests.

1580 Contractor shall submit all reports to the City Contract Manager electronically via e-mail using software
1581 acceptable to the City.

1582 City reserves the right to require Contractor to provide additional reports or documents as City Contract
1583 Manager reasonably determines to be required for the administration of this Agreement or compliance
1584 with Applicable Law.

1585 **6.3 PERFORMANCE REVIEW AND AUDIT**

1586 The City may conduct, and Contractor shall cooperate with, one (1) performance review and/or one (1)
1587 detailed financial audit at any point during the Term of this Agreement to verify Contractor has fulfilled
1588 its financial and operational obligations under this Agreement. The purpose of such review and audit shall
1589 be, without limitation, to review Complaints, billings, and fee payments to City, and to determine if
1590 Contractor has met the performance standards described in this Agreement (including, without limitation,
1591 performance standards established in Exhibit F). City may choose to enlist professional service providers
1592 to perform such review and audit, and Contractor shall be required to pay City's actual costs for such
1593 services up to thirty thousand dollars (\$30,000) per audit and up to fifty thousand dollars (\$50,000) per
1594 performance review (such amounts shall be adjusted annually by the annual percentage change in CPI-U,
1595 calculated in accordance with Exhibit E). Contractor may not influence or control the City's selection of
1596 professional service providers. Contractor shall cooperate with the City and its agents during the review

and audit process. If any noncompliance with the Agreement is found, the City may direct the Contractor to correct the inadequacies in accordance with Article 10 of this Agreement. The Contractor can recover the cost of each audit by including the costs in the Contractor's Compensation as an "other adjustment" pursuant to Exhibit E1, Section 2.F in the applicable Rate Period mutually agreed between City and Contractor.

At the City's sole option, with at least thirty (30) calendar days written notification to the Contractor, it may conduct a public hearing at which the Contractor shall be present and shall participate, to review the Contractor's performance and quality of service and provide for evaluation of technological and regulatory changes. The reports required by Exhibit D to this Agreement regarding Customer Complaints may be utilized as a basis for review as well as any findings from performance review and/or audits. Performance and service quality review hearings may be scheduled by the City at its discretion throughout the Term of the Agreement.

ARTICLE 7. CITY FEES

7.1 FRANCHISE FEE

The Contractor shall pay a Franchise Fee to City each month. Contractor has proposed and City has agreed that the amount of the Franchise Fee shall be equal to \$2,100,000 per year and shall be paid in equal monthly installments. Contractor and City agree the Franchise Fee is a negotiated amount that is reasonably related to the value of the rights granted to Contractor under this Agreement. City may use the Franchise Fee for any lawful purpose. The Franchise Fee shall be considered a reduction to Contractor's profit in the calculations performed in Exhibit E. Accordingly, the Franchise Fee is a cost paid solely by Contractor. The Franchise Fee amount shall be increased annually by the same percentage as the Rate Adjustment Factor calculated for that Rate Period.

7.2 WASTE MANAGEMENT RECYCLING AND PROGRAM FEE

The Contractor shall pay a Waste Management Recycling and Program Fee to City each month. During the Term of this Agreement and any extension of it, Contractor shall remit to the City on a monthly basis one-twelfth (1/12th) of the annual amount of the Waste Management Recycling and Program Fee. City shall use the Waste Management Recycling and Program Fee to offset expenses including staffing costs related to City programs, pilot studies, education and outreach campaigns, technical assistance to Customers, reporting, compliance, provision of special Containers, or other activities involved in compliance with regulations governing the treatment of Discarded Materials (including but not limited to AB 939 and SB 1383). The City shall retain the sole right to set priorities for the use of its Waste Management Recycling and Program Fee. This fee shall be considered an allowable cost of business not subject to profit mark-up and included in the adjustment of Rates as described in Exhibit E.

Subject to the provisions of Section 5.12, in the event that the Contractor fails to meet the minimum Diversion requirements specified in Figure 5.12 of Section 5.12 in any calendar year, the following amounts shall be added to the Waste Management Recycling and Program Fee in the subsequent calendar year, with the purpose of supporting additional public education and outreach related to Diversion and proper Source Separation:

Diversion Target Shortfall	Additional Waste Management Recycling and Program Fee Amount
0.001% - 2.000%	\$20,000.00 per calendar year
2.001% - 3.000%	\$50,000.00 per calendar year
3.001% or greater	\$100,000.00 per calendar year

Additional Waste Management and Recycling and Program Fee payments as described in this Section 7.2 shall only be implemented one (1) time per target per year, such that the failure to achieve a target in one year may not be reflected as cumulative payments in subsequent years. Contractor shall submit all additional payments required by this Section 7.2 by June 30 of the calendar year directly following the calendar year in which the non-performance occurred, unless otherwise approved by the City Contract Manager.

7.3 INFRASTRUCTURE IMPACTS MITIGATION FEE

The Contractor shall pay an Infrastructure Impacts Mitigation Fee to City each month. Contractor shall remit to the City on a monthly basis one-twelfth (1/12th) of the annual amount of the Infrastructure Impacts Mitigation Fee. This fee is to reimburse the City for street and sidewalk maintenance costs incurred from Collection vehicles operating on City streets. This fee shall be considered an allowable cost of business not subject to profit mark-up and included in the adjustment of Rates as described in Exhibit E.

7.4 DOOLITTLE LANDFILL MAINTENANCE FEE

The Contractor shall pay a Doolittle Landfill Maintenance Fee to City each month. Contractor shall remit to the City on a monthly basis one-twelfth (1/12th) of the annual amount of the Doolittle Landfill Maintenance Fee. This fee shall be considered an allowable cost of business not subject to profit mark-up and included in the adjustment of Rates as described in Exhibit E.

7.5 CITY PARKS FEE

The Contractor shall pay a City Parks Fee to City each month. Contractor shall remit to the City on a monthly basis one-twelfth (1/12th) of the annual amount of the City Parks Fee. This fee shall be considered an allowable cost of business not subject to profit mark-up and included in the adjustment of Rates as described in Exhibit E.

7.6 OTHER FEES

The City shall reserve the right to set "other" fees, as it deems necessary. The amount, time and method of payment and adjustment process will be set in a manner similar to that for other fees described in this Article.

7.7 ADJUSTMENT TO FEES

City may set other fees or adjust the fees established in this Article (other than the Franchise Fee) from time-to-time during the Term of this Agreement and such other fees and adjustments shall be considered an allowable cost of business not subject to profit mark-up and included in the adjustment of Rates as described in Exhibit E.

7.8 PAYMENT SCHEDULE AND LATE FEES

Within twenty-five (25) calendar days of the end of each calendar month, during the Term of this Agreement, Contractor shall remit to City all fees as described in this Article. Such fees shall be remitted to City and sent or delivered to the City Contract Manager. If such remittance is not paid to City on or before the twenty-fifth (25th) calendar day following the end of a calendar month, all fees due shall be subject to a delinquency penalty of two percent (2%), or maximum permitted by law, which attaches on the first day of delinquency. The delinquency penalty shall be increased an additional two percent (2%), or maximum permitted by law, for each additional month the payment remains delinquent.

Each monthly remittance to City shall be accompanied by a statement listing the amount of each fee paid; and the calculation of each fee. City Contract Manager may, at any time during the Term, request a detailed calculation of Gross Receipts which may include, but is not necessarily limited to, the number of Customers charged at each Service Level and Rate for each billing period. Contractor shall maintain all supporting documents and calculations for each payment made to City as required by Section 6.1.

City Contract Manager may, at any time during the Term, perform an audit of Contractor's billings and payment of fees. Contractor shall cooperate with the City Contract Manager in any such audit. Should City or its agent perform this review and identify errors in payment of fees valued at one (1) percent or more for the period reviewed, Contractor shall, in addition to compensating City for lost fees, reimburse the City's actual cost of the review.

ARTICLE 8. CONTRACTOR'S COMPENSATION AND RATE SETTING

8.1 GENERAL

The Contractor's Compensation for performance of all its obligations under this Agreement shall be Gross Receipts. Contractor's Compensation provided for in this Article shall be the full, entire and complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials and supplies, Transfer, Processing and Disposal fees, Franchise Fees, City Reimbursements, taxes, insurance, bonds, overhead, operations, profit, and all other things necessary to perform all the services required by this Agreement in the manner and at the times prescribed. Nothing herein shall obligate City to provide any compensation to Contractor beyond Gross Receipts.

If Contractor's actual costs, including fees due to City, are more than Gross Receipts, Contractor shall not be compensated for the difference in actual costs and actual Gross Receipts. If Contractor's actual costs are less than the actual Gross Receipts, Contractor shall retain the difference provided that Contractor has paid Franchise Fees and City Reimbursements pursuant to Article 7.

Under this Agreement, Contractor shall have the right and obligation to charge and collect from Customers, Rates in Exhibit G2 that are approved by the City for provision of services to Customers. The Rates for Rate Period One are based on the Contractor's Proposal. Contractor's proposed costs and operating assumptions for Rate Period One are presented in Exhibit G1.

The Approved Recyclable Materials Processing Facility shall retain revenues received from the sale of Recyclable Materials including California Redemption Value revenues. Such revenues have been considered in the establishment of Rates for services provided under this Agreement. Neither Contractor nor the Approved Recyclable Materials Processing Facility are entitled to grant funds available through the Department of Resources Recycling and Recovery (CalRecycle) through its "City/County Payment Program" pursuant to Section 14581(a)(5)(A) of the California Beverage Container Recycling and Litter Reduction Act.

8.2 RATES AND ANNUAL ADJUSTMENTS

A. General. The City Contract Manager shall be responsible for approving Rates as described in this Article. If at any time during the Term of the Agreement, the Contractor determines the need for a Rate that does not appear on the City-approved Rate schedule in Exhibit G2, Contractor shall immediately notify the City and request establishment of such Rate. For example, if a Customer requires Collection of Organic Materials in a fifteen (15) cubic yard Compactor five (5) times per week and the City-approved Rate schedule does not include this level of service, the Contractor must request that the City approve a Rate for this level of service. Approval of Rates may be made by the City Contract Manager.

B. Rates for Rate Period One. Rates for Rate Period One, which are presented in Exhibit G2, were determined by Contractor and City and were approved along with the Agreement. The Rates for Rate Period One shall be effective from July 1, 2021 through June 30, 2022.

C. Rates for Subsequent Rate Periods. Rates for subsequent Rate Periods shall be adjusted annually in accordance with this Section 8.2 and Exhibit E. Rates for Rate Periods Two, Three, Five, Six, Seven, Nine, Ten, and Eleven shall be adjusted in accordance with Exhibit E1, Index-Based Rate Adjustment Methodology. Rates for Rate Periods Four, Eight, and Twelve shall be adjusted in accordance with Exhibit E2, Cost-Based Rate Adjustment Methodology. Subsequent Rate Periods shall be adjusted annually in a method mutually agreed upon by the Parties.

The index-based adjustment, which is described in Exhibit E1, involves use of various cost adjustment factors (such as the percentage change in the consumer price index and changes in Tonnage and tipping fees) to calculate adjusted Rates. Such Rate adjustment calculations shall be performed in strict conformance to the procedures described in Exhibit E1.

The cost-based methodology, which is described in Exhibit E2, involves a review of Contractor's actual costs and revenues and projection of costs and revenues for the coming Rate Period. This cost-based Rate adjustment shall be performed instead of the index-based Rate adjustment for Rate Periods Four, Eight, and Twelve. Such Rate adjustment calculations shall be performed in strict conformance to the procedures described in Exhibit E2.

D. Rate Structure. The City may, at any time during the Term of this Agreement and in its sole discretion, change the relationship of individual Rates in comparison with other Rates. Any such changes would occur in conjunction with the annual Rate adjustment process described in Section 8.2.C or in conjunction with a Rate adjustment resulting from an extraordinary Rate adjustment in accordance with Section 8.3. Changes to the Rates charged under the new structure shall be calculated in such a way that the revised Rate structure generates at least the same amount of total

1745 revenue when the current number of accounts at each Service Level are multiplied by the Rates
1746 charged for each Service Level and the total for all Service Levels are summed.

1747 **8.3 EXTRAORDINARY RATE ADJUSTMENTS**

1748 It is understood that the Contractor accepts the risk for changes in cost of providing services and the
1749 Service Levels requested by Customers and therefore the extraordinary adjustments to Rates shall be
1750 limited to a Change in Law or a City-directed change in scope. If a Change in Law or City-directed change
1751 in scope (pursuant to Section 3.5) occurs, the Contractor may petition City for an adjustment to the Rates
1752 in excess of the annual adjustment described in Section 8.2.

1753 Contractor shall prepare an application for the extraordinary Rate increase. Such submittal shall be
1754 prepared in compliance with the procedures described in Exhibit E2 and shall provide all information
1755 requested by City Contract Manager specific to the nature of the request being made. Contractor shall
1756 pay all reasonable costs incurred by City, including the costs of outside accountants, attorneys, and/or
1757 consultants, in order to make a determination of the reasonableness of the requested Rate adjustment.
1758 The application shall clearly document the reason for the proposed adjustment, include calculation of the
1759 proposed Rate adjustments, and provide supporting documentation.

1760 In the event of such an application for extraordinary Rate increase, it is understood that the Contractor
1761 shall have the burden of demonstrating to the reasonable satisfaction of the City Contract Manager that
1762 the failure of City to adjust the Rates will result in the Contractor's financial loss or failure to achieve
1763 reasonable profitability due to the Change in Law or City-directed change in scope. The Contractor will
1764 have to demonstrate financial loss or a failure to achieve reasonable profitability by allowing for City
1765 Contract Manager review of financial statements and supporting documentation.

1766 The City Contract Manager shall have the right to request any other information that they, in their
1767 reasonable judgment, determine is necessary to establish the reasonableness or accuracy of Contractor's
1768 request for an extraordinary Rate increase. Contractor's failure to fully cooperate in a timely manner with
1769 any reasonable request for information by the City Contract Manager may result in either the denial of or
1770 a delay in the approval of the request for an extraordinary Rate increase.

1771 Contractor may, at any time during the Term of this Agreement, present to City opportunities for reducing
1772 costs. Upon Contractor's presentation of their cost saving proposal, City may request and Contractor shall
1773 provide such information as may be reasonably necessary to fully understand the proposed change. In no
1774 case shall Contractor undertake significant cost reduction efforts which, in the City's reasonable
1775 determination, negatively impacts the services provided under this Agreement without the prior written
1776 approval of the City. Should Contractor propose and City accept an approach to reducing costs, the Parties
1777 shall establish the portion of the cost savings which will accrue to the benefit of the Contractor and the
1778 portion that will accrue to the benefit of the Customers through a reduction in the Rates. Should no other
1779 mutually acceptable apportionment be agreed upon, the Contractor shall retain fifty percent (50%) of the
1780 projected cost savings and the Customers shall gain the benefit of the other fifty percent (50%). Such cost
1781 savings shall be reflected as a negative value in the "Other Adjustment" portion of the Rate application
1782 submitted pursuant to Exhibit E1 or Exhibit E2, depending on the type of Rate adjustment procedure used
1783 in that Rate Period.

1784 Contractor has assumed that the final regulations issued in November 2020 under SB 1383 apply, and
1785 Contractor's Proposal (Exhibit G) assumes compliance with such regulations as they relate to: (i) specific

requirements of SB 1383 placed on Contractor in its capacity as a regulated hauler and operator of a Title 14 regulated Transfer/Processing Facility and Compost facility; and, (ii) specific programmatic, monitoring, education, recordkeeping, reporting, and procurement-related responsibilities delegated to Contractor by City as described in this Agreement. To the extent that Contractor incurs costs as the result of the City's choices of complying with SB 1383 that are not reflected in this Agreement or in Contractor's Proposal, such costs will be deemed to have resulted from a City-directed change in scope pursuant to Section 3.5 above, provided that the Contractor has first notified the City Contract Manager of its belief that the requested performance is out of scope and that the City has approved a change in scope consistent with the requirements of Section 3.5.

8.4 BALANCING ACCOUNT

A. Rate Revenue Reconciliation Procedure. By September 10 of each year of the Agreement (except for Rate Period One), Contractor shall submit to the City its audited financial statements for Contractor's most recently completed fiscal year (that corresponds with the most recently completed Rate Period), which shall set forth the Gross Rate Revenues for such Rate Period, and Contractor shall describe any difference in the Gross Rate Revenues per the Contractor's audited financial statements and the Projected Gross Rate Revenues for such Rate Period, as determined by these procedures. The difference shall be reconciled as described in the following paragraph.

In the event Gross Rate Revenues as reported for the most recently completed Rate Period are greater or less than Projected Gross Rate Revenues for such Rate Period, the difference will be applied as an increase or decrease to the Balancing Account by the Contractor within thirty (30) days after the submittal of the Contractor's Rate application for Total Contractor's Compensation for the upcoming Rate Period. For example, if Contractor receives Gross Rate Revenues for Rate Period One (as reported on the audited financial statements for Rate Period One) that are one hundred thousand dollars (\$100,000) higher than the Projected Gross Rate Revenues for Rate Period One, then the Contractor will apply the \$100,000 excess as an increase to the Balancing Account. On the other hand, if Contractor receives Gross Rate Revenues for Rate Period One (as reported on the audited financial statements for Rate Period One) that are one hundred thousand dollars (\$100,000) less than the Projected Gross Rate Revenues for Rate Period One, then the Contractor will apply the \$100,000 deficit as a decrease to the Balancing Account. The Revenue Reconciliation process described in this Section shall occur for each Rate Period with the exception that no Revenue Reconciliation shall occur for the second to the last and the last Rate Period of the Term of the Agreement.

The City may request reconciliation of Gross Rate Revenues with Customer account information. If such a request is made by the City, the City shall request, and Contractor shall provide, the actual number of accounts and type and frequency of service along with a copy of the most recent review of its billings, which shall be reconciled to the Gross Rate Revenues per the audited financial statements. In the event the variance between the Rate revenues determined through the audit process using Customer account information and the Gross Rate Revenues reported in the audited financial statements is greater than one-half of one percent (0.5%), the amount of the variance between the Rate revenues determined through the audit process using Customer account information and the Gross Rate Revenues reported in the audited financial statements may be deducted from (credited to) the Balancing Account.

1828 **B. Interest Expense Reconciliation Procedure.** In the event actual interest expense as reported for a
1829 Rate Period is greater than or less than the interest expense anticipated for such Rate Period at the
1830 time the Rates for such Rate Period were set, the amount of the difference will be applied by the
1831 Contractor as an increase or decrease to the Balancing Account within thirty (30) days after the
1832 submittal of the Contractor's Rate application for Total Contractor's Compensation for the
1833 upcoming Rate Period. For example, if Contractor's actual interest expense for Rate Period Thirteen
1834 (as reported on the audited financial statements for the twelve (12) month period ending June 30,
1835 2034) is ten thousand dollars (\$10,000) lower than the interest expense anticipated for Rate Period
1836 Thirteen, then the Contractor will apply the \$10,000 deficit as an increase to the Balancing Account.
1837 Alternatively, if Contractor's actual interest expense for Rate Period Thirteen (as reported on the
1838 audited financial statements for the twelve (12) month period ending June 30, 2034) is ten thousand
1839 dollars (\$10,000) higher than interest expense anticipated for Rate Period Thirteen, then the
1840 Contractor will apply the \$10,000 excess as a decrease to the Balancing Account. The interest
1841 expense reconciliation process described in this Section shall occur for each Rate Period with the
1842 exception that no interest reconciliation shall occur for the second to the last and the last Rate
1843 Period of the Term of the Agreement.

1844 **C. Use of Balancing Account.** During the annual Rate setting process, City and Contractor shall meet
1845 and confer to discuss the use of the Balancing Account to minimize Rate volatility. Any positive
1846 balance in the Balancing Account may be applied to reduce Total Contractor's Compensation for the
1847 upcoming Rate Period (and/or any future Rate Periods thereafter) at the City Contract Manager's
1848 sole discretion. Any negative balance in the Balancing Account may be applied to increase Total
1849 Contractor's Compensation for the upcoming Rate Period (and/or any future Rate Periods
1850 thereafter) at the City Contract Manager's sole discretion. Up to twenty-five percent (25%) of any
1851 positive balance in the Balancing Account per Rate Period may be used to fund City-directed solid
1852 waste programs that relate to this Agreement, as the City may direct. However, the purchase of
1853 electric vehicles, pursuant to Section 5.5, is not subject to the twenty-five percent (25%) limit per
1854 Rate Period. Within thirty (30) days after the expiration or earlier termination of this Agreement,
1855 any positive balance in the Balancing Account will be paid by Contractor to the City and any negative
1856 balance in the Balancing Account will be paid by the City to Contractor. No interest shall accrue on
1857 amounts in the Balancing Account.

1858 **ARTICLE 9.**
1859 **INDEMNITY, INSURANCE, AND PERFORMANCE**
1860 **BOND**

1861 **9.1 INDEMNIFICATION**

1862 **A. General.** Contractor shall indemnify, defend with counsel reasonably acceptable to City, and hold
1863 harmless (to the full extent permitted by law) City and its officers, officials, employees, volunteers,
1864 and agents from and against any and all claims, liability, loss, injuries, damage, expense, and costs
1865 (including without limitation costs and fees of litigation, including reasonable attorneys' and expert
1866 witness fees) (collectively, "Damages") of every nature arising out of or in connection with
1867 Contractor's performance under this Agreement, or its failure to comply with any of its obligations
1868 contained in the Agreement, except to the extent such loss or damage was caused by the negligence
1869 or willful misconduct of City.

1870 **B. Excluded Materials.** Contractor acknowledges that it is responsible for compliance during the entire
1871 Term of this Agreement with all Applicable Laws. Contractor shall not store, Transport, use, or
1872 Dispose of any Excluded Materials except in strict compliance with all Applicable Laws.

1873 In the event that Contractor negligently or willfully mishandles Excluded Materials in the course of
1874 carrying out its activities under this Agreement, Contractor shall at its sole expense promptly take
1875 all investigatory and/or remedial action reasonably required for the remediation of such
1876 environmental contamination. Prior to undertaking any investigatory or remedial action, however,
1877 Contractor shall first obtain City's approval of any proposed investigatory or remedial action. Should
1878 Contractor fail at any time to promptly take such action, City may undertake such action at
1879 Contractor's sole cost and expense, and Contractor shall reimburse City for all such expenses within
1880 thirty (30) calendar days of being billed for those expenses, and any amount not paid within that
1881 thirty (30) calendar day period shall thereafter be deemed delinquent and subject to the delinquent
1882 fee payment provision of Section 7.8. These obligations are in addition to any defense and
1883 indemnity obligations that Contractor may have under this Agreement. The provisions of this
1884 Section shall survive the termination or expiration of this Agreement.

1885 Notwithstanding the foregoing, Contractor's duties under this subsection shall not extend to any
1886 claims arising from the Disposal of Solid Waste at the Designated Disposal Facility, including, but
1887 not limited to, claims arising under Comprehensive Environmental Response, Compensation and
1888 Liability Act (CERCLA) unless such claim is a direct result of Contractor's negligence or willful
1889 misconduct.

1890 **C. Environmental Indemnity.** Contractor shall defend, indemnify, and hold City harmless against and
1891 from any and all claims, suits, losses, penalties, damages, and liability for damages of every name,
1892 kind and description, including reasonable attorneys' fees and costs incurred, attributable to the
1893 negligence or willful misconduct of Contractor in handling Excluded Materials.

1894 **D. Related to AB 939, AB 341, AB 1826, and SB 1383.** Contractor's duty to defend and indemnify
1895 herein includes all fines and/or penalties imposed by CalRecycle, if the requirements of AB 939, AB
1896 341, AB 1826, and/or SB 1383 are not met by City with respect to the waste stream Collected under
1897 this Agreement, and such failure is: (i) due to the failure of Contractor to meet its obligations under
1898 this Agreement; or (ii) due to Contractor delays in providing information that prevents Contractor
1899 or City from submitting reports to regulators in a timely manner.

1900 Notwithstanding any other provision in this Agreement, Contractor's obligations in this Subsection
1901 D with respect to AB 939, AB 341, AB 1826, and/or SB 1383 shall be subject to the provisions of
1902 Section 40059.1 of the Public Resources Code, and Contractor shall not be liable for any indemnity
1903 obligations or penalties under this Agreement in respect of any such requirements except to the
1904 extent that indemnity obligations by Contractor are enforceable under said Section.

1905 **E. Related to Proposition 13 and 218.** Should there be a Change in Law or a new judicial interpretation
1906 of Applicable Law, including, but not limited to, Article XIII A, C and D of the California Constitution
1907 (commonly known as Proposition 218), which impacts the Rates for the Collection services
1908 established in accordance with this Agreement, Contractor agrees to meet and confer with City to
1909 discuss the impact of such Change in Law on either Party's ability to perform under this Agreement.
1910 Any adjustment of Rates is contingent on City's use of such Proposition 218 process as deemed
1911 necessary or advisable by the City.

1912 If, at any time, the existing Rates or a Rate adjustment determined to be appropriate by both City
 1913 and Contractor to compensate Contractor for costs or increases in costs as described in this
 1914 Agreement cannot be maintained or implemented for any reason, Contractor shall be granted the
 1915 option to negotiate with City, in good faith, a reduction of services equal to the value of the Rate or
 1916 Rate adjustment that cannot be implemented. If City and Contractor are unable to reach agreement
 1917 about such a reduction in services, then Contractor may terminate this Agreement upon 180 days'
 1918 prior written notice to City, in which case the Contractor and City shall each be entitled to payment
 1919 of amounts due for contract performance through the date of termination but otherwise will have
 1920 no further obligation to one another pursuant to this Agreement after the date of such termination.
 1921 Should a court of competent jurisdiction determine that the Contractor cannot charge and/or
 1922 increase its Rates for any amount of charges related to Franchise Fees and/or City Reimbursements
 1923 and/or other charges, Contractor shall reduce the Rates it charges Customers by a corresponding
 1924 amount and shall be relieved from paying the amount of such Franchise Fees and/or City
 1925 Reimbursements and/or other charges, provided said Franchise Fees and/or City Reimbursements
 1926 and/or other charges disallowed by the court were determined not to be lawful or related to the
 1927 cost of providing service hereunder and had been incorporated in the Rates charged by Contractor
 1928 to its Customers.

1929 Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D, apply to the
 1930 Rates established for services provided under this Agreement; rather this Section is provided merely
 1931 to allocate risk of an adverse judicial interpretation between the Parties.

1932 This provision (i.e., Section 9.1) will survive the expiration or earlier termination of this Agreement
 1933 and shall not be construed as a waiver of rights by City to contribution or indemnity from third
 1934 parties.

1935 **F. Hazardous Substance Indemnification.** Contractor shall indemnify, defend with counsel acceptable
 1936 to the City, protect and hold harmless the City, Alameda Reuse and Redevelopment Authority, the
 1937 City's and Alameda Reuse and Redevelopment Authority's boards or commissions, officers,
 1938 employees, volunteers, and agents (collectively, "indemnitees") from and against all claims,
 1939 damages (including, but not limited to, special, consequential, natural resources and punitive
 1940 damages), injuries, costs, (including, without limitation, any and all response, remediation and
 1941 removal costs), losses, demands, debts, liens, liabilities, causes of action, suits, legal or
 1942 administrative proceedings, interest, fines, charges, penalties, and expenses (including, without
 1943 limitation, attorneys' expert witness fees and costs incurred in connection with defending against
 1944 any of the foregoing or in enforcing this indemnity), (collectively, "Damages") of any kind
 1945 whatsoever paid, incurred or suffered by, or asserted against, indemnitees arising from or
 1946 attributable to the acts or omissions of Contractor whether or not negligent or otherwise culpable,
 1947 in connection with or related to the performance of this Agreement, including, without limitation,
 1948 damages arising from or attributable to any operations, repair, clean-up or detoxification, or other
 1949 plan (regardless of whether undertaken due to governmental action) concerning any Hazardous
 1950 Substance or Hazardous Waste, Collected under this Agreement. Notwithstanding the foregoing,
 1951 however, Contractor shall not be required to indemnify the City and Alameda Reuse and
 1952 Redevelopment Authority for the costs for any claims arising from the Disposal of Solid Waste at
 1953 the Designated Disposal Location, including, but not limited to, claims arising under the
 1954 Comprehensive Environmental Response, Comprehensive and Liability Act (CERCLA) unless such
 1955 Disposal site is at a facility owned and operated by Contractor or such claim is a direct result of
 1956 Contractor's actions or negligence. This indemnity afforded indemnitees, shall only be limited to

1957 exclude coverage for intentional wrongful acts and negligence of indemnitees, and as provided
1958 below. In the event Disposal occurs at a Disposal site owned by the Contractor, Contractor shall be
1959 required to indemnify the City and Alameda Reuse and Redevelopment Authority for the costs for
1960 any claims arising from the Disposal of Solid Waste at the Disposal site, including, but not limited
1961 to, claims arising under the Comprehensive Environmental Response, Comprehensive and Liability
1962 Act (CERCLA). The foregoing indemnity is intended to operate as an agreement pursuant to §107(e)
1963 of the Comprehensive Environmental Response, Compensation and Liability Act, CERCLA, 42 USC.
1964 §9607(e) and California Health and Safety Code §25364, to defend, protect, hold harmless, and
1965 indemnify City and Alameda Reuse and Redevelopment Authority from liability.

1966 This provision is in addition to all other provisions in this Agreement and is intended to survive the
1967 expiration or earlier termination of this Agreement. Nothing in this paragraph shall prevent City or
1968 the Alameda Reuse and Redevelopment Authority from seeking indemnification or contribution
1969 from Persons or entities other than indemnitees, for any liabilities incurred by City Alameda Reuse
1970 and Redevelopment Authority, or the indemnitees.

1971 G. **Measure D.** Contractor shall indemnify, defend and hold harmless City, its officers, employees,
1972 agents and volunteers, from and against any revenues withheld by the Alameda County Source
1973 Reduction and Recycling Board in the event the Source Reduction and Recycling goals or any other
1974 requirement of Section 64 of the Alameda County Charter (commonly known as Measure D) are not
1975 met by the Contractor with respect to the Recycling and Source Reduction programs under this
1976 Agreement and such failure is due to the failure of Contractor to meet its obligations under this
1977 Agreement or due to Contractor delays in providing information that prevents Contractor or City
1978 from submitting reports required by Measure D in a timely manner.

1979 **9.2 INSURANCE**

1980 A. **General Requirements.** Contractor shall, at its sole cost and expense, maintain in effect at all times
1981 during the Term of this Agreement not less than the following coverage and limits of insurance:

1982 B. **Coverages and Requirements.** During the Term of this Agreement, Contractor shall at all times
1983 maintain, at its expense, the following coverages and requirements. The comprehensive general
1984 liability insurance shall include broad form property damage insurance.

1985 1. **Minimum Coverages.** Insurance coverage shall be with limits not less than the following:

1986 **Comprehensive General Liability** – \$10,000,000 combined single limit per occurrence for
1987 bodily injury, personal injury, and property damage.

1988 **Automobile Liability** – \$10,000,000 combined single limit per accident for bodily injury and
1989 property damage (include coverage for Hired and Non-owned vehicles).

1990 **Workers' Compensation – Statutory Limits/Employers' Liability** - \$1,000,000/accident for
1991 bodily injury or disease.

1992 **Employee Blanket Fidelity Bond** – \$500,000 per employee loss covering dishonesty, forgery,
1993 alteration, theft, disappearance, and destruction (inside or outside).

- 1994 **Pollution Legal Liability** – \$5,000,000 for bodily injury, property damage, and remediation of
1995 contaminated site.
- 1996 2. **Additional Insured.** City, its officers, agents, employees, and volunteers shall be named as
1997 additional insured on all but the workers' compensation and professional liability coverages.
- 1998 3. Said policies shall remain in force through the life of this Agreement and, with the exception
1999 of professional liability coverage, shall be payable on a "per occurrence" basis unless City's
2000 Risk Manager specifically consents in writing to a "claims made" basis. For all "claims made"
2001 coverage, in the event that the Contractor changes insurance carriers Contractor shall
2002 purchase "tail" coverage or otherwise provide for continuous coverage covering the Term of
2003 this Agreement and not less than three (3) years thereafter. Proof of such "tail" or other
2004 continuous coverage shall be required at any time that the Contractor changes to a new
2005 carrier prior to receipt of any payments due.
- 2006 4. The Contractor shall declare all aggregate limits on the coverage before commencing
2007 performance of this Agreement, and City's Risk Manager reserves the right to require higher
2008 aggregate limits to ensure that the coverage limits required for this Agreement as set forth
2009 above are available throughout the performance of this Agreement. In the event that the
2010 City's Risk Manager requests a change in accordance with this Section 9.2.B.4 which results in
2011 increased costs to Contractor, such change shall be addressed in accordance with Section 3.5.
- 2012 5. The deductibles or self-insured retentions are for the account of Contractor and shall be the
2013 sole responsibility of the Contractor.
- 2014 6. Each insurance policy shall provide or be endorsed to state that coverage shall not be
2015 suspended, voided, canceled by either Party, reduced in coverage or in limits except after
2016 thirty (30) calendar days prior written notice by certified mail, return receipt requested, has
2017 been given to City Contract Manager ten (10) Business Days for delinquent insurance
2018 premium payments).
- 2019 7. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VII,
2020 unless otherwise approved by City Risk Manager.
- 2021 8. The policies shall cover all activities of Contractor, its officers, employees, agents, and
2022 volunteers arising out of or in connection with this Agreement.
- 2023 9. For any claims relating to this Agreement, the Contractor's insurance coverage shall be
2024 primary, including as respects City, its officers, agents, employees, and volunteers. Any
2025 insurance maintained by City shall apply in excess of, and not contribute with, insurance
2026 provided by Contractor's liability insurance policy.
- 2027 10. The Contractor shall waive all rights of subrogation against City, its officers, employees,
2028 agents, and volunteers.
- 2029 **B. Endorsements.** Prior to the Effective Date pursuant to this Agreement, Contractor shall furnish City
2030 Contract Manager with certificates or original endorsements reflecting coverage required by this
2031 Agreement. The certificates or endorsements are to be signed by a Person authorized by that
2032 insurer to bind coverage on its behalf. All certificates or endorsements are to be received by, and
2033 are subject to the approval of, City Risk Manager before work commences.
- 2034 **C. Renewals.** During the Term of this Agreement, Contractor shall furnish City Contract Manager with
2035 certificates or original endorsements reflecting renewals, changes in insurance companies, and any

2036 other documents reflecting the maintenance of the required coverage throughout the entire Term
2037 of this Agreement. The certificates or endorsements are to be signed by a Person authorized by that
2038 insurer to bind coverage on its behalf.

2039 **D. Workers' Compensation.** Contractor shall provide workers' compensation coverage as required by
2040 State law and shall comply with Section 3700 of the State Labor Code.

2041 **9.3 PERFORMANCE BOND**

2042 Within seven (7) calendar days of the City's notification to Contractor that the City has executed this
2043 Agreement, Contractor shall file with the City a bond, payable to the City and in a format approved by the
2044 City, securing the Contractor's performance of its obligations under this Agreement and such bond shall
2045 be renewed annually if necessary so that the performance bond is maintained at all times during the Term.
2046 The principal sum of the bond shall be six million four hundred eleven thousand three hundred eighty-two
2047 dollars (\$6,411,382), which is an amount set to equal twenty-five percent (25%) of Contractor's proposed
2048 Rate Period One Gross Receipts, and shall be adjusted every three (3) years, commencing with Rate Period
2049 Three, to equal three (3) months of the prior Rate Period's annual Gross Receipts. The bond shall be
2050 executed as surety by a corporation authorized to issue surety bonds in the State of California that has a
2051 rating of A or better in the most recent edition of Best's Key Rating Guide, and that has a record of service
2052 and financial condition satisfactory to the City.

2053 In lieu of a performance bond, City and Contractor may agree that Contractor will provide for the issuance
2054 of an irrevocable stand by letter of credit (the "Letter of Credit") by a bank approved by City in its sole
2055 discretion (the "Bank") for the benefit of City. Under the Letter of Credit, City may draw, in one or more
2056 drawings, an aggregate amount up to \$2 million (the "Stated Amount") upon the occurrence of (1) an
2057 Event of Default defined in Section 10.1, (2) Contractor's failure to timely pay any monies due City, (3)
2058 Contractor's inability to regularly pay its bills as they become due, or (4) Contractor's failure to timely pay
2059 any solid waste management facility for Recyclable Materials Processing, Composting or Disposal services
2060 provided under this Agreement, as evidenced to the satisfaction of City. City and Contractor may agree
2061 that Contractor will increase the aggregate amount of the Letter of Credit in conjunction with the
2062 adjustment of Rates in accordance with Article 8. Any incremental costs or savings incurred by Contractor
2063 to secure the increased aggregate amount will be included in the calculation of Rates for the next Rate
2064 Period. The expiration date of the Letter of Credit must be sooner than the term of this Agreement
2065 provided in Section 2.1 (the "Stated Expiration Date"), unless it provides that it will not be terminated,
2066 modified, or not renewed except after prior written notice by certified mail, return receipt requested, to
2067 City 60 days in advance of termination or failure to renew. The Letter of Credit may expire on the
2068 date on which the Bank receives a certificate from City saying that the term has expired, or this Agreement
2069 has been terminated and Contractor owes City no money under this Agreement, or that Contractor has
2070 substituted an alternative letter of credit or other security document acceptable to City in City's sole
2071 discretion. The form of the Letter of Credit, including the procedures for and place of demand for payment
2072 and drawing certificate attached thereto, is subject to approval of City in its sole discretion, following the
2073 notice procedures defined in Section 12.9 below. The Letter of Credit must be transferable to any
2074 successor or assignee of City.

ARTICLE 10.
DEFAULT AND REMEDIES

10.1 EVENTS OF DEFAULT

All provisions of the Agreement are considered material. Each of the following shall constitute an event of default.

A. Fraud or Deceit. Contractor, its Affiliates, any Subcontractor, or any other Person employed by or with an ownership interest in Contractor, its Affiliates or any Subcontractor practices, or attempts to practice, any fraud or deceit upon the City.

B. Insolvency or Bankruptcy. Contractor becomes insolvent, unable, or unwilling to pay its debts, or upon entry of an order for relief in favor of Contractor in a bankruptcy proceeding.

C. Failure to Maintain Coverage. Contractor fails to provide or maintain in full force and affect the Workers' Compensation, liability, or indemnification coverage as required by this Agreement.

D. Violations of Regulation. Contractor violates any orders or filings of any regulatory body having authority over Contractor relative to this Agreement, provided that Contractor may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach or default of this Agreement shall be deemed to have occurred.

E. Violations of Applicable Law. Contractor has been found by a court of proper jurisdiction to be in violation of Applicable Law (other than criminal law) directly or indirectly related to the performance of this Agreement, provided that Contractor may contest any such allegation or finding by appropriate proceedings conducted in good faith, in which case no breach or default of this Agreement shall be deemed to have occurred.

F. Failure to Perform Direct Services. Contractor ceases to provide Collection, Transportation, or Processing services as required under this Agreement for a period of two (2) consecutive calendar days or more, for any reason within the control of Contractor.

G. Failure to Pay or Report. Contractor fails to make any payments to City required under this Agreement including payment of Franchise Fees or City Reimbursements or Liquidated Damages and/or refuses to provide City with required information, reports, and/or records in a timely manner as provided for in the Agreement.

H. Acts or Omissions. Any other act or omission by Contractor which violates the terms, conditions, or requirements of this Agreement, or Applicable Law and which is not corrected or remedied within the time set in the written notice of the violation or, if Contractor cannot reasonably correct or remedy the breach within the time set forth in such notice, if Contractor should fail to commence to correct or remedy such violation within the time set forth in such notice and diligently effect such correction or remedy thereafter.

I. False, Misleading, or Inaccurate Statements. Any representation or disclosure made to the City by Contractor in connection with or as an inducement to entering into this Agreement, or any future amendment to this Agreement, which proves to be false or misleading in any material respect as of

2112 the time such representation or disclosure is made, whether or not any such representation or
2113 disclosure appears as part of this Agreement; and, any Contractor-provided report containing a
2114 misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly
2115 defined by the Agreement, excepting non-numerical typographical and grammatical errors.

2116 **J. Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of Contractor's
2117 operating equipment, including without limits its equipment, maintenance or office facilities,
2118 Approved Facility(ies), or any part thereof.

2119 **K. Suspension or Termination of Service.** There is any termination or suspension of the transaction
2120 of business by Contractor related to this Agreement, including without limit, due to labor unrest
2121 including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action
2122 lasting more than two (2) calendar days.

2123 **L. Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of Criminal
2124 Activity related directly or indirectly to performance of this Agreement or any other agreement held
2125 with the City.

2126 **M. Assignment without Approval.** Contractor transfers or assigns this Agreement without the express
2127 written approval of the City unless the assignment is permitted without City approval pursuant to
2128 Section 12.6.

2129 **N. Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a proposal
2130 for new services or changes to services or fails to implement a change in service as requested by
2131 the City as specified in Section 3.5.

2132 **O. Failure to Complete Transition.** Contractor fails to complete the tasks identified in Contractor's
2133 Implementation Plan as specified in Exhibit G3.

2134 **P. Failure to Perform Any Obligation.** Contractor fails to perform any obligation established under
2135 this Agreement.

2136 City shall provide Contractor written notice of default within seven (7) calendar days of the City's first
2137 knowledge of the Contractor's default.

2138 **10.2 RIGHT TO TERMINATE UPON EVENT OF DEFAULT**

2139 Contractor shall be given ten (10) Business Days from written notification by City to cure any default
2140 which, in the City Contract Manager's sole opinion, creates a potential public health and safety threat.

2141 Contractor shall be given ten (10) Business Days from written notification by City to cure any default
2142 arising under subsections C, E, F, I, J, and K in Section 10.1 provided, however, that the City shall not be
2143 obligated to provide Contractor with a notice and cure opportunity if the Contractor has committed the
2144 same or similar breach/default within a twenty-four (24) month period.

2145 Contractor shall be given thirty (30) calendar days from written notification by City to cure any other
2146 default (which is not required to be cured within ten (10) Business Days); provided, however, that the City
2147 shall not be obligated to provide Contractor with a notice and cure opportunity if the Contractor has
2148 committed the same or similar breach/default within a twenty-four (24) month period.

10.3 CITY'S REMEDIES IN THE EVENT OF DEFAULT

Upon Contractor's default, City has the following remedies:

A. Waiver of Default. City may waive any event of default or may waive Contractor's requirement to cure a default event if City determines that such waiver would be in the best interest of the City. City's waiver of an event of default is not a waiver of future events of default that may have the same or similar conditions.

B. Suspension of Contractor's Obligation. City may suspend Contractor's performance of its obligations if Contractor fails to cure default in the time frame specified in Section 10.2 until such time the Contractor can provide assurance of performance in accordance with Section 10.8.

C. Liquidated Damages. City may assess Liquidated Damages for Contractor's failure to meet specific performance standards pursuant to Section 10.6 and Exhibit F.

D. Termination. In the event that Contractor should default, and subject to the right of the Contractor to cure, in the performance of any provisions of this Agreement, and the default is not cured for any default within in ten (10) calendar days if the default creates a potential public health and safety threat or arises under Section 10.1.C., E, F, I, J, or K, or otherwise thirty (30) calendar days after receipt of written notice of default from the City, then the City may, at its option, terminate this Agreement and/or hold a hearing at its City Council meeting to determine whether this Agreement should be terminated. In the event City decides to terminate this Agreement, the City shall serve twenty (20) calendar days written notice of its intention to terminate upon Contractor. In the event City exercises its right to terminate this Agreement, the City may, at its option, upon such termination, either directly undertake performance of the services or arrange with other Persons to perform the services with or without a written agreement. This right of termination is in addition to any other rights of City upon a failure of Contractor to perform its obligations under this Agreement.

Contractor shall not be entitled to any further revenues from Collection operations authorized hereunder from and after the date of termination.

E. Other Available Remedies. City's election of one (1) or more remedies described herein shall not limit the City from any and all other remedies at law and in equity including injunctive relief, etc.

10.4 POSSESSION OF RECORDS UPON TERMINATION

In the event of termination for an event of default, the Contractor shall furnish City Contract Manager with immediate access to all of its business records, including without limitation, proprietary Contractor computer systems, related to its Customers, Collection Routes, and billing of accounts for Collection services.

10.5 CITY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE

City's rights to terminate the Agreement under Section 10.2 and to take possession of the Contractor's records under Section 10.4 are not exclusive, and City's termination of the Agreement and/or the imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall be in addition to any and all other legal and equitable rights and remedies which City may have.

By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-quality service; the lead time required to effect alternative service; and the rights granted by City to the Contractor, the remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive relief (including but not limited to specific performance).

10.6 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

A. General. The Parties find that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by City as a result of a breach by Contractor of its obligations under this Agreement. The factors relating to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to members of the public who are denied services or denied quality or reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to individual members of the general public for whose benefit this Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that exclusive services might be available at substantially lower costs than alternative services and the monetary loss resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise monetary terms; and (iv) the termination of this Agreement for such breaches, and other remedies are, at best, a means of future correction and not remedies which make the public whole for past breaches.

B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards. The Parties further acknowledge that consistent, reliable Collection services are of utmost importance to City and that City has considered and relied on Contractor's representations as to its quality of service commitment in awarding the Agreement to it. The Parties recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The Parties further recognize that if Contractor fails to achieve the performance standards or fails to submit required documents in a timely manner, City and its residents and businesses will suffer damages, and that it is, and will be, impractical and extremely difficult to ascertain and determine the exact amount of damages which City will suffer. Therefore, without prejudice to City's right to treat such non-performance as an event of default under this Section, the Parties agree that the Liquidated Damages amounts established in Exhibit F of this Agreement and the Liquidated Damage amounts therein represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the Effective Date of this Agreement, including the relationship of the sums to the range of harm to City that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical.

Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth in the Performance Standards and Liquidated Damages, Exhibit F.

Before assessing Liquidated Damages, City shall give Contractor notice of its intention to do so. The notice will include a brief description of the incident(s) and non-performance. City may review (and make copies at its own expense) all information in the possession of Contractor relating to incident(s) and/or non-performance. City may, within ten (10) Business Days after issuing the notice, request a meeting with Contractor. City may present evidence of non-performance in writing and through testimony of its employees and others relevant to the incident(s) and non-performance. City Contract Manager will provide Contractor with a written explanation of their determination on each incident(s) and non-performance prior to authorizing the assessment of

2230 Liquidated Damages under this Section 10.6. Within ten (10) Business Days of receipt of such notice
2231 of intention to assess Liquidated Damages, or within forty (40) Business Days if the intended
2232 assessment totals over thirty thousand dollars (\$30,000), no Liquidated Damages may be imposed
2233 on Contractor until Contractor has been given a reasonable opportunity to respond to allegations
2234 and to meet and confer with the City Manager. The City Manager's decision shall be final subject to
2235 Contractor's ability to pursue judicial relief in accordance with Section 10.9.

2236 **C. Amount.** City may assess Liquidated Damages for each calendar day or event, as appropriate, that
2237 Contractor is determined to be liable in accordance with this Agreement in the amounts specified
2238 in Exhibit F subject to annual adjustment described below.

2239 **D. Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by City within ten (10)
2240 Business Days of the date the Liquidated Damages are assessed. If they are not paid within the ten
2241 (10) Business Day period, City may proceed against the performance bond required by the
2242 Agreement, order the termination of the rights or "franchise" granted by this Agreement, or all of
2243 the above.

2244 **10.7 EXCUSE FROM PERFORMANCE**

2245 Notwithstanding any other provision in this Agreement, each Party shall be excused from performing its
2246 respective obligations hereunder and from any obligation to pay Liquidated Damages if it is prevented
2247 from so performing by reason of floods, earthquakes, other acts of nature, war, civil insurrection, riots,
2248 acts of any government (including judicial action), and other similar catastrophic events which are beyond
2249 the control of and not the fault of the Party claiming excuse from performance hereunder (each a "Force
2250 Majeure Event"). In the case of labor unrest or job action directed at a third party over whom Contractor
2251 has no control, the inability of Contractor to provide services in accordance with this Agreement due to
2252 the unwillingness or failure of the third party to: (i) provide reasonable assurance of the safety of
2253 Contractor's employees while providing such services; or (ii) make reasonable accommodations with
2254 respect to Container placement and point of Delivery, time of Collection, or other operating circumstances
2255 to minimize any confrontation with pickets or the number of Persons necessary to make Collections shall,
2256 to that limited extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's
2257 cooperation in performing Collection services at different times and in different locations. Further, in the
2258 event of labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing,
2259 or other concerted job action conducted by the Contractor's employees or directed at the Contractor, or
2260 a subsidiary, the Contractor shall not be excused from performance. In such case, Contractor shall
2261 continue to provide a reasonably satisfactory level of performance during the pendency thereof, but the
2262 Contractor shall not be required to adhere strictly to the specific requirements of this Agreement
2263 regarding Routes, Collection times or similar matters; provided, however, that in no event shall more than
2264 seven (7) calendar days elapse between pickups for Residential and Commercial Customers. Any labor
2265 action initiated by Contractor, including but not limited to a lock-out, shall not be grounds for any excuse
2266 from performance and Contractor shall perform all obligations under this Agreement during the pendency
2267 of such Contractor-initiated labor action.

2268 The Party claiming excuse from performance shall, within two (2) calendar days after such Party has notice
2269 of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to
2270 excuse under this Section.

2271 If either Party validly exercises its rights under this Section, the Parties hereby waive any claim against
2272 each other for any damages sustained thereby.

2273 The partial or complete interruption or discontinuance of Contractor's services caused by one (1) or more
2274 Force Majeure Events shall not constitute a default by Contractor under this Agreement. Notwithstanding
2275 the foregoing, however, if Contractor is excused from performing its obligations hereunder for any of the
2276 causes listed in this Section for a period of thirty (30) calendar days or more, City shall nevertheless have
2277 the right, in its sole discretion, to terminate this Agreement by giving ten (10) Business Days' notice to
2278 Contractor provided Contractor does not fully resume performance of its obligations hereunder within
2279 such ten (10) Business Days, in which case the provisions of Section 10.4 shall apply.

2280 **10.8 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

2281 The Parties acknowledge that it is of the utmost importance to City and the health and safety of all those
2282 members of the public residing or doing business within City who will be adversely affected by interrupted
2283 waste management service, that there be no material interruption in services provided under this
2284 Agreement.

2285 If Contractor: (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out,
2286 picketing or other concerted job action; (ii) appears in the reasonable judgment of City to be unable to
2287 regularly pay its bills as they become due; or (iii) is the subject of a civil or criminal judgment or order
2288 entered by a Federal, State, regional or local agency for violation of an Applicable Law, and City believes
2289 in good faith that Contractor's ability to perform under the Agreement has thereby been placed in
2290 substantial jeopardy, City may, at its sole option and in addition to all other remedies it may have, demand
2291 from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form
2292 and substance as City believes in good faith is reasonably necessary in the circumstances to evidence
2293 continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory
2294 assurances of timely and proper performance in the form and by the date required by City, such failure or
2295 refusal shall be an event of default for purposes of Section 10.1.

2296 **10.9 DISPUTE RESOLUTION**

2297 In the event of dispute between the City Contract Manager and the Contractor regarding the
2298 interpretation of or the performance of services under this Agreement which results in a material impact
2299 to the Contractor's revenue and/or cost of operations, as defined in Section 5.9, the provisions of Section
2300 10.9 shall apply.

2301 A. **Meet and Confer.** City and Contractor agree that they promptly will meet and confer to attempt to
2302 resolve the matter between themselves.

2303 B. **Mediation.** In the event that disputes which arise under this Agreement cannot be resolved
2304 satisfactorily between the Parties in accordance with Section 10.9.A, the City and Contractor agree
2305 that such disputes shall be submitted to mandatory, non-binding mediation by a mutually agreed
2306 upon independent third party.

2307 C. **Period of Time.** Insofar as allowed by Applicable Law, the period of time otherwise applicable for
2308 filing claims against the City under Applicable Law shall be tolled during the period of time for which
2309 meet and confer or mediation procedures are pending, in accordance with Sections 10.9.A and
2310 10.9.B.

2311 D. **Litigation.** Litigation may be commenced only after all reasonable efforts to resolve the dispute(s)
2312 pursuant to Sections 10.9.A, 10.9.B, and 10.9.C have failed and any necessary claim(s) have been
2313 denied.

2314 **ARTICLE 11.**
2315 **REPRESENTATIONS AND WARRANTIES OF**
2316 **THE PARTIES**

2317 The Parties, by acceptance of this Agreement, represents and warrants the conditions presented in this
2318 Article.

2319 **11.1 CONTRACTOR'S CORPORATE STATUS**

2320 Contractor is a corporation duly organized, validly existing and in good standing under the laws of the
2321 State. It is qualified to transact business in the State and has the power to own its properties and to carry
2322 on its business as now owned and operated and as required by this Agreement.

2323 **11.2 CONTRACTOR'S CORPORATE AUTHORIZATION**

2324 Contractor has the authority to enter this Agreement and perform its obligations under this Agreement.
2325 The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by
2326 law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement.
2327 The Person signing this Agreement on behalf of Contractor represents and warrants that they have
2328 authority to do so. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.

2329 **11.3 AGREEMENT WILL NOT CAUSE BREACH**

2330 To the best of Contractor's and City's knowledge after reasonable investigation, the execution or delivery
2331 of this Agreement or the performance by such Party of its respective obligations hereunder does not
2332 conflict with, violate, or result in a breach: (i) of any Applicable Law; or (ii) any term or condition of any
2333 judgment, order, or decree of any court, administrative agency or other governmental authority, or any
2334 agreement or instrument to which Contractor or City is a party or by which Contractor or any of its
2335 properties or assets are bound, or constitutes a default hereunder.

2336 **11.4 NO LITIGATION**

2337 To the best of Contractor's and City's knowledge after reasonable investigation, there is no action, suit,
2338 proceeding or investigation, at law or in equity, before or by any court or governmental authority,
2339 commission, board, agency or instrumentality decided, pending or threatened against either Party
2340 wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would:

- 2341 A. Materially adversely affect the performance by such Party of its obligations hereunder;
- 2342 B. Adversely affect the validity or enforceability of this Agreement; or
- 2343 C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity
2344 guaranteeing Contractor's performance under this Agreement.

2345 **11.5 NO ADVERSE JUDICIAL DECISIONS**

2346 To the best of Contractor's and City's knowledge after reasonable investigation, there is no judicial
2347 decision that would prohibit this Agreement or subject this Agreement to legal challenge.

2348 **11.6 NO LEGAL PROHIBITION**

2349 To the best of each Party's knowledge, after reasonable investigation, there is no Applicable Law in effect
2350 on the date that Party signed this Agreement that would prohibit the performance of that Party's
2351 obligations under this Agreement and the transactions contemplated hereby.

2352 **11.7 CONTRACTOR'S ABILITY TO PERFORM**

2353 Contractor possesses the business, professional, and technical expertise to perform all services,
2354 obligations, and duties as described in and required by this Agreement including all Exhibits thereto.
2355 Contractor possesses the ability to secure equipment, facility, and employee resources required to
2356 perform its obligations under this Agreement.

2357 **ARTICLE 12.**
2358 **OTHER AGREEMENTS OF THE PARTIES**

2359 **12.1 RELATIONSHIP OF PARTIES**

2360 The Parties intend that Contractor shall perform the services required by this Agreement as an
2361 independent Contractor engaged by City and neither as an officer nor employee of City, nor as a partner
2362 or agent of, or joint venturer with, City. No employee or agent of Contractor shall be, or shall be deemed
2363 to be, an employee or agent of City. Contractor shall have the exclusive control over the manner and
2364 means of performing services under this Agreement, except as expressly provided herein. Contractor shall
2365 be solely responsible for the acts and omissions of its officers, employees, Subcontractors and agents.
2366 Neither Contractor nor its officers, employees, Subcontractors, and agents shall obtain any rights to
2367 retirement benefits, workers' compensation benefits, or any other benefits which accrue to City
2368 employees by virtue of their employment with City.

2369 **12.2 COMPLIANCE WITH LAW**

2370 Contractor shall at all times, at its sole cost, comply with all Applicable Laws now in force and as they may
2371 be enacted, issued or amended during the Term.

2372 **12.3 GOVERNING LAW**

2373 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the
2374 State.

2375 **12.4 JURISDICTION**

2376 Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the
2377 courts of Alameda County in the State of California, which shall have exclusive jurisdiction over such

2378 lawsuits. With respect to venue, the Parties agree that this Agreement is made in and will be performed
2379 in Alameda County.

2380 **12.5 BINDING ON SUCCESSORS**

2381 The provisions of this Agreement shall inure to the benefit to and be binding on the successors and
2382 permitted assigns of the Parties.

2383 **12.6 ASSIGNMENT**

2384 Neither Party shall assign its rights nor delegate or otherwise transfer its obligations under this Agreement
2385 to any other Person without the prior written consent of the other Party. Any such assignment made
2386 without the consent of the other Party shall be void and the attempted assignment shall constitute a
2387 material breach of this Agreement.

2388 For purposes of this Section, "assignment" shall include, but not be limited to: (i) a sale, exchange or other
2389 transfer of substantially all of Contractor's local, regional, and/or corporate assets dedicated to service
2390 under this Agreement to a third party; (ii) a sale, exchange or other transfer of ten (10) percent or more
2391 of the local, regional, and/or corporate stock or ownership of Contractor to a Person (other than a transfer
2392 of shares in Contractor by the owner of such shares to members of the owner's family or a trust for the
2393 benefit of his family, to Contractor or to another owner of shares in Contractor) except that no cumulative
2394 sale, exchange, or transfer of shares may exceed twenty (20) percent during the Term of the Agreement
2395 (other than a transfer of shares in Contractor by the owner of such shares to members of the owner's
2396 family or a trust for the benefit of his family, to Contractor or to another owner of shares in Contractor);
2397 (iii) any reorganization, consolidation, merger, recapitalization, stock issuance or re-issuance, voting trust,
2398 pooling agreement, escrow arrangement, liquidation or other transaction to which Contractor or any of
2399 its shareholders is a party which results in a change of ownership or control of ten (10) percent or more
2400 of the value or voting rights in the local, regional, and/or corporate stock of Contractor (excluding as the
2401 result of changes in ownership or control between an owner of shares in Contractor and Contractor,
2402 members of the owner's family, or a trust for the benefit of the owner's family); (iv) any reorganization,
2403 consolidation, merger, recapitalization, stock issuance or re-issuance, voting trust, pooling agreement,
2404 escrow arrangement, liquidation or other transaction to which Contractor or any of its shareholders is a
2405 party which results in a change of ownership or control of ten (10) percent or more of the value or voting
2406 rights in the local, regional, and/or corporate stock of Contractor that results from changes in ownership
2407 or control between an owner of shares in Contractor and another owner of shares in Contractor unless
2408 Contractor engages a professional manager to oversee this Agreement; (v) divestiture of an Affiliate (e.g.,
2409 trucking company, materials recovery facility, transfer station, etc.) used by Contractor to fulfill its
2410 obligations under this Agreement; and (vi) any combination of the foregoing (whether or not in related or
2411 contemporaneous transactions) which has the effect of any such transfer or change of local, regional,
2412 and/or corporate ownership and/or control of Contractor. For purposes of this Section, the term
2413 "proposed assignee" shall refer to the proposed transferee(s) or other successor(s) in interest pursuant
2414 to the assignment.

2415 Contractor acknowledges that this Agreement involves rendering a vital service to City's residents and
2416 businesses, and that City has selected Contractor to perform the services specified herein based on: (i)
2417 Contractor's experience, skill, and reputation for conducting its Recyclable Materials, Organic Materials,
2418 and Solid Waste management operations in a safe, effective, and responsible fashion, at all times in
2419 keeping with applicable waste management laws, regulations, and good waste management practices;

2420 and (ii) Contractor's financial resources on a local, regional, and/or corporate level to maintain the
2421 required equipment and to support its indemnity obligations to City under this Agreement. City has relied
2422 on each of these factors, among others, in choosing Contractor to perform the services to be rendered by
2423 Contractor under this Agreement.

2424 If Contractor requests City's consideration of and consent to an assignment, City may deny or approve
2425 such request in its sole and complete discretion. No request by Contractor for consent to an assignment
2426 need be considered by City unless and until Contractor has met the following requirements. The City may,
2427 in its sole discretion, waive one (1) or more of these requirements.

2428 A. On the date City approves Contractor's written request for the City's written consent to an
2429 assignment and the assignment occurs, Contractor shall pay the City a transfer fee in the amount of
2430 one (1) percent of the Gross Receipts for the most-recently completed Rate Period.

2431 B. Contractor shall pay City its actual expenses for attorneys', consultants', accountants' fees, staff
2432 time, and investigation costs necessary to investigate the suitability of any proposed assignee, and
2433 to review and finalize any documentation required as a condition for approving any such
2434 assignment. Such payment shall be required regardless of the ultimate determination of the City
2435 with regard to the approval or denial of the assignment. Upon submittal of Contractor's request for
2436 assignment to City, Contractor shall submit an initial deposit of one hundred thousand dollars
2437 (\$100,000) for this purpose.

2438 C. Contractor shall furnish City with reviewed financial statements of the proposed assignee's
2439 operations for the immediately preceding three (3) operating years.

2440 D. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least ten
2441 (10) years of Recyclable Materials, Organic Materials, and Solid Waste management experience on
2442 a scale equal to or exceeding the scale of operations conducted by Contractor under this
2443 Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any citations
2444 or other censure from any Federal, State or local contractor having jurisdiction over its waste
2445 management operations due to any significant failure to comply with State, Federal or local waste
2446 management laws and that the assignee has provided the City with a complete list of such citations
2447 and censures; (iii) that the proposed assignee has at all times conducted its operations in an
2448 environmentally safe and conscientious fashion; (iv) that the proposed assignee conducts its
2449 operations and management practices in accordance with sound waste management practices in
2450 full compliance with all Federal, State, and local laws regulating the Collection, Transportation,
2451 Processing and Disposal of Recyclable Materials, Organic Materials, and Solid Waste including
2452 Hazardous Waste; and (v) that any other information required by City demonstrates that the
2453 proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner.

2454 E. Contractor shall provide the City with any and all additional records or documentation which, in the
2455 City Contract Manager's sole determination, would facilitate the review of the proposed
2456 assignment.

2457 Under no circumstances shall any proposed assignment be considered by City if Contractor is in default at
2458 any time during the period of consideration. If, in the City's sole determination, there is any doubt
2459 regarding the compliance of the Contractor with the Agreement, City may require an audit of the
2460 Contractor's compliance and the costs of such audit shall be paid by Contractor in advance of the
2461 performance of said audit.

2462 **12.7 NO THIRD PARTY BENEFICIARIES**

2463 This Agreement is not intended to, and will not be construed to, create any right on the part of any third
2464 party to bring an action to enforce any of its terms.

2465 **12.8 WAIVER**

2466 The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be
2467 deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of
2468 violation of the same or any other provision. The subsequent acceptance by either Party of any monies
2469 which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach
2470 or violation by the other Party of any provision of this Agreement.

2471 **12.9 NOTICE PROCEDURES**

2472 All notices, demands, requests, proposals, approvals, consents, and other communications, which this
2473 Agreement requires, authorizes, or contemplates, shall be in writing and shall either be personally
2474 delivered to a representative of the Parties at the address below or deposited in the United States mail,
2475 first class postage prepaid, addressed as follows:

2476 If to City:

2477 City of Alameda
2478 Attn: City Clerk
2479 2263 Santa Clara Ave.
2480 Alameda, CA 94501

2481 If to Contractor:

2482 Alameda County Industries AR, Inc.
2483 Attn: General Manager
2484 610 Aladdin Ave.
2485 San Leandro, CA 94577
2486

2487 The address to which communications may be delivered may be changed from time to time by a notice
2488 given in accordance with this Section. Notice shall be deemed given on the day it is personally delivered
2489 or, if mailed, three (3) calendar days from the date it is deposited in the mail. Either Party may choose to
2490 provide email notification to the other Party that notice has been deposited in the mail, however such
2491 email notification shall not constitute official notice.

2492 **12.10 REPRESENTATIVES OF THE PARTIES**

2493 References in this Agreement to the "City" shall mean the City's elected body and all actions to be taken
2494 by City except as provided below. The City may delegate, in writing, authority to the City Contract Manager
2495 and/or to other City officials and may permit such officials, in turn, to delegate in writing some or all of
2496 such authority to subordinate officers. The Contractor may rely upon actions taken by such delegates if
2497 they are within the scope of the authority properly delegated to them.

2498 The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as
2499 the representative of the Contractor in all matters related to the Agreement and shall inform City in
2500 writing of such designation and of any limitations upon his or her authority to bind the Contractor. City
2501 may rely upon action taken by such designated representative as actions of the Contractor unless they
2502 are outside the scope of the authority delegated to him/her by the Contractor as communicated to City.

2503 **ARTICLE 13.**
2504 **MISCELLANEOUS AGREEMENTS**

2505 **13.1 ENTIRE AGREEMENT**

2506 This Agreement is the entire agreement between the Parties with respect to the subject matter hereof
2507 and supersedes all prior and contemporaneous oral and written agreements and discussions. Each Party
2508 has cooperated in the drafting and preparation of this Agreement and this Agreement shall not be
2509 construed against any Party on the basis of drafting. This Agreement may be amended only by an
2510 agreement in writing, signed by each of the Parties hereto.

2511 **13.2 SECTION HEADINGS**

2512 The article headings and section headings in this Agreement are for convenience of reference only and
2513 are not intended to be used in the construction of this Agreement nor to alter or affect any of its
2514 provisions.

2515 **13.3 REFERENCES TO LAWS**

2516 All references in this Agreement to laws and regulations shall be understood to include such laws as they
2517 may be subsequently amended or recodified, unless otherwise specifically provided herein.

2518 **13.4 AMENDMENTS**

2519 This Agreement may not be modified or amended in any respect except in writing signed by the Parties.

2520 **13.5 SEVERABILITY**

2521 If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable,
2522 the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this
2523 Agreement, which shall be enforced as if such invalid or unenforceable provision had not been contained
2524 herein.

2525 **13.6 COUNTERPARTS**

2526 This Agreement may be executed in counterparts, each of which shall be considered an original.

2527 **13.7 EXHIBITS**

2528 Each of the Exhibits identified as Exhibit "A" through "K" is attached hereto and incorporated herein and
2529 made a part hereof by this reference. In the event of a conflict between the terms of this Agreement and
2530 the terms of an Exhibit, the terms of this Agreement shall control.

2531 IN WITNESS WHEREOF, this Agreement is entered into by the Parties hereto in Alameda County, California
 2532 on the day and year first above written.

City of Alameda
 A Municipal Corporation "CITY"

 Eric Levitt Date
 City Manager

**The Foregoing Agreement Has been
 Reviewed and Approval Is Recommended:**

DocuSigned by:

Erin Smith 4/9/2021

21DC39E8C019480...
 Erin Smith Date
 Director, Public Works

APPROVED AS TO FORM:

DocuSigned by:

Elizabeth Mackenzie 4/15/2021

6CCBCBC81B20431...
 Elizabeth Mackenzie Date
 Chief Ass't City Attorney

Alameda County Industries AR, Inc.
 "CONTRACTOR"

[Signature] *4-7-21*
 Signature Date

 Doug Button

 Secretary

[Signature] *4/7/2021*
 Signature Date

 Kent Kenney

 Managing Partner

 016234

Alameda Business License #

 Approved by City Council

2533

EXHIBIT A: DEFINITIONS

EXHIBIT A DEFINITIONS

For purposes of this Agreement, unless a different meaning is clearly required, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit and shall be capitalized throughout this Agreement:

"AB 1826" means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 modifying Division 30 of the California Public Resources Code), also commonly referred to as "AB 1826," as amended, supplemented, superseded, and replaced from time to time.

"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.

"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.

"Affiliate" means all businesses (including corporations, limited and general partnerships and sole proprietorships) which 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, which has a direct or indirect Ownership interest in Contractor and/or (iii) a business, which 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 which the ownership interest represents.

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

"Alternative Daily Cover" or "ADC" has the same meaning as in 27 CCR Section 20690.

"Alternative Intermediate Cover" or "AIC" has the same meaning as in 27 CCR Section 20700.

"Appliances" means discarded household appliances such as refrigerators, stoves, clothing washers and dryers, water heaters, dishwashers, etc., and similar items discarded by Residential Generators.

"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

EXHIBIT A DEFINITIONS

the Collection, Transportation, and Processing of Recyclable Materials, Organic Materials, and Solid Waste that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement. Applicable Law includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383.

“Approved Facility(ies)” means any one of or any combination of the: Approved Organic Materials Processing Facility; Approved Recyclable Materials Processing Facility; Approved Reusable Materials Processing Facility; Approved Transfer Facility; and/or Designated Disposal Facility.

“Approved Organic Materials Processing Facility” means the Newby Island Composting Facility, which is owned and operated by Republic Services. In the event of an emergency situation, the City has pre-approved the use of the Napa Recycling Compost Facility in American Canyon, CA which is owned by the City of Napa and operated by Napa Recycling & Waste Services, LLC.

“Approved Processing Facility(ies)” means any one of or any combination of the: Approved Organic Materials Processing Facility; Approved Recyclable Materials Processing Facility; Approved Reusable Materials Processing Facility; and/or Approved Transfer Facility.

“Approved Recyclable Materials Processing Facility” means the Alameda County Industries, LLC Materials Processing Facility which is owned and operated by Alameda County Industries, LLC. In the event of an emergency situation, the City has pre-approved the use of the SMaRT Station Recycling Center, which is owned by the City of Sunnyvale, and Newby Island Resource Recovery Park, which is owned by Republic Services.

“Approved Reusable Materials Processing Facility” means the Alameda County Industries, Inc. Limited Volume Transfer Operation, which is owned and operated by Alameda County Industries, Inc. In the event of an emergency situation, the City has pre-approved the use of the Pleasanton Garbage Service, Inc. Material Recovery Facility in Pleasanton, CA, which is owned by Pleasanton Garbage Service, Inc., an Affiliate of Contractor, and the Zanker Materials Processing Facility in San Jose, CA, which is owned by GreenWaste Recovery, Inc.

“Approved Transfer Facility” means Alameda County Industries, LLC Transfer Facility, which is owned by Alameda County Industries, LLC. In the event of an emergency situation, the City has pre-approved the use of the Davis Street Transfer Station in San Leandro, CA which is owned by Waste Management.

“Balancing Account” means the mechanism to minimize future Rate volatility. The account is adjusted annually as part of the interest expense reconciliation and Revenue Reconciliation. Additionally, the account may be used to fund City-directed solid waste programs, pursuant to Section 8.4 of this Agreement.

“Bin” means a Container with capacity of approximately one (1) to eight (8) cubic yards, with a hinged lid, and with wheels (where appropriate), that is serviced by a front end-loading Collection vehicle.

EXHIBIT A DEFINITIONS

"Bulky Item" means discarded Appliances (including refrigerators), furniture, tires, carpets, mattresses, bundled and tied Yard Trimmings and/or wood waste, and similar large items which can be handled by two (2) people, weigh no more than one hundred fifty (150) pounds, and require special Collection due to their size or nature, but can be Collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky Items must be generated by the Customer and at the service address wherein the Bulky Items are Collected. Bulky Items do not include E-Waste, abandoned automobiles, large auto parts, trees, Construction and Demolition Debris, or items herein defined as Excluded Materials.

"Business Days" mean days during which the City offices are open to do business with the public.

"California Code of Regulations" or "CCR" means the State of California Code of Regulations. CCR references in this Agreement are preceded with a number that refers to the relevant Title of the CCR (e.g., "14 CCR" refers to Title 14 of CCR).

"Cardboard" means corrugated fiberboard consisting of a fluted corrugated sheet and one or two flat linerboards, as is often used in the manufacture of shipping containers and corrugated boxes. Cardboard is a subset of Recyclable Materials.

"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, 32, 64 or 96 gallons (or similar volumes).

"City" means the City of Alameda, a municipal corporation, and all the territory lying within its boundaries as presently existing or as such boundaries may be modified during the Term of this Agreement.

"Change in Law" means any of the following events or conditions that has a material and adverse effect on the performance by either Party or any Subcontractor of its respective obligations under this Agreement (except for payment obligations) or on the activities of any Approved Facility in connection with this Agreement:

- 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 Federal, State, or local 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 Contractor (or Subcontractor), 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.

"City Contract Manager" means City designated employee within Public, who is responsible for the administrative management of this Agreement.

EXHIBIT A DEFINITIONS

"City Reimbursements" means all fees payable to the City identified and referenced in Article 7 of this Agreement, excluding Franchise Fees. Contractor acknowledges that City Reimbursements are a cost of doing business not eligible for profit in the City and that City Reimbursements shall not be passed directly through to Customers as a line item on a Customer billing statement. Both Parties acknowledge that all City Reimbursements are an allowable cost of business similar to any license or permit required by the Contractor to perform the services required under this Agreement and will be recovered by Contractor through the Rates.

"Clean Alternative Fuel Vehicle" means a vehicle that runs on any fuel used as the certification fuel in a low-emission vehicle, other than the primary gasoline or diesel fuel used in exhaust emission certification testing pursuant to the California Air Resources Board's "California Exhaust Emission Standards and Test Procedures for 1988 through 2000 Model Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles" as incorporated by reference in Title 13, California Code of Regulations, section 1960.1, or "California Exhaust Emission Standards and Test Procedures for 2001 and Subsequent Model Passenger Cars, Light-Duty Trucks and Medium-Duty Vehicles" as incorporated by reference in Title 13, California Code of Regulations, section 1961; where low-emission vehicle means any vehicle certified to the transitional low-emission vehicle, low-emission vehicle, ultra-low emission vehicle, super ultra-low emission vehicle, or zero-emission vehicle standards established by the California Air Resources Board as described in Title 13, California Code of Regulations.

"Clean Wood" means wood that is not painted, stained, coated, pressure treated, or chemical treated. Clean Wood may include dimensional lumber, pallets, crates, chop sticks, tooth picks, stir sticks, and wooden utensils. Clean Wood excludes creosote, lumber treated with chromated copper arsenate (CCA), melamine coated furniture and manufactured wood products such as plywood, particle board, oriented strand board, and medium density fiberboard. The Parties agree that materials may be added to or subtracted from this list from time to time, by mutual consent. Contractor shall not add or subtract materials to or from this list without approval from the City Contract Manager, and such approval shall not be unreasonably withheld. Clean Wood is a subset of Organic Materials.

"Collect or Collection (or any variation thereof)" means the act of collecting Recyclable Materials, Organic Materials, Solid Waste, Bulky Items, and other material at the place of generation in City.

"Commencement Date" means the date specified in Section 2.1 when Collection, Transportation, and Processing services required by this Agreement shall be provided.

"Commercial" shall mean of, from or pertaining to non-Residential Premises where business activity is conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing, and industrial operations, but excluding businesses conducted upon Residential property which are permitted under applicable zoning regulations and are not the primary use of the property. Commercial Premises include yacht harbors and Marinas where residents live aboard boats.

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"Compactor" means a mechanical apparatus that compresses materials together with the Container that holds the compressed materials or the Container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include two (2) to four (4) cubic yard Bin Compactors serviced by front-end loader Collection vehicles and ten (10) to forty (40) cubic yard Drop Box Compactors serviced by roll-off Collection vehicles. Contractor shall support Customers in locating options for purchase or lease of Compactors through an outside vendor(s).

"Complaint" shall mean each written or orally communicated statement made by any Person, whether to City or Contractor, alleging: (i) non-performance, or deficiencies in Contractor's performance, of its duties under this Agreement; or, (ii) a violation by Contractor of this Agreement.

"Compostable Paper" includes discarded paper products (including paper containers, bags, and cartons) that are contaminated with Food Scraps or grease. Compostable Paper includes paper cups, paper plates, paper bowls, paper trays and tray liners, paper take-out containers, cardboard pizza boxes, paper food wrappers, paper towels, paper napkins, shredded paper, and pieces of paper too small to Recycle. The Parties agree that materials may be added to or subtracted from this list from time to time, by mutual consent. Contractor shall not add or subtract materials to or from this list without approval from the City Contract Manager, and such approval shall not be unreasonably withheld. Compostable Paper is a subset of Organic Materials.

"Compostable Plastics" or "Compostable Plastic" means plastic materials that meet the ASTM D6400 standard for Compostability.

"Composting or Compost (or any variation thereof)" includes a controlled biological decomposition of Organic Materials yielding a safe and nuisance free Compost product.

"Construction and Demolition Debris (C&D)" includes discarded building materials, packaging, debris, and rubble resulting from construction, alteration, remodeling, repair or demolition operations on any pavements, excavation projects, houses, Commercial buildings, or other structures, excluding Excluded Materials. Construction and Demolition Debris includes rocks, soils, tree remains and other Yard Trimmings which results from land clearing or land development operations in preparation for construction.

"Container(s)" mean Bins, Carts, Compactors, Drop Boxes, provided however, that Contractor shall not be required to provide Compactors to Customers, but shall be required to provide Collection service to Customer-provided Compactors, provided that such Customer-provided Compactors are compatible with Contractor's existing Collection equipment and processes.

"Contractor" means Alameda County Industries AR, Inc., a sub-chapter S corporation organized and operating under the laws of the State through its officers, directors, employees, agents, companies, Affiliates, subsidiaries, and Subcontractors.

EXHIBIT A DEFINITIONS

“Contractor’s Compensation” means the monetary compensation received by Contractor in return for providing services in accordance with this Agreement as described in Article 8.

“Contractor’s Proposal” means the proposal submitted to City by Contractor on April 2, 2021 for provision of Solid Waste, Recyclable Materials, and Organic Materials services and certain supplemental written materials, which are included as Exhibit G to this Agreement and are incorporated by reference.

“County” means the County of Alameda, California.

“Courtesy Collection” means events wherein the Contractor Collects Discarded Materials, subject to the provisions of Section 5.8, which have been improperly placed for Collection, leaves a Courtesy Notice, and does not charge the City-approved Rate associated with the improper set-out.

“Courtesy Notice” means a form developed by Contractor and provided at Contractor’s cost at least 2" by 6" in size, on which Contractor has provided Contractor’s phone number and indicated the ways in which a Customer has failed to comply with proper Discarded Materials set-out procedures, giving reference to the basis for the violation, which is left by Contractor at a Customer’s Premises to indicate that their improperly set-out Discarded Materials were Collected as a courtesy (defined above as a Courtesy Collection), but may be subject to non-Collection in the future.

“Criminal Activity” means any of the following events or circumstances:

- A. **Convictions.** The approval of a plea of nolo contendere or the entry against Contractor or any of its employees of a criminal conviction or a permanent mandatory or prohibitory injunction from a court, municipality, or regulatory agency of competent jurisdiction, based, in the case of any of Contractor’s employees, on acts taken in his or her official capacity on behalf of Contractor with respect to:
1. Fraud or criminal offense in connection with obtaining, attempting to obtain, procuring or performing a public or private agreement; or
 2. Bribery or attempting to bribe a public officer or employee of a local, State, or Federal agency; or
 3. Embezzlement, extortion, racketeering, false claims, false statements, forgery, falsification or destruction of records, obstruction of justice, knowingly receiving stolen property, theft, or misprision (failure to disclose) of a felony; or
 4. Unlawful Disposal of Hazardous Waste or Designated Waste the occurrence of which Contractor knew or should have known; or
 5. Violation of antitrust laws, including laws relating to price-fixing, bid-rigging and sales and market allocation, and of unfair and anti-competitive trade practices laws, including with respect to inflation of Solid Waste Collection, Transportation, Processing fees, or Disposal Fees; or
 6. Violation of securities laws; or
 7. Felonies or misdemeanors involving moral turpitude.

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“Curb or Curbside (or any variation thereof)” means the cornered edging between the street and sidewalk. Curb or Curbside also means and describes the location of a Collection Container for pick-up, where such Container is placed on the street or alley against the face of the Curb, or where no Curb exists, the Container is placed not more than five (5) feet from the outside edge of the street or alley nearest the property’s entrance.

“Customer” means the Person whom Contractor submits its billing invoice to and collects payment from for Collection services provided to a Premises. The Customer may be either the Occupant or Owner of the Premises. For purposes of Contractor’s requirement to provide services (other than billing services), “Customer” shall mean an occupied Residential or Commercial Premises.

“Customer Type” means the Customer’s sector category including, but not limited to, Single-Family, Multi-Plex, Multi-Family, Commercial, Drop Box, and City.

“Designated Disposal Facility” means the Waste Management of Alameda County’s Davis Street Transfer Station at 2615 Davis Street, San Leandro. The Designated Disposal Facility shall serve as the Disposal site for all Solid Waste Collected by Contractor. The City may, at its sole discretion, specify a different Designated Disposal Facility. All Solid Waste shall be Delivered to the Designated Disposal Facility except for the Disposal of Residue from Recyclable Materials and Organic Materials Processing, C&D Processing, and Bulky Item Processing which may be delivered to a Disposal Facility selected by Contractor.

“Designated Waste” means non-Hazardous Waste which may pose special Disposal problems because of its potential to contaminate the environment and which may be Disposed of only in Class II Disposal sites or Class III Disposal sites pursuant to a variance issued by the California Department of Health Services. Designated Waste consists of those substances classified as Designated Waste by the State, in California Code of Regulations Title 23, Section 2522 as may be amended from time to time.

“Discarded Materials” means Recyclable Materials, Organic Materials, and Solid Waste placed by a Generator in a receptacle and/or at a location for the purposes of Collection by Contractor, excluding Excluded Materials, pursuant to the City’s Municipal Code.

“Disposal or Dispose (or any variation thereof)” means the final disposition of Solid Waste, or Processing Residue at a Disposal Facility.

“Disposal Facility” means a landfill, or other facility for ultimate Disposal of Solid Waste.

“Divert or Diversion (or any variation thereof)” means to prevent Discarded Materials from Disposal at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through Source Reduction, reuse, Recycling, Composting, anaerobic digestion or other method of Processing, in accordance with the provisions of AB 939 and SB 1383. 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

EXHIBIT A

DEFINITIONS

implementation of innovative (but not necessarily fully proven) techniques or technology that reduce Disposal risk, decrease costs and/or are for other reasons deemed desirable by the City.

"Drop Box or Debris Box or Roll-Off Box" means an open-top Container with a capacity of ten (10) to forty (40) cubic yards that is serviced by a roll-off Collection vehicle.

"Dwelling Unit" means any individual living unit in a; Single-Family dwelling (SFD), Multi-Family dwelling (MFD), or Multi-Plex structure or building, a mobile home, or a motor home located on a permanent site intended for, or capable of being utilized for, Residential living other than a Hotel or Motel.

"Edible Food" means food intended for human consumption that is unsold or unserved and meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other conditions. Edible Food is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes Food Recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code. If the definition in 14 CCR Section 18982(a)(18) for Edible Food differs from this definition, the definition in 14 CCR Section 18982(a)(18) shall apply to this Agreement.

"Effective Date" means the date on which the latter of the two Parties signs this Agreement, subject to the provisions of Section 2.2.

"E-Waste" means discarded electronic equipment including, but not limited to, televisions, computer monitors, cathode ray tubes (CRTs), 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.

"Excluded Materials" means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated 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. Excluded Materials does not include Used Motor Oil and Filters, or Household Batteries when properly placed for Collection by Customer as set forth in this Agreement.

"Extra Service Tags" are tags approved by City and provided by the Contractor which may be purchased by Residents and affixed to a bag provided by Residents for the Collection of Solid Waste overages.

EXHIBIT A DEFINITIONS

"Federal" means belonging to or pertaining to the Federal government of the United States.

"Food Scraps" means those Discarded Materials that will decompose and/or putrefy including: (i) all kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (iv) vegetable trimmings, houseplant trimmings, flowers, and other Compostable Organic Waste common to the occupancy of Residential dwellings or businesses involved in food production, preparation, or sales. The Parties agree that materials may be added to or subtracted from this list from time to time, by mutual consent. Contractor shall not add or subtract materials to or from this list without approval from the City Contract Manager, and such approval shall not be unreasonably withheld. Food Scraps are a subset of Organic Materials.

"Franchise Fee" means the fee paid by Contractor to the City as described in Section 7.1.

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

"Gross Rate Revenues" means total Customer billings by the Contractor for the provision of services pursuant to this Agreement, without any deductions.

"Gross Receipts" means total cash receipts collected from Customers by the Contractor for the provision of services pursuant to this Agreement, without any deductions. Gross Receipts do not include revenues from the sale of Recyclable Materials.

"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 thereunder 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, including, without limitation, friable asbestos, polychlorinated biphenyl's (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products.

"Hazardous Waste" means any waste which meets the definitions set forth in 22 CCR Section 66261.3, et seq. and is required to be managed; or as otherwise defined in 14 CCR Section 17402(a)(7). Hazardous Waste includes hazardous wood waste.

"Holidays" are defined as New Year's Day, Thanksgiving Day, and Christmas Day.

EXHIBIT A DEFINITIONS

“Household Battery(ies)” means disposable or rechargeable dry cells (e.g. A, AA, AAA, B, C, D, 9-volt, button-type) commonly used as power sources for household or consumer products including, but not limited to, nickel-cadmium, nickel metal hydride, alkaline, mercury, mercuric oxide, silver oxide, zinc oxide, nickel-zinc, nickel iron, lithium, lithium ion, magnesium, manganese, and carbon-zinc batteries, but excluding automotive lead acid batteries or other batteries Contractor is prohibited from carrying by Applicable Law.

“Household Hazardous Waste” or “HHW” means Hazardous Waste generated at Residential Premises within the City. HHW includes: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, Used Motor Oil, Used Oil Filter, batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and lancets.

“Incompatible Material” or “Incompatibles” mean(s) human-made inert material, including, but not limited to, glass, metal, plastic, and also includes Organic Waste that the receiving end-user, facility, operation, property, or activity is not designed, permitted, or authorized to perform Organic Waste recovery activities as defined in 14 CCR Section 18983.1(b); or as otherwise defined by 14 CCR Section 17402(a)(7.5).

“Infectious Waste” means biomedical waste generated at hospitals, public or private medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries, veterinary facilities and other similar establishments that are identified in Health and Safety Code Section 25117.5 as may be amended from time to time.

“In-Home Recycling Container” refers to a small, easily portable tote bag with a capacity of at least three (3) gallons to be included by Contractor in the Multi-Family Move-in Kit to facilitate convenient accumulation of Recyclable Materials within a Multi-Family Dwelling Unit.

“Liquidated Damages” means the amounts due by Contractor for failure to meet specific quantifiable standards of performance as described in Section 10.6 and Exhibit F.

“Low Income Resident” means a Residential Customer who can demonstrate that his/her household qualifies as a very-low-income household under the Section 8 eligibility guidelines as determined by the Federal Housing and Urban Development (HUD) formula.

“Marina” means a Commercial business which owns and operates, or intends to develop and operate, a small boat recreational facility providing boat berthing on a wet or dry storage basis and other improvements commonly found in a facility of that type on privately or publicly owned waters within the City.

“Move-in Kit” refers to a pre-prepared and standardized collection of useful items to be given by property managers or Owners of Multi-Family Premises to new Multi-Family tenants upon move-in to a Multi-Family Dwelling Unit. At a minimum, Move-in Kits shall include a Multi-Family Recycling guide, a notice describing Alameda County’s Mandatory Recycling Ordinance, an In-Home Recycling Container and

EXHIBIT A DEFINITIONS

kitchen pail, if requested by the property manager or Owner, and stickers or refrigerator-magnets that clearly define the accepted and prohibited materials in the Recycling program. ACI shall make In-Home Recycling Containers and kitchen pails available to Multi-Family property managers and Owners upon request at Contractor's Alameda office.

"Move-out Kit" means a pre-prepared and standardized collection of useful items to be given by property managers or Owners of Multi-Family Premises to existing tenants upon move-out from a Multi-Family Dwelling Unit. At a minimum, Move-out Kits shall include a Move-Out Reuse Guide to promote donating and reusing slightly used items (furniture, clothing, etc.), a notice describing Alameda County's Mandatory Recycling Ordinance, as well as other helpful information for MFD residents that are moving out of the complex.

"Mulch" means a layer of material applied on top of soil, and, for the purposes of the Agreement, Mulch shall conform with the following conditions, or conditions as otherwise specified in 14 CCR Section 18993.1(f)(4):

- A. Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3).
- B. Was produced at one or more of the following types of Facilities:
 - 1. A Compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10);
 - 2. A Transfer/Processing Facility or Transfer/Processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12; or,
 - 3. A Solid Waste landfill as defined in PRC Section 40195.1 that is permitted under 27 CCR, Division 2.

"Multi-Family" means any Residential Premises, other than a Single-Family Premises, used for Residential purposes (regardless of whether residence therein is temporary or permanent), with five (5) or more units, including such Premises when combined in the same building with Commercial establishments, that receive centralized, shared, Collection service for all units on the Premises. Customers residing in townhouses, mobile homes, condominiums, or other structures who receive individual service shall not be considered Multi-Family.

"Multi-Plex" means any Residential complex, other than Single-Family and Multi-Family Premises, with two (2) to 4 (four) units used for Residential purposes irrespective of whether residence therein is transient, temporary or permanent. Multi-Plex Premises include condominiums and cooperative apartments with two (2) to four (4) units. Such Premises may have individual or shared Solid Waste, Recyclable Materials, and Organic Materials Collection service for each unit on the Premises and may be billed to one (1) Customer at one (1) address or to each individual unit.

EXHIBIT A DEFINITIONS

"Non-Collection Notice" means a form developed by Contractor and provided at Contractor's cost at least 2" by 6" in size, on which Contractor has provided Contractor's phone number and indicated the reasons for Contractor's refusal to Collect material, giving reference to the basis for the violation, and which gives grounds for Contractor's refusal either in writing or by means of a check system.

"Occupant" means the Person who occupies a Premises.

"Organic Materials" means Yard Trimmings, Food Scraps, Compostable Paper, and Clean Wood, individually or collectively. Organic Material may also include manure from herbivores (horses, cows, goats, sheep, rabbits, etc.) No Discarded Material shall be Organic Materials, however, unless it is separated from Recyclable Material and Solid Waste. The Parties agree that materials may be added to or subtracted from the list of Organic Materials from time to time by mutual consent. Contractor shall not add or subtract materials to or from this list without approval from the City Contract Manager, and such approval shall not be unreasonably withheld. Organic Materials are a subset of Organic Waste.

"Organic Waste" means Solid Wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, Yard Trimmings, organic textiles and carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

"Owner" means the Person(s) holding legal title to real property and/or any improvements thereon and shall include the Person(s) listed on the latest equalized assessment roll of the County Assessor.

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

"Person(s)" means any individual, firm, association, organization, partnership, consortium, corporation, trust, joint venture, Commercial entity, governmental entity, public entity, or any other legal Person.

"Premises" means any land or building in the City where Recyclable Materials, Organic Materials, or Solid Waste are generated or accumulated.

"Processing" means to prepare, treat, or convert through some special method.

"Processing Facility" means any plant or site used for the purpose of sorting, cleansing, treating, or reconstituting Recyclable Materials, or Reusable Materials for the purpose of making such material available for Recycling or reuse or the facility for the Processing and/or Composting of Organic Materials.

"Prohibited Container Contaminants" means (i) Discarded Materials placed in the Recyclable Materials Container that are not identified as acceptable Recyclable Materials for the City's Recyclable Materials Container; (ii) Discarded Materials placed in the Organic Materials Container that are not identified as acceptable Organic Materials for the City's Organic Materials Container; (iii) Discarded Materials placed in the Solid Waste Container that are acceptable Recyclable Materials and/or Organic Materials to be

EXHIBIT A DEFINITIONS

placed in City's Organic Materials Container and/or Recyclable Materials Container; and (iv) Excluded Materials placed in any Container.

"Projected Gross Rate Revenues" means projected Gross Rate Revenues calculated by multiplying the most-recent customer subscription levels by then-current Rates.

"Public Street" means all City-owned and maintained paved areas between the normal Curb line of a roadway, including public parking lots, roadway dividers, and medians.

"Push/Pull Charges" means charges associated with the Contractor bringing and/or returning a Commercial Cart, or Bin from a location on the Customer's Premises to the public right-of-way (Push Charge) and/or returning the Container to said Premise (Pull Charge) so that the Container may be serviced.

"Rate" means the maximum amount, expressed as a dollar unit, approved by the City that the Contractor may bill a Customer for providing services under this Agreement. A Rate has been established for each individual Service Level and the initial Rates for Rate Period One are presented in Exhibit G2. The Rates approved by City are the maximum Rate that Contractor may charge a Customer and Contractor may, in its sole discretion, charge any amount up to and including the maximum Rate approved by the City.

"Rate Adjustment Factor" means the amount determined under Exhibit E1 or Exhibit E2, whichever applies for a particular Rate Period.

"Rate Period" means a twelve (12) month period, commencing July 1 and concluding June 30.

"Recyclable Materials" means those Discarded Materials that: the Generators set out in Recyclable Materials Containers for Collection for the purpose of Recycling by the Contractor and that exclude Excluded Materials. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Organic Materials, and Solid Waste. Recyclable Materials shall include, at a minimum, 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, phone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated Cardboard; paper milk cartons; glass bottles and jars (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); small pieces of scrap metal weighing less than ten (10) pounds and fitting into the Recyclable Materials Collection Container; steel, tin or bi-metal cans; plastic containers (no. 1 to 7); aseptic beverage boxes. In addition, Recyclable Materials Collected from Residential Premises shall include empty steel paint cans (formerly used for latex paint), and aerosol cans. The Parties agree that this list will be reviewed as part of the Cost-Based Rate Adjustment process described in Exhibit E2, and that during such review materials may be added to or subtracted from this list by mutual consent. Contractor shall not add or subtract materials to or from this list without, approval from the City Contract Manager, and such approval shall not be unreasonably withheld.

EXHIBIT A DEFINITIONS

"Recycle or Recycling (or any variation thereof)" means the process of sorting, cleansing, treating, and reconstituting, at a Recyclable Materials Processing Facility, materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products.

"Related-Party Entity" (whether capitalized or not) means any Affiliate which has financial transactions with Contractor pertaining to this Agreement. For the purposes of this Agreement, Related-Party Entities shall include, but are not limited to: Alameda County Industries, Inc., Mission Trail Waste Systems, Inc., and Alameda County Industries, LLC.

"Residential" shall mean of, from, or pertaining to a Single-Family Premises, Multi-Plex, or Multi-Family Premises including Single-Family homes, apartments, condominiums, townhouse complexes, mobile home parks, and cooperative apartments.

"Residue" or "Residual" means those materials which, after Processing, are Disposed rather than Recycled, Composted, or otherwise recovered due to either the lack of markets for materials or the inability of the Processing Facility to capture and recover the materials.

"Reusable Materials" means items that are capable of being used again after minimal Processing. Reusable Materials may be Collected Source Separated or recovered through a Processing Facility and using reuse markets developed by Contractor. Reusable Materials may include but are not limited to textiles, furniture, and/or sporting equipment.

"Revenue Reconciliation" means the annual process to compare the projected or anticipated Gross Rate Revenues from a Rate Period to actual Rate Revenues reported by the Contractor in its audited financial statements for the same Rate Period, as described in Section 8.4 of this Agreement.

"Route" means the designated itinerary or sequence of stops for each segment of the Jurisdiction's Collection service area, or as otherwise defined in 14 CCR Section 18982(a)(31.5).

"SB 1383" means Short-Lived Climate Pollutants Act of 2016 (an act to add Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and Chapter 13.1 (commencing with Section 42652) to Part 3 of Division 30 of the Public Resources Code, establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants as amended, supplemented, superseded, and replaced from time to time.

"Senior Resident" refers to a head of a Residential household who is 65 years of age or older.

"Service Assets" means all of Contractor's fixtures, equipment, vehicles and Containers in use, outstanding accounts receivable generated, and other property (other than real property) used, by Contractor to provide the services under this Agreement, whether (i) owned outright or pursuant to an installment sale agreement, or (ii) leased, including right to use, possession and occupancy, as the case may be.

EXHIBIT A DEFINITIONS

“Service Level” refers to the size of a Customer’s Container(s) and the frequency of Collection service.

“Service Opportunity” shall mean each individual scheduled opportunity the Contractor has to Collect from a Container at a Customer’s location. For example, a Commercial Customer receiving Recyclable Materials Collection service two (2) times per week from two (2) Containers, Organic Materials Collection service two (2) times per week from (2) Containers, and Solid Waste Collection service two (2) times per week from two (2) Containers would have a total of twelve (12) Service Opportunities each week. Service Opportunities shall be calculated based on the subscription levels presented in Contractor’s most recent Quarterly Report to City.

“Single-Family” means, notwithstanding any contrary definition in City Code, any detached or attached house or residence designed or used for occupancy by one (1) family, provided that Collection service is provided to such Premises as an independent unit.

“Solid Waste” means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated hereunder. Excluded from the definition of Solid Waste are Excluded Materials, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. 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. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container not Source Separated from Solid Waste at the site of generation.

“Source Reduction” means and refers to the reduction in overall volume of Discarded Materials generated.

“Source Separated” means the segregation, by the Generator, of materials designated for separate Collection for some form of Recycling, Composting, recovery, or reuse.

“State” means the State of California.

“Subcontractor” means a Person who has entered into a contract, express or implied, with Contractor for the performance of an act that is necessary for Contractor’s fulfillment of its obligations for providing service under this Agreement. Notwithstanding any other provision in this Agreement, vendors providing materials, supplies, or professional services to Contractor, and subcontractor and Approved Facilities that are not owned or operated by Affiliates of Contractor, shall not be considered Subcontractors for any purpose under this Agreement (except as explicitly provided in Section 3.3 of this Agreement).

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

EXHIBIT A DEFINITIONS

“Ton” or “Tonnage” means a unit of measure for weight equivalent to two thousand (2,000) standard pounds per each ton where each pound contains sixteen (16) ounces.

“Transfer” means the act of transferring the materials Collected by Contractor in its Route vehicles into larger vehicles for Transport to other facilities for the purpose of Recycling, Processing, or Disposing of such materials.

“Transportation” or “Transport” means the act of conveying Collected materials from one location to another.

“Universal Waste (U-Waste)” means all wastes as defined by 22 CCR Subsections 66273.1 through 66273.9. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and E-Waste.

“Used Motor Oil and Filter” means used oil fluids for vehicles including motor/engine oil, transmission and hydraulic oil, crankcase and differential oils, lubricating oils for vehicles, and oil filters from automobiles, boats, motorcycles and light trucks.

“Used Oil Recovery Kit” means a kit containing: one (1) reusable plastic jug of at least one (1) gallon capacity with a leak-proof watertight screw-on top to contain Used Motor Oil or used cooking oil; one (1) six (6) mil plastic Disposable resealable bag with double track seal of sufficient capacity to accommodate one (1) Used Motor Oil Filter; and, a flyer, brochure, or other informational media approved by the City intended to educate Customers about the Used Motor Oil and Filter Collection program and the benefits resulting from the proper handling of Used Motor Oil and Filters. The Used Oil Recovery Kit is to be provided to Customers by Contractor to recover Used Motor Oil and Filter, and used cooking oil from Single-Family residents.

“Working Days” means days on which the Contractor is required to provide regularly scheduled Collection services under this Agreement.

“Yard Trimmings” means those Discarded Materials that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, flowers, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, and other types of Organic Materials resulting from normal yard and landscaping maintenance that may be specified in City Legislation for Collection and Processing as Organic Materials under this Agreement. The Parties agree that materials may be added to or subtracted from this list from time to time by mutual consent. Contractor shall not add or subtract materials from this list without approval from the City Contract Manager, and such approval shall not be unreasonably withheld. Yard Trimmings does not include items herein defined as Excluded Materials. Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection must fit within the Contractor-provided Container.

EXHIBIT B:
DIRECT SERVICES

EXHIBIT B DIRECT SERVICES

The following Exhibits (B1 through B5) describe the programs which, in aggregate, represent the direct services to be performed under this Agreement by the Contractor.

Each of the following Exhibits (B1 through B5) present the programs to be provided to each Customer Type by Contractor. Within each program description are specific requirements for the:

- Type and size of Containers or Service Level to be offered by Contractor under each program;
- Frequency of service to be offered by Contractor to Customers;
- Location of service, including an indication of whether or not additional charges may apply if a Customer selects a location that is more costly to serve (e.g., back-yard service);
- Materials that are acceptable or prohibited within the program;
- Provision of additional services to the Customer if the standard Service Levels are inadequate, either on a regular or periodic basis, and an indication of whether or not additional charges may apply; and/or,
- Other requirements and considerations of the program.

Contractor shall provide the services for each program described in accordance with the specific program requirements detailed in Exhibits B1 through B5 and Contractor shall promote such programs using the public education and outreach methods described in Exhibit C.

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**EXHIBIT B1:
SINGLE-FAMILY AND MULTI-PLEX RESIDENTIAL
SERVICES**

EXHIBIT B1

SINGLE-FAMILY AND MULTI-PLEX RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers (or otherwise placed in accordance with this Section) one (1) time per week from Single-Family and Multi-Plex Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

Containers: Carts

Container Sizes: 32-, 64-, and 96-gallons (or comparable sizes approved by the City).

Service Frequency: One (1) time per week on the same day as Organic Materials and Solid Waste Collection services.

Service Location: Curbside

Acceptable Materials: Recyclable Materials

Prohibited Materials: Solid Waste, Organic Materials, Excluded Materials

Additional Service: Single-Family and Multi-Plex Customers shall receive one (1) Recyclable Materials Cart. Upon request by a Single-Family or Multi-Plex Customer, Contractor shall provide one (1) additional Recyclable Materials Container at no additional charge. For Single-Family and Multi-Plex Customers requesting Recyclable Materials Containers beyond two (2), Contractor shall provide the additional Recyclable Materials Carts at Rates approved by the City.

Contractor shall allow Single-Family Customers to place flattened Cardboard (pieces no larger than 2' x 3') adjacent to the Recyclable Materials Cart on their regularly scheduled Collection day at no additional charge to the Customer.

Contractor shall accept Household Batteries in the Recyclable Materials program, provided that those batteries have been separately packaged in a sealed, clear plastic bag on top of the Recyclable Materials Cart.

Other Requirements:

Contractor may refuse to Collect a Recyclable Materials Container that contains more than ten percent (10%) by volume of Prohibited Container Contaminants, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall inform the Customer of their options to either remove the Prohibited Container Contaminants or pay the City-approved Rate to have the contents of the contaminated Recyclable Materials Container Collected as Solid Waste. Contractor may charge the Customer the City-approved Rate for a special pick-up if the Customer elects to have their corrected or contaminated Recyclable Materials Container serviced before the next regular Collection day. Prior to refusing Collection of a contaminated Container and leaving a Non-Collection Notice, Contractor must provide one (1) Courtesy Collection, and leave a Courtesy Collection Notice in accordance with Section 5.3.B of this Agreement, no less than one (1) time (per Agreement Term) to that specific Customer account. Contractor shall keep a record of all Non-Collection Notices and Courtesy Notices issued to Customers, recording at a

EXHIBIT B1

SINGLE-FAMILY AND MULTI-PLEX RESIDENTIAL SERVICES

minimum the date, Customer address and material type of the Container in question. Contractor shall conduct an adequate number of random contamination checks of Single-Family and Multi-Plex Recyclable Materials Containers to ensure compliance with the contamination monitoring requirements of SB 1383.

If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other Excluded Material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

2. Organic Materials Collection

Contractor shall Collect Organic Materials placed in Contractor-provided Carts (or otherwise placed in accordance with this Section) one (1) time per week from Single-Family and Multi-Plex Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing.

Containers:	Carts
Container Sizes:	20-, 32-, 64-, or 96-gallons (or comparable size approved by the City).
Service Frequency:	One (1) time per week on the same day as Recyclable Materials and Solid Waste Collection service.
Service Location:	Curbside
Acceptable Materials:	Organic Materials (including Yard Trimmings, Food Scraps, and Compostable Paper)
Prohibited Materials:	Recyclable Materials, Solid Waste, Excluded Materials, Compostable Plastic
Additional Service:	Single-Family and Multi-Plex Customers shall receive one (1) Organic Materials Cart. Upon request by a Single-Family or Multi-Plex Customer, Contractor shall provide one (1) additional Organic Materials Container at no additional charge. For Single-Family and Multi-Plex Customers requesting Organic Materials Containers beyond two (2), Contractor shall provide the additional Organic Materials Carts at Rates approved by the City.

Other Requirements: Upon Customer request, Contractor shall provide to Single-Family Customers kitchen pails designed to contain Food Scraps prior to placement in the Customer's Organic Materials Cart. Kitchen pail specifications shall be approved by the City prior to ordering and distribution. Organic Materials placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit in the provided Cart with the lid closed.

Contractor may refuse to Collect an Organic Materials Container that contains more than one percent (1%) by volume of Prohibited Container Contaminants, provided that Contractor leaves a Non-Collection Notice in accordance with

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Section 5.3.B of this Agreement. Contractor shall inform the Customer of their options to either remove the Prohibited Container Contaminants or pay the City-approved Rate to have the contents of the contaminated Organic Materials Container Collected as Solid Waste. Contractor may charge the Customer the City-approved Rate for a special pick-up if the Customer elects to have their corrected or contaminated Organic Materials Container serviced before the next regular Collection day. Prior to refusing Collection of a contaminated Container and leaving a Non-Collection Notice, Contractor must provide one (1) Courtesy Collection, and leave a Courtesy Collection Notice in accordance with Section 5.3.B of this Agreement, no less than one (1) time (per Agreement Term) to that specific Customer account. Contractor shall keep a record of all Non-Collection Notices and Courtesy Notices issued to Customers, recording at a minimum the date, Customer address and material type of the Container in question. Contractor shall conduct an adequate number of random contamination checks of Single-Family and Multi-Plex Organic Materials Containers to ensure compliance with the contamination monitoring requirements of SB 1383.

If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other Excluded Material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Carts one (1) time per week from Single-Family and Multi-Plex Customers and Transport all Solid Waste to the Designated Disposal Facility for Disposal.

Containers:	Carts
Container Sizes:	20-, 32-, 64-, and 96-gallons (or comparable sizes approved by the City) as requested by Customer.
Service Frequency:	One (1) time per week on the same day as Recyclable Materials and Organic Materials Collection service.
Service Location:	Curbside
Acceptable Materials:	Solid Waste
Prohibited Materials:	Recyclable Materials, Organic Materials, Excluded Materials
Additional Service:	Contractor shall provide additional Solid Waste Carts to Single-Family and Multi-Plex Customers upon request and may charge the appropriate Rate approved by the City. Single-Family and Multi-Plex Customers may purchase Extra Service Tags for additional Solid Waste. Solid Waste must be placed in a Customer-provided bag, with the Extra Service Tag affixed and clearly visible, and placed next to their Solid

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Waste Container for Collection. Contractor shall Collect all properly placed bags labeled with Extra Service Tags, and Customers shall not be required to schedule such extra service in advance.

Contractor shall make Extra Service Tags readily available to Single-Family and Multi-Plex Customers through the mail, at Contractor's Alameda office. The Contractor shall maintain a sufficient inventory of Extra Service Tags to accommodate additional Solid Waste.

Other Requirements: If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

At the Effective Date of this Agreement, the City notes there are forty-one (41) Customers in the City with 10-gallon Solid Waste Cart Collection service. Contractor shall continue to charge Customers the Rates for 10-gallon Cart Collection service, but may replace the 10-gallon Cart with a 20-gallon Cart, at the Contractor's discretion. Any changes to the account holder name or Service Level for these 10-gallon Customers shall eliminate the 10-gallon Collection service option.

Multi-Plex Customers with Bin Collection service will be charged Multi-Family Rates for Bins.

4. Used Oil and Filter Collection

Contractor shall Collect Used Motor Oil and Filters and used cooking oil placed in a Contractor-provided Used Oil Recovery Kit from Single-Family and Multi-Plex Customers and shall Recycle all Used Motor Oil and Filters and used cooking oil Collected pursuant to this Agreement.

Containers: Used Oil Recovery Kit

Container Sizes: 1-gallon filter bags; and, 1-gallon oil jugs

Service Frequency: Up to one (1) time per week and up to three (3) Used Oil Recovery Kits on the same day as Solid Waste Collection service.

Service Location: Curbside (adjacent to Recyclable Materials Cart)

Acceptable Materials: Used Motor Oil and Filter, used cooking oil

Prohibited Materials: Recyclable Materials, Organic Materials, Solid Waste, Excluded Materials

Additional Service: Not applicable

Other Requirements: Contractor shall provide a Used Oil Recovery Kit to a Customer within five (5) Working Days of Customer request, at no additional cost to Customer. Upon Collection of Used Motor Oil and Filter from a Customer, Contractor shall leave a clean and empty Used Oil Recovery Kit adjacent to the Recyclables Cart.

Contractor shall Recycle the Used Motor Oil and Filter and used cooking oil only with Persons who are authorized by the State of California to Recycle such

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materials. In the event the Used Motor Oil and Filter and/or used cooking oil Collected pursuant to this Agreement is contaminated to the extent that the materials require Disposal as a Hazardous Waste, Contractor shall Dispose of such materials, at Contractor's own cost and expense in accordance with Applicable Law.

Contractor shall notify the City Contract Manager of any contamination which renders the Used Motor Oil and Filter or used cooking oil unacceptable for Recycling or which requires Disposal as a Hazardous Waste.

Contractor shall keep all Used Motor Oil and Filters and used cooking oil Collected pursuant to this Agreement segregated from other materials.

Contractor may refuse to Collect Used Motor Oil and Filter if it is not contained in an approved Used Oil Recovery Kit, provided that Contractor leaves a Non-Collection Notice which explains the reason for non-Collection, and also leaves a clean and empty Used Oil Recovery Kit adjacent to the refused Used Motor Oil and Filter set-out. Contractor may refuse to Collect a Used Motor Oil Recovery Kit which contains liquid other than Used Motor Oil or cooking oil, provided that Contractor leaves a Non-Collection Notice which explains the reason for non-Collection.

5. On-call Clean-up Services

One (1) time per Rate Period, Contractor shall Collect Bulky Items, Reusable Materials, and other materials described herein from Single-Family and Multi-Plex Customers, excluding Single-Family and Multi-Plex Customers receiving 10-gallon Solid Waste Collection Service. The clean-up Collection event shall be an on-call event at no additional cost to the Customers. During the first two complete calendar weeks of January each year, Contractor may offer limited Collection of Bulky Items, Reusable Materials, and other materials as described in Section 4.4 while offering Holiday Tree Collection Service.

Containers:	Not applicable
Service Level:	Up to three (3) cubic yards of Reusable Materials, Recyclable Materials, Yard Trimmings, and Solid Waste; AND, up to three (3) Bulky Items of which one (1) may be an E-Waste Item
Service Frequency:	One (1) time per year per Single-Family and Multi-Plex Customers (as requested by Customer).
Service Location:	Curbside, in front of each individual Premises, or other location on or adjacent to Customer's Premises, as arranged by Customer and Contractor, to reduce safety concerns of Collecting Bulky Items along busy streets.
Acceptable Materials:	Reusable Materials, Bulky Items, Recyclable Materials, Yard Trimmings, Solid Waste, and E-Waste
Prohibited Materials:	Food Scraps, Hazardous Materials, rocks, cement, dirt, bundled wood exceeding five (5) feet in length, abandoned automobiles, automobile batteries, Excluded Materials, or any single item (e.g., large auto parts, etc.) that exceeds one hundred fifty (150) lbs. in weight.

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- Additional Service:** Contractor shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rate approved by the City for such additional material Collected.
- The Contractor shall also provide on-call clean-up Collection services to Customers requesting more than one (1) free event for which the Customer is entitled pursuant to this Section and may charge Customers Rates provided such Rates comply with City-established Rates.
- Other Requirements:** Contractor shall provide the service to the Customer within five (5) Working Days of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor. Contractor shall Divert a minimum of sixty-five percent (65%) by weight of the materials Collected through this on-call clean-up services program through reuse, Recycling, or Composting activities, by using Contractor's best efforts to curate engagements for Diversion outlets. Disposal of materials shall be the Contractor's last option.
- Appliances and E-Scrap Items shall be reused, Recycled or Disposed by Contractor in accordance with requirements of Applicable Law and in accordance with the State Department of Toxic Substance Controls regulations.
- If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

6. Holiday Tree Collection

Annually, Contractor shall Collect holiday trees from all Customers to supplement but not replace the Collection program offered by youth programs (including but not limited to the Boy Scouts) in the City. Contractor shall offer Single-Family and Multi-Plex Customers Collection of holiday trees for the period commencing the first Working Day following December 25 and ending on the last regularly scheduled Organic Materials Collection day of January for each specific Route. Holiday trees shall be Collected on the Customer's regular Collection day. On-call clean-up services, pursuant to Exhibit B1 Section 5, and Bulky and Reusable Items Collection, pursuant to Exhibit B2 Section 5, may be suspended or limited by Contractor during the first two full weeks in January to allow Contractor's clean-up equipment and crews to perform holiday tree Collection.

Holiday trees shall be used to produce Mulch or Compost product or Diverted from landfill Disposal in an alternative manner to count as Diversion in accordance with the AB 939 and SB 1383 with the exception that holiday trees may not be used as ADC, AIC, or for transformation fuel without prior written approval from the City. Trees that are flocked and contain tinsel or other decorations may not be Collected for Diversion purposes but shall be Collected and Disposed by Contractor.

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Holiday tree Collection services shall be provided at no additional cost to the City or the Customer. Contractor may require that Christmas trees be cut into sections no greater than six feet (6').

7. Alternative Service Location for Disabled Single-Family Customers

Contractor shall allow for Persons that have a disability as defined by the Americans with Disabilities Act (which means Public Law 101-336, 104 Stat. 327, 42 U.S.C. 12101-12213 and 27 U.S.C. 225 and 611, and all Federal rules and regulations relating thereto) that are Occupants of Single-Family or Multi-Plex Premises to receive Collection services at a location other than Curbside at no extra charge to the Customer. Contractor shall review all applications (which shall include statements from physicians) made by Customers to determine conformance with this exemption provision and shall grant exemptions, if applicable. Contractor shall make reasonable accommodations with regard to provision of and servicing of Containers (e.g., Container size and type, placement of Containers for Collection, etc.) at no additional cost to the Customer. Upon Customer request, Contractor may make such alternative service locations available to Single-Family and Multi-Plex Customers that do not have a disability (as defined herein) for an additional, City-approved Rate.

8. Drop Boxes

Contractor shall allow for a Single-Family or Multi-Plex Customer to use a Drop Box for Solid Waste Collection to meet the Generator's temporary Disposal needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from ten (10) to forty (40) cubic yards. Contractor shall ensure that Drop Boxes or Compactors containing putrescible materials are Collected at least one (1) time per week.

EXHIBIT

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EXHIBIT B2:
MULTI-FAMILY RESIDENTIAL SERVICES

EXHIBIT B2

MULTI-FAMILY RESIDENTIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers from Multi-Family Customers at no additional charge with Customer subscription to Solid Waste Collection service and shall Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency. Recyclable Materials Collection Services shall be provided to Multi-Family Customers at no additional charge.

Containers:	Carts, Bins
Container Sizes:	64-, and 96-gallon (or comparable size Carts approved by the City); and, 1-, 1.5-, 2-, 3-, 4-, 5-, 6-, and 7-cubic yard Bins. As requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every five (5) Dwelling Units.
Service Frequency:	Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week (Monday through Friday).
Service Location:	Curbside or other Customer-selected service location (including backyard or side-yard) at the Multi-Family Premises. Containers shall be shared by Occupants and centralized.
Acceptable Materials:	Recyclable Materials
Prohibited Materials:	Organic Materials, Solid Waste, Excluded Materials
Additional Service:	Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional pick-ups can be scheduled equating to up to six (6) days per week total service.
Other Requirements:	<p>Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers and may charge City approved Rates for such service.</p> <p>Contractor may refuse to Collect a Recyclable Materials Container that contains more than ten percent (10%) by volume of Prohibited Container Contaminants, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall inform the Customer of their options to either remove the Prohibited Container Contaminants, or pay the City-approved Rate to have the contents of the contaminated Recyclable Materials Container Collected as Solid Waste. Contractor may charge the Customer the City-approved Rate for a special pick-up if the Customer elects to have their corrected or contaminated Recyclable Materials Container serviced before the next regular Collection day. Prior to refusing Collection of a contaminated Container and leaving a Non-Collection Notice, Contractor must provide one (1) Courtesy Collection, and leave a Courtesy Collection Notice in accordance with Section 5.3.B of this Agreement, no less than one (1) time (per Agreement Term) to that specific Customer account. Contractor shall keep a record of all Non-</p>

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Collection Notices and Courtesy Notices issued to Customers, recording at a minimum the date, Customer address and material type of the Container in question. Contractor shall conduct random contamination checks of an adequate number of Multi-family Recyclable Materials Containers to ensure compliance with the contamination monitoring requirements of SB 1383.

If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other Excluded Material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

Contractor shall provide Move-in Kits and Move-out Kits to Multi-Family property managers and Owners to provide to tenants upon move-in to or move-out of a Multi-Family Dwelling Unit.

2. Organic Materials Collection

Contractor shall Collect Organic Materials in Contractor-provided Carts not less than one (1) time per week from Multi-Family Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing. Organic Materials Collection services shall be provided to Multi-Family Customers at no additional charge. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency. Contractor shall allow for a Multi-Family Premises to use Cart(s) or Bin(s) for Recyclable Materials and Organic Materials Collection which are shared by the Occupants of the Multi-Family Premises.

Containers:	Carts, Bins
Container Sizes:	32-, 64-, and 96-gallon (or comparable size Carts approved by the City); and, 1-, 1.5-, 2-, 3-cubic yard Bins. As requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every five (5) Dwelling Units.
Service Frequency:	Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week Monday through Friday).
Service Location:	Curbside or other Customer-selected service location (including backyard or side-yard) at the Multi-Family Premises. Containers shall be shared by Occupants and centralized.
Acceptable Materials:	Organic Materials (including Yard Trimmings, Food Scraps, and Compostable Paper)
Prohibited Materials:	Recyclable Materials, Solid Waste, Excluded Materials, Compostable Plastics
Additional Service:	Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total

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service.

Other Requirements: Upon request from the Customer or City, Contractor shall provide Multi-Family properties kitchen pails designed to contain Food Scraps prior to placement in the Customer's Organic Materials Container. Kitchen pail specifications shall be approved by the City prior to ordering and distribution.

Organic Materials placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit in the provided Cart or Bin.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers and may charge City approved Rates for such service. Contractor may refuse to Collect an Organic Materials Container that contains more than one percent (1%) by volume of Prohibited Container Contaminants, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall inform the Customer of their option to either remove the Prohibited Container Contaminants or pay the City-approved Rate to have the contents of the contaminated Organic Materials Container Collected as Solid Waste. Contractor may charge the Customer the City-approved Rate for a special pick-up if the Customer elects to have their corrected or contaminated Organic Materials Container serviced before the next regular Collection day. Prior to refusing Collection of a contaminated Container and leaving a Non-Collection Notice, Contractor must provide one (1) Courtesy Collection, and leave a Courtesy Collection Notice in accordance with Section 5.3.B of this Agreement, no less than one (1) time (per Agreement Term) to that specific Customer account. Contractor shall keep a record of all Non-Collection Notices and Courtesy Notices issued to Customers, recording at a minimum the date, Customer address and material type of the Container in question. Contractor shall conduct random contamination checks of an adequate number of Multi-Family Organic Materials Containers to ensure compliance with the contamination monitoring requirements of SB 1383.

If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other Excluded Material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Solid Waste to the Designated Disposal Facility for Disposal. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency.

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Containers:	Carts, Bins
Container Sizes:	64-, and 96-gallon Carts (or comparable size Carts approved by the City); 1-, 1.5-, 2-, 3-, 4-, 5-, 6-, and 7-cubic yard Bins. As requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every five (5) Dwelling Units.
Service Frequency:	Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week Monday through Friday).
Service Location:	Curbside or other Customer-selected service location (including backyard or side-yard) at the Multi-Family Premises. Containers may be shared by Occupants and centralized.
Acceptable Materials:	Solid Waste
Prohibited Materials:	Recyclable Materials, Organic Materials, Excluded Materials
Additional Service:	<p>Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks ups can be scheduled equating to up to six (6) days per week total service.</p> <p>Multi-Family Customers may purchase Extra Service Tags for additional Solid Waste. Solid Waste must be placed in a Customer-provided bag, with the Extra Service Tag affixed and clearly visible, and placed next to their Solid Waste Container for Collection. Contractor shall Collect all properly placed bags labeled with Extra Service Tags, and Customers shall not be required to schedule such extra service in advance.</p> <p>Contractor shall make Extra Service Tags readily available to Multi-Family Customers through the mail, at Contractor's Alameda office, or at City offices. The Contractor shall maintain a sufficient inventory of Extra Service Tags to accommodate additional Solid Waste.</p>
Other Requirements:	<p>Multi-Family Premises may use Cart(s) or Bin(s) for Solid Waste Collection which are shared by the Occupants of the Multi-Family Premises.</p> <p>Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, and/or perform other services as reasonably necessary to access and service Bins, and may charge the City-approved Rates for such services. No similar charges shall be applied to access and service Carts.</p> <p>If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.</p>

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MULTI-FAMILY RESIDENTIAL SERVICES

4. Used Oil and Filter Collection

Contractor shall Collect Used Motor Oil and Filters and used cooking oil placed in a Contractor-provided Used Oil Recovery Kit from Multi-Family Customers and shall Recycle all Used Motor Oil and Filters and used cooking oil Collected pursuant to this Agreement.

Containers: Used Oil Recovery Kit
Container Sizes: 1-gallon filter bags; and, 1-gallon oil jugs
Service Frequency: Up to one (1) time per week on the same day as Solid Waste Collection service.
Service Location: Curbside, or adjacent to Customer's Recyclable Materials Container if approved by property owner or manager, or other service location mutually agreed upon by Customer and Contractor, up to three (3) Used Oil Recovery Kits per week.

Acceptable Materials: Used Motor Oil and Filter, used cooking oil

Prohibited Materials: Recyclable Materials, Organic Materials, Solid Waste, Excluded Materials

Additional Service: Not applicable

Other Requirements: Contractor shall provide a Used Oil Recovery Kit to a Customer within five (5) Working Days of Customer request, at no additional cost to Customer. Upon Collection of Used Motor Oil and Filter from a Customer, Contractor shall leave a clean and empty Used Oil Recovery Kit adjacent to the Recyclables Cart.

Contractor shall Recycle the Used Motor Oil and Filter and used cooking oil only with Persons who are authorized by the State of California to Recycle such materials. In the event the Used Motor Oil and Filter and/or used cooking oil Collected pursuant to this Agreement is contaminated to the extent that the materials require Disposal as a Hazardous Waste, Contractor shall Dispose of such materials, at Contractor's own cost and expense in accordance with Applicable Law.

Contractor shall notify the City Contract Manager of any contamination which renders the Used Motor Oil and Filter or used cooking oil unacceptable for Recycling or which requires Disposal as a Hazardous Waste.

Contractor shall keep all Used Motor Oil and Filters and used cooking oil Collected pursuant to this Agreement segregated from other materials.

Contractor may refuse to Collect Used Motor Oil and Filter if it is not contained in an approved Used Oil Recovery Kit, provided that Contractor leaves a Non-Collection Notice which explains the reason for non-Collection, and also leaves a clean and empty Used Oil Recovery Kit adjacent to the refused Used Motor Oil and Filter set-out. Contractor may refuse to Collect a Used Motor Oil Recovery Kit which contains liquid other than Used Motor Oil or cooking oil, provided that Contractor leaves a Non-Collection Notice which explains the reason for non-Collection.

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MULTI-FAMILY RESIDENTIAL SERVICES

5. Bulky Item/Reusable Materials Collection

Contractor shall Collect Bulky Items from Multi-Family Customers and Occupants, upon request, and shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal. During the first two complete calendar weeks of January each year, Contractor may offer limited Collection of Bulky Items, Reusable Materials, and other materials as described in Section 4.4 while offering Holiday Tree Collection Service.

Containers:	Not applicable
Service Level:	Up to three (3) cubic yards of Reusable Materials, Recyclable Materials, Yard Trimmings, and Solid Waste; AND, up to three (3) Bulky Items of which one (1) may be an E-Waste Item
Service Frequency:	One (1) time per year per Multi-Family Dwelling Unit. Additional on-call service upon Customer or Occupant request at Rates approved by the City
Service Location:	Curbside or from designated location at the Multi-Family Premises mutually agreed upon between Contractor and the property Owner or manager. Contractor shall provide on-premises service at no additional cost for MFD Customers with 5 or more Dwelling Units.
Acceptable Materials:	Reusable Materials, Bulky Items, Recyclable Materials, Yard Trimmings, Solid Waste, and E-Waste
Prohibited Materials:	Food Scraps, Hazardous Materials, rocks, cement, dirt, bundled wood exceeding five (5) feet in length, abandoned automobiles, Excluded Materials or any single item (e.g., large auto parts, etc.) that exceeds one hundred fifty (150) lbs. in weight
Additional Service:	Contractor shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level and may charge the appropriate Rate approved by the City for such additional material Collected. The Contractor shall also provide on-call clean-up Collection services to Customers requesting more than one (1) free event for which the Customer is entitled pursuant to this Section and may charge Customers Rates provided such Rates comply with City-established Rates.
Other Requirements:	Contractor shall provide the service to the Customer within five (5) Working Days of the Customer's requested service date, as mutually agreed upon by the Customer and Contractor. Contractor shall Divert a minimum of sixty-five percent (65%) by weight of the Materials Collected through this the on-call Bulky item collection through reuse, Recycling, or Composting activities, by using Contractor's best efforts to curate engagement for Diversion outlets. Contractor shall not Dispose of materials Collected through the on-call Bulky Item Collection program unless the materials cannot be Diverted. Contractor shall Process and Dispose of Bulky Items Collected from Customers, using Contractor's best efforts to curate engagements for Diversion outlets, in accordance with the following hierarchy: (1) reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle or Compost; and if none of the

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MULTI-FAMILY RESIDENTIAL SERVICES

other options are practicable, (4) Dispose.

If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

6. Holiday Tree Collection

Annually, Contractor shall Collect holiday trees from all Customers to supplement but not replace the Collection program offered by the Boy Scouts in the City. Contractor shall offer Multi-Family Customers Collection of holiday trees for the period commencing the first Working Day following December 25 and ending on the last regularly scheduled Organic Materials Collection day of January for each specific Route. Holiday trees may be Collected on the Customer's regular Collection day, or on the same Collection day for surrounding Single-Family and Multi-Plex Customers. The default holiday tree Collection location for Multi-Family Customers shall be Curbside, unless another Collection location is requested by the Customer, property manager, or City, and approved by the Contractor. On-call clean-up services, pursuant to Exhibit B1 Section 5, and Bulky and Reusable Items Collection, pursuant to Exhibit B2 Section 5, may be suspended or limited by Contractor during the first two full weeks in January to allow Contractor's clean-up equipment and crews to perform holiday tree Collection.

Holiday trees shall be used to produce Mulch or Compost product or Diverted from landfill Disposal in an alternative manner to count as Diversion in accordance with the AB 939 and SB 1383 with the exception that holiday trees may not be used as ADC, AIC, or for transformation fuel without prior written approval from the City. Trees that are flocked and contain tinsel or other decorations may not be Collected for Diversion purposes but shall be Collected and Disposed by Contractor.

Holiday tree Collection services shall be provided at no additional cost to the City or the Customer. Contractor may require that Christmas trees be cut into sections no greater than six feet (6').

7. Drop Boxes and Compactors

Contractor shall allow for a Multi-Family Customer to use a Drop Box or Compactor for Discarded Materials Collection to meet the Generator's temporary or permanent Disposal needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from ten (10) to forty (40) cubic yards. Contractor shall ensure that Drop Boxes used for containing putrescible materials are temporary and Collected at least one (1) time per week. Customers using Compactors for containing putrescible materials are required to receive Collection service at least one (1) time per week.

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EXHIBIT B3:
COMMERCIAL SERVICES

EXHIBIT B3

COMMERCIAL SERVICES

1. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials placed in Contractor-provided Containers from Commercial Customers subscribing to Recyclable Materials Collection service and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency.

Containers:	Carts, Bins
Container Sizes:	32-, 64-, and 96-gallon (or comparable size Carts approved by the City); 1-, 1.5-, 2-, 3-, 4-, 5-, 6-, and 7-cubic yard Bins. As requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity to Commercial Premises at no additional cost, and no less than ninety-six (96) gallons of Container capacity for every five (5) Commercial Premises with shared service, which requirement may be waived on a case-by-case basis on the reasonable judgement of the City Contract Manager.
Service Frequency:	Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week Monday through Friday).
Service Location:	Curbside or other Customer-selected service location at the Commercial Premises.
Acceptable Materials:	Recyclable Materials
Prohibited Materials:	Organic Materials, Solid Waste, Excluded Materials
Additional Service:	Contractor shall provide additional Recyclable Materials Collection capacity over ninety-six (96) gallons to Commercial Customers upon request, and may charge the appropriate Rate approved by the City. Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional pick-ups can be scheduled equating to up to six (6) days per week total service.
Other Requirements:	<p>Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers, and may charge the City-approved Rate for such service.</p> <p>Contractor may refuse to Collect a Recyclable Materials Container that contains more than ten percent (10%) by volume of Prohibited Container Contaminants, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall inform the Customer of their options to either remove the Prohibited Container Contaminants or pay the City-approved Rate to have the contents of the contaminated Recyclable Materials Container Collected as Solid Waste.</p> <p>Contractor may charge the Customer the City-approved Rate for a special pick-up if the Customer elects to have their corrected or contaminated Recyclable Materials Container serviced before the next regular Collection day. Prior to refusing Collection of a contaminated Container and leaving a Non-Collection Notice, Contractor must provide one (1) Courtesy Collection, and leave a Courtesy</p>

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Collection Notice in accordance with Section 5.3.B of this Agreement, no less than one (1) time (per Agreement Term) to that specific Customer account. Contractor shall keep a record of all Non-Collection Notices and Courtesy Notices issued to Customers, recording at a minimum the date, Customer address and material type of the Container in question. Contractor shall conduct random contamination checks of at an adequate number of Commercial Recyclable Materials Containers to ensure compliance with the contamination monitoring requirements of SB 1383.

If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other Excluded Material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

2. Organic Materials Collection

Contractor shall Collect Organic Materials placed in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Organic Materials to the Approved Organic Materials Processing Facility for Processing. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency.

Containers:	Carts, Bins
Container Sizes:	32-, 64-, and 96-gallon (or comparable size Carts approved by the City); 1-, 1.5-, 2-, and 3-cubic yard Bins. As requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity to Commercial Premises and no less than ninety-six (96) gallons of Container capacity for every five (5) Commercial Premises with shared service.
Service Frequency:	Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week Monday through Friday).
Service Location:	Curbside or other Customer-selected service location at the Commercial Premises.
Acceptable Materials:	Organic Materials (including Yard Trimmings, Food Scraps, and Compostable Paper)
Prohibited Materials:	Recyclable Materials, Solid Waste, Excluded Materials, Compostable Plastics
Additional Service:	Contractor shall provide additional Organic Materials Collection capacity to Commercial Customers upon request and may charge the appropriate Rate approved by the City. Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.

EXHIBIT B3

COMMERCIAL SERVICES

Other Requirements: Organic Materials placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit in the provided Cart or Bin. Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers, and may charge the City-approved Rate for such service. Contractor may refuse to Collect an Organic Materials Container that contains more than one percent (1%) by volume of Prohibited Container Contaminants, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor shall inform the Customer of their options to either remove the Prohibited Container Contaminants or pay the City-approved Rate to have the contents of the contaminated Organic Materials Container Collected as Solid Waste. Contractor may charge the Customer the City-approved Rate for a special pick-up if the Customer elects to have their corrected or contaminated Organic Materials Container serviced before the next regular Collection day. Prior to refusing Collection of a contaminated Container and leaving a Non-Collection Notice, Contractor must provide one (1) Courtesy Collection, and leave a Courtesy Collection Notice in accordance with Section 5.3.B of this Agreement, no less than one (1) time (per Agreement Term) to that specific Customer account. Contractor shall keep a record of all Non-Collection Notices and Courtesy Notices issued to Customers, recording at a minimum the date, Customer address and material type of the Container in question. Contractor shall conduct random contamination checks of an adequate number of Commercial Organic Materials Containers to ensure compliance with the contamination monitoring requirements of SB 1383.

If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other Excluded Material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

3. Solid Waste Collection

Contractor shall Collect Solid Waste placed in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Solid Waste to the Designated Disposal Facility for Disposal. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency.

Containers: Carts, Bins.

Container Sizes: 32-, 64-, and 96-gallon (or comparable size Carts approved by the City); 1-, 1.5-, 2-, 3-, 4-, 5-, 6-, and 7-cubic yard Bins. As requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every five (5) Commercial Premises for shared service.

EXHIBIT B3 COMMERCIAL SERVICES

- Service Frequency:** Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week Monday through Friday).
- Service Location:** Curbside or other Customer-selected service location at the Commercial Premises.
- Acceptable Materials:** Solid Waste
- Prohibited Materials:** Recyclable Materials, Organic Materials, Excluded Materials
- Additional Service:** Contractor shall provide additional Solid Waste Collection capacity to Commercial Customers upon request and may charge the appropriate Rate approved by the City. Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.
- Other Requirements:**
- Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers, and may charge the City-approved Rate for such service.
- If Contractor determines that material placed in any Container for Collection is Hazardous Waste, Designated Waste, or other material that may not legally be Disposed of at the Designated Disposal Location or handled at the Processing Sites or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement.

4. Holiday Tree Collection

Annually, Contractor shall Collect holiday trees from all Customers to supplement but not replace the Collection program offered by youth programs (including but not limited to the Boy Scouts) in the City. Contractor shall offer Commercial Customers Collection of holiday trees for the period commencing the first Working Day following December 25 and ending on the last regularly scheduled Organic Materials Collection day of January for each specific Route. Holiday trees may be Collected on the Customer's regular Collection day, or on the same Collection day for surrounding Single-Family and Multi-Plex Customers. Contractor shall work with the property manager each multi-business Commercial Premises to agree upon the appropriate Collection location for holiday trees. On-call clean-up services, pursuant to Exhibit B1 Section 5, and Bulky and Reusable Items Collection, pursuant to Exhibit B2 Section 5, may be suspended or limited by Contractor during the first two full weeks in January to allow Contractor's Clean-up equipment and crews to perform holiday tree Collection.

Holiday trees shall be used to produce Mulch or Compost product or Diverted from landfill Disposal in an alternative manner to count as Diversion in accordance with the AB 939 and SB 1383 with the exception that holiday trees may not be used as ADC, AIC, or for transformation fuel without prior written approval

EXHIBIT B3

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from the City. Trees that are flocked and contain tinsel or other decorations may not be Collected for Diversion purposes but shall be Collected and Disposed by Contractor.

Holiday tree Collection services shall be provided at no additional cost to the City or the Customer. Contractor may require that Christmas trees be cut into sections no greater than six feet (6').

5. Drop Boxes and Compactors

Contractor shall allow for a Commercial Customer to use a Drop Box or Compactor for Discarded Materials Collection to meet the Generator's temporary or permanent Disposal needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from ten (10) to forty (40) cubic yards. Contractor shall ensure that Drop Boxes used for containing putrescible materials are temporary and Collected at least one (1) time per week. Customers using Compactors for containing putrescible materials are required to receive Collection service at least one (1) time per week.

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EXHIBIT B4:
CITY SERVICES

EXHIBIT B4 CITY SERVICES

1. Commercial Customer Services to City Facilities

Contractor shall Collect Recyclable Materials, Organic Materials, and Solid Waste, from City facilities in the same manner as those services are provided to Commercial Customers. Contractor shall provide service to all existing City facilities identified in Exhibit B5 as well as any future City facilities established after the Commencement Date, and the cost of providing such service shall be an allowable cost of business, included in the adjustment of Rates as described in Exhibit E. Collection shall occur at least once per week or more frequently as requested by the City. Contractor shall provide these services at no direct cost to the City. Contractor shall provide and maintain Collection Containers for the City's use. Contractor shall work with the City ensure that each City facility (including but not limited to public spaces such as parks) receives service that adequately meets the generation needs at that facility. Contractor shall ensure that all City facility Service Levels are reviewed and updated every three (3) years during the Term. Contractor shall deliver Drop Boxes by the following Working Day of City request. Contractor shall Collect, empty, and return Drop Boxes by the following Working Day of City request. Contractor shall remove and not return Drop-Boxes by the following Working Day of City request. Such twenty-four (24) hour time limits shall be extended such that City shall inform Contractor of the need for Saturday, Sunday, or Monday service no later than 12:00 p.m. on the immediately preceding Thursday. In the event that the Contractor separately contracts to provide service to public schools within the City, such service shall not be governed by the terms of this Agreement, provided however, that Contractor may commingle Recyclable Materials, Organic Materials, and Solid Waste Collected from schools with other Recyclable Materials, Organic Materials and Solid Waste Collected in the City. If such materials are commingled as described in this Section, vehicle-related and Processing and Disposal costs associated with Contractor's Collection service to schools within the City shall be an allowable cost of business, included in the adjustment of Rates as described in Exhibit E. The Contractor shall not recover the cost of Containers or labor associated with provision of service to public schools through this Agreement. Contractor's revenue from providing services to public schools shall not be included in Gross Receipts.

2. On-Call Clean Up Service

In addition to the services to be provided in accordance with Section 1 of this Exhibit B4, and Section 4.4 of the Agreement, Contractor shall provide Collection, Transportation and Processing or Disposal service of up to four-hundred eighty (480) cubic yards of on-call clean-up service per year, upon City request. At the City's sole option, the City may direct the Contractor to provide such clean-up capacity in the form of temporary Drop Box service for community events, creek vegetation removal, large clean-up events at locations throughout the City, or any other arrangement deemed appropriate by the City Contract Manager. The Parties acknowledge that the intent of this program is not to support the ongoing, regular Collection needs associated new developments in the City, but rather to support the City through targeted, short-term, clean-up events. Contractor shall be entitled to charge the City for quantities that exceed four-hundred eighty (480) cubic yards per complete or partial calendar year in accordance with the Rates specified in Exhibit G3.

EXHIBIT B4

CITY SERVICES

Contractor shall, in response to a written request from the City Contract Manager, deliver to and Collect Drop Boxes from locations not designated as City facilities, as directed by the City Contract Manager. The City Contract Manager's request to Contractor shall specify the date of delivery and Collection of the Drop Box Containers, the location(s) for delivery, and the number of and size of the Drop Box Containers to be delivered. Contractor shall deliver Drop Boxes by the next Working Day following City request. Contractor shall Collect, empty, and return Drop Boxes by the next Working Day following City request. Contractor shall remove and not return Drop-Boxes by the next Working Day following City request.

3. Emergency Services

Contractor shall provide emergency services (i.e., special collections, Transport, Processing and Disposal) at the request of the City Contract Manager in the event of major accidents, disruptions, or natural calamities. Contractor shall be capable of providing emergency services within twenty-four (24) hours of notification by the City Contract Manager or as soon thereafter as is reasonably practical in light of the circumstances. For any services which exceed the scope of services under this Agreement, Contractor shall be entitled to compensation at the emergency service Rates approved under this Agreement. The City shall have discretion in the method of such compensation between direct payments by the City and allowing such costs to be considered in the adjustment of Rates for the following Rate Period.

4. Provision of Compost Product, Mulch

- A. Bulk Compost.** Contractor shall make available to City at least one thousand (1,000) cubic yards of bulk Compost per Agreement Year for use in City parks and facilities at no additional cost to the City or Customers. City may request that Contractor provide additional bulk Compost one thousand (1,000) cubic yard increments at proposed price in Exhibit G1, to be paid through direct payment by the City or an increase in the upcoming Rate adjustment. City will notify Contractor as to the City's needs for delivery of finished Compost throughout the Agreement Year. Contractor shall deliver Compost within five (5) Business Days of a request of City to any accessible location within City limits at no additional cost to City. If City does not take delivery of Compost made available by Contractor within thirty (30) calendar days of the end of the Agreement Year, Contractor's obligation to deliver Compost for said Agreement Year shall be deemed to be satisfied. Any of the one thousand (1,000) cubic yards bulk Compost allotment that is not requested by the City during the Agreement Year shall not carry over into the next Agreement Year. Upon request Contractor shall provide City with Compost lab results and specifications. All Compost provided by Contractor must meet or exceed State requirements for Compost quality, including those standards regarding Compost maturity, reduction of pathogens, elimination of weed seeds, and concentrations of physical contaminants such as glass, plastic, and metal. All Compost provided by Contractor must be suitable for use in landscaping, parks, and community gardens, and must be suitable for distribution to the general public, but shall not be required to be certified by the Organic Materials Review Institute (OMRI). Upon request, Contractor shall provide City with bulk Compost screened to ¾" minus and suitable for use as a top dressing on

EXHIBIT B4 CITY SERVICES

sports fields. Such Compost shall be included in (not in addition to) the 1,000 cubic yards of bulk Compost and shall be provided at no additional charge.

- B. Bulk Mulch.** Contractor shall make available to City at least one thousand (1,000) cubic yards of bulk Mulch per Agreement Year for use in City parks and facilities at no additional cost to City or Customers. City may request that Contractor provide additional bulk Mulch in one thousand (1,000) cubic yard increments at the proposed price in Exhibit G1, to be apid through direct payment by the City or an increase in the upcoming Rate adjustment. The Mulch specifications shall be approved in advance by City. The Mulch shall be of a color specified by the City and made from Recycled urban wood waste, to the extent that the color specified by the City is locally commercially available. City will notify Contractor as to the City's needs for delivery of finished Mulch throughout the Agreement Year. Contractor shall deliver Mulch within five (5) Business Days upon request of City to any accessible location within City limits at no additional cost to City. If City does not take delivery of Mulch made available by Contractor within thirty (30) calendar days of the end of the Agreement Year, Contractor's obligation to deliver Compost for said Agreement Year shall be deemed to be satisfied. Any of the one thousand (1,000) cubic yards bulk Mulch allotment that is not requested by the City during the Agreement Year shall not carry over into the next Agreement Year.
- C. Compost Give-Away Events.** Contractor shall distribute an annual total of at least one thousand (1,000) cubic feet of Compost to City residents at no additional cost to the City or Customers at two (2) public Compost give-away events per Agreement Year (such that Contractor shall provide at least five hundred (500) cubic feet of Compost per event). The location, date, and time of such events shall be mutually agreed upon by Contractor and the City Contract Manager and may be held in conjunction with other City-approved events. Contractor shall deliver the un-bagged Compost to the agreed-upon event location at no cost to City. Contractor shall provide at least one (1) attendant for at least six (6) hours per event; however, Contractor shall have no obligation to assist Customers with loading the un-bagged Compost into Customer-provided bags. Contractor shall provide no fewer than one hundred (100) empty bags for Customers to fill with Compost at no additional charge to City or Customers. All Compost provided by Contractor must meet or exceed State requirements for Compost quality, including those standards regarding Compost maturity, reduction of pathogens, elimination of weed seeds, and concentrations of physical contaminants such as glass, plastic, and metal. All Compost provided by Contractor must be suitable for use in landscaping, parks, sports fields, and community gardens, and must be suitable for distribution to the general public, but shall not be required to be certified by the Organic Materials Review Institute (OMRI).

5. News Media Relations

Contractor shall notify the City Contract Manager by e-mail of all requests for news media interviews related to the Collection Services program within twenty-four (24) hours of Contractor's receipt of the request. Before responding to any inquiries involving controversial issues or any issues likely to affect

EXHIBIT B4 CITY SERVICES

participation or Customer perception of services, Contractor will discuss Contractor's proposed response with the Contract Administrator.

Copies of draft news releases or proposed trade journal articles related to the provision of Collection Services under this Agreement shall be submitted to City for prior review and approval at least five (5) Business Days in advance of provision to such Persons, except where Contractor is required by any law or regulation to submit materials to any regulatory agency in a shorter period of time, in which case Contractor shall submit such materials to City simultaneously with Contractor's submittal to such regulatory agency.

Copies of articles resulting from media interviews or news releases shall be provided to the City within five (5) Business Days after publication.

6. Waste Generation, Characterization, and Pilot Studies

Contractor acknowledges that City, CalRecycle, or other governmental agencies may wish to perform generation and characterization studies periodically with respect to materials covered under this Agreement. Contractor agrees to participate and cooperate with City and its agents and to perform studies and data collection exercises, as needed, to determine weights, volumes and composition of materials generated, Disposed, Diverted or otherwise Processed. If City requires Contractor to participate in such a study, Contractor and City shall mutually agree on the scope of services to be provided by Contractor and the amount of compensation, if any, that the City will pay to Contractor for such participation. In any event, Contractor shall permit and in no way interfere with the Collection and handling of the subject materials by other Persons for such purposes.

Contractor acknowledges that the City intends to conduct pilot studies during the Term of this Agreement with the goal of continuing to find innovative ways to Divert materials generated in the City from Disposal, as well as to mitigate negative environmental impacts associated with programs and services provided under this Agreement. Additionally, the City may, from time to time during the Term, wish to participate in other pilot studies related to the Customers, operations, and materials that are the subject of this Agreement. If City requires Contractor to participate in any such a pilot study, Contractor and City shall mutually agree on the scope of services to be provided by Contractor and the amount of compensation, if any, that the City will pay to Contractor for such participation. In any event, Contractor shall permit and in no way interfere with the Collection and handling of the subject materials by other Persons for such purposes.

**EXHIBIT B5:
CITY FACILITY SERVICE LEVELS, LOCATIONS, AND
SPECIAL EVENTS**

EXHIBIT B5

CITY FACILITY SERVICE LEVELS, LOCATIONS, AND SPECIAL EVENTS

Contractor will Collect Recyclable Materials, Organic Materials, and Solid Waste from City facilities (including parks) in the same manner as those services are provided to Commercial Customers. Contractor shall provide service to all City facilities, present and future, at no additional cost to the City. However, such costs shall be allowable during cost-based Rate adjustments pursuant to Exhibit E2. Contractor shall provide special event services pursuant to Section 4.5 of the Agreement. Listed below are the current and planned City facilities and special events to receive Collection services:

Special Event	Number of Days
DABA Spring Festival	2
Island Jam (Chamber Event)	2
DABA Art & Wine Festival	2
WABA Blues, Brews and BBQ	1
4th of July	1
Coastal CleanUp	1
Earth Day	1
Splash Into Spring Egg Scramble	1
Sandcastle Contest	1
Starlight Movies In the Park	3
Mayor's Tree Lighting	1
HHW Drop Off Event	1
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EXHIBIT C:
PUBLIC EDUCATION AND OUTREACH
REQUIREMENTS

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

1. General Administration

The City places the utmost importance on effective public outreach and education in helping residents and businesses fully understand options for and benefits of Source Reduction, reuse, Recycling, and Composting. General provisions for public education and outreach are as follows:

- A. Within ninety (90) days of the Effective Date, Contractor shall provide a Transition Outreach Plan for City Contract Manager review and approval. Such Transition Outreach Plan shall indicate Contractor's strategy for providing targeted Customer education and outreach highlighting any changes from the services provided under the previous franchise agreement.
- B. Prior to the Commencement Date and by October 1 of each following year during the Term of this Agreement, Contractor shall develop and submit an annual public education plan to promote the programs performed by Contractor under this Agreement. Each public education plan shall be consistent with and clearly identify actions designed to support the City's Climate Action and Resiliency Plan and Zero Waste Implementation Plan, as both of those documents may be amended from time to time. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, identify program objectives, individual tasks, each public education material to be developed or updated, opportunities for expanded partnerships, a timeline for implementation, and an itemized description of how Contractor's annual public education budget (described in Section 3 of this Exhibit C) will be spent. The City Contract Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the City Contract Manager. Each plan's implementation success shall be measured according to the deadlines identified and products developed. Contractor shall meet with the City Contract Manager to present and discuss the plan, review the prior year's activities (including sponsorships and services provided to City-sponsored events) and determine whether community activities and the provision of services to the City reflect the needs of City staff and the City Council. City Contract Manager shall be allowed up to thirty (30) calendar days after receipt to review and request modifications. The City Contract Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan. Contractor shall have up to fifteen (15) Business Days to revise the plan in response to any requested changes by the City Contract Manager. Any further delays may result in Liquidated Damages for failure to perform education and outreach activities as identified in Exhibit F. Each Business Day that the plan is late shall count as a single event/activity.
- C. Upon request from the City Contract Manager, City Contract Manager and Contractor's Contract Manager (or their respective designees) shall meet up to one (1) time per month to discuss services, outreach, and educational campaigns and request changes or adaptations to the annual public education plan.
- D. Contractor shall distribute instructional information, public education, and promotion materials in advance of, and following, commencement of services. This shall entail, at a minimum, distributing program literature to all Customers at the commencement of the Agreement as well as to any new Customer during the Agreement Term. Contractor shall use multiple media sources including print, radio television, electronic/ social media, and events to notify Customers of the change in their service provider and to highlight new program offerings. Transition and ongoing sector-specific collateral materials shall be developed and distributed. Contractor shall submit all draft public education materials to City Contract Manager for review and approval.

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

- E. When developing outreach, educational, and promotional materials, Contractor shall work with the City to understand goals and objectives, ensure coordinated messaging, then begin drafting the content and developing a graphic mock-up. All outreach and educational materials shall be thematically branded with consistent color, graphics, font, look and feel; produced in English; and photo-oriented to appeal to varied language and literacy levels. Materials shall also be made available in digital form and shall be printed double-sided on 100% Recycled and Recyclable paper. Prior to finalizing any collateral materials, and no fewer than four (4) weeks prior to the deadline for distribution, the draft shall be provided to the City for a final review. The draft shall then be sent for printing and distribution.
- F. All City facilities shall receive any and all public education and outreach materials and services provided to the Commercial sector. Contractor shall provide all printed public education materials to City offices and facilities to have available for the public that visits those facilities and shall replenish the materials as requested by the City Contract Manager.
- G. Contractor shall develop and utilize Non-Collection Notices and Courtesy Notices in clear instances of Customer non-compliance. Contractor shall develop and maintain a system of keeping records of and following up with Customers who receive Non-Collection Notices and Courtesy Notices during Collection of materials.
- H. Contractor shall develop a website specific to its operations in the City, with a section specific to City programs and Customers, that will be used to post educational materials for download, highlight program successes and provide Diversion statistics.
- I. Contractor shall perform the education and outreach related to Edible Food recovery required under SB 1383, subject to the provisions of Section 8.3 of this Agreement. Such outreach shall, at a minimum, include: (1) developing and maintaining a list of food recovery organizations and food recovery services in the City, and working with the City Contract Manager to ensure such list is available to be posted on the City's website; and, (2) providing annual notification to Customers regarding the City's Edible Food recovery programs, options for Edible Food recovery in the City, and Commercial Edible Food Generator (as defined by SB 1383) responsibilities regarding Edible Food recovery under SB 1383. In addition, Contractor shall assist the City Contract Manager in identifying all Commercial Edible Food Generators within the City and determining which such Generators have arrangements with Edible Food recovery organizations or services.
- J. In addition to the public education, outreach, and technical assistance activities and collateral described in this Exhibit C, Contractor shall promote environmental sustainability among the City's K-12 school students.

2. Public Education and Outreach Team

To best achieve the highest possible level of public education and awareness, Contractor shall employ no less than one (1) full-time equivalent staff member (Sustainability Specialist) to coordinate and implement all public education and outreach activities required by this Agreement throughout the Agreement Term. The public education and outreach staff shall, at a minimum, perform the following tasks:

- A. Work to develop partnerships with and incorporate City program and educational activities into Contractor activities, and vice versa;

EXHIBIT C

PUBLIC EDUCATION & OUTREACH PLAN

- B. Prepare proposals and presentations to City entities and/or departments;
- C. Participate and represent Contractor in community activities;
- D. Oversee Customer satisfaction of all program services, as described in Exhibit B to the Agreement;
- E. Coordinate and produce the annual education and outreach plan required by Section 1 of this Exhibit C to the Agreement;
- F. Coordinate implementation of the annual public education plan;
- G. Perform annual visits to identify the service needs of every Customer, other than Single-Family Customers, by conducting "Diversion opportunity assessments" of Customer locations and facilities;
- H. Manage follow-up Diversion opportunity assessments for businesses to conduct a more comprehensive investigation and educational process after the initial review;
- I. Provide all Customers with appropriate educational information necessary to make informed, environmentally-forward decisions relative to waste reduction, reuse, and Diversion activities.
- J. Maximize the opportunity for initial and sustained program success by seeking to identify a "champion" (ideally a senior manager) at each Commercial and Multi-Family Customer who will serve as a primary contact and advocate for Diversion programs within the Customer's organization;
- K. Assist in planning service needs for special events and large venues with a focus on reducing the Disposal of materials resulting from such events or venues; and,
- L. Create and distribute reports as required under this Agreement and/or requested by City Contract Manager.

3. Annual Budget

In addition to staffing expenses, Contractor shall spend, for the public education and outreach services described in this Exhibit C, no less than two hundred twenty-five thousand dollars (\$225,000) in Rate Period One. The Rate Period One budget shall be adjusted annually thereafter by the same percentage used to adjust Rates pursuant to Exhibit E. Annually, Contractor shall provide to the City Contract Manager for review and approval a detailed description of how such budget will be spent as part of the annual public education plan to be developed in accordance with Section 1 of this Exhibit C. At the conclusion of each Rate Period, any unused funds shall be transferred to the City. Contractor shall be prohibited from expending such funds without the prior written approval of the City Contract Manager. Any expenditures not approved by the City in advance shall neither be counted in Contractor's annual public education and outreach budget, nor be recovered through Rates.

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EXHIBIT D:
REPORTING REQUIREMENTS

EXHIBIT D

REPORTING REQUIREMENTS

Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. Reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

- Determine and set Rates and evaluate the financial efficacy of operations.
- Evaluate past and expected progress towards achieving the Contractor's Diversion goals and objectives.
- Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under Applicable Law.
- Determine needs for adjustment to programs.
- Evaluate Customer service and Complaints.
- Determine Customer compliance with AB 341, AB 1826, SB 1383, and any subsequent State-mandated Recycling requirements.

1. Quarterly Report Content

Quarterly reports shall be presented by Contractor to show the following information for each month in the reporting period. In addition, each quarterly report shall include a year-to-date summary page that includes the data submitted from the quarterly report(s) submitted in the calendar year prior to the submittal of the current report.

A. Tonnage Report

1. Tonnage delivered to each Approved Facility by Customer Type and material type, subtotalling and clearly identifying those Tons that are Diverted and those that are Disposed.
2. Units of Used Oil, Used Oil Filters, E-Waste, U-Waste, and Bulky Items Collected by Customer Type.
3. Solid Waste Tonnage Disposed.
4. Recyclable Materials Tonnage Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.
5. Bulky Items and Reusable Materials Tonnage Marketed and Tonnage Disposed from non-Divertible materials and Processing Residue.
6. Monthly Diversion rate by Customer Type and in aggregate for all Customer Types under this Agreement, based on the calculation methodology described in Section 5.12.

B. Revenue Report

Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement as required by Section 7.8.

EXHIBIT D

REPORTING REQUIREMENTS

Provide a list of Customers that are forty-five (45) or more calendar days past due and include the following information for each delinquent account: name; service address; contact information; number of days the account is delinquent; and method(s) the Contractor has used to attempt collection of the bad debt including date of such attempt(s).

C. Customer Report

1. Number of Customers by Customer Type.
2. Number of Containers at each Service Level by Customer Type and program. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Drop Box and Compactor service by Customer Type. Report should calculate the average volume of service received per: Single-Family Dwelling Unit; Multi-Plex Dwelling Unit (separately identifying Dwelling Units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; Commercial Customer; and, Drop-Box Customer.
3. List of all Commercial and Multi-Family Customers with a Solid Waste Service Level equating to four (4) cubic yards of service capacity per week or more. Such list shall include each such Customer's service address and subscribed Solid Waste, Recyclable Materials, and Organic Materials Service Levels, and other information as required by Section 5.12 of the Agreement.
4. Number of Bulky Item/Reusable Materials Collection events by Customer Type.
5. Number of Customers subscribing to each City approved service exemption by Customer Type.

D. City Services Report

1. City facility Diversion rate report (i.e., volume of service by Service Type received by each City Facility and the percentage of the total Service Levels that are for Diversion services relative to the total).
2. Summary report on the programs offered to City as described in Exhibit B4 and Exhibit B5 focused on when each service was provided and any issues/concerns identified.

E. Customer Service Report

1. Number of Customer calls listed separately by Complaints and inquiries (where inquiries include requests for Recycling information, Rate information, etc.). For Complaints, list the number of calls separately by category (e.g., missed pickups, scheduled cleanups, billing concerns, damage claims, etc.).
2. Copies of all investigation reports submitted to the City pursuant to Exhibit K of this Agreement, which shall include at a minimum: the Complaint as received; date the Contractor investigated the Complaint; documentation of the findings of the investigation; any photographic evidence collected during the investigation; and, Contractor's recommendation to the City on whether or not the entity investigated is in violation of SB 1383 based on the Contractor's investigation.

EXHIBIT D

REPORTING REQUIREMENTS

3. Number of missed or incomplete Collections reported in total, and per one thousand (1,000) Service Opportunities in the City, presented in a graph format, which compares total missed Collections in the City during the current report period to total missed Collections in the City in past reporting periods.
4. Number of new service requests for each Customer Type and program.
5. Number of events of Discarded Materials being tagged for non-Collection summarized by the reason for tagging (e.g., inclusion of non-Recyclable or non-Compostable materials, improper set-out, Hazardous Waste, etc.).
6. Number of Courtesy Collections summarized by the reason for leaving a Courtesy Notice (e.g., inclusion of non-Recyclable or non-Compostable materials, improper set-out, Hazardous Waste, etc.).
7. List of Customers for which Contractor has performed a Courtesy Collection, including the Customer address, and material type for which the Courtesy Collection was performed.
8. Number of hits and unique visitors to the Contractor's website.

F. Education and Outreach Report

1. Provide a status report of Contractor's actual activities completed and budget expended compared to the annual public education plan and budget. For each completed item, document the results including what date the activity was performed, how many Customers were targeted or participated, and what methods were used to accomplish the task, if different from the plan.
2. Summarize the Diversion opportunity assessments provided to Customers (reporting Multi-Family separate from Commercial) by identifying the number of Diversion opportunity assessments conducted each month in the most-recently completed quarter, and contact information including address, contact names, telephone number of Persons contacted, number of Dwelling Units (for Multi-Family), and the Recyclable Materials, Organic Materials, and Solid Waste Service Level for each complex. Include any Service Level changes resulting from such visits.
3. Dates, times, and group names of meetings and events attended.
4. Provide dates, times, and names of school where presentations were performed.

G. Contamination Monitoring Report

1. The number of Contractor Route reviews conducted pursuant to Exhibit K of this Agreement.
2. Description of the Contractor's process for determining the level of contamination.
3. A record of each inspection and contamination incident, which shall include, at a minimum: name of Customer; address of Customer; date the contaminated Container was observed; staff who conducted the inspection; total number of violations found and a description of what action was taken for each; copies of all notices, and enforcement orders issued or taken against Generator with Prohibited Container Contaminants; any photographic documentation or supporting evidence; documentation of the total number of Containers Disposed of due to

EXHIBIT D

REPORTING REQUIREMENTS

observation of Prohibited Container Contaminants; list of all Customers assessed contamination Processing fees, pursuant to Exhibit K of this Agreement, reported separately by Single-Family, Multi-Plex Multi-Family, and Commercial Customers and including the Customer name, Customer address, and reason for the assessment of the contamination Processing fee, and the total number of instances contamination Processing fees were assessed in the month and the total amount of fees collected in the month; and, any other information reasonably requested by the Jurisdiction or specified in contamination monitoring provisions of this Agreement.

H. Clean-Up and Holiday Tree Services

For each service (i.e., Clean-Up and holiday tree Collection Services) provide Disposal Tons, Diversion Tonnage, number of stops serviced by a third party Re-Use Vendor, number of Bulky Items (by Bulky Item type) and E-waste, and number of Single-Family Premises and Multi-Plex Dwelling Units receiving clean-up Collection services.

I. Pilot and New Programs Report

For each pilot and/or new program, provide activity related and narrative reports on goals, milestones, and accomplishments. Describe problems encountered, actions taken and any recommendations to facilitate progress. Describe vehicles, personnel, and equipment utilized for each program.

2. Annual Report Content

The annual report shall be the fourth quarterly report, with annual totals, plus the following additional information.

A. Summary Assessment

Provide a summary assessment of the programs performed under this Agreement from Contractor's perspective relative to the financial and physical status of the program. The physical status assessment shall reflect how well the program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and objectives of this Agreement, particularly the Contractor's Diversion goals. Provide recommendations and plans to improve. Highlight significant accomplishments and problems. Results shall be compared to other similar size communities served by the Contactor in the State.

B. Vehicle Inventory

Provide a listing of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage on June 30.

EXHIBIT D

REPORTING REQUIREMENTS

C. Recyclables and Organics Markets

Contractor shall provide a report describing its marketing of Recyclable Materials and Organic Materials. The marketing report shall include: (i) quantities of each accepted type of Recyclable Material marketed and Tonnages of Organic Materials marketed during the prior year; (ii) actual prior year and estimated coming year per unit or per Ton market values for each; and, (iii) brokers, markets, and end uses for each.

D. AB 341 and AB 1826 Compliance

Provide a listing of Commercial Customers subscribing to four (4) or more cubic yards of Solid Waste service per week who do not currently subscribe to Recyclable Materials Collection service from Contractor, and a listing of Commercial Customers subscribing to two (2) or more total cubic yards of Discarded Materials service per week who do not currently subscribe to Organic Materials Collection service from Contractor.

E. Rate Survey

Upon request by City, provide a survey of the Rates that Contractor charges Customers in comparison with rates charged customers in cities of similar size and with similar collection programs, as designated by the City. Upon City request, such comparison shall include adjustments to rates to reflect rate differences related to local fees (including Franchise Fees).

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EXHIBIT E:
RATE ADJUSTMENT METHODOLOGY

EXHIBIT E

RATE ADJUSTMENT METHODOLOGY

1. General

Subject to the terms herein, the City shall adjust all Rates on an annual basis. Contractor shall submit its application for a Rate adjustment to the City Contract Manager on or before April 1 of each Rate Period where Rates shall be adjusted using the index-based methodology described in Exhibit E1. Contractor shall submit its application on or before February 1 for any Rate Period where Rates shall be adjusted using the cost-based methodology described in Exhibit E2. Contractor's Rate application shall document all calculations and include all supporting schedules, documentation of per-Ton charges for Approved Facilities, documentation of changes in governmental fees at Approved Facilities (if applicable), and any other documentation or evidence determined by the City Contract Manager to be reasonably necessary to ensure that the calculation of Rate adjustments has been performed in strict conformance to the requirements of this Exhibit E.

The City Contract Manager shall make a good faith effort to approve Rates by June 1 of each year, and such Rates shall be effective on each subsequent July 1. If Rates are not effective by July 1 due to a delay caused solely by City, City shall allow Contractor to retroactively bill Customers for the amount of the Rate increase for any period of said delay that is solely caused by City (subject to the City's approval of how the retroactive adjustment is billed) or the City may compensate the Contractor for lost Gross Rate Revenues. In the case of a delayed Rate adjustment, the Contractor may bill the Customer during the next billing cycle to recoup the deferred Rate increase. If Rates are not effective by July 1 as a result of Contractor's delay in submitting the Rate application in a complete and accurate form, then prior Rates remain in effect until such adjustment is made and Contractor shall not be entitled to a retroactive adjustment for lost Gross Rate Revenues.

2. Definitions

Certain terms which are specific to this Exhibit (including Exhibits E1 and E2) are defined below:

- A. **"Annual Percentage Change"** means the annual percentage change in any of the indices defined above calculated as described in the following paragraph.

The Annual Percentage Change for a cost index shall be calculated as the Average Index Value for the most recently available 12-month period of the then-current Rate Period minus the Average Index Value for the corresponding 12-month period of the most-recently completed Rate Period and the result of which shall be divided by the Average Index Value for the same 12-month period of the most recently completed Rate Period.

For example, if the Contractor is calculating the Total Calculated Costs in January 2023 to be effective for Rate Period Three (July 2023 through June 2024), the Annual Percentage Change for the CPI-U would be calculated as follows:

[(Average CPI-U for January 2022 through December 2022) minus
(Average CPI-U for January 2021 through

EXHIBIT E

RATE ADJUSTMENT METHODOLOGY

December 2021)] divided by (Average CPI-U for January 2021 through December 2021)

The calculated Annual Percentage Change shall be carried to three places to the right of the decimal and rounded to the nearest thousandths.

- B. **"Average Index Value"** means the sum of the monthly index values during the most recently available 12-month period divided by 12 (in the case of indices published monthly) or the sum of the bi-monthly index values divided by 6 (in the case of indices published bi-monthly).
- C. **"CPI-U"** means the Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-San Jose Metropolitan Area compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- D. **"Disposal Cost"** means the cost of Disposing of Solid Waste at the Designated Disposal Facility.
- E. **"Fuel Index"** means the per-therm price for Core Natural Gas Service for Compression on customer's premises, Schedule G-NGV1, compiled and published by the Pacific Gas and Electric Company Analysis and Rate Department and reported monthly in its *"Gas RateFinder"* publication (<http://www.pge.com/tariffs/GRF.SHTML>). The January 2018 Fuel Index is \$0.70874 per therm, which reflects the sum of the customer charge, procurement charge, transportation charge, and public purpose program (PPP) charge for natural gas service for compression on customer's premises as reported by Pacific Gas and Electric Company.
- F. **"Gross Rate Revenues"** means total Customer billings by the Contractor for the provision of services pursuant to this Agreement, without any deductions.
- G. **"Motor Vehicle Maintenance and Repair Index" or "MVI"** means the Consumer Price Index, All Urban Consumers, Motor Vehicle Maintenance and Repair, not seasonally adjusted U.S. city average, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- H. **"Total Calculated Costs"** means the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Calculated Costs do not reflect or in any way guarantee the Gross Rate Revenues that are to be generated by Rates or retained by the Contractor. Note that for determining Rates for Rate Period Two, the total Proposed costs for Rate Period One (July 1, 2021 to June 30, 2022) shall be used for the calculations.

EXHIBIT E

RATE ADJUSTMENT METHODOLOGY

Table 1 provides additional information about the four indices defined above.

TABLE 1*

	CPI-U	Fuel Index	Motor Vehicle Maintenance and Repair
Description	Consumer Price Index - All Urban Consumers	Core Natural Gas for Compression at Customer's Premises for Motor Vehicles	Consumer Price Index – All Urban Consumers, Motor Vehicle Maintenance and Repair
Series ID	CUURS49BSA0	G-NGV1	CUUR0000SETD
Adjusted	Not seasonally adjusted	N/A	Not seasonally adjusted
Area	San Francisco-Oakland-Hayward	N/A	U.S. City average
Item	All items	N/A	Motor vehicle maintenance and repair
Base Period	1982-84=100	N/A	1982-84=100
Periodicity	Bi-monthly	Monthly	Monthly

* All indices published by the U.S. Bureau of Labor Statistics with the exception of the Fuel Index, which is published by Pacific Gas and Electric Company Analysis and Rate Department.

3. Cost of Rate Adjustment process

The City may incur costs, including consulting and legal fees, when determining adjustments to the Rates in accordance with this Exhibit and may require the Contractor to pay for such costs within sixty (60) calendar days of receipt of the City's invoice for such costs. The Contractor may recover such costs through the Rates by treating the costs as an allowable cost of business, not subject to profit mark-up. Regardless of Contractor's payment of costs associated with said review, the City shall retain full and unimpeded discretion in selection of its agents to ensure, at a minimum, that no conflict of interest arises in the review of Contractor's request. The City retains the right to select its agents on the basis of their qualifications and experience and without regard to cost.

4. Profit

Table 2 summarizes the allowed operating ratio used to determine the Contractor's profit, as described in Exhibit E1, Section 2.B and Exhibit E2, Section 2.B.

EXHIBIT E

RATE ADJUSTMENT METHODOLOGY

TABLE 2

Rate Period	Operating Ratio
Rate Period 1	79.00%
Rate Period 2	78.50%
Rate Period 3	78.00%
Rate Period 4 and any subsequent Rate Periods under this Agreement	77.70%

EXHIBIT E1:
MULTI-INDEX RATE ADJUSTMENT METHODOLOGY

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

1. General

The purpose of this attachment is to describe and illustrate the method by which the City will calculate the annual adjustment to Rates to reflect changes in various cost indices and changes to Processing and Disposal Costs based on Tonnages of materials Collected and changes in tipping fees. This index-based adjustment process shall be used to determine Rates for Rate Periods Two, Three, Five, Six, Seven, Nine, Ten, and Eleven. If the Term is extended, subsequent Rate Periods shall be adjusted pursuant to Section 8.2.C.

The index-based adjustment involves application of indices to various costs that comprise the Total Proposed Annual Costs for Rate Period One (and to Total Calculated Costs for future Rate Periods) to determine the Total Calculated Costs for the coming Rate Period. In addition, Processing and Disposal costs shall be adjusted to reflect actual Tonnage Collected during the most-recently completed Rate Period.

The difference (measured as a percentage) between the Total Calculated Costs for the coming Rate Period and the Total Calculated Costs for the then-current Rate Period is the Rate Adjustment Factor. The Rate Adjustment Factor is applied to the current Rates to determine the Rates for the coming Rate Period.

The Rate Adjustment Factor calculated pursuant to this Exhibit E1 may not exceed five percent (5%). In the event that the calculation results in a calculated increase exceeding five percent (5%), the calculated dollar amount exceeding five percent (5%) shall be reflected as an "Other Adjustment" in the next scheduled Rate adjustment ("roll-over"). The City shall not be required to compensate Contractor for any cumulative "rolled-over" amounts remaining at the end of the Agreement Term.

In the event that the index-based adjustment as calculated by this Exhibit E1 results in a negative Rate Adjustment Factor, the City reserves the right to "roll-under" the Rate reduction, such that there is no Rate adjustment in the Rate Period for which the negative Rate Adjustment Factor was calculated, but the calculated Rate reduction may be deferred to the following Rate Period, as a credit against future Rate increases.

2. Adjustment of Total Calculated Costs

The cost categories of the main components of Total Calculated Costs are presented in detail in Exhibit G1. Adjustments to these components to calculate costs for the coming Rate Period shall be calculated as follows:

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

A. Total Annual Cost of Operations

1. **Labor-Related Costs.** The Labor-Related Costs component of the Total Calculated Costs shall be calculated, as described in this Section, to reflect the adjustment of wages and benefits under the collective bargaining agreement for represented employees of Contractor performing services under this Agreement.

The collective bargaining agreement requires adjustment of three factors: 1) hourly wage rate; 2) pension hourly rate; and, 3) health and welfare monthly rate. The Annual Percentage Change shall be determined for each of those factors using the procedures described in the collective bargaining agreement, using the most recently-available twelve month Annual Percentage Change in the indices referenced in that bargaining agreement. The Parties acknowledge that the timing of available inflationary index data is such that this calculation will be based on a different calculation period than the actual changes in the bargaining agreement and agree that these differences are acceptable for the purposes of these calculations.

The Labor-Related Costs presented in Contractor's Proposal include detailed cost sub-categories which are impacted by the three adjustment factors in the collective bargaining agreement. The table below defines which adjustment factor will be applied to each cost sub-category.

Cost Sub-Category	Adjustment Factor
Regular Wages	Hourly Wage Rate
Overtime Wages	Hourly Wage Rate
Holiday Wages	Hourly Wage Rate
Vacation Wages	Hourly Wage Rate
Sick Leave Wages	Hourly Wage Rate
Workers Compensation Insurance Premiums	Hourly Wage Rate
Workers Compensation Claims	Not Adjusted
Health & Welfare	Health & Welfare Monthly Rate
Pension / Retirement Benefits	Pension Hourly Rate
Payroll Taxes	Hourly Wage Rate
Other	Not Adjusted

For each sub-category, the value for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the associated adjustment factor. The resultant dollar value of all sub-categories shall be added together to determine the calculated Labor-Related Costs, provided that the calculated Labor-Related Costs shall not be less than Minimum Allowable Labor-Related Costs, nor greater than the Maximum Allowable Labor-Related Costs.

For purposes of this Section, the Minimum Allowable Labor-Related Costs shall be prepared by multiplying the Labor-Related Costs component of the Total Calculated Costs for the then-current Rate Period by one hundred two and seven tenths percent (102.7%). For purposes of this Section, the Maximum Allowable Labor-Related Costs shall be prepared by multiplying the

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

Labor-Related Costs component of the Total Calculated Costs for the then-current Rate Period by one hundred twelve percent (112.0%).

2. **Vehicle-Related Costs (excluding Fuel).** The Vehicle-Related Costs component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index.
3. **Fuel Costs.** The Fuel Cost component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Fuel Index.
4. **Other Costs.** The Other Costs component of the Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
5. **Direct Depreciation.** Direct Depreciation is \$1,809,092 per year for Rate Periods Two through Twelve and is not annually adjusted. This adjusted depreciation amount shall remain fixed for Rate Periods Two through Twelve. If the Agreement is extended beyond Rate Period Twelve, direct depreciation shall be zero in any subsequent Rate Periods unless Parties mutually agree to a different amount.
6. **Allocated Costs (Labor, Vehicle, Fuel, and Other Costs).** Except as provided in A.1. above, the Allocated Costs (Labor, Vehicle, Fuel, and Other Costs) component for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
7. **Allocated Depreciation and Start-Up Costs.** The Allocated Depreciation and Start-Up Costs shall be \$20,015 per year for Rate Period Two through Twelve, and are not annually adjusted. These costs shall be zero for all subsequent Rate Periods unless Parties mutually agree to a different amount.
8. **Total Annual Cost of Operations.** The Total Annual Cost of Operations for the coming Rate Period equals the sum of the costs calculated in subsections (1) through (7) above.

B. Profit

Profit for the coming Rate Period shall be calculated by dividing the Total Annual Cost of Operations for the coming Rate Period (the value calculated in Section 2.A.8 above) by the applicable operating ratio and subtracting from the result the Total Annual Cost of Operations for the coming year.

$$\text{Profit} = \frac{\text{Total Annual Cost of Operations for Coming Rate Period}}{\text{Operating Ratio}} - \text{Total Annual Cost of Operations for Coming Rate Period}$$

C. Costs Excluded from the Calculation of Profit

1. **Recyclable Materials Processing Costs.** The Recyclable Materials Processing Costs shall be calculated in the manner described in Exhibit E3.

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

2. **Organic Materials Processing Costs.** The Organic Materials Processing Costs shall be calculated as follows:

$$\text{Organic Materials Processing Costs} = \text{Per-Ton Organic Materials Processing fee at the Approved Organic Materials Processing Facility for the coming Rate Period} \times (\text{Total Tons of Organic Materials Collected for the most-recently completed 12-month period}).$$
3. **Reusable Materials Processing Costs.** The Reusable Materials Processing Cost shall be calculated as follows:

$$\text{Reusable Materials Processing Cost} = [(\text{Per-Ton Reusable Materials Processing Cost for the then-current Rate Period} - \text{All regulatory fees identified in Contractor's Proposal and included in the then-current per-Ton cost}) \times (1 + \text{Annual Percentage Change in the CPI-U}) + (\text{Then-current per-Ton regulatory fees})] \times (\text{Total Tons of Reusable Materials Collected for the most-recently completed 12-month period}).$$
4. **Disposal Costs.** The Disposal Costs shall be calculated as follows:

$$\text{Disposal Costs} = \text{Per-Ton Disposal fee at the Designated Disposal Facility (to be specified by the City) for the coming Rate Period} \times (\text{Total Tons of Solid Waste Collected for the most-recently completed 12-month period}).$$
5. **Interest Expense.** The Interest Expense amount is \$381,504 in Rate Period Two through Twelve, is not annually adjusted, and shall be zero in any subsequent Rate Period unless Parties mutually agree to a different amount.
6. **Direct Lease Costs.** The Direct Lease Costs amount is \$0 in Rate Period Two through Twelve, is not annually adjusted, and shall be zero in any subsequent Rate Period unless Parties mutually agree to a different amount.
7. **Allocated Lease Costs.** The Allocated Lease Costs amount is \$0 for Rate Period Two through Twelve (including interest costs for Allocated General and Administrative of \$0, Allocated Vehicle Maintenance costs of \$0, and Allocated Container Maintenance of \$0) is not annually adjusted and shall remain unadjusted in any subsequent Rate Period unless Parties mutually agree to a different amount.
8. **Total Costs Excluded from the Calculation of Profit.** Total Costs Excluded from the Calculation of Profit for the coming Rate Period are the sum of the amounts in subsections (1) through (7) above.

D. Total Calculated Costs before City Reimbursements

The Total Calculated Costs before City Reimbursements shall be the sum of the Total Annual Cost of Operations, Profit, and Costs Excluded from the Calculation of Profit for the coming Rate Period.

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

E. City Reimbursements

1. **Waste Management Recycling and Program Fee (AB 939/SB 1383).** The AB 939/SB 1383 payment for the coming Rate Period shall equal the total AB 939/SB 1383 Fee paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.
2. **Infrastructure Impacts Mitigation Fee.** The Infrastructure Impacts Mitigation Fee for the coming Rate Period shall equal the total Infrastructure Impacts Mitigation Fee paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.
3. **Doolittle Landfill Maintenance Fee.** The Doolittle Landfill Maintenance Fee for the coming Rate Period shall equal the total Doolittle Landfill Maintenance Fee paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.
4. **City Parks Fee.** The City Parks Fee for the coming Rate Period shall equal the total City Parks Fee paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.
5. **Rate Application Review Costs.** An amount determined by the City to reimburse the Contractor for payment of the City's costs, including consulting and legal fees associated with determination of Rates under this Exhibit. Such Rate application review costs may or may not be one-time costs and shall be included in subsequent Rate Periods if it is not a one-time cost.
6. **Total City Reimbursements.** The Total City Reimbursements for the coming Rate Period shall equal costs calculated in subsection (1) through (5) above; provided, however, that any adjustment in any such fee, whether pursuant to the relevant index or as the result of the decision of City, shall be an allowable cost of business, excluded from the calculation of profit, and reflected in the Total City Reimbursements.

F. Other Adjustments

From time to time during the Term of the Agreement, it may be necessary to make other adjustments to the compensation calculations. For example, if the City elects to roll-under a negative Rate adjustment to a future year, the dollar value of that negative adjustment shall be reflected as an adjustment. In such case, the adjustment would be a reduction to the Total Calculated Costs.

G. Total Calculated Costs

The Total Calculated Costs for the coming Rate Period shall equal the sum of the Total Annual Cost of Operations, Profit, Total Costs Excluded from the Calculation of Profit, Total City Reimbursements, and Other Adjustments (if applicable), for the coming Rate Period.

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

3. Rate Adjustment Factor

The Rate Adjustment Factor shall equal the Total Calculated Costs for the coming Rate Period divided by the Total Calculated Costs for the then-current Rate Period, which shall be rounded to the nearest thousandth. Note that when determining the Rate Adjustment Factor for Rate Period Two, the Rate Adjustment Factor shall equal the Total Calculated Costs for Rate Period Two divided by the Total Proposed Costs of \$25,682,637 for Rate Period One.

4. Adjustment of Rates

Each then-current Rate shall be multiplied by the Rate Adjustment Factor to calculate the effective Rate for the coming Rate Period. The adjustment to each Rate shall be rounded to the nearest cent.

5. Examples

The following examples illustrate the index-based adjustment method for determining Rates for Rate Period Three. The dollar amounts shown are hypothetical amounts for Total Calculated Costs for Rate Period Two (July 1, 2022 through June 30, 2023) and the adjustment factors are based on assumed changes in the various indices between the Average Index Values for the twelve (12) months ending December 2021 and for the twelve (12) months ending December 2020. Example A depicts a standard index-based adjustment, wherein the calculated Total Annual Cost of Operations increased greater than zero percent (0%) and less than five percent (5%) over the prior Rate Period. Example B depicts an index-based adjustment wherein the calculated Total Annual Cost of Operations resulted in a decrease from the prior Rate Period.

A. EXAMPLE A

1. Assumptions for Example Adjustment to Contractor's Compensation:
 - a. Most-Recently Completed Rate Period = Rate Period One (July 1, 2021 through June 30, 2022)
 - b. Then-current Rate Period = Rate Period Two (July 1, 2022 through June 30, 2023)
 - c. Coming Rate Period = Rate Period Three (July 1, 2023 through June 30, 2024)
 - d. Recyclable Materials Processing Costs per Ton for the coming Rate Period, as calculated in Exhibit E3 = \$135.00 per Ton
 - e. Residential Organic Materials Processing Costs per Ton for the coming Rate Period = \$136.50 per Ton
 - f. Commercial Organic Materials Processing Costs per Ton for the coming Rate Period = \$153.10 per Ton

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

- g. Reusable Materials Processing Costs (including Regulatory Fees) per Ton for the then-current Rate Period = \$162.00 per Ton
- h. Reusable Materials Processing Regulatory Fees per ton for the then-current and coming Rate Period = \$2.00 per Ton
- i. Disposal cost for the coming Rate Period = \$96.50 per Ton
- j. Annual Percentage Change in the Hourly Wage Rate Adjustment Factor = 0.040
- k. Hourly Wage Rate Adjustment Factor Floor = 0.027
- l. Annual Percentage Change in the Health & Welfare Monthly Rate Adjustment Factor = 0.040
- m. Annual Percentage Change in the Pension Hourly Rate Adjustment Factor* = 0.030
- n. Pension Hourly Rate Adjustment Factor Floor = 0.034
- o. Annual Percentage Change in the CPI-U = 0.040
- p. Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = 0.031
- q. Annual Percentage Change in the Fuel Index = 0.075
- r. Tonnages for the most-recently completed 12-month period:
 - Recyclable Materials – 11,400 Tons
 - Residential Organic Materials – 9,700 Tons
 - Commercial Organic Materials – 2,400 Tons
 - Solid Waste – 27,000 Tons
 - Bulky Items and Reusable Materials – 1,900 Tons

Note: All values presented in the following table are hypothetical and used for illustrative purposes only.

*The Annual Percentage Change in the Pension Hourly Rate Adjustment Factor is a different 12-month period than the Hourly Wage Rate and the Health & Welfare Monthly Rate Adjustment Factors.

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

TABLE 1: Example A Calculation of Total Calculated Costs for Rate Period Three

	Rate Period Two	Adjustment Index	Adjustment Factor	Rate Period Three
Processing Tip Fee Adjustment (per Ton)				
Recyclable Materials Processing Tip Fee	\$ 132.00	CPI-U	Refer to Exhibit E3	\$ 135.00
Residential Organic Materials Processing Tip Fee	\$ 135.00	N/A	N/A	\$ 136.50
Commercial Organic Material Processing Tip Fee	\$ 152.00	N/A	N/A	\$ 153.10
Reusable Materials Processing Tip Fee	\$ 162.00	CPI-U	(1 + 0.040) + Reg Fees	\$ 170.48
Solid Waste Disposal Tip Fee	\$ 96.00	N/A	N/A	\$ 96.50
Annual Cost of Operations				
Labor-related Costs	\$ 7,250,000	Per CBA	Per CBA	\$ 7,530,500
Vehicle-related Costs (excluding fuel)	\$ 800,000	MVI	1 + 0.031	\$ 824,800
Fuel Costs	\$ 400,000	FUEL	1 + 0.075	\$ 430,000
Other Costs	\$ 815,000	CPI-U	1 + 0.040	\$ 847,600
Direct Depreciation	\$ 1,775,000	N.A.	N.A.	\$ 1,775,000
Allowed Costs (Labor, Vehicle, Fuel, and Other Costs)*	\$ 3,100,000	CPI-U	1 + 0.040	\$ 3,224,000
Allocated Costs (Depreciation and Start-Up)	\$ 22,000	N.A.	N.A.	\$ 22,000
Total Annual Cost of Operations	\$ 14,162,000			\$ 14,653,900
Profit (assuming operating ratio of 0.77)	\$ 4,230,208			\$ 4,377,139
Pass Through Costs				
Recyclable Materials Processing Costs	\$ 1,500,000	Tip Fee x Tons	11,400 x \$139.28	\$ 1,539,000
Residential Organic Materials Processing Costs	\$ 1,300,000	Tip Fee x Tons	9,700 x \$136.50	\$ 1,324,050
Commercial Organic Materials Processing Costs	\$ 360,000	Tip Fee x Tons	2,400 x \$153.10	\$ 367,440
Reusable Materials Processing Costs	\$ 305,000	Tip Fee x Tons	1,900 x \$170.48	\$ 323,912
Solid Waste Disposal Costs	\$ 2,500,000	Tip Fee x Tons	27,000 x \$96.50	\$ 2,605,500
Interest Expense	\$ 380,000	N.A.	N.A.	\$ 380,000
Direct Lease Costs	\$ -	N.A.	N.A.	\$ -
Allocated Lease Costs	\$ -	N.A.	N.A.	\$ -
Total Pass-Through Costs	\$ 6,345,000			\$ 6,539,902
Total Calculated Costs before City Fees	\$ 24,737,208			\$ 25,570,941
City Fees/Payments				
Waste Management Recycling and Program Fee	\$ 474,596	CPI-U**	1 + 0.040	\$ 493,580
Infrastructure Impacts Mitigation Fee	\$ 910,931	CPI-U**	1 + 0.040	\$ 947,368
Doolittle Landfill Maintenance Fee	\$ 237,297	CPI-U**	1 + 0.040	\$ 246,789
City Parks Fee	\$ 71,879	CPI-U**	1 + 0.040	\$ 74,754
Rate Application Review Costs	\$ -	N.A.	N.A.	\$ -
Total City Fees/Payments	\$ 1,694,702			\$ 1,762,490
Other Adjustments (as needed from time to time)	N.A.	N.A.	N.A.	N.A.
Total Calculated Costs	\$ 26,431,910			\$ 27,333,431

*Fuel costs included in allocated costs shall be adjusted using the CPI-U not Fuel Index.

** City Reimbursements shall either be increased by the Annual Percentage Change in the CPI-U, or as otherwise directed by the

EXHIBIT E1

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

2. Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Three
 - a. Rate Adjustment Factor = $\$27,333,431 / \$26,431,910 = 1.034$
 - b. 20-gallon Single-Family Rate for Rate Period Three = $\$22.62 \times 1.034 = \23.39 , which shall be effective July 1, 2023.

B. EXAMPLE B

1. Assumptions for Example Adjustment to Contractor's Compensation:
 - a. Most-Recently Completed Rate Period = Rate Period One (July 1, 2021 through June 30, 2022)
 - b. Then-current Rate Period = Rate Period Two (July 1, 2022 through June 30, 2023)
 - c. Coming Rate Period = Rate Period Three (July 1, 2023 through June 30, 2024)
 - d. Recyclable Materials Processing Costs per Ton for the coming Rate Period, as calculated in Exhibit E3 = \$130.00 per Ton
 - e. Residential Organic Materials Processing Costs per Ton for the coming Rate Period = \$135.40 per Ton
 - f. Commercial Organic Materials Processing Costs per Ton for the coming Rate Period = \$152.40 per Ton
 - g. Reusable Materials Processing Costs (including Regulatory Fees) per Ton for the then-current Rate Period = \$162.00 per Ton
 - h. Reusable Materials Processing Regulatory Fees per ton for the then-current and coming Rate Period = \$2.00 per Ton
 - i. Disposal cost for the coming Rate Period = \$96.00 per Ton
 - j. Annual Percentage Change in the Hourly Wage Rate Adjustment Factor = -0.040
 - k. Hourly Wage Rate Adjustment Factor Floor = 0.027
 - l. Annual Percentage Change in the Health & Welfare Monthly Rate Adjustment Factor = -0.040
 - m. Annual Percentage Change in the Pension Hourly Rate Adjustment Factor* = -0.015
 - n. Pension Hourly Rate Adjustment Factor Floor = 0.034
 - o. Annual Percentage Change in the CPI-U = -0.040
 - p. Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = -0.031
 - q. Annual Percentage Change in the Fuel Index = -0.075
 - r. Tonnages for the most-recently completed 12-month period:
 - Recyclable Materials – 11,400 Tons
 - Residential Organic Materials – 9,700 Tons

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- Commercial Organic Materials – 2,400 Tons
- Solid Waste – 27,000 Tons
- Bulky Items and Reusable Materials – 1,900 Tons

Note: All values presented in the following table are hypothetical and used for illustrative purposes only.

*The Annual Percentage Change in the Pension Hourly Rate Adjustment Factor is a different 12-month period than the Hourly Wage Rate and the Health & Welfare Monthly Rate Adjustment Factors.

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INDEX-BASED RATE ADJUSTMENT METHODOLOGY

TABLE 2
Example B Calculation of Total Calculated Costs for Rate Period Three

	Rate Period Two	Adjustment Index	Adjustment Factor	Rate Period Three
Processing Tip Fee Adjustment (per Ton)				
Recyclable Materials Processing Tip Fee	\$ 132.00	CPI-U	Refer to Exhibit E3	\$ 130.00
Residential Organic Materials Processing Tip Fee	\$ 135.00	N/A	N/A	\$ 135.40
Commercial Organic Material Processing Tip Fee	\$ 152.00	N/A	N/A	\$ 152.40
Reusable Materials Processing Tip Fee	\$ 162.00	CPI-U	(1 + -0.040) + Reg Fees	\$ 157.52
Solid Waste Disposal Tip Fee	\$ 96.00	N/A	N/A	\$ 96.00
Annual Cost of Operations				
Labor-related Costs	\$ 7,250,000	Per CBA	Per CBA	\$ 7,445,750
Vehicle-related Costs (excluding fuel)	\$ 800,000	MVI	1 + -0.031	\$ 775,200
Fuel Costs	\$ 400,000	FUEL	1 + -0.075	\$ 370,000
Other Costs	\$ 815,000	CPI-U	1 + -0.040	\$ 782,400
Direct Depreciation	\$ 1,775,000	N.A.	N.A.	\$ 1,775,000
Allowed Costs (Labor, Vehicle, Fuel, and Other Costs)*	\$ 3,100,000	CPI-U	1 + -0.040	\$ 2,976,000
Allocated Costs (Depreciation and Start-Up)	\$ 22,000	N.A.	N.A.	\$ 22,000
Total Annual Cost of Operations	\$14,162,000			\$ 14,146,350
Profit (assuming operating ratio of 0.77)	\$ 4,230,208			\$ 4,225,533
Pass Through Costs				
Recyclable Materials Processing Costs	\$ 1,500,000	Tip Fee x Tons	11,400 x \$130.00	\$ 1,482,000
Residential Organic Materials Processing Costs	\$ 1,300,000	Tip Fee x Tons	9,700 x \$135.40	\$ 1,313,380
Commercial Organic Materials Processing Costs	\$ 360,000	Tip Fee x Tons	2,400 x \$152.40	\$ 365,760
Reusable Materials Processing Costs	\$ 305,000	Tip Fee x Tons	1,900 x \$157.52	\$ 299,288
Solid Waste Disposal Costs	\$ 2,500,000	Tip Fee x Tons	27,000 x \$96.00	\$ 2,592,000
Interest Expense	\$ 380,000	N.A.	N.A.	\$ 380,000
Direct Lease Costs	\$ -	N.A.	N.A.	\$ -
Allocated Lease Costs	\$ -	N.A.	N.A.	\$ -
Total Pass-Through Costs	\$ 6,345,000			\$ 6,432,428
Total Calculated Costs before City Fees	\$24,737,208			\$ 24,804,311
City Fees/Payments				
Waste Management Recycling and Program Fee	\$ 474,596	CPI-U**	1 + -0.040	\$ 455,612
Infrastructure Impacts Mitigation Fee	\$ 910,931	CPI-U**	1 + -0.040	\$ 874,494
Doolittle Landfill Maintenance Fee	\$ 237,297	CPI-U**	1 + -0.040	\$ 227,805
City Parks Fee	\$ 71,879	CPI-U**	1 + -0.040	\$ 69,003
Rate Application Review Costs	\$ -	N.A.	N.A.	\$ -
Total City Fees/Payments	\$ 1,694,702			\$ 1,626,914
Other Adjustments (as needed from time to time)	N.A.	N.A.	N.A.	N.A.
Total Calculated Costs	\$26,431,910			\$ 26,431,225

*Fuel costs included in allocated costs shall be adjusted using the CPI-U not Fuel Index.

** City Reimbursements shall either be increased by the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.

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INDEX-BASED RATE ADJUSTMENT METHODOLOGY

2. Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Three
 - a. Total Calculated Costs = \$26,431,225 < \$26,431,910; Adjusted Total Calculated Costs = \$26,431,910 (Total Calculated Costs from prior Rate Period)
 - b. Rate Adjustment Factor = \$26,431,910/ \$26,431,910= 1.00
 - c. 20-gallon Single-Family Rate for Rate Period Three = \$22.62 x 1.00= \$22.62, which shall be effective July 1, 2023 (i.e., NO RATE ADJUSTMENT).
 - d. Subsequent Rate Period Adjustment. \$26,431,910- \$26,431,225 = \$685 cost savings to be applied as an "Other Adjustment" in the subsequent Rate Period adjustment calculations as an offset to Contractor's Total Calculated Costs.

6. Other

If an index described in Section 2 is discontinued, the successor index with which it is replaced shall be used for subsequent calculations. If no successor index is identified by the Bureau of Labor Statistics or Pacific Gas & Electric (if applicable), the index published by the organization which is most comparable shall be used.

EXHIBIT E2:
COST-BASED RATE ADJUSTMENT METHODOLOGY

EXHIBIT E2

COST-BASED RATE ADJUSTMENT METHODOLOGY

1. General

The City and Contractor shall use the cost-based Rate adjustment method described in this Exhibit to determine Rates for Rate Periods Four, Eight, and, Twelve. and if the Contractor requests an extraordinary Rate adjustment in accordance with Agreement Section 8.3. If the Term is extended, subsequent Rate Periods shall be adjusted pursuant to Section 8.2.C. The cost-based adjustment involves review of the Contractor's actual cost of operations and operational statistics (staffing levels, Routes, Route hours, Customers, and their Service Levels, etc.) to determine the Actual Allowable Total Annual Cost of Operations for the most-recently completed Rate Period and to forecast the Total Contractor's Compensation for the coming Rate Period. The difference (measured as a percentage) between the Total Contractor's Compensation for the coming Rate Period and the Projected Gross Rate Revenues (which is calculated based on most-recent Customer subscription levels at then-current Rates) is the "Rate Adjustment Factor". The Rate Adjustment Factor is applied to the then-current Rates to determine the Rates for the coming Rate Period.

The intent of performing the cost-based adjustment is to examine the actual impact of changes in inflation or deflation, the number of Customers, and the Service Level of Customers.

In the event that the cost-based adjustment calculated in accordance with this Exhibit E2 results in a negative Rate Adjustment Factor, the City reserves the right to "roll-under" the Rate reduction, such that there is no Rate adjustment in the Rate Period for which the negative Rate Adjustment Factor was calculated, but the calculated Rate reduction may be deferred to the following Rate Period, as a credit against future Rate increases.

A. Contractor's Rate Application

Contractor's Rate application for any Rate Period where Rates shall be adjusted using the cost-based methodology described in this Exhibit E2 shall include the information described in this Section 1.A. With the exception of the information identified in Subsections 1, and 2 below, all other items listed may be requested by the City Contract Manager at any time during the Term of the Agreement and Contractor shall comply with that request in a timely fashion.

- 1. Financial Statements.** Within one hundred twenty (120) calendar days after the close of the Contractor's fiscal year (June 30), Contractor shall deliver to the City one (1) hard copy of the reviewed (or audited) consolidated financial statements of Contractor for the preceding fiscal year. Financial statements shall include a supplemental combining schedule showing Contractor's results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement separate from others included in such financial statements. The financial statements and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied and fairly reflecting the results of operation and Contractor's financial condition. Annual financial statements shall be reviewed (or audited), in accordance with Generally Accepted Auditing Standards (GAAS) by a Certified Public Accountant (CPA) licensed (in good standing) to

EXHIBIT E2

COST-BASED RATE ADJUSTMENT METHODOLOGY

practice public accounting in the State as determined by the State Department of Consumer Affairs Board of Accountancy, and that the CPA's opinion on Contractor's annual financial statements shall be unqualified, and shall contain the CPA's conclusions regarding the Contractor's accounting policies and procedures, internal controls, and operating policies. The CPA shall perform an evaluation and, if necessary, shall cite recommendations for improvement.

2. **Financial Statement Reconciliation.** Contractor shall provide a schedule which clearly and accurately ties the amounts shown in Contractor's Rate application to Contractor's financial statements. Such schedule shall include any and all allocation factors and methodologies used to report cost and operating information for services provided to the City under this Agreement separately from Contractor obligations related to other public or private entities. Such statement of reconciliation shall include:
 - a. General explanation of the various allocation methodologies used for each Rate application line item.
 - b. Specific examples of each type of allocation used showing how an entry is reported in the general ledger and ties to the Rate application.
 - c. Statement indicating whether there have been any changes in allocation methods used since the last Rate application. If any allocation methods have changed clearly identify those changes.
3. **Operational Information.**
 - a. **Routes by Line of Business:**
 - i. Number of Routes per day.
 - ii. Types of vehicles.
 - iii. Crew size per Route.
 - iv. Number of full time equivalent (FTE) Routes.
 - v. Number of accounts and cubic yards scheduled per Route.
 - vi. Total Route hours per Line of Business per year.
 - vii. Average cost per Route.
 - b. **Personnel:**
 - i. Organizational chart.
 - ii. Job classifications and number of employees (e.g., administrative, Customer service representatives, drivers, supervisors, educational staff).
 - iii. Wages by job classification.
 - iv. Number of FTE positions for each job classification.
 - v. Number of hours per job classification per year.
 - c. **Productivity Statistics:**
 - i. Average Number of accounts per Route per day by Line of Business.
 - ii. Average number of setouts per Route per day by Line of Business.
 - iii. Average Tons per Route per day by vehicle type (i.e., side-loader, front-loader, roll-off).
 - iv. Average cubic yards of Collection scheduled per Route.

EXHIBIT E2

COST-BASED RATE ADJUSTMENT METHODOLOGY

- d. Vehicles:
 - i. List of Collection vehicles including year purchased and mileage.
 - ii. Average age of mobile equipment with oldest and newest.
 - e. Operational Changes:
 - i. Number of Routes.
 - ii. Staffing.
 - iii. Supervision.
 - iv. Collection services.
4. **Variance Analysis.** Provide the following variance analysis for each Line of Business. For any variances greater than five percent (5%) annually, Contractor shall provide sufficient rationale to support variance:
- a. Variance analysis comparing current Rate Period to each of the prior Rate Periods of Agreement.
 - b. Variance analysis comparing current Rate Period to each of the future projected Rate Periods.
5. **Projections. Provide the following projection data:**
- a. Provide support for the basis for projected Gross Receipts and line item expenses, clearly indicate the supporting calculations and assumptions.
 - b. Provide support for the most-recent twelve (12) months of Tonnage data for Rate Period ending June. Clearly indicate the supporting calculations and assumptions.

2. Forecasting Total Contractor's Compensation

The Total Contractor's Compensation for the coming Rate Period shall be forecasted in the manner described in this Section.

A. Forecasting Total Annual Cost of Operations

1. **Determine Actual Allowable Total Annual Cost of Operations.** Contractor's financial statements, books, and records shall be reviewed to determine Contractor's "Actual Allowable Total Annual Cost of Operations" for the most-recently completed Rate Period to perform all the services in the manner required by this Agreement for each of the following cost categories:
- a. Actual labor-related costs
 - b. Actual vehicle-related costs (excluding fuel and depreciation)
 - c. Actual fuel costs
 - d. Actual other costs (as defined on Form 6E of Exhibit G1)
 - e. Direct depreciation costs (in the amount specified in Exhibit E1)

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COST-BASED RATE ADJUSTMENT METHODOLOGY

- f. Actual allocated costs (labor, vehicle, general and administrative, and other costs)
 - g. Actual allocated costs (depreciation and start-up) (in the amount stated in Exhibit E1)
2. **Non-Allowable Costs.** The following list of non-allowable costs shall be deducted from the Contractor's actual costs when determining the Actual Allowable Total Annual Cost of Operations.
- a. Labor, equipment, fuel, and start-up costs for personnel, vehicles, and facilities that are not specified in the proposal forms contained in Exhibit G1 and/or which cannot be demonstrated to have been incurred as part of the performance of services under this Agreement, including, without limitation, as the result of growth in the number of customers and/or the levels and/or types of services provided.
 - b. Payments to directors and/or owners of Contractor unless the amount paid is reasonable compensation for services actually rendered. Reasonableness shall be determined based on available market pricing for similar services and shall be in the reasonable discretion of the City.
 - c. Travel expenses and entertainment (above five thousand dollars (\$5,000) annually in total) expenses, unless authorized in advance by the City.
 - d. Payments to repair damage to public or private property for which Contractor is legally liable.
 - e. Fines or penalties of any nature.
 - f. Liquidated Damages assessed under this Agreement.
 - g. Federal or State income taxes.
 - h. Cash donations or value of in-kind services provided to charitable, political, youth, civic, or other community organizations unless such donation has been previously approved in writing as an allowable expense by the City Contract Manager.
 - i. Depreciation or interest expense for Collection vehicles, Containers, other equipment, offices and other facilities if such items are leased as specified in Exhibit G2.
 - j. Attorney's fees and other expenses incurred by Contractor in any court proceeding in which the City and Contractor are adverse Parties.
 - k. Attorney's fees and other expenses incurred by Contractor arising from any act or omission in violation of this Agreement.
 - l. Attorneys' fees and other expenses incurred by Contractor in any court proceeding in which Contractor's own negligence, violation of law or regulation, or wrong doing are in issue and occasion, in whole or in part, the attorneys' fees and expenses claimed; and attorneys' fees and expenses incurred by Contractor in a court proceeding in which the legal theory or statute providing a basis of liability against Contractor also provides for separate potential liability for the City derived from the action of its citizens or Rate payers (such as in a CERCLA lawsuit) unless the Contractor is found not liable in such claims and such claims arise from acts or occurrences within the Term of the Agreement.

EXHIBIT E2

COST-BASED RATE ADJUSTMENT METHODOLOGY

- m. Payments to Related-Party Entities for products or services, in excess of the market value for those products or services, provided that the City may use information available to it to verify market pricing for similar products and services.
 - n. Goodwill.
 - o. Unreasonable profit-sharing distributions.
 - p. Replacement costs for Containers that need to be replaced because the useful life of such Container was less than the Term.
 - q. Administrative costs greater than the administrative costs presented in Contractor's Proposal (Exhibit G) adjusted annually by one plus the Annual Percentage Change in the CPI-U.
 - r. Bad debt write-offs in excess of two percent (2%) of annual Rate revenues.
- 3. Forecast Total Annual Cost of Operations.** Forecasted Total Annual Cost of Operations for the coming Rate Period shall be calculated based on Actual Allowed Total Cost of Operations for the most-recently completed Rate Period determined in accordance with Sections 2.A.1 and 2.A.2 above. The forecasts shall be performed in the following manner:
- a. **Forecasted labor-related costs** shall be calculated in the manner described in Section 2.A.1 of Exhibit E1.
 - b. **Forecasted vehicle-related costs** (excluding fuel and depreciation costs) shall be calculated for the coming Rate Period by (i) multiplying the allowed vehicle-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index.
 - c. **Forecasted fuel costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed fuel costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the Fuel Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the Fuel Index.
 - d. **Forecasted other costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed other-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the CPI-U.
 - e. **Forecasted direct depreciation expense** shall be the amount specified in in Section 2.A.5 of Exhibit E1. Direct depreciation expense is a fixed cost and is not subject to inflation.
 - f. **Forecasted allocated labor-related, vehicle-related, general and administrative, and other costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed other-related costs for most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one once more by one

EXHIBIT E2

COST-BASED RATE ADJUSTMENT METHODOLOGY

plus the Annual Percentage Change in CPI-U (except in each case as provided in 3.a. above).

- g. Forecasted allocated depreciation and start-up expense** shall be the amount specified in Section 2.A.7 of Exhibit E1.
- h. Forecasted Total Annual Cost of Operations** for the coming Rate Period shall equal the sum of the following costs, which shall have been calculated in accordance with the procedures in this Exhibit E2:
 - i. Forecasted labor-related costs
 - ii. Forecasted vehicle-related costs (excluding fuel and depreciation costs)
 - iii. Forecasted fuel costs
 - iv. Forecasted other costs
 - v. Forecasted direct depreciation expense
 - vi. Forecasted allocated labor-related, vehicle-related, general and administrative, and other costs
 - vii. Forecasted allocated costs for depreciation and start-up

B. Forecast Profit

Contractor shall be entitled to Profit on Forecasted Total Annual Cost of Operations. Profit shall be calculated using an operating ratio as described in Exhibit E Section 4. Profit shall be calculated using the following formula:

Profit = (Forecasted Total Annual Cost of Operations / Operating Ratio) – Forecasted Total Annual Cost of Operations

For example:

- 1. Assuming an operating ratio of 92%
- 2. Assuming a Forecasted Total Annual Cost of Operations of \$1,000,000
- 3. Profit = (\$1,000,000 / 0.92) – \$1,000,000 = \$86,956.52

C. Forecast Costs Excluded from the Calculation of Profit

Costs Excluded from the Calculation of Profit for the coming Rate Period shall be forecasted in the following manner:

- 1. **Forecasted Recyclable Materials Processing Costs** shall be calculated in the manner described in Section 2.C.1 of Exhibit E1.
- 2. **Forecasted Organic Materials Processing Costs** shall be calculated in the manner described in Section 2.C.2 of Exhibit E1.
- 3. **Forecasted Reusable Materials Processing Costs** shall be calculated in the manner described in Section 2.C.3 of Exhibit E1.
- 4. **Forecasted Disposal Costs** shall be calculated in the manner described in Section 2.C.4 of Exhibit E1.

EXHIBIT E2

COST-BASED RATE ADJUSTMENT METHODOLOGY

5. **Forecasted Interest Expense.** Interest Expense shall be calculated in the manner described in Section 2.C.5 of Exhibit E1.
6. **Forecasted Direct Lease Costs.** Direct Lease Costs shall be calculated in the manner described in Section 2.C.6 of Exhibit E1.
7. **Forecasted Allocated Lease Costs.** Allocated Lease Costs shall be calculated in the manner described in Section 2.C.7 of Exhibit E1.

D. Forecast City Reimbursements

City Reimbursements shall be calculated in the manner described in Section 2.E of Exhibit E1.

3. Projected Gross Rate Revenue

Projected Gross Rate Revenue at then-current Rates shall reflect projected annual Gross Rate Revenues from all Customers based on then-current Rates and then-current Customer Service Levels, inclusive of all Rates and special charges authorized under this Agreement. For the purposes of determining Customer Service Levels for on-call services (e.g., Drop-Box service provided less than weekly, Bin rentals, etc.) and special charges (e.g., Push Charges, lock/unlock charges), the prior twelve (12) months of billing activity for such services and special charges shall be used.

4. Rate Adjustment Factor

The Rate Adjustment Factor shall equal the Forecasted Total Calculated Costs for the coming Rate Period divided by the Projected Gross Rate Revenues calculated in accordance with Section 2 of this Exhibit E2. The Rate Adjustment Factor shall be rounded to the nearest thousandth.

5. Adjustment of Rates

Each then-current Rate shall be multiplied by the Rate Adjustment Factor to calculate the effective Rate for the coming Rate Period.

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**EXHIBIT E3:
RECYCLABLE PROCESSING COST ADJUSTMENT
METHODOLOGY**

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

1. General

The purpose of this Exhibit E3 is to describe and illustrate the method by which the City will calculate the annual adjustment to Recyclable Materials Processing Costs under Exhibit E1, Section 2.C.1 and Exhibit E2, Section 2.C.1. The intent of the Parties is to limit the adjustment of Processing costs to inflationary indices, but allow adjustment of both the value of Recyclable commodities and Disposal based on the actual operating results of the Approved Recyclable Materials Processing Facility.

2. Adjustment of Recyclable Materials Processing Costs

The cost categories of the main components of Recyclable Materials Processing Costs are presented in detail in Section 3 below. Adjustments to these components to calculate costs for the coming Rate Period shall be calculated as follows:

A. Total Annual Cost of Operations

1. **Labor-Related Costs.** The Labor-Related Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
2. **Repairs and Maintenance.** The Repairs and Maintenance Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
3. **Transportation.** The Transportation Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
4. **General and Administrative.** The General and Administrative Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
5. **Other Operational.** The Other Operational Costs component of the Recyclable Materials Processing Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
6. **Depreciation.** The Depreciation Costs component of the Recyclable Materials Processing Costs is one million eight hundred and eighty-nine thousand nine hundred seventy-one dollars and sixty-three cents (\$1,889,971.63) per year for all Rate Periods and is not adjusted.
7. **Interest.** The Interest Costs component of the Recyclable Materials Processing Costs is one hundred twenty-one thousand, one hundred and seventeen dollars and forty cents (\$121,117.40) per year for all Rate Periods and is not adjusted.
8. **Total Annual Cost of Operations Before Profit.** The Total Annual Cost of Operations Before Profit equals the sum of the costs calculated in subsections (1) through (7) above.

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

9. **Profit.** Contractor's profit on Total Annual Cost of Operations Before Profit shall be calculated using an operating ratio of ninety-five percent (95%) on the Total Annual Cost of Operations Before Profit calculated in Section 2.A.8 above.
10. **Total Annual Cost of Operations.** The Total Annual Cost of Operations for the coming Rate Period equals the sum of Total Annual Cost of Operations Before Profit, plus profit.
11. **Base Tons Processed.** The Base Tons Processed shall be the proposed Recyclable Material Tons by Contractor in Rate Period 1, or the Base Tons Processed from the most recently completed cost-based Rate adjustment.
12. **Total Annual Cost of Operations Component.** The Total Annual Cost of Operations Component of the Recyclable Materials Processing Costs for the coming Rate Period equals the Total Annual Cost of Operations divided by the Base Tons Processed.

If prior year actual Processed Tons at the Approved Recyclable Materials Processing Facility increase or decrease by at least ten percent (10%) compared to the prior Rate Period's Tons Processed, the Total Annual Cost of Operations shall be the sum of: 1) the actual costs for the component in Sections 2.A.1 through 2.A.5; and, 2) the fixed annual Depreciation and Interest in Sections 2.A.6 and 2.A.7, respectively, divided by the actual total Tons Processed for the recent twelve (2) months, from all sources. The actual total Tons Processed shall be the next Rate Period's Base Tons Processed.

B. Residue Disposal Cost.

1. **Residue Disposal Cost.** The Residue Disposal Costs shall equal the total actual cost of Disposal for any and all Residue which cannot be marketed by Contractor. The per-Ton cost of Disposal for the purposes of this Exhibit E3 may not exceed the Disposal tip fee at the Designated Disposal Facility. Contractor shall engage a third party to design and perform a Residue characterization of the Recyclable Materials Processed at the Approved Recyclable Materials Processing Facility a minimum of one time per calendar year. Contractor shall propose a study methodology that must include separately Processing at least thirty (30) Tons of Recyclable Materials, stratified across no fewer than three distinct days of service, from the City at the Approved Recyclable Materials Processing Facility under normal operating conditions for the facility (i.e., staffing levels, belt speed, burden depth, etc.). The methodology must be approved by the City Contract Manager in writing prior to Contractor conducting such a study. The results of that study shall be used to determine the allowable level of Residue Disposal credit allocated to the City for the upcoming Rate Period by multiplying the change in percentage of Residue found during the Residue characterization described above by the total recyclable materials Tons Collected and then multiplied by the per-Ton cost of Disposal. The City shall be notified at least thirty (30) days in advance of each annual study and Contractor shall invite the City Contract Manager to observe all aspects of the study.
2. **Net Residue Disposal Cost Component.** The Net Residue Disposal Cost Component of the Recyclable Materials Processing Costs for the coming Rate Period equals the per-Ton Residue Disposal Cost, less the per-Ton Residue Disposal Credit to the City.

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

C. Recyclable Commodity Value.

1. **Recyclable Commodity Value.** The Recyclable Commodity Value shall equal the net of total gross revenues for the sale of marketable materials less the cost paid to buyers for marketable materials by the Approved Recyclable Materials Processing Facility as a result of marketing Processed Recyclable Materials.
2. **Profit.** Contractor's profit on the Recyclable Commodity Value shall equal five percent (5%) of the total Recyclable Commodity Value.
3. **Recyclable Commodity Value Component.** The Recyclable Commodity Value Component of the Recyclable Materials Processing Costs for the coming Rate Period equals the Recyclable Commodity Value less profit, divided by the total Tons Processed, from all sources, at the Approved Recyclable Materials Processing Facility.

D. Net Per-Ton Recyclable Materials Processing Costs. The Per-Ton Recyclable Materials Processing Costs shall be the sum of the per-Ton Total Annual Cost of Operations Component (calculated in Section 2.A.12), the Net Per-Ton Residue Disposal Component (calculated in Section 2.B.2), and the per-Ton Recyclable Commodity Value Component (calculated in Section 2.C.3).

E. Recyclable Materials Processing Costs. The total Recyclable Materials Processing Costs to be used under Exhibit E1, Section 2.C. shall equal the Per-Ton Recyclable Materials Processing Costs (calculated in Section 2.D), multiplied by the Tons of Recyclable Materials Collected by Contractor during the most-recently completed twelve (12) month period in the City.

3. Components of Recyclable Materials Processing Costs

The table below presents Contractor's proposed Rate Period 1 cost components for the Approved Recyclable Materials Processing Facility. These values shall form the baseline for calculating all adjustments under this Exhibit E3.

Cost Component	Rate Period 1 Value
ANNUAL COST OF OPERATIONS	
Labor-Related	\$6,277,569
Repairs and Maintenance	\$761,084
Transportation	\$1,256,849
General and Administrative	\$1,830,869
Other Operational	\$204,835
Depreciation	\$1,889,971
Interest	\$121,117
TOTAL ANNUAL COST OF OPERATIONS	\$12,342,294
Net Residue Disposal Cost	\$1,558,932
95% of Recyclable Commodity Value	(\$5,065,670)
Profit	\$916,209
Recyclable Materials Processing Costs	\$9,485,150

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

Base Tons Processed	72,264
Per Ton Recyclable Materials Processing Cost	\$131.26

4. Examples

The following examples illustrate the index-based and cost-based adjustment method for determining Recyclable Materials Processing Costs for Rate Period Three. The dollar amounts shown are hypothetical amounts for Rate Period Two (July 1, 2022 through June 30, 2023) and the adjustment factors are based on assumed changes in the various indices between the Average Index Values for the twelve (12) months ending December 2021 and for the twelve (12) months ending December 2020. Example A depicts a standard index-based or cost-based adjustment, wherein the change in Tons is below the fifteen percent (15%) threshold. Example B depicts a cost-based adjustment wherein the change in Tons is above the fifteen percent (15%) threshold.

A. EXAMPLE A

1. Assumptions for Example Recyclable Materials Processing Cost Calculation:
 - a. Then-current Rate Period = Rate Period Two (July 1, 2022 through June 30, 2023)
 - b. Coming Rate Period = Rate Period Three (July 1, 2023 through June 30, 2024)
 - c. Recyclable Materials Processing Costs per Ton for then-current Rate Period= \$130.53 per Ton
 - d. Net Residue Disposal Costs for the coming Rate Period = \$1,582,316
 - e. Annual Percentage Change in the CPI-U = 0.020
 - f. Proposed Base Tons Processed = 72,317 tons
 - g. Actual Recyclable Material Tonnage for January 1, 2021 through December 31, 2022 = 72,500 tons
 - h. Recyclable Material Tonnage for the most-recently completed 12-month period= 73,950 tons
 - i. Residue Study Results for City of Alameda = 7.8%
 - j. Recyclable Commodity Value for the most recently completed 12-month period = \$5,492,253.

Note: All values presented in the following table are hypothetical and used for illustrative purposes only.

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

TABLE 1
Example A Calculation of Recyclable Materials Processing Costs for Rate Period Three
Tonnage Change Under the 15% Threshold

	RY2 Effective July 1, 2022	Factor	RY3 Effective July 1, 2023
Labor-Related	\$ 6,277,569	CPI-U	\$ 6,403,120
Repairs & maintenance	\$ 761,084	CPI-U	\$ 776,306
Transportation	\$ 1,256,849	CPI-U	\$ 1,281,986
General & administrative	\$ 1,830,869	CPI-U	\$ 1,867,487
Other operation costs	\$ 204,835	CPI-U	\$ 208,931
Depreciation	\$ 1,889,971	Fixed	\$ 1,889,971
Interest	\$ 121,117	Fixed	\$ 121,117
Total Annual Cost of Operations Before Profit	\$ 12,342,294		\$ 12,548,918
Profit (95% Op Ratio)	\$ 649,594	Calculated	\$ 660,469
Total Annual Cost of Operations	\$ 12,991,889		\$ 13,209,388
Base Tons Processed	\$ 72,317	Base	\$ 72,317
Total Annual Cost of Operations Component	\$ 179.65		\$ 182.66
Net Residue Disposal Cost	\$ 1,558,932	Actual SW Facility Disposal Costs	\$ 1,582,316
Actual Tons Processed	72,500	Actual - most recent 12 months	\$ 73,950
Residue Disposal per Ton	\$ 21.50		\$ 21.40
Per-Ton Residue Disposal Credit	\$ (0.75)	Results of Residue Study	\$ (0.80)
Net Residue Disposal Cost Component	\$ 20.75		\$ 20.60
Recyclable Commodity Value (MRF Total)			
Commodity Revenue	\$ 5,332,285	Actual - most recent 12 months	\$ 5,492,253
Less: Allowable Profit @5% of Gross Revenue	\$ (266,614)	Calculated	\$ (274,613)
Commodity Revenue net of Profit	\$ 5,065,670		\$ 5,217,640
Tons Processed	72,500	Actual - most recent 12 months	73,950
Recyclable Commodity Value Component	\$ 69.87		\$ 70.56
Total Annual Cost of Operations Component	\$ 179.65		\$ 182.66
Net Residue Disposal Cost Component	\$ 20.75		\$ 20.60
Less: Recyclable Commodity Value per Ton	\$ (69.87)		\$ (70.56)
Per Ton Recyclable Materials Processing Cost	\$ 130.53		\$ 132.70
RY3 example shown is for illustrative purposes only			

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

TABLE 2
Example A Calculation of Recyclable Materials Processing Costs for Rate Period Three
Residue Disposal Credit Component Calculation

	RY 3
MRF Residue avg.	23.4%
Recyclables collected - projected	11399.5 tons
Residue projected	2667.48 tons
Residue composition results	22.9% Residue Study
Recyclables collected - projected	11399.5 tons
Adjusted residue projected	2610.49 tons
Residue difference	-57.00 tons
Disposal and transportation Exhibit E3-3	\$ 165.53 per ton
Processing cost adjustment	\$ (9,434.54)
Processing cost adjustment	\$ (9,434.54)
Recyclables collected - projected	11399.5 tons
Processing cost adjustment	\$ (0.83) per ton
MRF efficiency loss	7.8% Residue Study
MRF efficiency loss applied	96.1% @ 50% of Study
Net Processing cost residue adjustment w/efficiency	\$ (0.80) per ton

TABLE 3
Example A Calculation of Recyclable Materials Processing Costs for Rate Period Three
Residue Disposal Component Calculation

	RY3
Disposal	\$ 1,582,316.08
Transportation	\$ 1,281,986.20
	\$ 2,864,302.28
Total All Recycling Tons Collected	73,950.00
Average MRF Residue	23.4%
All Residue tons	17,304.30
Disposal and Transportation per ton	\$ 165.53

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

B. EXAMPLE B

1. Assumptions for Example Recyclable Materials Processing Cost Calculation:
 - a. Then-current Rate Period = Rate Period Two (July 1, 2022 through June 30, 2023)
 - b. Coming Rate Period = Rate Period Three (July 1, 2023 through June 30, 2024)
 - c. Recyclable Materials Processing Costs per Ton for then-current Rate Period= \$130.53 per Ton
 - d. Net Residue Disposal Costs for the coming Rate Period = \$1,839,540
 - f. Proposed Base Tons Processed = 72,317 tons
 - g. Actual Recyclable Material Tonnage for January 1, 2021 through December 31, 2022 = 72,500 tons
 - h. Recyclable Material Tonnage for the most-recently completed 12-month period= 84,100 tons
 - i. Residue Study Results for City of Alameda = 7.8%
 - j. Recyclable Commodity Value for the most recently completed 12-month period = \$6,398,742.

Note: All values presented in the following table are hypothetical and used for illustrative purposes only.

EXHIBIT E3

RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY

TABLE 4
Example A Calculation of Recyclable Materials Processing Costs for Rate Period Three
Tonnage Change Over the 15% Threshold

	RY2 Effective July 1, 2022	Factor	RY3 Effective July 1, 2023
Labor-Related	\$ 6,277,569	Actual - most recent 12 months	\$ 7,846,961
Repairs & maintenance	\$ 761,084	Actual - most recent 12 months	\$ 951,355
Transportation	\$ 1,256,849	Actual - most recent 12 months	\$ 1,571,062
General & administrative	\$ 1,830,869	Actual - most recent 12 months	\$ 2,288,587
Other operation costs	\$ 204,835	Actual - most recent 12 months	\$ 256,043
Depreciation	\$ 1,889,971	Fixed	\$ 1,889,971
Interest	\$ 121,117	Fixed	\$ 121,117
Total Annual Cost of Operations Before Profit	\$ 12,342,294		\$ 14,925,096
Profit (95% Op Ratio)	\$ 649,594	Calculated	\$ 785,531
Total Annual Cost of Operations	\$ 12,991,889		\$ 15,710,627
Base Tons Processed	\$ 72,317	Actual	\$ 84,100
Total Annual Cost of Operations Component	\$ 179.65		\$ 186.81
Net Residue Disposal Cost	\$ 1,558,932	Actual SW Facility Disposal Costs	\$ 1,839,540
Actual Tons Processed	72,500	Actual - most recent 12 months	\$ 84,100
Residue Disposal per Ton	\$ 21.50		\$ 21.87
Per-Ton Residue Disposal Credit	\$ (0.75)	Results of Residue Study	\$ (0.83)
Net Residue Disposal Cost Component	\$ 20.75		\$ 21.04
Recyclable Commodity Value (MRF Total)			
Commodity Revenue	\$ 5,332,285	Actual - most recent 12 months	\$ 6,398,742
Less: Allowable Profit @5% of Gross Revenue	\$ (266,614)	Calculated	\$ (319,937)
Commodity Revenue net of Profit	\$ 5,065,670		\$ 6,078,804
Tons Processed	72,500	Actual - most recent 12 months	84,100
Recyclable Commodity Value Component	\$ 69.87		\$ 72.28
Total Annual Cost of Operations Component	\$ 179.65		\$ 186.81
Net Residue Disposal Cost Component	\$ 20.75		\$ 21.04
Less: Recyclable Commodity Value per Ton	\$ (69.87)		\$ (72.28)
Per Ton Recyclable Materials Processing Cost	\$ 130.53		\$ 135.57

RY3 example shown is for illustrative purposes only

TABLE 5
Example B Calculation of Recyclable Materials Processing Costs for Rate Period Three
Residue Disposal Component Calculation

EXHIBIT E3 **RECYCLABLE PROCESSING COST ADJUSTMENT METHODOLOGY**

	RY 3
MRF Residue avg.	23.4%
Recyclables collected - projected	11399.5 tons
Residue projected	2667.48 tons
Residue composition results	22.9% Residue Study
Recyclables collected - projected	11399.5 tons
Adjusted residue projected	2610.49 tons
Residue difference	-57.00 tons
Disposal and transportation Exhibit E3-3	\$ 173.31 per ton
Processing cost adjustment	\$ (9,878.13)
Processing cost adjustment	\$ (9,878.13)
Recyclables collected - projected	11399.5 tons
Processing cost adjustment	\$ (0.87) per ton
MRF efficiency loss	7.8% Residue Study
MRF efficiency loss applied	96.1% @ 50% of Study
Net Processing cost residue adjustment w/efficiency	\$ (0.83) per ton

TABLE 6
Example A Calculation of Recyclable Materials Processing Costs for Rate Period Three
Residue Disposal Component Calculation

	RY3
Disposal	\$ 1,839,539.88
Transportation	\$ 1,571,061.52
	\$ 3,410,601.40
Total All Recycling Tons Collected	84,100.00
Average MRF Residue	23.4%
All Residue tons	19,679.40
Disposal and Transportation per ton	\$ 173.31

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**EXHIBIT F:
PERFORMANCE STANDARDS AND LIQUIDATED
DAMAGES**

EXHIBIT F

PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

City wishes to establish standards of performance under the Agreement in each of the six (6) "Performance Areas" listed below. The City Contract Manager may monitor Contractor's performance in each of those areas based on the "Specific Performance Measures" within that performance area. In the event that the City Contract Manager determines that Contractor has failed to meet the performance standard established for any "Specific Performance Measure", the City may assess Liquidated Damages pursuant to Section 10.6 of the Agreement. Liquidated Damages, if assessed, shall only be assessed for the number of events, days, or other measure in excess of the acceptable performance level.

1. Performance Area: Collection Reliability

Item	Specific Performance Measure	Liquidated Damage Amount
1.	Failure to notify the appropriate authorities of reportable quantities of Hazardous Waste	\$500/Event
2.	Failure to maintain the Collection schedule on the scheduled day (unless non-collection was warranted pursuant to this Agreement)	\$25/Container
3.	Failure, over five (5), during Rate Period to commence service to a new Customer within seven (7) calendar days after order received and account number established	\$150/Event
4.	Failure, over fifteen (15), during Rate Period to Collect Solid Waste, Recyclable Materials or Organic Materials which has been properly set out for Collection from an established service recipient account on the scheduled Collection day and not Collected within a period described in this Agreement	\$150/Event
5.	Failure to Collect Solid Waste, Recyclable Materials or Organic Materials which has been properly set out for Collection, from the same service recipient on two (2) consecutive scheduled pick ups	\$150/Event

2. Performance Area: Collection Quality

Item	Specific Performance Measure	Liquidated Damage Amount
1.	Each occurrence over five (5) during Rate Period of unreasonable leaking or spilling Solid Waste, Recyclable Materials, or Organic Materials and failure to pick up or clean up such material immediately	\$300/Event
2.	Each occurrence over twelve (12) during Rate Period of failure to replace properly set out Containers in original position, upright, with lids attached to or on Carts or Bins	\$150/Event
3.	Each failure over twenty-four (24) during Rate Period of not closing gate, other damage to private property	\$300/Event
4.	Each occurrence over five (5) during Rate Period of Collecting Solid Waste, Recyclable Materials, or Organic Materials during unauthorized hours	\$300/Event

EXHIBIT F

PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

Item	Specific Performance Measure	Liquidated Damage Amount
5.	Each occurrence over twelve (12) during Rate Period of excessive noise in accordance with Section 5.5 of the Franchise Agreement	\$150/Event
6.	Each failure over twelve (12) during Rate Period of not properly tagging Containers which are intentionally not Collected	\$150/Event
7.	Each occurrence over five (5) during Rate Period of failure to clean Collection vehicles or Containers in accordance with the schedule provided by this Agreement	\$150/Event
9.	Each event over twelve (12) during Rate Period of failure to remove litter/spills adjacent to Collection Containers caused by Contractor	\$150/Event
10.	Each occurrence over five (5) during Rate Period of damage caused by Contractor to property that is not repaired in accordance with the schedule provided by this Agreement	\$250/Event

3. Performance Area: Customer Responsiveness

Item	Specific Performance Measure	Liquidated Damage Amount
1.	Each occurrence of discourteous behavior	\$500
2.	Each failure to respond to and initiate a remedy to a Complaint in accordance with the schedule provided by this Agreement	\$300
3.	Each failure to answer the telephone or provide an answering machine during the hours specified in the Agreement	\$300
4.	Each failure to respond to service requests/ calls in accordance with the schedule provided by this Agreement	\$300
5.	Each failure over twelve (12) during Rate Period to Collect missed Collections in accordance with the schedule provided by this Agreement	\$300
6.	Each occurrence over five (5) during Rate Period for Complaints regarding waiting on hold for more than four (4) minutes	\$150

4. Performance Area: Reporting

Any report shall be considered late until such time as a correct and complete report is received by City. For each calendar day a report is late, the daily Performance Adjustment shall be:

Item	Report	Liquidated Damage Amount
1.	Quarterly Reports or reports requested by City pursuant to Section 6.2	\$100/Day
2.	Semi-Annual Reports	\$200/Day
3.	Annual Reports	\$300/Day

EXHIBIT F

PERFORMANCE STANDARDS & LIQUIDATED DAMAGES

5. Performance Area: Public Education

Item	Specific Performance Measure	Liquidated Damage Amount
1.	Failure to employ personnel specified in this Agreement for public education activities	As described in Section 5.7.F
2.	Failure to meet with City staff in accordance with this Agreement	\$150/Event
3.	Failure to prepare and distribute any public education plan or material required by Exhibit C.	\$200/Day/Event
4.	Failure to participate in special events listed in this Agreement	\$300/Event

6. Performance Area: Miscellaneous

Item	Specific Performance Measure	Liquidated Damage Amount
1.	Failure to perform any of the obligations set forth in this Agreement not specifically stated above and not corrected or proceeding in good faith to correct within one Working Day upon twenty-four (24) hour notification by City:	\$150/Each obligation per day until obligation is performed

By placing Designee's initials at the places provided, each Party specifically confirms the accuracy of the statements made above and the fact that each Party has had ample opportunity to consult with legal counsel and obtain an explanation of Liquidated Damage provisions of the time that the Agreement was made.

Contractor

City

Initial Here: _____



Initial Here: _____

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EXHIBIT G:
CONTRACTOR'S PROPOSAL

EXHIBIT G1:
COST BASIS FOR PROPOSAL

Proposer Name: Alameda County Industries, Inc.

Note to proposer: Input data in yellow shaded areas only.

A. Primary Contact Information

1. Name	Chris Valbusa
2. Title	General Manager
3. Phone	510 357 7282
4. Fax	
5. E-mail	Cvalbusa@alamedacountyindustries.com

B. Support Facilities

1. Address of collection vehicle parking, maintenance, washing, and route staff parking facility(ies)	610 Aladdin Avenue San Leandro Ca 94577
2. Address of administrative office	610 Aladdin Avenue San Leandro Ca 94577
3. Address of billing office	610 Aladdin Avenue San Leandro Ca 94577
4. Address of customer service office	2307 Blanding Avenue Suite B Alameda, CA 94501

C. Vehicle Manufacturer and Specifications (Body Capacity, GVWR, Load Capacity)

1. Residential Collection Vehicles	Labire ASL, 31 YDS, 9+ tons
2. Commercial Collection Vehicles	Heil FEL, 40 YDS, 10+ tons
3. Drop Box Vehicles	Galbreath Roll-Off

D. Container Manufacturer, Sizes Offered, and Specifications

1. Carts	Rehrig Carts
2. Bins	Consolidated Fabricators; sizes per F.A.
3. Drop Boxes	Consolidated Fabricators; sizes per F.A.

E. Recyclable Materials Processing and Handling

1. Name of processing site	Alameda County Industries
2. Owner's name	Alameda County Industries, LLC
3. Operator's name	Alameda County Industries, LLC
4. Address of processing site	610 Aladdin Avenue San Leandro Ca 94577
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Direct Haul, Direct Transfer
6. Name and address of transfer location (if applicable)	610 Aladdin Avenue San Leandro Ca 94577

F. Reusable Materials Handling

1. Name of processing site	Alameda County Industries
2. Owner's name	Alameda County Industries, LLC
3. Operator's name	Alameda County Industries, LLC
4. Address of processing site	610 Aladdin Avenue San Leandro Ca 94577
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Direct Haul, Direct Transfer
6. Name and address of transfer location (if applicable)	610 Aladdin Avenue San Leandro Ca 94577

G. Organics Processing and Handling

1. Name of processing site	Newby Island Recyclery
2. Owner's name	Browning Ferris Industries of California, Inc.
3. Operator's name	Browning Ferris Industries of California, Inc.
4. Address of processing site	1601 Dixon Landing Road in Milpitas, CA 95035
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Transfer
6. Name and address of transfer location (if applicable)	610 Aladdin Ave San Leandro, Ca 94577

H. Other Processing and Handling (Optional)*

1. Name of processing site	Napa Recycling and Waste Service
2. Owner's name	Napa Recycling and Waste Services LLC
3. Operator's name	Napa Recycling and Waste Services LLC
4. Address of processing site	820 Levitin Way Napa CA 94558
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	Transfer
6. Name and address of transfer location (if applicable)	Alameda County Industries, San Leandro CA

* Insert Rows as Needed to Reflect Additional Facility and/or Subcontractor Information.

Operating Statistics
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.

REPORT FOR 12-MONTH PERIOD From July 1, 2021 to June 30, 2022		Residential Commercial Multifamily Cart Service (Form 6A)			Commercial Cart Service (Form 6B) N/A			Commercial Bin Service (Form 6C)			Roll-Off (Form 6D)			Other (Form 6E)	TOTAL
		Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Bulky Items/Reusable Materials	
1	Account Information														
	# of weekly accounts (customers)	19,927	20,054	19,968				777	298	108	33	6	2	250	
2	Labor Information														
	# of regular route personnel	6.0	7.0	4.0				3.0	1.0	1.0	0.84	0.0	0.2	2.0	25.0
3	Labor hours/day/person	9.9	9.9	9.4				8.8	8.7	9.1	9.0	9.0	9.0	8.2	
4	Total labor hours/year	15,389	17,954	9,760	0	0	0	6,883	2,274	2,357	1,955	111	356	4,256	61,294
5	Route Information														
	# of routes per														
5	Weekday	6.00	7.00	4.00				3.00	1.00	1.00	0.84	0.05	0.15	2.00	25.0
6	Saturday													0.0	
7	Sunday													0.0	
8	# of persons per route per														
	Weekday	1.0	1.0	1.0				1.3	1.0	0.5	1.0	1.0	1.0	2.0	
9	Saturday														
10	Sunday														
11	# of route hours/day/route per														
	Weekday														
12	Saturday														
13	Sunday														
14	# of route hours per year per:														
	Weekday	15,389	17,954	9,760				6,883	2,274	2,357	1,955	111	356	4,256	61,294
15	Saturday													0	
16	Sunday													0	
17	Total Route Hours per Year (all routes)	15,389	17,954	9,760	0	0	0	6,883	2,274	2,357	1,955	111	356	4,256	61,294
18	# of FTE routes	7.40	8.63	4.69	0.00	0.00	0.00	3.31	1.09	1.13	0.94	0.05	0.17	2.05	29.47
19	Total # of cart setouts per day for all routes	22,001	32,707	32,362											
20	# of cart setouts/day/FTE route	2,974	3,789	6,897											
21	# of cart setouts per week for all routes	22,001	32,707	32,362											
22	# of household drive-bys per wk for all routes	19,927	20,054	19,968											
23	Set out rate (%)	110%	163%	162%											
24	# of lifts or pulls per week for all routes				0	0	0	1,297	580	188	32	2	6	250	
25	# of lifts or pulls per year for all routes				0.0	0.00	0.00	67,444	30,160	9,776	1,678	100	320	13,000	
26	# of lifts or pulls per route hour				0.0	0.00	0.00	9.80	13.27	4.15	0.86	0.90	0.90	3.05	
27	Vehicle Information														
	# of regular collection vehicles (from Form 4)	6.0	7.0	4.0	0.0	0.0	0.0	3.0	1.0	2.0	0.8	0.0	0.2	4.0	28.0
29	# of spare collection vehicles (from Form 4)	0.8	0.9	0.5	0.0	0.0	0.0	0.3	0.1	0.2	0.8	0.0	0.2	0.0	3.8
30	Total # of collection vehicles	6.8	7.9	4.5	0.0	0.0	0.0	3.3	1.1	2.2	1.6	0.1	0.3	4.0	31.8
31	Tonnage Information (annual)														
	Solid Waste Collected	11,175			0			10,331			4,514				26,019.7
32	Recyclable Materials Collected		9,125			0			2,079			195			11,399.5
33	Organic Materials Collected			9,651			0			2,318			1,445		13,413.4
34	C&D												1,450		1,450.2
35	HHW														0.0
36	Bulky Items/Reusable Materials Collected													1,674	1,673.6
37	Other Materials Collected (Specify)														0.0
38	Total Collected	11,175	9,125	9,651	0	0	0	10,331	2,079	2,318	4,514	195	2,895	1,674	53,956
39	Processing residue disposed	0	2,091	502				0	476	46	0	49	29	837	4,029.6
40	Net Diverted (Line 32 + 33 + 34 + 35 + 36 + 37- 39)	0	7,035	9,149	0	0	0	0	1,603	2,271	0	146	2,866	837	23,907
															44.3%

Operating Statistics
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Notes for Form 2:

Line 1 - Should equal the number of customer serviced on a weekly basis

Line 2 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6E.

Line 3 - Identify number of hours per day each regular route employee will work each day (including breaks, pre- and post-route checks, etc., excludes casual/pool personnel).

Line 4 - Should equal Line 2 * Line 3 * 260 days. Total should tie to total payroll hours.

Lines 5, 6, and 7 - Information is to be reported for collection routes only and does not include any support (e.g., container delivery routes, cleanup routes, missed pickup routes etc.)

Line 8, 9, and 10 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6E.

Lines 11, 12, and 13 - Identify number of hours per day each route will take to complete (including collection time and hauling time to transfer station, landfill, or processing site).

Line 14 - Should equal Line 5 * Line 11 * 260 days

Line 15 - Should equal Line 6 * Line 12 * 52 weeks

Line 16 - Should equal Line 7 * Line 13 * 52 weeks

Line 17 - Should equal Line 14 + Line 15 + Line 16

Line 18 - Should equal Line 17 / 2,080 hours

Line 19 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 6A

Line 20 - Should equal Line 19 / Line 18

Line 21 - Should equal Line 19 * 5 days

Line 22 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 6A.

Line 23 - Should equal Line 21 / Line 22

Line 24 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6B - 6E.

Line 25 - Data to be input by proposer and should equal Line 24 * 52 weeks. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6B - 6E.

Line 26 - Should equal Line 25 / Line 17

Line 27 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6E.

Line 28 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6E.

Line 29 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6E.

Line 30 - Should equal Line 27 + Line 28 + Line 29

Lines 31 - 37 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6E.

Line 38 - Should equal the sum of Line 31 + Line 32 + Line 33 + Line 34 + Line 35 + Line 36 + Line 37

Line 39 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6E.

Line 40 - Should equal Line 32 + Line 33 + Line 34 + Line 35 + Line 36 + Line 37 - Line 39

Pulls = pull and return etc.

Full Time Equivalent (FTE) = 40 hours per week, 2,080 hours per year

Proposed Labor Requirements

City of Alameda Base Services

Proposer Name: Alameda County Industries, Inc.

Note to proposer: Input data in yellow shaded areas only.

Route Personnel Headcount (Include fraction of employee)	# of Regular Personnel	# of Casual/Pool	Total	Hourly Rate	Benefits Cost/Year/Hour
Residential Cart Solid Waste (6A)	6.0	2.1	8.1	\$41.32	\$37.37
Residential Cart Recyclable Materials (6A)	7.0	2.5	9.5	\$41.32	\$37.37
Residential Cart Organic Materials (6A)	4.0	1.4	5.4	\$41.32	\$37.18
Commercial Cart Solid Waste (6B)	0.0		0.0		
Commercial Cart Recyclable Materials (6B)	0.0		0.0		
Commercial Cart Organic Materials (6B)	0.0		0.0		
Commercial Bin Solid Waste (6C)	3.0	2.1	5.1	\$41.32	\$36.96
Commercial Bin Recyclable Materials (6C)	1.0	0.4	1.4	\$41.32	\$36.92
Commercial Bin Organic Materials (6C)	1.0	0.4	1.4	\$41.32	\$37.05
Roll-Off Solid Waste (6D)	0.8	0.3	1.1	\$41.32	\$37.02
Roll-Off Recyclable Materials (6D)	0.0	0.0	0.1	\$41.32	\$37.02
Roll-Off Organic Materials (6D)	0.2	0.1	0.2	\$41.32	\$37.02
Bulky Items/Reusable Materials (6E)	4.0	2.7	6.7	\$41.32	\$36.70
Subtotal Route Personnel	27.0	11.8	38.8		

Other Personnel Headcount (Include fraction of employee)	Notes	# of Employees	Hourly Rate	Benefits Cost/Hour
Executive Management (CEO, CFO, COO, etc.)				
General Manager		0.2	\$103.69	\$41.08
Operations Manager				
Municipal Relations Manager				
Route Supervisor		2.0	\$45.43	\$26.61
Dispatcher		1.5	\$26.70	\$21.38
Container Distribution Includes Pool		1.4	\$41.32	\$36.96
Container Maintenance/Welder				
Maintenance Supervisor		0.2	\$88.88	\$31.54
Maintenance Personnel Includes Pool		3.1	\$42.34	\$33.30
Controller		0.2	\$61.72	\$28.10
Safety Specialist				
Staff Accountant				
Office Manager				
Human Resources				
Accounting Clerk				
Billings Clerk		2.0	\$28.24	\$25.17
Accounts Receivable Clerk				
Collection Clerk				
Financial Analyst		0.3	\$61.72	\$28.10
Benefits Coordinator				
Customer Service Supervisor		0.2	\$49.38	\$26.54
Customer Service Representatives		3.2	\$25.42	\$21.11
Sales Coordinator				
Recycling Manager				
Recycling/Public Education Coordinator		0.5	\$41.97	\$25.60
Sustainability Specialist		1.0	\$28.76	\$23.97
Other (specify): _____				
Other (specify): _____				
Subtotal Other Personnel		15.8		
Total All Personnel		54.5		

Capital Requirements

City of Alameda Base Services

Proposer Name: Alameda County Industries, Inc.

Note to proposer: Input data in yellow shaded areas only.

Note to proposer: Input data in yellow shaded areas only.											
	Quantity									Total Capital Cost Over Contract Term (in 2021 dollars)	Average Price
	New			Used			Total				
	Actual	Spare	Total	Actual	Spare	Total	Actual	Spare	Total		
Vehicles											
Collection Vehicles											
Residential Cart Solid Waste	6.00	0.75	6.75			0	6	0.75	6.75	3,295,036.73	\$ 488,153.59
Residential Cart Recyclable Materials	7.00	0.88	7.875			0	7	0.875	7.875	3,844,209.51	\$ 488,153.59
Residential Cart Organic Materials	4.00	0.50	4.5			0	4	0.5	4.5	2,196,691.15	\$ 488,153.59
Commercial Cart Solid Waste			0			0	0	0	0		N/A
Commercial Cart Recyclable Materials			0			0	0	0	0		N/A
Commercial Cart Organic Materials			0			0	0	0	0		N/A
Commercial Bin Solid Waste	3.00	0.33	3.33			0	3	0.33	3.33	1,512,282.47	\$ 454,138.88
Commercial Bin Recyclable Materials	1.00	0.11	1.11			0	1	0.11	1.11	504,094.16	\$ 454,138.88
Commercial Bin Organic Materials	2.00	0.22	2.22			0	2	0.22	2.22	1,008,188.32	\$ 454,138.88
Roll-Off Solid Waste	0.80	0.80	1.599619			0	0.7998	0.7998	1.5996	618,459.87	\$ 386,629.56
Roll-Off Recyclable Materials	0.05	0.05	0.095329			0	0.0477	0.0477	0.0953	36,856.96	\$ 386,629.56
Roll-Off Organic Materials	0.15	0.15	0.305052			0	0.1525	0.1525	0.3051	117,942.29	\$ 386,629.56
Bulky Items/Reusable Materials	4.00	-	4			0	4	0	4	1,103,549.33	\$ 275,887.33
Subtotal	28	3.785	31.785	0	0	0	28	3.785	31.785	14,237,310.79	
Other Vehicles											
Pickup Trucks	2.00		2			0	2	0	2	\$ 90,000.00	\$ 45,000.00
Container Distribution	1.00	-	1			0	1	0	1	\$ 177,185.40	\$ 177,185.40
Mobile Service Truck	1.00	-	1			0	1	0	1	\$ 63,000.00	\$ 63,000.00
Rear Loader Spare Xmas Trees	-	1.00	1.00			0	0	1	1	\$ 350,171.16	\$ 350,174.66
Other (specify):			0			0	0	0	0		N/A
Subtotal	4	1	4.99999	0	0	0	4	1	5	\$ 680,356.56	
									Total Vehicle Cost	\$14,917,667	
Containers											
Carts											
Solid Waste 20-gallon	7838	1175.7	9013.7			0	7838	1175.7	9013.7	\$ 405,946.85	\$ 45.04
Solid Waste 35-gallon	10562	1584.3	12146.3			0	10562	1584.3	12146	\$ 512,261.40	\$ 42.17
Solid Waste 64-gallon	1743	261.45	2004.45			0	1743	261.45	2004.5	\$ 107,306.18	\$ 53.53
Solid Waste 96-gallon	1014	152.1	1166.1			0	1014	152.1	1166.1	\$ 69,415.75	\$ 59.53
Recyclable Material 20-gallon	7838	1175.7	9013.7			0	7838	1175.7	9013.7	\$ -	\$ -
Recyclable Material 32-gallon	58	8.7	66.7			0	58	8.7	66.7	\$ 2,813.02	\$ 42.17
Recyclable Material 64-gallon	177	26.55	203.55			0	177	26.55	203.55	\$ 10,896.84	\$ 53.53
Recyclable Material 96-gallon	32193	5316	37509			0	32193	5316	37509	\$ 2,203,847.27	\$ 58.76
Organic Materials 20-gallon	0	0	0			0	0	0	0	-	N/A
Organic Materials 32-gallon	125	18.75	143.75			0	125	18.75	143.75	\$ 6,062.55	\$ 42.17
Organic Materials 64-gallon	123	18.45	141.45			0	123	18.45	141.45	\$ 7,572.38	\$ 53.53
Organic Materials 96-gallon	32074	4811.1	36885.1			0	32074	4811.1	36885	\$ 2,195,700.84	\$ 59.53
Subtotal	93745	14549	108293.8	0	0	0	93745	14549	108294	\$ 5,521,823.08	
Bins											
1 cubic yard	283	28.3	311.3			0	283	28.3	311.3	\$ 217,061.32	\$ 697.27
1.5 cubic yards	33	3.3	36.3			0	33	3.3	36.3	\$ 27,089.69	\$ 746.27
2 cubic yards	413	41.3	454.3			0	413	41.3	454.3	\$ 361,291.62	\$ 795.27
3 cubic yards	307	30.7	337.7			0	307	30.7	337.7	\$ 299,959.58	\$ 888.24
4 cubic yards	172	17.2	189.2			0	172	17.2	189.2	\$ 193,252.38	\$ 1,021.42
5 cubic yards	15	1.5	16.5			0	15	1.5	16.5	\$ 18,242.33	\$ 1,105.60
6 cubic yards	22	2.2	24.2			0	22	2.2	24.2	\$ 29,339.78	\$ 1,212.39
7 cubic yards	20	2	22			0	20	2	22	\$ 29,021.95	\$ 1,319.18
8 cubic yards	2	0.2	2.2			0	2	0.2	2.2	\$ 3,178.60	\$ 1,444.82
Subtotal	1267	126.7	1393.7	0	0	0	1267	126.7	1393.7	\$ 1,178,437.23	
Drop Boxes											
10 cubic yards	4		4			0	4	0	4	\$ 13,784.97	\$ 3,446.24
15 cubic yards	20		20			0	20	0	20	\$ 78,446.25	\$ 3,922.31
20 cubic yards	15		15			0	15	0	15	\$ 66,883.84	\$ 4,458.92
30 cubic yards	5		5			0	5	0	5	\$ 25,823.66	\$ 5,164.73
40 cubic yards	2		2			0	2	0	2	\$ 11,760.22	\$ 5,880.11
50 cubic yards			0			0	0	0	0		N/A
Subtotal	46	0	46	0	0	0	46	0	46	\$196,699	
Other (specify):			0			0	0	0	0		N/A
Other (specify):			0			0	0	0	0		N/A
Subtotal	0	0	0	0	0	0	0	0	0	\$0	
									Total Container Cost	\$6,896,959	
Other	Description										
Offices											
Processing Site(s)											
Transfer Station											
Corporation Yard/Maintenance											
Container Storage Yard											
Shop Equipment											
Fueling Equipment											
Computer and Office Equipment											\$ 100,000.00
Maintenance Capital											
Other (specify):											
									Total Other Cost	\$100,000	
Total Capital Cost										\$21,914,627	

Summary of Proposed Costs
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: No data input required on this Form 5; costs are pulled automatically from Forms 6A through 6D.

RATE PERIOD 1 From July 1, 2021 to June 30, 2022	Residential Commercial Multifamily Cart Service (Form 6A)			Commercial Cart Service (Form 6B) N/A			Commercial Bin Service (Form 6C)			Roll-Off (Form 6D)			Other (Form 6E)	TOTAL
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Bulky Items/ Reusable Materials	
Cost of Operations														
Labor-Related Costs	\$1,647,902	\$1,922,553	\$1,053,588	\$0	\$0	\$0	\$931,966	\$247,177	\$255,027	\$209,720	\$18,352	\$38,599	\$812,718	\$7,137,601
Vehicle-Related Costs	\$177,295	\$211,661	\$121,730	\$0	\$0	\$0	\$88,648	\$29,549	\$29,549	\$24,686	\$1,408	\$4,507	\$59,098	\$748,132
Fuel Costs	\$93,280	\$115,715	\$62,294	\$0	\$0	\$0	\$46,640	\$15,547	\$15,547	\$12,988	\$2,692	\$2,371	\$31,093	\$398,168
Other Costs	185,373.93	\$237,039	\$124,063	\$0	\$0	\$0	\$93,198	\$33,341	\$30,970	\$25,819	\$1,702	\$4,712	\$162,587	\$898,806
Direct Depreciation	\$379,015	\$518,878	\$379,262	\$0	\$0	\$0	\$190,645	\$69,669	\$93,212	\$67,973	\$3,879	\$12,412	\$94,146	\$1,809,092
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$789,615	\$921,217	\$526,410	\$0	\$0	\$0	\$394,807	\$131,602	\$131,602	\$105,257	\$6,273	\$20,073	\$263,205	\$3,290,061
Total Allocated Costs - Depreciation & Start-Up	\$4,804	\$5,604	\$3,202	\$0	\$0	\$0	\$2,402	\$801	\$801	\$640	\$38	\$122	\$1,601	\$20,015
Total Cost of Operations	\$3,277,285	\$3,932,667	\$2,270,548	\$0	\$0	\$0	\$1,748,307	\$527,686	\$556,708	\$447,084	\$34,345	\$82,796	\$1,424,450	\$14,301,875
Profit (Includes Franchise Fees)	\$871,177	\$1,045,392	\$603,563	\$0	\$0	\$0	\$464,740	\$140,271	\$147,986	\$118,845	\$9,130	\$22,009	\$378,651	\$3,801,764
Pass-Through Costs														
Disposal Costs	\$1,078,458	\$0	\$0	\$0	\$0	\$0	\$996,974	\$0	\$0	\$435,633	\$0	\$0	\$0	\$2,511,065
Recyclable Processing Costs	\$0	\$1,197,739	\$0	\$0	\$0	\$0	\$0	\$272,895	\$0	\$0	\$25,620	\$0	\$0	\$1,496,254
Reusable Materials Processing Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$269,560	\$269,560
Other Processing Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Organics Processing Costs	\$0	\$0	\$1,289,740	\$0	\$0	\$0	\$0	\$0	\$350,353	\$0	\$0	\$193,131	\$0	\$1,833,225
C&D Processing Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$157,869	\$0	\$157,869
Interest Expense	\$80,055	\$109,597	\$80,107	\$0	\$0	\$0	\$40,268	\$14,715	\$19,688	\$13,747	\$819	\$2,622	\$19,885	\$381,504
Direct Lease Costs	\$0	\$0	\$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	\$0	\$0
Total Pass-Through Costs	\$1,158,513	\$1,307,335	\$1,369,847	\$0	\$0	\$0	\$1,037,242	\$287,611	\$370,042	\$449,380	\$26,439	\$353,623	\$289,445	\$6,649,476
Total Costs before Cost Reimbursements*	\$5,306,975	\$6,285,394	\$4,243,958	\$0	\$0	\$0	\$3,250,288	\$955,567	\$1,074,735	\$1,015,309	\$69,914	\$458,428	\$2,092,546	\$24,753,116
Cost Reimbursements														
Waste Management Recycling and Program Fee	---	---	---	---	---	---	---	---	---	---	---	---	---	\$456,342
Infrastructure Impacts Mitigation Fee	---	---	---	---	---	---	---	---	---	---	---	---	---	\$875,895
Dolittle Landfill Maintenance Fee	---	---	---	---	---	---	---	---	---	---	---	---	---	\$228,170
City Parks Fee	---	---	---	---	---	---	---	---	---	---	---	---	---	\$69,114
Total Cost Reimbursements	---	---	---	---	---	---	---	---	---	---	---	---	---	\$1,629,521
Compensation Deferral amortize over remaining 9 years of 12 year term														(\$400,000)
Rate Stabilization Fund														(\$150,000)
Balancing Acct Reduction														(\$150,000)
Total Proposed Costs	---	---	---	---	---	---	---	---	---	---	---	---	---	\$25,682,637
Profit (Includes Franchise Fees)	---	---	---	---	---	---	---	---	---	---	---	---	---	\$3,801,764
Less: Franchise Fees	---	---	---	---	---	---	---	---	---	---	---	---	---	\$2,100,000
Net Profit Margin	---	---	---	---	---	---	---	---	---	---	---	---	---	\$1,701,764
*Amounts tie to Forms 6A through 6E.														

Collection Cost Proposal

City of Alameda Base Services

Proposer Name: Alameda County Industries, Inc.

Note to proposer: No data input required on Form 6; costs are pulled from Forms 6A-6E.

SUMMARY (Total Costs from Forms 6A through 6E)

Rate Period One

July 1, 2021

through

June 30, 2022

Labor-Related Costs (include regular & pool personnel)

Regular Wages	\$2,771,592
Overtime Wages	\$1,166,575
Holiday Wages	\$145,764
Vacation Wages	\$267,233
Sick Leave Wages	\$145,764
Workers Compensation Insurance Premiums	\$317,611
Workers Compensation Claims	\$0
Health & Welfare	\$945,787
Pension/ Retirement Benefits	\$1,018,812
Payroll Taxes	\$358,464
Other (Please List)	\$0
Total Labor Related-Costs	\$7,137,601

Vehicle-Related Costs (do not include depreciation)

Tires & Tubes	\$90,022
Parts & Supplies (fluid, oil, etc.)	\$335,129
Taxes & Licenses	\$74,315
Equipment Rental	\$2,705
Materials and Supplies	\$5,420
Hardware	\$1,706
Oil & Lube	\$19,575
Outside Repairs	\$166,095
Truck Washing	\$18,596
Shop Cleaning	\$431
Shop Supplies	\$26,676
Shop Small Tools	\$3,929
Other Costs Compost Give away	\$3,533
Total Vehicle-Related Costs	\$748,132

Fuel Costs

\$398,168

Other Costs

Liability & Property Damage Insurance	\$186,944
Equipment Insurance	\$128,663
Medical Testing	\$4,087
Training & Safety Programs	\$4,662
First Aid	\$10
Uniforms	\$30,418
Yard rent	\$378,236
Performance Bond Costs	\$66,045
Contamination Monitoring Costs 1383	\$50,000
Bulk Compost Mulch	\$49,742
Total Other Costs	\$898,806

Direct Depreciation

Container Depreciation	\$575,330
Route Vehicle Depreciation	\$1,225,428
Other Depreciation	\$8,333
Total Direct Depreciation	\$1,809,092

Allocated Costs - Labor, Vehicle, Fuel & Other Costs

From General and Administrative (6F)	\$2,441,211
From Vehicle Maintenance (6F)	\$528,207
From Container Maintenance (6F)	\$320,642
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$3,290,061

Allocated Costs - Depreciation and Start-Up Costs

From General and Administrative (6F)	\$0
From Vehicle Maintenance (6F)	\$5,250
From Container Maintenance (6F)	\$14,765
Total Allocated Costs - Depreciation and Start-Up Costs	\$20,015

Total Cost of Operations

\$14,301,875

Gross Operating Ratio (% Operating Ratio; i.e. 90%):

79.00 %

\$3,801,764

Collection Cost Proposal

City of Alameda Base Services

Proposer Name: Alameda County Industries, Inc.

Note to proposer: No data input required on Form 6; costs are pulled from Forms 6A-6E.

SUMMARY (Total Costs from Forms 6A through 6E)		Rate Period One July 1, 2021 through June 30, 2022
Pass-Through Costs		
Disposal Cost	\$ 96.51 /ton	\$2,511,065
Recyclables Processing Costs	\$ 131.26	\$1,496,254
Reusable Materials Handling Costs	\$ 161.06	\$269,560
Other Processing Costs: _____ (specify)	\$ 151.16	\$0
Organics Processing Costs	\$ 133.64 /ton	\$1,833,225
C&D Processing Costs	\$ 108.86	\$157,869
Interest Expense		\$381,504
Direct Lease Costs		
Route Vehicles		\$0
Other (Please List)		\$0
Total Direct Lease Costs		\$0
Allocated Lease Costs		
From General and Administrative (6F)		\$0
From Vehicle Maintenance (6F)		\$0
From Container Maintenance (6F)		\$0
Total Allocated Lease Costs		\$0
Total Pass-Through Costs		\$6,649,476
Total Cost Before Cost Reimbursements		<u>\$24,753,116</u>
Cost Reimbursements to City		
Waste Management Recycling and Program Fee		\$456,342
Infrastructure Impacts Mitigation Fee		\$875,895
Dolittle Landfill Maintenance Fee		\$228,170
City Parks Fee		\$69,114
Total Reimbursements to City		<u>\$1,629,521</u>
Compensation Deferral amortize over remaining 9 years of 12 year term		(\$400,000)
Rate Stabilization Fund		(\$150,000)
Balancing Acct Reduction		(\$150,000)
Total Proposed Cost		<u>\$25,682,637</u>
Franchise Fee		\$2,100,000
		\$100,000
		0.39%
Gross Operating Margin		\$3,801,764
Less: Franchise Fee		\$2,100,000
Net Profit Margin		\$1,701,764

Detailed Collection Cost Proposal Information
Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.

		Rate Period One From July 1, 2021 through June 30, 2022			
		Recyclable			
RESIDENTIAL CART COSTS		Solid Waste	Materials	Organic Materials	Subtotal
Labor-Related Costs (include regular & pool personnel)					
Regular Wages		\$610,422	\$712,159	\$409,032	\$1,731,613
Overtime Wages		\$323,684	\$377,632	\$174,024	\$875,340
Holiday Wages		\$32,127	\$37,482	\$21,418	\$91,028
Vacation Wages		\$58,900	\$68,717	\$39,267	\$166,884
Sick Leave Wages		\$32,127	\$37,482	\$21,418	\$91,028
Workers Compensation Insurance Premiums		\$73,409	\$85,644	\$46,803	\$205,855
Workers Compensation Claims		\$0	\$0	\$0	\$0
Health & Welfare		\$208,459	\$243,202	\$138,973	\$590,635
Pension/ Retirement Benefits		\$224,555	\$261,980	\$149,703	\$636,238
Payroll Taxes		\$84,218	\$98,254	\$52,950	\$235,422
Other (Please List)		\$0	\$0	\$0	\$0
Total Labor Related-Costs		\$1,647,902	\$1,922,553	\$1,053,588	\$4,624,043
Vehicle-Related Costs (do not include depreciation)					
Tires & Tubes		\$21,331	\$25,902	\$14,221	\$61,454
Parts & Supplies (fluid, oil, etc.)		\$79,410	\$96,427	\$52,940	\$228,777
Taxes & Licenses		\$17,609	\$21,383	\$11,739	\$50,731
Equipment Rental		\$641	\$778	\$427	\$1,847
Materials and Supplies		\$1,284	\$1,560	\$856	\$3,700
Hardware		\$404	\$491	\$270	\$1,165
Oil & Lube		\$4,638	\$5,632	\$3,092	\$13,363
Outside Repairs		\$40,216	\$45,208	\$26,811	\$112,235
Truck Washing		\$4,406	\$5,351	\$2,938	\$12,695
Shop Cleaning		\$102	\$124	\$68	\$294
Shop Supplies		\$6,321	\$7,675	\$4,214	\$18,210
Shop Small Tools		\$931	\$1,131	\$621	\$2,682
Other Costs Compost Give away		\$0		\$3,533	\$3,533
Total Vehicle-Related Costs		\$177,295	\$211,661	\$121,730	\$510,686
Fuel Costs		\$93,280	\$115,715	\$62,294	\$271,289
Other Costs					
Liability & Property Damage Insurance		\$44,246	\$53,943	\$29,497	\$127,687
Equipment Insurance		\$30,452	\$37,126	\$20,301	\$87,880
Medical Testing		\$967	\$1,179	\$645	\$2,792
Training & Safety Programs		\$1,103	\$1,345	\$736	\$3,184
First Aid		\$2	\$3	\$2	\$7
Uniforms		\$7,199	\$8,777	\$4,800	\$20,776
Yard rent		\$89,521	\$109,141	\$59,681	\$258,343
Performance Bond Costs		\$11,882	\$25,524	\$8,402	\$45,808
Contamination Monitoring Costs 1383					\$0
Bulk Compost Mulch					\$0
Total Other Costs		\$185,374	\$237,039	\$124,063	\$546,476
Direct Depreciation					
Container Depreciation		91,244.18	184,796.43	184,111.31	\$460,152
Route Vehicle Depreciation		285,951.30	331,974.32	193,905.26	\$811,831
Other Depreciation		1,819.92	2,107.28	1,245.21	\$5,172
Total Direct Depreciation		\$379,015	\$518,878	\$379,262	\$1,277,155
Allocated Costs - Labor, Vehicle, Fuel & Other Costs					
From General and Administrative (6F)		\$585,891	\$683,539	\$390,594	\$1,660,023
From Vehicle Maintenance (6F)		\$126,770	\$147,898	\$84,513	\$359,181
From Container Maintenance (6F)		\$76,954	\$89,780	\$51,303	\$218,037
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		\$789,615	\$921,217	\$526,410	\$2,237,241
Allocated Costs - Depreciation and Start-Up Costs					
From General and Administrative (6F)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6F)		\$1,260	\$1,470	\$840	\$3,570
From Container Maintenance (6F)		\$3,544	\$4,134	\$2,362	\$10,041
Total Allocated Costs - Depreciation and Start-Up Costs		\$4,804	\$5,604	\$3,202	\$13,611
Total Cost of Operations		\$3,277,285	\$3,932,667	\$2,270,548	\$9,480,500
Profit (Enter % Operating Ratio; i.e. 95%):	79.00 %	\$871,177	\$1,045,392	\$603,563	\$2,520,133

Detailed Collection Cost Proposal Information
Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.

		Rate Period One From July 1, 2021 through June 30, 2022			
		Solid Waste	Recyclable Materials	Organic Materials	Subtotal
RESIDENTIAL CART COSTS					
Pass-Through Costs	per ton				
Disposal Cost	\$ 96.51	\$1,078,458	\$0	\$0	\$1,078,458
Recyclables Processing Costs	\$ 131.26	\$0	\$1,197,739	\$0	\$1,197,739
Bulky Items/Reusable Materials Handling Costs	\$ 161.06	\$0	\$0	\$0	\$0
Other Processing Costs: _____ (specify)	\$ 151.16	\$0	\$0	\$0	\$0
Organics Processing Costs	\$ 133.64	\$0	\$0	\$1,289,740	\$1,289,740
C&D Processing Costs	\$ 108.86	\$0	\$0	\$0	\$0
Interest Expense		\$80,055	\$109,597	\$80,107	\$269,759
Direct Lease Costs					
Route Vehicles					\$0
Other (Please List)					\$0
Total Direct Lease Costs		\$0	\$0	\$0	\$0
Allocated Lease Costs					
From General and Administrative (6E)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6E)		\$0	\$0	\$0	\$0
From Container Maintenance (6E)		\$0	\$0	\$0	\$0
Total Allocated Lease Costs		\$0	\$0	\$0	\$0
Total Pass-Through Costs		\$1,158,513	\$1,307,335	\$1,369,847	\$3,835,695
Total Cost		\$5,306,975	\$6,285,394	\$4,243,958	\$15,836,328

Detailed Collection Cost Proposal Information
Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note: Commercial Carts Included in form 6A

Note to proposer: Input data in yellow shaded areas only.

	Rate Period One			
	From July 1, 2021 through June 30, 2022			
	Solid Waste	Recyclable Materials	Organic Materials	Subtotal
COMMERCIAL CART COSTS				
Labor-Related Costs (include regular & pool personnel)				
Regular Wages				\$0
Overtime Wages				\$0
Holiday Wages				\$0
Vacation Wages				\$0
Sick Leave Wages				\$0
Workers Compensation Insurance Premiums				\$0
Workers Compensation Claims				\$0
Health & Welfare				\$0
Pension/ Retirement Benefits				\$0
Payroll Taxes				\$0
Other (Please List)				\$0
Total Labor Related-Costs	\$0	\$0	\$0	\$0
Vehicle-Related Costs (do not include depreciation)				
Tires & Tubes				\$0
Parts & Supplies (fluid, oil, etc.)				\$0
Taxes & Licenses				\$0
Equipment Rental				\$0
Materials and Supplies				\$0
Hardware				\$0
Oil & Lube				\$0
Outside Repairs				\$0
Truck Washing				\$0
Shop Cleaning				\$0
Shop Supplies				\$0
Shop Small Tools				\$0
Other Costs Compost Give away				\$0
Total Vehicle-Related Costs	\$0	\$0	\$0	\$0
Fuel Costs				\$0
Other Costs				
Liability & Property Damage Insurance				\$0
Equipment Insurance				\$0
Medical Testing				\$0
Training & Safety Programs				\$0
First Aid				\$0
Uniforms				\$0
Yard rent				\$0
Performance Bond Costs				\$0
Contamination Monitoring Costs 1383				\$0
Bulk Compost Mulch				\$0
Total Other Costs	\$0	\$0	\$0	\$0
Direct Depreciation				
Container Depreciation				\$0
Route Vehicle Depreciation				\$0
Other Depreciation				\$0
Total Direct Depreciation	\$0	\$0	\$0	\$0
Allocated Costs - Labor, Vehicle, Fuel & Other Costs				
From General and Administrative (6F)	\$0	\$0	\$0	\$0
From Vehicle Maintenance (6F)	\$0	\$0	\$0	\$0
From Container Maintenance (6F)	\$0	\$0	\$0	\$0
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$0	\$0	\$0	\$0
Allocated Costs - Depreciation and Start-Up Costs				
From General and Administrative (6F)	\$0	\$0	\$0	\$0
From Vehicle Maintenance (6F)	\$0	\$0	\$0	\$0
From Container Maintenance (6F)	\$0	\$0	\$0	\$0
Total Allocated Costs - Depreciation and Start-Up Costs	\$0	\$0	\$0	\$0
Total Cost of Operations	\$0	\$0	\$0	\$0
Profit (Enter % Operating Ratio; i.e. 95%): 79.00 %	\$0	\$0	\$0	\$0

Detailed Collection Cost Proposal Information
Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note: Commercial Carts Included in form 6A

Note to proposer: Input data in yellow shaded areas only.

COMMERCIAL CART COSTS		Rate Period One From July 1, 2021 through June 30, 2022			
		Solid Waste	Recyclable Materials	Organic Materials	Subtotal
Pass-Through Costs	per ton				
Disposal Cost	\$ 96.51	\$0	\$0	\$0	\$0
Recyclables Processing Costs	\$ 131.26	\$0	\$0	\$0	\$0
Bulky Items/Reusable Materials Handling Costs	\$ 161.06	\$0	\$0	\$0	\$0
Other Processing Costs: _____ (specify)	\$ 151.16	\$0	\$0	\$0	\$0
Organics Processing Costs	\$ 133.64	\$0	\$0	\$0	\$0
C&D Processing Costs	\$ 108.86	\$0	\$0	\$0	\$0
Interest Expense					\$0
Direct Lease Costs					
Route Vehicles					\$0
Other (Please List)					\$0
Total Direct Lease Costs		\$0	\$0	\$0	\$0
Allocated Lease Costs					
From General and Administrative (6F)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6F)		\$0	\$0	\$0	\$0
From Container Maintenance (6F)		\$0	\$0	\$0	\$0
Total Allocated Lease Costs		\$0	\$0	\$0	\$0
Total Pass-Through Costs		\$0	\$0	\$0	\$0
Total Cost		\$0	\$0	\$0	\$0

Detailed Collection Cost Proposal Information
Proposer Name: Alameda County Industries, Inc.

Form 6C

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.

	Rate Period One From July 1, 2021 through June 30, 2022			
	Solid Waste	Recyclable Materials	Organic Materials	Subtotal
COMMERCIAL BIN COSTS				
Labor-Related Costs (include regular & pool personnel)				
Regular Wages	\$380,572	\$101,737	\$101,737	\$584,046
Overtime Wages	\$117,176	\$29,584	\$36,545	\$183,305
Holiday Wages	\$20,030	\$5,355	\$5,355	\$30,739
Vacation Wages	\$36,722	\$9,817	\$9,817	\$56,355
Sick Leave Wages	\$20,030	\$5,355	\$5,355	\$30,739
Workers Compensation Insurance Premiums	\$41,438	\$10,989	\$11,345	\$63,772
Workers Compensation Claims	\$0	\$0	\$0	\$0
Health & Welfare	\$129,965	\$34,743	\$34,743	\$199,452
Pension/ Retirement Benefits	\$140,000	\$37,426	\$37,426	\$214,852
Payroll Taxes	\$46,032	\$12,172	\$12,705	\$70,910
Other (Please List)	\$0	\$0	\$0	\$0
Total Labor Related-Costs	\$931,966	\$247,177	\$255,027	\$1,434,170
Vehicle-Related Costs (do not include depreciation)				
Tires & Tubes	\$10,666	\$3,555	\$3,555	\$17,776
Parts & Supplies (fluid, oil, etc.)	\$39,705	\$13,235	\$13,235	\$66,175
Taxes & Licenses	\$8,805	\$2,935	\$2,935	\$14,674
Equipment Rental	\$320	\$107	\$107	\$534
Materials and Supplies	\$642	\$214	\$214	\$1,070
Hardware	\$202	\$67	\$67	\$337
Oil & Lube	\$2,319	\$773	\$773	\$3,865
Outside Repairs	\$20,108	\$6,703	\$6,703	\$33,513
Truck Washing	\$2,203	\$734	\$734	\$3,672
Shop Cleaning	\$51	\$17	\$17	\$85
Shop Supplies	\$3,160	\$1,053	\$1,053	\$5,267
Shop Small Tools	\$466	\$155	\$155	\$776
Other Costs Compost Give away	\$0	\$0	\$0	\$0
Total Vehicle-Related Costs	\$ 88,647.65	\$ 29,549.22	\$ 29,549.22	\$147,746
Fuel Costs	\$46,640	\$15,547	\$15,547	\$77,734
Other Costs				
Liability & Property Damage Insurance	\$22,123	\$7,374	\$7,374	\$36,872
Equipment Insurance	\$15,226	\$5,075	\$5,075	\$25,377
Medical Testing	\$484	\$161	\$161	\$806
Training & Safety Programs	\$552	\$184	\$184	\$919
First Aid	\$1	\$0	\$0	\$2
Uniforms	\$3,600	\$1,200	\$1,200	\$5,999
Yard rent	\$44,761	\$14,920	\$14,920	\$74,601
Performance Bond Costs	\$6,453	\$4,426	\$2,055	\$12,933
Contamination Monitoring Costs 1383				\$0
Bulk Compost Mulch				\$0
Total Other Costs	\$ 93,198.44	\$ 33,341.07	\$ 30,970.20	\$157,510
Direct Depreciation				
Container Depreciation	\$62,984	\$27,115	\$8,104	\$98,203
Route Vehicle Depreciation	\$126,799	\$42,266	\$84,533	\$253,599
Other Depreciation	\$862	\$287	\$575	\$1,724
Total Direct Depreciation	\$ 190,645.38	\$69,669	\$93,212	\$353,526
Allocated Costs - Labor, Vehicle, Fuel & Other Costs				
From General and Administrative (6F)	\$292,945	\$97,648	\$97,648	\$488,242
From Vehicle Maintenance (6F)	\$63,385	\$21,128	\$21,128	\$105,641
From Container Maintenance (6F)	\$38,477	\$12,826	\$12,826	\$64,128
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$394,807	\$131,602	\$131,602	\$658,012
Allocated Costs - Depreciation and Start-Up Costs				
From General and Administrative (6F)	\$0	\$0	\$0	\$0
From Vehicle Maintenance (6F)	\$630	\$210	\$210	\$1,050
From Container Maintenance (6F)	\$1,772	\$591	\$591	\$2,953
Total Allocated Costs - Depreciation and Start-Up Costs	\$2,402	\$801	\$801	\$4,003
Total Cost of Operations	\$1,748,307	\$527,686	\$556,708	\$2,832,700
Profit (Enter % Operating Ratio; i.e. 95%):	79.00 %	\$464,740	\$140,271	\$147,986
				\$752,996

Detailed Collection Cost Proposal Information
Proposer Name: Alameda County Industries, Inc.

Form 6C

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.

		Rate Period One From July 1, 2021 through June 30, 2022			
		Solid Waste	Recyclable Materials	Organic Materials	Subtotal
COMMERCIAL BIN COSTS					
Pass-Through Costs	per ton				
Disposal Cost	\$ 96.51	\$996,974	\$0	\$0	\$996,974
Recyclables Processing Costs	\$ 131.26	\$0	\$272,895	\$0	\$272,895
Bulky Items/Reusable Materials Handling Costs	\$ 161.06	\$0	\$0	\$0	\$0
Other Processing Costs: _____ (specify)	\$ 151.16	\$0	\$0	\$0	\$0
Organics Processing Costs	\$151.16	\$0	\$0	\$350,353	\$350,353
C&D Processing Costs	\$ 108.86	\$0	\$0	\$0	\$0
Interest Expense		\$40,268	\$14,715	\$19,688	\$74,671
Direct Lease Costs					\$0
Route Vehicles					\$0
Other (Please List)					\$0
Total Direct Lease Costs		\$0	\$0	\$0	\$0
Allocated Lease Costs					
From General and Administrative (6F)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6F)		\$0	\$0	\$0	\$0
From Container Maintenance (6F)		\$0	\$0	\$0	\$0
Total Allocated Lease Costs		\$0	\$0	\$0	\$0
Total Pass-Through Costs		\$1,037,242	\$287,611	\$370,042	\$1,694,894
Total Cost		\$3,250,288	\$955,567	\$1,074,735	\$5,280,590

Detailed Collection Cost Proposal Information
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.	
Rate Period One From July 1, 2021 through June 30, 2022	
ROLL-OFF COSTS	<div> Solid Waste Recyclable Materials Organic Materials Subtotal </div>
Labor-Related Costs (include regular & pool personnel)	
Regular Wages	\$81,370 \$4,849 \$15,518 \$ 101,737.04
Overtime Wages	\$34,798 \$7,237 \$5,309 \$ 47,343.42
Holiday Wages	\$4,283 \$255 \$817 \$ 5,354.58
Vacation Wages	\$7,852 \$468 \$1,497 \$ 9,816.73
Sick Leave Wages	\$4,283 \$255 \$817 \$ 5,354.58
Workers Compensation Insurance Premiums	\$9,358 \$822 \$1,717 \$ 11,896.99
Workers Compensation Claims	\$0 \$0 \$0 \$ -
Health & Welfare	\$27,788 \$1,656 \$5,299 \$ 34,743.21
Pension/ Retirement Benefits	\$29,933 \$1,784 \$5,708 \$ 37,425.75
Payroll Taxes	\$10,055 \$1,026 \$1,918 \$ 12,998.57
Other (Please List)	\$0 \$0 \$0 \$ -
Total Labor Related-Costs	\$209,720 \$18,352 \$38,599 \$ 266,670.87
Vehicle-Related Costs (do not include depreciation)	
Tires & Tubes	\$2,970 \$169 \$542 \$ 3,681.82
Parts & Supplies (fluid, oil, etc.)	\$11,057 \$631 \$2,019 \$ 13,706
Taxes & Licenses	\$2,452 \$140 \$448 \$ 3,039
Equipment Rental	\$89 \$5 \$16 \$ 111
Materials and Supplies	\$179 \$10 \$33 \$ 222
Hardware	\$56 \$3 \$10 \$ 70
Oil & Lube	\$646 \$37 \$118 \$ 801
Outside Repairs	\$5,600 \$319 \$1,022 \$ 6,941
Truck Washing	\$614 \$35 \$112 \$ 761
Shop Cleaning	\$14 \$1 \$3 \$ 18
Shop Supplies	\$880 \$50 \$161 \$ 1,091.00
Shop Small Tools	\$130 \$7 \$24 \$ 161
Other Costs Compost Give away	\$0 \$0 \$0 \$ 0
Total Vehicle-Related Costs	\$24,686 \$1,408 \$4,507 \$ 30,601.66
Fuel Costs	\$12,988 \$2,692 \$2,371 \$ 18,051.71
Other Costs	
Liability & Property Damage Insurance	\$6,161 \$351 \$1,125 \$ 7,636.99
Equipment Insurance	\$4,240 \$242 \$774 \$ 5,256.10
Medical Testing	\$135 \$8 \$25 \$ 166.96
Training & Safety Programs	\$154 \$9 \$28 \$ 190.44
First Aid	\$0 \$0 \$0 \$ 0.42
Uniforms	\$1,002 \$57 \$183 \$ 1,242.61
Yard rent	\$12,465 \$711 \$2,276 \$ 15,451.58
Performance Bond Costs	\$1,663 \$324 \$302 \$ 2,288.74
Contamination Monitoring Costs 1383	\$ - \$ - \$ - \$ -
Bulk Compost Mulch	\$ - \$ - \$ - \$ -
Total Other Costs	\$25,819 \$1,702 \$4,712 \$ 32,233.85
Direct Depreciation	
Container Depreciation	\$13,694 \$781 \$2,500 \$ 16,975
Route Vehicle Depreciation	\$54,049 \$3,084 \$9,868 \$ 67,001.15
Other Depreciation	\$230 \$14 \$44 \$ 287
Total Direct Depreciation	\$67,973 \$3,879 \$12,412 \$ 84,263.90
Allocated Costs - Labor, Vehicle, Fuel & Other Costs	
From General and Administrative (6F)	\$78,100 \$4,654 \$14,894 \$ 97,648
From Vehicle Maintenance (6F)	\$16,899 \$1,007 \$3,223 \$ 21,128
From Container Maintenance (6F)	\$10,258 \$611 \$1,956 \$ 12,826
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$105,257 \$6,273 \$20,073 \$ 131,602
Allocated Costs - Depreciation and Start-Up Costs	
From General and Administrative (6F)	\$0 \$0 \$0 \$ 0
From Vehicle Maintenance (6F)	\$168 \$10 \$32 \$ 210
From Container Maintenance (6F)	\$472 \$28 \$90 \$ 591
Total Allocated Costs - Depreciation and Start-Up Costs	\$640 \$38 \$122 \$ 801
Total Cost of Operations	\$447,084 \$34,345 \$82,796 \$ 564,225
Profit (Enter % Operating Ratio; i.e. 95%):	79.00 % \$118,845 \$9,130 \$22,009 \$ 149,984

Detailed Collection Cost Proposal Information
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

		Note to proposer: Input data in yellow shaded areas only.			
		Rate Period One From July 1, 2021 through June 30, 2022			
ROLL-OFF COSTS		Solid Waste	Recyclable Materials	Organic Materials	Subtotal
Pass-Through Costs	per ton				
Disposal Cost	\$ 96.51	\$435,633	\$0	\$0	\$435,633
Recyclables Processing Costs	\$ 131.26	\$0	\$25,620	\$0	\$25,620
Bulky Items/Reusable Materials Handling Costs	\$ 161.06	\$0	\$0	\$0	\$0
Other Processing Costs: _____ (specify)	\$ 151.16	\$0	\$0	\$0	\$0
Organics Processing Costs	\$ 133.64	\$0	\$0	\$193,131	\$193,131
C&D Processing Costs	\$ 108.86	\$0	\$0	\$157,869	\$157,869
Interest Expense		\$13,747	\$819	\$2,622	\$17,188
Direct Lease Costs					
Route Vehicles					\$0
Other (Please List)					\$0
Total Direct Lease Costs		\$0	\$0	\$0	\$0
Allocated Lease Costs					
From General and Administrative (6F)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6F)		\$0	\$0	\$0	\$0
From Container Maintenance (6F)		\$0	\$0	\$0	\$0
Total Allocated Lease Costs		\$0	\$0	\$0	\$0
Total Pass-Through Costs		\$449,380	\$26,439	\$353,623	\$829,442
Total Cost		\$1,015,309	\$69,914	\$458,428	\$1,543,651

Detailed Collection Cost Proposal Information
Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.

	Rate Period One	
	From July 1, 2021 through June 30, 2022	
	Bulky Items/ Reusable Materials	Subtotal
OTHER COSTS		
Labor-Related Costs (include regular & pool personnel)		
Regular Wages	\$354,196	\$354,196
Overtime Wages	\$60,586	\$60,586
Holiday Wages	\$18,642	\$18,642
Vacation Wages	\$34,177	\$34,177
Sick Leave Wages	\$18,642	\$18,642
Workers Compensation Insurance Premiums	\$36,087	\$36,087
Workers Compensation Claims	\$0	\$0
Health & Welfare	\$120,958	\$120,958
Pension/ Retirement Benefits	\$130,297	\$130,297
Payroll Taxes	\$39,134	\$39,134
Other (Please List)	\$0	\$0
Total Labor Related-Costs	\$812,718	\$812,718
Vehicle-Related Costs (do not include depreciation)		
Tires & Tubes	\$7,110	\$7,110
Parts & Supplies (fluid, oil, etc.)	\$26,470	\$26,470
Taxes & Licenses	\$5,870	\$5,870
Equipment Rental	\$214	\$214
Materials and Supplies	\$428	\$428
Hardware	\$135	\$135
Oil & Lube	\$1,546	\$1,546
Outside Repairs	\$13,405	\$13,405
Truck Washing	\$1,469	\$1,469
Shop Cleaning	\$34	\$34
Shop Supplies	\$2,107	\$2,107
Shop Small Tools	\$310	\$310
Other (Please List)	\$0	\$0
Total Vehicle-Related Costs	\$59,098	\$59,098
Fuel Costs	\$31,093	\$31,093
Other Costs		
Liability & Property Damage Insurance	\$14,749	\$14,749
Equipment Insurance	\$10,151	\$10,151
Medical Testing	\$322	\$322
Training & Safety Programs	\$368	\$368
First Aid	\$1	\$1
Uniforms	\$2,400	\$2,400
Yard rent	\$29,840	\$29,840
Performance Bond Costs	\$5,015	\$5,015
Contamination Monitoring Costs 1383	\$50,000	\$50,000
Bulk Compost Mulch	\$49,742	\$49,742
Total Other Costs	\$162,587	\$162,587
Direct Depreciation		
Container Depreciation	\$0	\$0
Route Vehicle Depreciation	\$92,997	\$92,997
Other Depreciation	\$1,149	\$1,149
Total Direct Depreciation	\$94,146	\$94,146
Allocated Costs - Labor, Vehicle, Fuel & Other Costs		
From General and Administrative (6F)	\$195,297	\$195,297
From Vehicle Maintenance (6F)	\$42,257	\$42,257
From Container Maintenance (6F)	\$25,651	\$25,651
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$263,205	\$263,205
Allocated Costs - Depreciation and Start-Up Costs		
From General and Administrative (6F)	\$0	\$0
From Vehicle Maintenance (6F)	\$420	\$420
From Container Maintenance (6F)	\$1,181	\$1,181
Total Allocated Costs - Depreciation and Start-Up Costs	\$1,601	\$1,601
Total Cost of Operations	\$1,424,450	\$1,424,450
Profit (Enter % Operating Ratio; i.e. 95%):	79.00 %	
	\$378,651	\$378,651

Detailed Collection Cost Proposal Information
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.

			Rate Period One	
			From July 1, 2021 through June 30, 2022	
OTHER COSTS			Bulky Items/ Reusable Materials	Subtotal
Pass-Through Costs	per ton			
Disposal Cost	\$ 96.51		\$0	\$0
Recyclables Processing Costs	\$ 131.26		\$0	\$0
Bulky Items/Reusable Materials Handling Costs	\$ 161.06		\$269,560	\$269,560
Other Processing Costs: _____ (specify)	\$ 151.16		\$0	\$0
Organics Processing Costs	\$ 133.64		\$0	\$0
C&D Processing Costs	\$ 108.86		\$0	\$0
Interest Expense			\$19,885	\$19,885
Direct Lease Costs				
Route Vehicles				\$0
Other (Please List)				\$0
Total Direct Lease Costs			\$0	\$0
Allocated Lease Costs				
From General and Administrative (6F)			\$0	\$0
From Vehicle Maintenance (6F)			\$0	\$0
From Container Maintenance (6F)			\$0	\$0
Total Allocated Lease Costs			\$0	\$0
Total Pass-Through Costs			\$289,445	\$289,445
Total Cost			\$2,092,546	\$2,092,546

Detailed Collection Cost Proposal Information
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.				
Rate Period One				
From July 1, 2021 through June 30, 2022				
PROPOSED ALLOCATED COST	General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
Labor-Related Costs (include non-route personnel only)				
Regular Wages	\$714,172	\$241,356	\$101,737	\$1,057,266
Overtime Wages	\$59,317	\$41,285	\$27,844	\$128,445
Holiday Wages	\$17,076	\$12,703	\$5,355	\$35,134
Vacation Wages	\$62,647	\$23,289	\$9,817	\$95,752
Sick Leave Wages	\$37,588	\$12,703	\$5,355	\$55,646
Workers Compensation Insurance Premiums	\$20,370	\$24,591	\$10,900	\$55,861
Workers Compensation Claims	\$0	\$0	\$0	\$0
Health & Welfare	\$365,308	\$77,873	\$34,743	\$477,924
Pension/ Retirement Benefits	\$60,714	\$65,290	\$37,281	\$163,286
Payroll Taxes	\$72,412	\$26,635	\$12,039	\$111,086
Other (Please List)		\$0	\$0	\$0
Total Labor Related-Costs	\$1,409,605	\$525,724	\$245,070	\$2,180,399
Vehicle-Related Costs				
Tires & Tubes	\$0	\$0	\$3,555	\$3,555
Parts & Supplies (fluid, oil, etc.)	\$0	\$0	\$13,235	\$13,235
Taxes & Licenses	\$0	\$0	\$2,935	\$2,935
Equipment Rental	\$0	\$0	\$107	\$107
Materials and Supplies		\$0	\$214	\$214
Hardware		\$0	\$67	\$67
Oil & Lube		\$0	\$773	\$773
Outside Repairs		\$0	\$6,703	\$6,703
Truck Washing		\$0	\$734	\$734
Shop Cleaning		\$0	\$17	\$17
Shop Supplies		\$0	\$1,053	\$1,053
Shop Small Tools		\$0	\$155	\$155
Other (Please List)		\$0	\$0	\$0
Total Vehicle-Related Costs	\$0	\$0	\$29,549	\$29,549
Fuel Costs	\$5,735	\$0	\$15,547	\$21,282
Other Costs				
Liability & Property Damage Insurance		\$0	\$7,374	\$7,374
Equipment Insurance		\$0	\$5,075	\$5,075
Medical Testing		\$0	\$161	\$161
Training & Safety Programs		\$0	\$184	\$184
First Aid		\$0	\$0	\$0
Uniforms		\$0	\$1,200	\$1,200
Yard rent		\$0	\$14,920	\$14,920
Performance Bond Costs		\$2,483	\$1,561	\$4,045
Accounting Services	\$35,187			\$35,187
Advertising				\$0
Bad Debt	\$64,339			\$64,339
Bank Charges	\$33,009			\$33,009
Bank Charges-CPCFA	\$822			\$822
Building Security	\$1,270			\$1,270
Business Licenses	\$13,066			\$13,066
Consulting Services	\$137,682			\$137,682
Continuing Education	\$0			\$0
Contract Services	\$47,008			\$47,008
Contributions	\$0			\$0
Dues & Subscriptions	\$4,151			\$4,151
Insurance - General Liability	\$0			\$0
Janitorial Services	\$8,956			\$8,956
Legal Services	\$21,753			\$21,753
Meals & Entertainment	\$10,224			\$10,224
Office Equipment Expense	\$16,626			\$16,626
Part Time Office	\$0			\$0
Office Supplies	\$16,192			\$16,192
Payroll Processing Fees	\$29,526			\$29,526
Mailing Services	\$14,358			\$14,358
Postage	\$36,793			\$36,793
Public Education	\$298,030			\$298,030
Promotion	\$0			\$0

Detailed Collection Cost Proposal Information
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

Note to proposer: Input data in yellow shaded areas only.				
Rate Period One				
From July 1, 2021 through June 30, 2022				
PROPOSED ALLOCATED COST	General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
Repairs & Maintenance-Office	\$9,124			\$9,124
Rent - Office	\$46,918			\$46,918
Rent Yard	\$0			\$0
Taxes - property state & federal	\$33,562			\$33,562
Travel	\$1,449			\$1,449
Gas & Electricity	\$45,862			\$45,862
Telephone	\$88,835			\$88,835
Water	\$4,717			\$4,717
Wages - Office & Admin.	\$0			\$0
FICA - Employer's Contribution	\$0			\$0
FUI - Employer's Contribution	\$0			\$0
SUI - Employer's Contribution	\$0			\$0
Employee Benefits	\$0			\$0
Payroll Insurance W/C Admin	\$0			\$0
Sewer Expense	\$1,789			\$1,789
Yard Maintenance	\$4,622			\$4,622
Total Other Costs	\$1,025,871	\$2,483	\$30,477	\$1,058,831
Total Labor, Vehicle, Fuel, and Other Costs	\$2,441,211	\$528,207	\$320,642	\$3,290,061
Depreciation (non-route specific) and Start-Up Costs				
Vehicle Depreciation (non-route vehicles)		\$5,250	\$14,765	\$20,015
Other Depreciation				\$0
Initial Public Education & Outreach Efforts				\$0
Procurement Cost Reimbursement				\$0
Start-up Costs				\$0
Total Depreciation and Start-Up Costs	\$0	\$5,250	\$14,765	\$20,015
Lease Costs				
Facility Costs: _____ (describe)				\$0
Other Lease Costs: _____ (describe)				\$0
Total Lease Costs	\$0	\$0	\$0	\$0
Total Costs to be Allocated	\$2,441,211	\$533,457	\$335,408	\$3,310,076

Detailed Collection Cost Proposal Information
 Proposer Name: Alameda County Industries, Inc.

City of Alameda Base Services

		Note to proposer: Input data in yellow shaded areas only.			
		Rate Period One			
		From July 1, 2021 through June 30, 2022			
PROPOSED ALLOCATED COST		General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
Labor, Vehicle, Fuel, & Other Costs Allocated Out	Percentage				
To Residential Cart Solid Waste (6A)	24.00%	\$585,891	\$126,770	\$76,954	\$789,615
To Residential Cart Recyclable Materials (6A)	28.00%	\$683,539	\$147,898	\$89,780	\$921,217
To Residential Cart Organic Materials (6A)	16.00%	\$390,594	\$84,513	\$51,303	\$526,410
To Commercial Cart Solid Waste (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Cart Recyclable Materials (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Cart Organic Materials (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Bin Solid Waste (6C)	12.00%	\$292,945	\$63,385	\$38,477	\$394,807
To Commercial Bin Recyclable Materials (6C)	4.00%	\$97,648	\$21,128	\$12,826	\$131,602
To Commercial Bin Organic Materials (6C)	4.00%	\$97,648	\$21,128	\$12,826	\$131,602
To Roll-Off Solid Waste (6D)	3.20%	\$78,100	\$16,899	\$10,258	\$105,257
To Roll-Off Recyclable Materials (6D)	0.19%	\$4,654	\$1,007	\$611	\$6,273
To Roll-Off Organic Materials(6D)	0.61%	\$14,894	\$3,223	\$1,956	\$20,073
To Bulky Item Service (6E)	8.00%	\$195,297	\$42,257	\$25,651	\$263,205
Total Labor, Vehicle, Fuel & Other Costs Allocated Out	100.00%	\$2,441,211	\$528,207	\$320,642	\$3,290,061
Depreciation and Start-Up Costs Allocated Out					
To Residential Cart Solid Waste (6A)	24.00%	\$0	\$1,260	\$3,544	\$4,804
To Residential Cart Recyclable Materials (6A)	28.00%	\$0	\$1,470	\$4,134	\$5,604
To Residential Cart Organic Materials (6A)	16.00%	\$0	\$840	\$2,362	\$3,202
To Commercial Cart Solid Waste (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Cart Recyclable Materials (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Cart Organic Materials (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Bin Solid Waste (6C)	12.00%	\$0	\$630	\$1,772	\$2,402
To Commercial Bin Recyclable Materials (6C)	4.00%	\$0	\$210	\$591	\$801
To Commercial Bin Organic Materials (6C)	4.00%	\$0	\$210	\$591	\$801
To Roll-Off Solid Waste (6D)	3.20%	\$0	\$168	\$472	\$640
To Roll-Off Recyclable Materials (6D)	0.19%	\$0	\$10	\$28	\$38
To Roll-Off Organic Materials(6D)	0.61%	\$0	\$32	\$90	\$122
To Bulky Item Service (6E)	8.00%	\$0	\$420	\$1,181	\$1,601
Total Depreciation and Start-Up Costs Allocated Out	100.00%	\$0	\$5,250	\$14,765	\$20,015
Lease Costs Allocated Out					
To Residential Cart Solid Waste (6A)	24.00%	\$0	\$0	\$0	\$0
To Residential Cart Recyclable Materials (6A)	28.00%	\$0	\$0	\$0	\$0
To Residential Cart Organic Materials (6A)	16.00%	\$0	\$0	\$0	\$0
To Commercial Cart Solid Waste (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Cart Recyclable Materials (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Cart Organic Materials (6B)	0.00%	\$0	\$0	\$0	\$0
To Commercial Bin Solid Waste (6C)	12.00%	\$0	\$0	\$0	\$0
To Commercial Bin Recyclable Materials (6C)	4.00%	\$0	\$0	\$0	\$0
To Commercial Bin Organic Materials (6C)	4.00%	\$0	\$0	\$0	\$0
To Roll-Off Solid Waste (6D)	3.20%	\$0	\$0	\$0	\$0
To Roll-Off Recyclable Materials (6D)	0.19%	\$0	\$0	\$0	\$0
To Roll-Off Organic Materials(6D)	0.61%	\$0	\$0	\$0	\$0
To Bulky Item Service (6E)	8.00%	\$0	\$0	\$0	\$0
Total Lease Costs Allocated Out	100.00%	\$0	\$0	\$0	\$0
Total Allocated Out		\$2,441,211	\$533,457	\$335,408	\$3,310,076

Disposal/Processing Cost Proposal

City of Alameda Base Services

Proposer Name: Alameda County Industries, Inc.

Please provide all costs as \$/Ton effective for Rate Period One (July 1, 2021 through July 30, 2022).

Include processing residue disposal costs in "Disposal/Processing Cost"

Note to proposer: Input data in yellow shaded areas only.

Disposal/Processing Costs						
	Rate Period One (July 1, 2021 through June 30, 2022)					
	Solid Waste	Recyclable Materials	Organic Materials	C&D	Bulky Items/Reusable Materials Handling	Commercial Organic
Disposal/Processing Cost (\$/ton)	\$96.51	\$131.26	\$81.44	\$108.86	108.86	\$98.96
Disposal/Processing Facility Regulatory Fees & Taxes (list separately)						
MRF Processing Fee						
Total Regulatory Fees (\$/ton)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Disposal/Processing Cost (\$/ton)	\$96.51	\$131.26	\$81.44	\$108.86	\$108.86	\$98.96
Processor Fee and Curbside Supplemental Revenues from CRV (\$/ton)						
(show as a negative value)						
Revenues from the Sale of Materials (\$/ton)						
(show as a negative value)						
Net Disposal/Processing Cost (\$/Ton)*	\$96.51	\$131.26	\$81.44	\$108.86	\$108.86	\$98.96

* If the net is a revenue, net processing cost/ton is to show as a negative amount.

Transfer Costs (if applicable)						
	Rate Period One (July 1, 2021 through June 30, 2022)					
	Solid Waste	Recyclable Materials	Organic Materials	C&D	Bulky Items/Reusable Materials Handling	Commercial Organic
Transfer Station Cost (\$/Ton)**			\$52.20		\$52.20	\$52.20
Transfer Station Regulatory Fees & Taxes (list separately)						
Total Regulatory Fees (\$/ton)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Transfer Cost (\$/ton)	\$0.00	\$0.00	\$52.20	\$0.00	\$52.20	\$52.20

** Transfer station fee to include all transfer facility-related costs and the long-haul transportation costs from the transfer station to the processing facility.

Total Disposal/Processing Costs						
	Rate Period One (July 1, 2021 through June 30, 2022)					
	Solid Waste	Recyclable Materials	Organic Materials	C&D	Bulky Items/Reusable Materials Handling	Commercial Organic
Total Net Disposal/Processing Costs Including Transfer	\$96.51	\$131.26	\$133.64	\$108.86	\$161.06	\$151.16

EXHIBIT G2:
INITIAL RATES FOR COLLECTION SERVICES

Alameda County Industries
City of Alameda
Single Family Service Rates
Effective July 1, 2021 through June 30, 2022

Basic Weekly Collection Service - Integrated Quarterly Rate*		
Garbage Cart Size (Gallons)	Curbside Quarterly Rate	Backyard Disabled Rate
10**	\$99.49	\$99.49
20	\$107.98	\$107.98
32	\$136.30	\$136.30
64	\$223.93	\$223.93
96	\$312.75	\$312.75

Senior Discount Collection Service - Integrated Quarterly Rate*		
Garbage Cart Size (Gallons)	Curbside Quarterly Rate	Backyard Disabled Rate
10**	\$84.56	\$84.56
20	\$91.78	\$91.78
32	\$115.85	\$115.85
ACI will determine if a customer (account holder) qualifies for the senior resident discount in accordance with the qualifying requirements set forth by the City of Alameda. Eligibility is verified annually.		

LIRA Discount Collection Service - Integrated Quarterly Rate*		
Garbage Cart Size (Gallons)	Curbside Quarterly Rate	Backyard Disabled Rate
10**	\$84.56	\$84.56
20	\$91.78	\$91.78
32	\$115.85	\$115.85
ACI will determine if a customer (account holder) qualifies for the low income discount in accordance with the qualifying requirements set forth by the City of Alameda. Eligibility is reverified annually.		
* The integrated rate covers the cost of garbage, recyclables, and organics curbside collection. The rate for services charged is based only on the size of the garbage cart selected.		
**The 10gal service is a grandfathered rate. New customers are not eligible. Existing 10gal rate customers will receive a 20gal cart when their 10gal cart is missing or is unrepairable, but will continue to be billed at the 10gal rate.		

Miscellaneous Service - Rates per Occurrence	
Service	Rate Per Occurrence
Extra Garbage Bag Sticker	\$8.77
Extra Yard Trimmings Bag Sticker	\$1.92
Service Level Changes in excess of once per 12-month period*	\$26.36
Cart replacement in excess of once per 12-month period*	\$68.79
2nd On-Call Clean Up Service	\$160.98
2nd On-Call Bulky Pickup Service	\$160.98
Backyard Service (for all carts) - Billed Quarterly	\$59.69

Alameda County Industries
City of Alameda
Single Family Service Rates
Effective July 1, 2021 through June 30, 2022

Single Family Garbage - Additional Service	
Garbage Cart Size (Gallons)	Per Cart/Pickup
20	\$10.84
32	\$14.98
64	\$30.23
96	\$45.38

Single Family Recycling - Additional Service	
Recycling Cart Size (Gallons)	Per Cart/Pickup
32	\$11.99
64	\$24.19
96	\$36.31

Single Family Organics - Additional Service	
Organics Cart Size (Gallons)	Per Cart/Pickup
13	\$9.05
20	\$11.99
32	\$11.99
64	\$24.19
96	\$36.31

Single Family Recycling - Contamination Fee	
Recycling Cart Size (Gallons)	Per Cart/Pickup
32	\$11.99
64	\$24.19
96	\$36.31

Single Family Organics - Contamination Fee	
Organics Cart Size (Gallons)	Per Cart/Pickup
13	\$9.05
20	\$11.99
32	\$11.99
64	\$24.19
96	\$36.31

Alameda County Industries
City of Alameda
Multi-Plex Cart Service Rates
Effective July 1, 2021 through June 30, 2022

Basic Service Menu for Multi-Plexes (2-4 living units)

Basic Weekly Curbside Collection Service - Quarterly Rate			
Garbage Cart Size (Gallons)	Curbside Quarterly Rate	Recyclables Rate Per Living Unit (for carts up to 96-Gallons)	Organics Rate Per Living Unit (for carts up to 96-Gallons)
10**	\$36.49	\$23.75	\$20.50
20	\$63.74	\$23.75	\$20.50
32	\$92.06	\$23.75	\$20.50
64	\$179.70	\$23.75	\$20.50
96	\$268.51	\$23.75	\$20.50
These rate examples include the cost of recyclables and organics curbside collection for one living unit, and one garbage cart based on the size of the garbage cart subscribed.			

Senior Discount Weekly Curbside Collection Service - Quarterly Rate			
Garbage Cart Size (Gallons)	Senior Curbside Rate	Recyclables Rate Per Living Unit (for carts up to 96-Gallons)	Organics Rate Per Living Unit (for carts up to 96-Gallons)
10**	\$31.75	\$23.75	\$20.50
20	\$54.18	\$23.75	\$20.50
32	\$78.25	\$23.75	\$20.50
ACI will determine if a customer (account holder) qualifies for the senior resident discount in accordance with the qualifying requirements set forth by the City of Alameda. Eligibility is verified annually.			

LIRA Discount Weekly Curbside Collection Service - Quarterly Rate			
Garbage Cart Size (Gallons)	LIRA Curbside Rate	Recyclables Rate Per Living Unit (for carts up to 96-Gallons)	Organics Rate Per Living Unit (for carts up to 96-Gallons)
10**	\$31.75	\$23.75	\$20.50
20	\$54.18	\$23.75	\$20.50
32	\$78.25	\$23.75	\$20.50
ACI will determine if a customer (account holder) qualifies for the low income discount in accordance with the qualifying requirements set forth by the City of Alameda. Eligibility is reverified annually.			

Basic Weekly Collection Service - Monthly Rate*			
Garbage Cart Size (Gallons)	Curbside Monthly Rate	Recyclables Rate Per Living Unit (for carts up to 96-Gallons)	Organics Rate Per Living Unit (for carts up to 96-Gallons)
32	\$30.68	\$7.92	\$6.84
64	\$59.90	\$7.92	\$6.84
96	\$89.50	\$7.92	\$6.84
<i>Property Owners paying for all units of a Multi-Plex can opt to pay monthly for services.</i>			
These rate examples include the cost of recyclables and organics curbside collection for one living unit, and one garbage cart based on the size of the garbage cart subscribed.			
**The 10gal service is a grandfathered rate. New customers are not eligible. Existing 10gal rate customers will receive a 20gal cart when their 10gal cart is missing or is unrepairable, but will continue to be billed at the 10gal rate.			

Alameda County Industries
City of Alameda
Multi-Plex Cart Service Rates
Effective July 1, 2021 through June 30, 2022

Miscellaneous Service - Rates per Occurrence	
Service	Rate Per Occurrence
Extra Garbage Bag Sticker	\$8.77
Extra Yard Trimmings Bag Sticker	\$1.92
Service Level Changes in excess of once per 12-month period*	\$26.36
Cart replacement in excess of once per 12-month period*	\$68.79
2nd On-Call Clean Up Service	\$160.98
2nd On-Call Bulky Pickup Service	\$160.98
Backyard Service (for all carts) - Billed Quarterly	\$59.69

Multi-Plex Garbage - Additional Service	
Garbage Cart Size (Gallons)	Per Cart/Pickup
20	\$10.84
32	\$14.98
64	\$30.23
96	\$45.38

Multi-Plex Recycling - Additional Service	
Recycling Cart Size (Gallons)	Per Cart/Pickup
32	\$11.99
64	\$24.19
96	\$36.31

Multi-Plex Organics - Additional Service	
Organics Cart Size (Gallons)	Per Cart/Pickup
13	\$9.05
20	\$11.99
32	\$11.99
64	\$24.19
96	\$36.31

Multi-Plex Recycling - Contamination Fee	
Recycling Cart Size (Gallons)	Per Cart/Pickup
32	\$11.99
64	\$24.19
96	\$36.31

Multi-Plex Organics - Contamination Fee	
Organics Cart Size (Gallons)	Per Cart/Pickup
13	\$9.05
20	\$11.99
32	\$11.99
64	\$24.19
96	\$36.31

Alameda County Industries
City of Alameda
Multi-Plex Bin Service Rates
Effective July 1, 2021 through June 30, 2022

Multi-Plex Bin Service (2-4 Living Units)*

Garbage Bin Size (Cubic Yards)	Garbage Bin Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$173.05	\$349.57	\$529.53	\$712.95	\$899.83	\$1,090.21
1.5	\$259.57	\$524.33	\$794.30	\$1,069.45	\$1,349.77	\$1,635.30
2	\$346.11	\$699.12	\$1,059.07	\$1,425.93	\$1,799.70	\$2,180.40
3	\$519.16	\$1,048.67	\$1,588.58	\$2,138.89	\$2,699.56	\$3,270.62
4	\$692.20	\$1,398.23	\$2,118.10	\$2,851.86	\$3,599.41	\$4,360.83
5	\$865.22	\$1,747.77	\$2,648.83	\$3,564.79	\$4,499.27	\$5,451.00
6	\$1,038.30	\$2,097.33	\$3,177.14	\$4,277.76	\$5,399.11	\$6,541.21
7	\$1,211.32	\$2,446.89	\$3,706.68	\$4,990.71	\$6,298.94	\$7,631.42
Garbage Compactor Size (Cubic Yards)	Garbage Compactor Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$346.12	\$699.12	\$1,059.03	\$1,425.91	\$1,799.66	\$2,180.40
1.5	\$519.15	\$1,048.65	\$1,588.59	\$2,138.90	\$2,699.56	\$3,270.59
2	\$692.19	\$1,398.24	\$2,118.14	\$2,851.89	\$3,599.43	\$4,360.82
3	\$1,038.33	\$2,097.33	\$3,177.17	\$4,277.77	\$5,399.12	\$6,541.25
4	\$1,384.41	\$2,796.46	\$4,236.19	\$5,703.69	\$7,198.77	\$8,721.65
5	\$1,730.46	\$3,495.56	\$5,297.69	\$7,129.60	\$8,998.52	\$10,902.02
6	\$2,076.56	\$4,198.58	\$6,354.28	\$8,555.51	\$10,798.20	\$13,082.44
7	\$2,422.65	\$4,893.80	\$7,413.35	\$9,981.42	\$12,597.89	\$15,262.84
Monthly rate for weekly recyclables containers (per dwelling) all cart sizes.	\$	7.92				
Monthly rate for weekly organics containers (per dwelling) all cart sizes.	\$	6.84				

Monthly Push/Pull Charges for Multi-Plex Dwellings

Includes bringing container from its location on your property to the curb for servicing, and returning the container to your property when empty.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$26.13	\$52.29	\$78.42	\$104.54	\$130.69	\$156.82
21 - 40'	\$52.29	\$104.54	\$156.82	\$209.11	\$261.39	\$313.65
41 - 60'	\$78.42	\$156.82	\$235.24	\$313.65	\$392.08	\$470.48
61 - 80'	\$104.54	\$209.11	\$313.65	\$418.21	\$522.77	\$627.33
81 - 100'	\$130.69	\$261.39	\$392.08	\$522.77	\$653.45	\$784.17
101 - 120'	\$156.82	\$313.65	\$470.48	\$627.33	\$784.15	\$940.98
121 - 140'	\$182.97	\$365.94	\$548.90	\$731.88	\$914.85	\$1,097.80
141 - 160'	\$209.11	\$418.21	\$627.33	\$836.43	\$1,045.54	\$1,254.64
161 - 180'	\$235.24	\$470.48	\$705.74	\$940.98	\$1,176.22	\$1,411.48
181 - 200'	\$261.39	\$522.77	\$784.15	\$1,045.54	\$1,306.92	\$1,568.30
201 - 220'	\$287.56	\$575.06	\$862.55	\$1,150.09	\$1,437.62	\$1,725.12
221 - 240'	\$313.65	\$627.33	\$940.98	\$1,254.64	\$1,568.30	\$1,881.96
241 - 260'	\$339.80	\$679.60	\$1,019.40	\$1,359.19	\$1,698.98	\$2,038.78
261 - 280'	\$365.94	\$731.88	\$1,097.80	\$1,463.74	\$1,829.68	\$2,195.62
281 - 300'	\$392.08	\$784.15	\$1,176.22	\$1,568.30	\$1,960.38	\$2,352.46

Alameda County Industries
City of Alameda
Multi-Plex Bin Service Rates
Effective July 1, 2021 through June 30, 2022

Monthly Push Charges for Multi-Plex Dwellings

Includes bringing the container to the curb for servicing. Container will be left at the curb, empty.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$15.68	\$31.38	\$47.05	\$62.75	\$78.42	\$94.09
21 - 40'	\$31.38	\$62.75	\$94.04	\$125.47	\$156.82	\$188.22
41 - 60'	\$47.05	\$94.09	\$141.15	\$188.22	\$235.24	\$282.29
61 - 80'	\$62.75	\$125.47	\$188.22	\$250.91	\$313.49	\$376.41
81 - 100'	\$78.42	\$156.82	\$235.24	\$313.65	\$392.08	\$470.48
101 - 120'	\$94.09	\$188.22	\$282.29	\$376.41	\$470.48	\$564.57
121 - 140'	\$109.79	\$219.55	\$329.34	\$439.12	\$548.91	\$658.70
141 - 160'	\$125.47	\$250.91	\$376.41	\$501.86	\$627.33	\$752.79
161 - 180'	\$141.15	\$282.29	\$423.45	\$564.57	\$705.74	\$846.88
181 - 200'	\$156.82	\$313.66	\$470.48	\$627.32	\$784.15	\$940.98
201 - 220'	\$172.49	\$345.04	\$517.53	\$690.07	\$862.55	\$1,035.08
221 - 240'	\$188.22	\$376.41	\$564.57	\$752.79	\$940.98	\$1,129.17
241 - 260'	\$203.87	\$407.77	\$611.65	\$815.54	\$1,019.40	\$1,223.28
261 - 280'	\$219.55	\$439.33	\$658.70	\$878.23	\$1,097.80	\$1,317.38
281 - 300'	\$235.24	\$470.52	\$705.74	\$940.98	\$1,176.22	\$1,411.48

Monthly Pull Charges for Multi-Plex Dwellings

Includes returning the container from the curb to the property after servicing is performed.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$10.46	\$20.91	\$31.38	\$41.81	\$52.29	\$62.75
21 - 40'	\$20.91	\$41.81	\$62.75	\$83.63	\$104.54	\$125.46
41 - 60'	\$31.38	\$62.75	\$94.09	\$125.47	\$156.85	\$188.20
61 - 80'	\$41.81	\$83.63	\$125.47	\$167.30	\$209.11	\$250.91
81 - 100'	\$52.29	\$104.54	\$156.82	\$209.11	\$261.39	\$313.65
101 - 120'	\$62.75	\$125.47	\$188.22	\$250.91	\$313.65	\$376.41
121 - 140'	\$73.18	\$146.36	\$219.57	\$292.75	\$365.94	\$439.10
141 - 160'	\$83.63	\$167.30	\$250.91	\$334.57	\$418.21	\$501.86
161 - 180'	\$94.03	\$188.20	\$282.29	\$376.41	\$470.48	\$564.54
181 - 200'	\$104.54	\$209.11	\$313.65	\$418.21	\$522.77	\$627.33
201 - 220'	\$115.03	\$230.00	\$345.03	\$460.02	\$575.05	\$690.07
221 - 240'	\$125.47	\$250.91	\$376.41	\$501.86	\$627.33	\$752.77
241 - 260'	\$135.94	\$271.85	\$407.77	\$543.69	\$679.60	\$815.54
261 - 280'	\$146.36	\$292.75	\$439.12	\$585.50	\$731.88	\$878.23
281 - 300'	\$156.82	\$313.65	\$470.48	\$627.33	\$784.15	\$940.98

Alameda County Industries
City of Alameda
Multi-Plex Bin Service Rates
Effective July 1, 2021 through June 30, 2022

Miscellaneous Service - Rates per Occurrence	Rate
Locks, Keys, Hasps	\$36.90
Steam Cleaning - Per Cleaning	\$130.58
Restart Fee for services reduced due to non-payment of account.	\$160.98
Service level changes in excess of once in a twelve month period.	\$26.36
Cart Replacement in excess of once in a twelve month period.	\$68.79

Special Garbage Pickups, Same-Day Service, or Non-Collection Day Services

Container Size (Cubic Yards)	Maximum Rate Per Collection	Container Size (Cubic Yards - Compactors)	
1	\$ 85.52	1	\$ 171.04
1.5	\$ 128.28	1.5	\$ 256.55
2	\$ 171.04	2	\$ 342.05
3	\$ 256.55	3	\$ 513.11
4	\$ 342.07	4	\$ 684.16
5	\$ 427.60	5	\$ 855.15
6	\$ 513.11	6	\$ 1,026.21
7	\$ 598.64	7	\$ 1,197.26

Multi-Plex Bin Recycling & Organics - Contamination Fee		
Container Size		Maximum Rate Per
1	Cubic Yard	\$85.52
1.5	Cubic Yard	\$128.28
2	Cubic Yard	\$171.04
3	Cubic Yard	\$256.55
4	Cubic Yard	\$342.07
5	Cubic Yard	\$427.60
6	Cubic Yard	\$513.11
7	Cubic Yard	\$598.64

Multi-Plex Compactor Recycling & Organics - Contamination Fee		
Container Size		Maximum Rate Per
1	Cubic Yard	\$171.04
1.5	Cubic Yard	\$256.55
2	Cubic Yard	\$342.05
3	Cubic Yard	\$513.11
4	Cubic Yard	\$684.16
5	Cubic Yard	\$855.15
6	Cubic Yard	\$1,026.21
7	Cubic Yard	\$1,197.26

****Multi-plex bin service rates are equivalent to Multi-family bin service rates.***

**Alameda County Industries
City of Alameda
Multi-Family Service Rates
Effective July 1, 2021 through June 30, 2022**

Multi-Family (5+ Living Units)

Basic Weekly Cart Collection Service - Quarterly Rate						
	Collection Frequency					
Garbage Cart Size (Gallons)	1	2	3	4	5	6
32	\$92.06	\$184.13	\$276.19	\$368.24	\$460.31	\$552.37
64	\$179.70	\$359.35	\$539.04	\$718.67	\$898.37	\$1,078.00
96	\$268.51	\$537.08	\$805.62	\$1,074.03	\$1,342.54	\$1,611.04

	Garbage Rates (see grid above)	Recyclables Rate Per Living Unit (for carts up to 96-Gallons)	Organics Rate Per Living Unit (for carts up to 96-Gallons)
Weekly Recycling/Organics Service		\$22.38	\$16.08

Basic Weekly Cart Collection Service - Monthly Rate						
	Collection Frequency					
Garbage Cart Size (Gallons)	1	2	3	4	5	6
32	\$30.68	\$61.38	\$92.07	\$122.75	\$153.43	\$184.09
64	\$59.90	\$119.79	\$179.67	\$239.56	\$299.46	\$359.33
96	\$89.50	\$179.02	\$268.54	\$358.01	\$447.51	\$537.00

	Garbage Rates (see grid above)	Recyclables Rate* Per Living Unit (for carts up to 96-Gallons)	Organics Rate* Per Living Unit (for carts up to 96-Gallons)
Weekly Recycling/Organics Service		\$7.45	\$5.36

Alameda County Industries
City of Alameda
Multi-Family Service Rates
Effective July 1, 2021 through June 30, 2022

Garbage Bin Size (Cubic Yards)	Monthly Garbage Bin Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$173.05	\$349.57	\$529.53	\$712.95	\$899.83	\$1,090.21
1.5	\$259.57	\$524.33	\$794.30	\$1,069.45	\$1,349.77	\$1,635.30
2	\$346.11	\$699.12	\$1,059.07	\$1,425.93	\$1,799.70	\$2,180.40
3	\$519.16	\$1,048.67	\$1,588.58	\$2,138.89	\$2,699.56	\$3,270.62
4	\$692.20	\$1,398.23	\$2,118.10	\$2,851.86	\$3,599.41	\$4,360.83
5	\$865.22	\$1,747.77	\$2,648.83	\$3,564.79	\$4,499.27	\$5,451.00
6	\$1,038.30	\$2,097.33	\$3,177.14	\$4,277.76	\$5,399.11	\$6,541.21
7	\$1,211.32	\$2,446.89	\$3,706.68	\$4,990.71	\$6,298.94	\$7,631.42
Garbage Compactor Size (Cubic Yards)	Monthly Garbage Compactor Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$346.12	\$699.12	\$1,059.03	\$1,425.91	\$1,799.66	\$2,180.40
1.5	\$519.15	\$1,048.65	\$1,588.59	\$2,138.90	\$2,699.56	\$3,270.59
2	\$692.19	\$1,398.24	\$2,118.14	\$2,851.89	\$3,599.43	\$4,360.82
3	\$1,038.33	\$2,097.33	\$3,177.17	\$4,277.77	\$5,399.12	\$6,541.25
4	\$1,384.41	\$2,796.46	\$4,236.19	\$5,703.69	\$7,198.77	\$8,721.65
5	\$1,730.46	\$3,495.56	\$5,297.69	\$7,129.60	\$8,998.52	\$10,902.02
6	\$2,076.56	\$4,198.58	\$6,354.28	\$8,555.51	\$10,798.20	\$13,082.44
7	\$2,422.65	\$4,893.80	\$7,413.35	\$9,981.42	\$12,597.89	\$15,262.84
Monthly rate for weekly recyclables containers (per dwelling)	\$	7.45				
Monthly rate for weekly organics containers (per dwelling)	\$	5.36				
*Multifamily recycling and organics rates are based on the number of dwelling units, not on container type or size.						

Monthly Push/Pull Charges for Multi-Family Dwellings

Includes bringing container from its location on your property to the curb for servicing, and returning the container to your property when empty.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$26.13	\$52.29	\$78.42	\$104.54	\$130.69	\$156.82
21 - 40'	\$52.29	\$104.54	\$156.82	\$209.11	\$261.39	\$313.65
41 - 60'	\$78.42	\$156.82	\$235.24	\$313.65	\$392.08	\$470.48
61 - 80'	\$104.54	\$209.11	\$313.65	\$418.21	\$522.77	\$627.33
81 - 100'	\$130.69	\$261.39	\$392.08	\$522.77	\$653.45	\$784.17
101 - 120'	\$156.82	\$313.65	\$470.48	\$627.33	\$784.15	\$940.98
121 - 140'	\$182.97	\$365.94	\$548.90	\$731.88	\$914.85	\$1,097.80
141 - 160'	\$209.11	\$418.21	\$627.33	\$836.43	\$1,045.54	\$1,254.64
161 - 180'	\$235.24	\$470.48	\$705.74	\$940.98	\$1,176.22	\$1,411.48
181 - 200'	\$261.39	\$522.77	\$784.15	\$1,045.54	\$1,306.92	\$1,568.30
201 - 220'	\$287.56	\$575.06	\$862.55	\$1,150.09	\$1,437.62	\$1,725.12
221 - 240'	\$313.65	\$627.33	\$940.98	\$1,254.64	\$1,568.30	\$1,881.96
241 - 260'	\$339.80	\$679.60	\$1,019.40	\$1,359.19	\$1,698.98	\$2,038.78
261 - 280'	\$365.94	\$731.88	\$1,097.80	\$1,463.74	\$1,829.68	\$2,195.62
281 - 300'	\$392.08	\$784.15	\$1,176.22	\$1,568.30	\$1,960.38	\$2,352.46

Alameda County Industries
City of Alameda
Multi-Family Service Rates
Effective July 1, 2021 through June 30, 2022

Monthly Push Charges for Multi-Family Dwellings

Includes bringing the container to the curb for servicing. Container will be left at the curb, empty.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$15.68	\$31.38	\$47.05	\$62.75	\$78.42	\$94.09
21 - 40'	\$31.38	\$62.75	\$94.04	\$125.47	\$156.82	\$188.22
41 - 60'	\$47.05	\$94.09	\$141.15	\$188.22	\$235.24	\$282.29
61 - 80'	\$62.75	\$125.47	\$188.22	\$250.91	\$313.49	\$376.41
81 - 100'	\$78.42	\$156.82	\$235.24	\$313.65	\$392.08	\$470.48
101 - 120'	\$94.09	\$188.22	\$282.29	\$376.41	\$470.48	\$564.57
121 - 140'	\$109.79	\$219.55	\$329.34	\$439.12	\$548.91	\$658.70
141 - 160'	\$125.47	\$250.91	\$376.41	\$501.86	\$627.33	\$752.79
161 - 180'	\$141.15	\$282.29	\$423.45	\$564.57	\$705.74	\$846.88
181 - 200'	\$156.82	\$313.66	\$470.48	\$627.32	\$784.15	\$940.98
201 - 220'	\$172.49	\$345.04	\$517.53	\$690.07	\$862.55	\$1,035.08
221 - 240'	\$188.22	\$376.41	\$564.57	\$752.79	\$940.98	\$1,129.17
241 - 260'	\$203.87	\$407.77	\$611.65	\$815.54	\$1,019.40	\$1,223.28
261 - 280'	\$219.55	\$439.33	\$658.70	\$878.23	\$1,097.80	\$1,317.38
281 - 300'	\$235.24	\$470.52	\$705.74	\$940.98	\$1,176.22	\$1,411.48

Monthly Pull Charges for Multi-Family Dwellings

Includes returning the container from the curb to the property after servicing is performed.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$10.46	\$20.91	\$31.38	\$41.81	\$52.29	\$62.75
21 - 40'	\$20.91	\$41.81	\$62.75	\$83.63	\$104.54	\$125.46
41 - 60'	\$31.38	\$62.75	\$94.09	\$125.47	\$156.85	\$188.20
61 - 80'	\$41.81	\$83.63	\$125.47	\$167.30	\$209.11	\$250.91
81 - 100'	\$52.29	\$104.54	\$156.82	\$209.11	\$261.39	\$313.65
101 - 120'	\$62.75	\$125.47	\$188.22	\$250.91	\$313.65	\$376.41
121 - 140'	\$73.18	\$146.36	\$219.57	\$292.75	\$365.94	\$439.10
141 - 160'	\$83.63	\$167.30	\$250.91	\$334.57	\$418.21	\$501.86
161 - 180'	\$94.03	\$188.20	\$282.29	\$376.41	\$470.48	\$564.54
181 - 200'	\$104.54	\$209.11	\$313.65	\$418.21	\$522.77	\$627.33
201 - 220'	\$115.03	\$230.00	\$345.03	\$460.02	\$575.05	\$690.07
221 - 240'	\$125.47	\$250.91	\$376.41	\$501.86	\$627.33	\$752.77
241 - 260'	\$135.94	\$271.85	\$407.77	\$543.69	\$679.60	\$815.54
261 - 280'	\$146.36	\$292.75	\$439.12	\$585.50	\$731.88	\$878.23
281 - 300'	\$156.82	\$313.65	\$470.48	\$627.33	\$784.15	\$940.98

Alameda County Industries
City of Alameda
Multi-Family Service Rates
Effective July 1, 2021 through June 30, 2022

Miscellaneous Service - Rates per Occurrence	Rate
Locks, Keys, Hasps	\$36.90
Steam Cleaning - Per Cleaning	\$130.58
Restart Fee for services reduced due to non-payment of account.	\$160.98
Service level changes in excess of once in a twelve month period.	\$26.36
Cart Replacement in excess of once in a twelve month period.	\$68.79

Multi-Family Bulky Item Charges - Per Item Charges	Rate
Appliances (Non Fridge) - 3 Maximum	\$28.67
Bin Service - 2yd Annual Service	\$40.25
Carpet Removal - Per Roll 75lb Limit	\$28.67
Refrigerator	\$40.15
Furniture - 3 Maximum 75lb Limit	\$28.67
Mattress - Include Box Spring & Frame	\$28.67
Tire - per item (Car or Truck with or without rim)	\$17.21
Trash - Bagged per Yard (Up to 7 - 32 gal bags)	\$34.41

Special Pickups, Same-Day Service, or Non-Collection Day Services

Container Size (Carts in gallons, Bins in cubic yards)	Maximum Rate Per Collection
32 gallons	\$14.98
64 gallons	\$30.23
96 gallons	\$45.38
1 yards	\$85.52
1.5 yards	\$128.28
2 yards	\$171.04
3 yards	\$256.55
4 yards	\$342.07
5 yards	\$427.60
6 yards	\$513.11
7 yards	\$598.64

Container Size (Cubic Yards - Compactors)	Maximum Rate Per Collection
1	\$171.04
1.5	\$256.55
2	\$342.05
3	\$513.11
4	\$684.16
5	\$855.15
6	\$1,026.21
7	\$1,197.26

Alameda County Industries
City of Alameda
Multi-Family Service Rates
Effective July 1, 2021 through June 30, 2022

Multi-Family Bin Recycling & Organics - Contamination Fee		
Container Size		Maximum Rate Per Collection
32	Gallon	\$14.98
64	Gallon	\$30.23
96	Gallon	\$45.38
1	Cubic Yard	\$85.52
1.5	Cubic Yard	\$128.28
2	Cubic Yard	\$171.04
3	Cubic Yard	\$256.55
4	Cubic Yard	\$342.07
5	Cubic Yard	\$427.60
6	Cubic Yard	\$513.11
7	Cubic Yard	\$598.64

Multi-Family Compactor Recycling & Organics - Contamination Fee		
Container Size		Maximum Rate Per Collection
1	Cubic Yard	\$171.04
1.5	Cubic Yard	\$256.55
2	Cubic Yard	\$342.05
3	Cubic Yard	\$513.11
4	Cubic Yard	\$684.16
5	Cubic Yard	\$855.15
6	Cubic Yard	\$1,026.21
7	Cubic Yard	\$1,197.26

Alameda County Industries
City of Alameda
Commercial Garbage Bin/Cart Service Rates
Effective July 1, 2021 through June 30, 2022

Monthly Commercial Garbage Cart Rates						
Container Size (Gallons)	Collection Frequency					
	1	2	3	4	5	6
20	\$31.03	\$62.08	\$93.10	\$124.14	\$155.16	\$186.21
32	\$40.48	\$80.95	\$121.43	\$161.92	\$202.38	\$242.87
64	\$69.69	\$139.36	\$209.07	\$278.74	\$348.41	\$418.10
96	\$99.31	\$198.59	\$297.91	\$397.20	\$496.50	\$595.79
Backyard Service (per Cart)	\$6.63	\$13.26	\$19.90	\$26.53	\$33.17	\$39.79

Monthly Commercial Garbage Bin Rates						
Container Size (Cubic Yards)	Garbage Bin Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$173.05	\$349.57	\$529.53	\$712.95	\$899.83	\$1,090.21
1.5	\$259.57	\$524.33	\$794.30	\$1,069.45	\$1,349.77	\$1,635.30
2	\$346.11	\$699.12	\$1,059.07	\$1,425.93	\$1,799.70	\$2,180.40
3	\$519.16	\$1,048.67	\$1,588.58	\$2,138.89	\$2,699.56	\$3,270.62
4	\$692.20	\$1,398.23	\$2,118.10	\$2,851.86	\$3,599.41	\$4,360.83
5	\$865.22	\$1,747.77	\$2,648.83	\$3,564.79	\$4,499.27	\$5,451.00
6	\$1,038.30	\$2,097.33	\$3,177.14	\$4,277.76	\$5,399.11	\$6,541.21
7	\$1,211.32	\$2,446.89	\$3,706.68	\$4,990.71	\$6,298.94	\$7,631.42
Container Size (Cubic Yards)	Garbage Compactor Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$346.12	\$699.12	\$1,059.03	\$1,425.91	\$1,799.66	\$2,180.40
1.5	\$519.15	\$1,048.65	\$1,588.59	\$2,138.90	\$2,699.56	\$3,270.59
2	\$692.19	\$1,398.24	\$2,118.14	\$2,851.89	\$3,599.43	\$4,360.82
3	\$1,038.33	\$2,097.33	\$3,177.17	\$4,277.77	\$5,399.12	\$6,541.25
4	\$1,384.41	\$2,796.46	\$4,236.19	\$5,703.69	\$7,198.77	\$8,721.65
5	\$1,730.46	\$3,495.56	\$5,297.69	\$7,129.60	\$8,998.52	\$10,902.02
6	\$2,076.56	\$4,198.58	\$6,354.28	\$8,555.51	\$10,798.20	\$13,082.44
7	\$2,422.65	\$4,893.80	\$7,413.35	\$9,981.42	\$12,597.89	\$15,262.84

Alameda County Industries
City of Alameda
Commercial Garbage Bin/Cart Service Rates
Effective July 1, 2021 through June 30, 2022

Monthly Push/Pull Charges for Bin Service Commercial Premise

Includes bringing container from its location on your property to the curb for servicing, and returning the container to your property when empty.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$26.13	\$52.29	\$78.42	\$104.54	\$130.69	\$156.82
21 - 40'	\$52.29	\$104.54	\$156.82	\$209.11	\$261.39	\$313.65
41 - 60'	\$78.42	\$156.82	\$235.24	\$313.65	\$392.08	\$470.48
61 - 80'	\$104.54	\$209.11	\$313.65	\$418.21	\$522.77	\$627.33
81 - 100'	\$130.69	\$261.39	\$392.08	\$522.77	\$653.45	\$784.17
101 - 120'	\$156.82	\$313.65	\$470.48	\$627.33	\$784.15	\$940.98
121 - 140'	\$182.97	\$365.94	\$548.90	\$731.88	\$914.85	\$1,097.80
141 - 160'	\$209.11	\$418.21	\$627.33	\$836.43	\$1,045.54	\$1,254.64
161 - 180'	\$235.24	\$470.48	\$705.74	\$940.98	\$1,176.22	\$1,411.48
181 - 200'	\$261.39	\$522.77	\$784.15	\$1,045.54	\$1,306.92	\$1,568.30
201 - 220'	\$287.56	\$575.06	\$862.55	\$1,150.09	\$1,437.62	\$1,725.12
221 - 240'	\$313.65	\$627.33	\$940.98	\$1,254.64	\$1,568.30	\$1,881.96
241 - 260'	\$339.80	\$679.60	\$1,019.40	\$1,359.19	\$1,698.98	\$2,038.78
261 - 280'	\$365.94	\$731.88	\$1,097.80	\$1,463.74	\$1,829.68	\$2,195.62
281 - 300'	\$392.08	\$784.15	\$1,176.22	\$1,568.30	\$1,960.38	\$2,352.46

Monthly Push Charges for Bin Service Commercial Premise

Includes bringing the container to the curb for servicing. Container will be left at the curb, empty.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$15.68	\$31.38	\$47.05	\$62.75	\$78.42	\$94.09
21 - 40'	\$31.38	\$62.75	\$94.04	\$125.47	\$156.82	\$188.22
41 - 60'	\$47.05	\$94.09	\$141.15	\$188.22	\$235.24	\$282.29
61 - 80'	\$62.75	\$125.47	\$188.22	\$250.91	\$313.49	\$376.41
81 - 100'	\$78.42	\$156.82	\$235.24	\$313.65	\$392.08	\$470.48
101 - 120'	\$94.09	\$188.22	\$282.29	\$376.41	\$470.48	\$564.57
121 - 140'	\$109.79	\$219.55	\$329.34	\$439.12	\$548.91	\$658.70
141 - 160'	\$125.47	\$250.91	\$376.41	\$501.86	\$627.33	\$752.79
161 - 180'	\$141.15	\$282.29	\$423.45	\$564.57	\$705.74	\$846.88
181 - 200'	\$156.82	\$313.66	\$470.48	\$627.32	\$784.15	\$940.98
201 - 220'	\$172.49	\$345.04	\$517.53	\$690.07	\$862.55	\$1,035.08
221 - 240'	\$188.22	\$376.41	\$564.57	\$752.79	\$940.98	\$1,129.17
241 - 260'	\$203.87	\$407.77	\$611.65	\$815.54	\$1,019.40	\$1,223.28
261 - 280'	\$219.55	\$439.33	\$658.70	\$878.23	\$1,097.80	\$1,317.38
281 - 300'	\$235.24	\$470.52	\$705.74	\$940.98	\$1,176.22	\$1,411.48

Alameda County Industries
City of Alameda
Commercial Garbage Bin/Cart Service Rates
Effective July 1, 2021 through June 30, 2022

Monthly Pull Charges for Bin Service Commercial Premise

Includes returning the container from the curb to the property after servicing is performed.

Linear Feet (Range)	Weekly Collection Frequency					
	1	2	3	4	5	6
1 - 20'	\$10.46	\$20.91	\$31.38	\$41.81	\$52.29	\$62.75
21 - 40'	\$20.91	\$41.81	\$62.75	\$83.63	\$104.54	\$125.46
41 - 60'	\$31.38	\$62.75	\$94.09	\$125.47	\$156.85	\$188.20
61 - 80'	\$41.81	\$83.63	\$125.47	\$167.30	\$209.11	\$250.91
81 - 100'	\$52.29	\$104.54	\$156.82	\$209.11	\$261.39	\$313.65
101 - 120'	\$62.75	\$125.47	\$188.22	\$250.91	\$313.65	\$376.41
121 - 140'	\$73.18	\$146.36	\$219.57	\$292.75	\$365.94	\$439.10
141 - 160'	\$83.63	\$167.30	\$250.91	\$334.57	\$418.21	\$501.86
161 - 180'	\$94.03	\$188.20	\$282.29	\$376.41	\$470.48	\$564.54
181 - 200'	\$104.54	\$209.11	\$313.65	\$418.21	\$522.77	\$627.33
201 - 220'	\$115.03	\$230.00	\$345.03	\$460.02	\$575.05	\$690.07
221 - 240'	\$125.47	\$250.91	\$376.41	\$501.86	\$627.33	\$752.77
241 - 260'	\$135.94	\$271.85	\$407.77	\$543.69	\$679.60	\$815.54
261 - 280'	\$146.36	\$292.75	\$439.12	\$585.50	\$731.88	\$878.23
281 - 300'	\$156.82	\$313.65	\$470.48	\$627.33	\$784.15	\$940.98

Miscellaneous Service - Rates per Occurrence	Rate
Locks, Keys, Hasps	\$36.90
Steam Cleaning - Per Cleaning	\$130.58
Restart Fee for services reduced due to non-payment of account.	\$160.98
Service level changes in excess of once in a twelve month period.	\$26.36

Special Pickups, Same-Day Service, or Non-Collection Day Services - Garbage Carts	
Container Size	Maximum Rate Per
20 Gallon	\$10.84
32 Gallon	\$14.98
64 Gallon	\$30.23
96 Gallon	\$45.38

Container Size (Cubic Yards)	Maximum Rate Per Collection
1	\$85.52
1.5	\$128.28
2	\$171.04
3	\$256.55
4	\$342.07
5	\$427.60
6	\$513.11
7	\$598.64

Container Size (Cubic Yards - Compactors)	Maximum Rate Per Collection
1	\$171.04
1.5	\$256.55
2	\$342.05
3	\$513.11
4	\$684.16
5	\$855.15
6	\$1,026.21
7	\$1,197.26

Alameda County Industries
City of Alameda
Commercial Recyclables Organics Service Rates
Effective July 1, 2021 through June 30, 2022

Commercial customers are eligible to receive weekly recyclables and organics collection, up to 96 gallons each, for no additional charge. Below rates are for additional recyclables and/or organics service over 96 gallons weekly.

Monthly Commercial Recycling or Organics Cart Rates						
Cart Size (Gallons)	Weekly Collection Frequency					
	1	2	3	4	5	6
32	\$32.38	\$64.77	\$97.15	\$129.53	\$161.92	\$194.30
64	\$55.76	\$111.49	\$167.24	\$222.99	\$278.73	\$334.48
96	\$79.43	\$158.88	\$238.30	\$317.73	\$397.17	\$476.61

Monthly Commercial Recycling Bin Rates						
Container Size (Cubic Yards)	Bin Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$138.44	\$279.65	\$423.62	\$570.36	\$719.87	\$872.17
1.5	\$207.66	\$419.46	\$635.44	\$855.56	\$1,079.81	\$1,308.25
2	\$276.88	\$559.29	\$847.25	\$1,140.75	\$1,439.76	\$1,744.31
3	\$415.32	\$838.93	\$1,270.88	\$1,711.12	\$2,159.65	\$2,616.50
4	\$553.76	\$1,118.59	\$1,694.47	\$2,281.49	\$2,879.53	\$3,488.66
5	\$692.18	\$1,398.21	\$2,119.08	\$2,851.83	\$3,599.41	\$4,360.80
6	\$830.64	\$1,677.87	\$2,541.71	\$3,422.20	\$4,319.28	\$5,232.97
7	\$969.06	\$1,957.52	\$2,965.34	\$3,992.56	\$5,039.16	\$6,105.12
Container Size (Cubic Yards)	Compactor Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$276.88	\$559.29	\$847.22	\$1,140.72	\$1,439.73	\$1,744.32
1.5	\$415.32	\$838.92	\$1,270.88	\$1,711.12	\$2,159.65	\$2,616.47
2	\$553.75	\$1,118.59	\$1,694.51	\$2,281.51	\$2,879.54	\$3,488.65
3	\$830.66	\$1,677.86	\$2,541.72	\$3,422.22	\$4,319.29	\$5,232.99
4	\$1,107.54	\$2,237.18	\$3,388.94	\$4,562.95	\$5,759.02	\$6,977.33
5	\$1,384.37	\$2,796.45	\$4,238.16	\$5,703.67	\$7,198.81	\$8,721.61
6	\$1,661.24	\$3,358.86	\$5,083.43	\$6,844.41	\$8,638.56	\$10,465.96

Monthly Commercial Organics Bin Rates						
Container Size (Cubic Yards)	Bin Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$138.44	\$279.65	\$423.62	\$570.36	\$719.87	\$872.17
1.5	\$207.66	\$419.46	\$635.44	\$855.56	\$1,079.81	\$1,308.25
2	\$276.88	\$559.29	\$847.25	\$1,140.75	\$1,439.76	\$1,744.31
3	\$415.32	\$838.93	\$1,270.88	\$1,711.12	\$2,159.65	\$2,616.50
4	\$553.76	\$1,118.59	\$1,694.47	\$2,281.49	\$2,879.53	\$3,488.66
5	\$692.18	\$1,398.21	\$2,119.08	\$2,851.83	\$3,599.41	\$4,360.80
6	\$830.64	\$1,677.87	\$2,541.71	\$3,422.20	\$4,319.28	\$5,232.97
7	\$969.06	\$1,957.52	\$2,965.34	\$3,992.56	\$5,039.16	\$6,105.12
Container Size (Cubic Yards)	Compactor Service: Weekly Collection Frequency					
	1	2	3	4	5	6
1	\$276.88	\$559.29	\$847.22	\$1,140.72	\$1,439.73	\$1,744.32
1.5	\$415.32	\$838.92	\$1,270.88	\$1,711.12	\$2,159.65	\$2,616.47
2	\$553.75	\$1,118.59	\$1,694.51	\$2,281.51	\$2,879.54	\$3,488.65
3	\$830.66	\$1,677.86	\$2,541.72	\$3,422.22	\$4,319.29	\$5,232.99

Alameda County Industries
City of Alameda
Commercial Recyclables Organics Service Rates
Effective July 1, 2021 through June 30, 2022

Miscellaneous Service - Rates per Occurrence	Rate
Locks, Keys, Hasps	\$36.90
Steam Cleaning - Per Cleaning	\$130.58
Restart Fee for services reduced due to non-payment of account.	\$160.98
Service level changes in excess of once in a twelve month period.	\$26.36
Cart Replacement in excess of once in a twelve month period.	\$68.79

Special Pickups, Same-Day Service, or Non-Collection Day Services - Recyclables or Organics		
Container Size		Maximum Rate Per Collection
32	Gallon	\$11.99
64	Gallon	\$24.19
96	Gallon	\$36.31
1	Cubic Yard	\$68.43
1.5	Cubic Yard	\$102.62
2	Cubic Yard	\$136.83
3	Cubic Yard	\$205.25
4	Cubic Yard	\$273.66
5	Cubic Yard	\$342.08
6	Cubic Yard	\$410.49
7	Cubic Yard	\$478.90

Commercial Bin Recycling & Organics - Contamination Fee		
Container Size		Maximum Rate Per Collection
32	Gallon	\$11.99
64	Gallon	\$24.19
96	Gallon	\$36.31
1	Cubic Yard	\$85.52
1.5	Cubic Yard	\$128.28
2	Cubic Yard	\$171.04
3	Cubic Yard	\$256.55
4	Cubic Yard	\$342.07
5	Cubic Yard	\$427.60
6	Cubic Yard	\$513.11
7	Cubic Yard	\$598.64

Commercial Compactor Recycling & Organics - Contamination Fee		
Container Size		Maximum Rate Per Collection
1	Cubic Yard	\$171.04
1.5	Cubic Yard	\$256.55
2	Cubic Yard	\$342.05
3	Cubic Yard	\$513.11
4	Cubic Yard	\$684.16
5	Cubic Yard	\$855.15
6	Cubic Yard	\$1,026.21
7	Cubic Yard	\$1,197.26

Alameda County Industries
City of Alameda
Debris Box Service Rates
Effective July 1, 2021 through June 30, 2022

Please note that the Per Pull Charge is applied each time a debris box or compactor is serviced. Overweight Charges are determined after collection, based on actual weight of materials, applied to each ton in excess of the tons allowed.

Material Type	Debris Box Size	Per Pull Charge	Tons Allowed	Overweight Charges - Per Ton Applied to tons in excess of that allowed in previous column
Garbage (Loose)	10	\$695.41	2	\$121.22
	15	\$1,043.11	3	\$121.22
	20	\$1,390.81	4	\$121.22
	30	\$2,086.22	6	\$121.22
	40	\$2,781.63	8	\$121.22
	50	\$3,477.03	10	\$121.22
Garbage (Compacted)	10	\$773.66	3	\$121.22
	12	\$928.44	3	\$121.22
	15	\$1,160.49	4	\$121.22
	18	\$1,392.66	5.4	\$121.22
	20	\$1,547.32	6	\$121.22
	25	\$1,934.25	6	\$121.22
	30	\$2,320.98	9	\$121.22
	38	\$2,940.06	11	\$121.22
	40	\$3,094.64	11	\$121.22
	50	\$3,868.30	14	\$121.22
Dirt	10	\$1,031.99	7	\$134.72
Construction & Demolition Materials / FRANCHISE RATES	10	\$695.41	N/A	\$121.22
	15	\$1,043.11	N/A	\$121.22
	20	\$1,390.85	N/A	\$121.22
	30	\$2,086.28	N/A	\$121.22
	40	\$2,781.71	N/A	\$121.22
Construction & Demolition Materials / FRANCHISE RATES NON-	10	\$362.20	N/A	\$100.61
	15	\$362.20	N/A	\$100.61
	20	\$362.20	N/A	\$100.61
	30	\$480.90	N/A	\$100.61
	40	\$704.25	N/A	\$100.61
Concrete (No Rebar)	10	\$1,031.99	6	\$134.72

Alameda County Industries
City of Alameda
Debris Box Service Rates
Effective July 1, 2021 through June 30, 2022

Material Type	Debris Box Size	Per Pull Charge	Tons Allowed	Overweight Charges - Per Ton Applied to tons in excess of that allowed in previous column
Wood	10	\$556.35	3	\$28.82
	15	\$834.48	4	\$28.82
	20	\$1,112.65	6	\$28.82
	30	\$1,668.98	9	\$28.82
	40	\$2,225.31	12	\$28.82
	50	\$2,781.63	14	\$28.82
Yardwaste	10	\$556.35	2	\$58.66
	15	\$834.48	3	\$58.66
	20	\$1,112.65	4	\$58.66
	30	\$1,668.98	6	\$58.66
	40	\$2,225.31	8	\$58.66
	50	\$2,781.63	10	\$58.66
Recyclables (Including Metal)	10	\$556.35	N/A	N/A
	15	\$834.48	N/A	N/A
	20	\$1,112.65	N/A	N/A
	30	\$1,668.98	N/A	N/A
	40	\$2,225.37	N/A	N/A
	50	\$2,781.63	N/A	N/A
Compacted - Mixed Recyclables	20	\$1,237.85	N/A	N/A
	25	\$1,547.40	N/A	N/A
	30	\$1,856.78	N/A	N/A
	40	\$2,475.82	N/A	N/A
Compacted - OCC (Clean Cardboard)	20	\$928.39	N/A	N/A
	25	\$1,160.55	N/A	N/A
	30	\$3,868.30	N/A	N/A
	40	\$1,856.87	N/A	N/A
Compacted - Organics	20	\$1,237.85	N/A	\$58.66
	25	\$1,547.40	N/A	\$58.66
	30	\$1,856.78	N/A	\$58.66
	40	\$2,475.82	N/A	\$58.66

Alameda County Industries
City of Alameda
Debris Box Service Rates
Effective July 1, 2021 through June 30, 2022

Debris Box - Additional Service Rates		
Delivery Charge - Initial placement of box onsite/per box		\$146.61
Flasher Charge - Per pull for box placed in street		\$73.44
Relocation Charge - To relocate boxes on site per trip		\$222.37
Demurrage Charge - For on-call boxes if not serviced in 7 days		
	\$45.36/week or	\$6.48/ day
Certificate of Destruction - each		\$240.52
Loads Deemed Contaminated shall be charged at the Garbage rate.		
Per ton fees and rates are subject to change.		

EXHIBIT G3:
IMPLEMENTATION PLAN AND SCHEDULE

EXHIBIT G4:
APPROVED SUBCONTRACTORS

EXHIBIT G4

APPROVED SUBCONTRACTORS

In accordance with Section 3.3 of the Agreement, the City has approved the following Subcontractors and subcontractors to manage the specified services and otherwise assist the Contractor in the performance of the requirements of this Agreement.

Approved Facility or Subcontractor/subcontractor	Services
Browning-Ferris Industries, Inc. (subcontractor)	Organic Materials Processing and Composting at its Newby Island Composting Facility in San Jose
Alameda County Industries, LLC (Subcontractor)	Transfer and Recyclable Materials Processing at its Aladdin Ave. facility in San Leandro
Alameda County Industries, Inc. (Subcontractor), Zanker Recycling (subcontractor)	C&D and Bulky materials Processing

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EXHIBIT G5:
CONTRACTOR'S PROPOSED DIVERSION PLAN

EXHIBIT G5 **CONTRACTOR'S PROPOSED DIVERSION PLAN**

SAMPLE CALCULATION

Collected	Recyclable Materials ("Rc")	Organic Materials ("Oc")	Bulky Items ("Bc")	Subtotal
Cart	9,706	11,494	1,574	22,774
Bin	2,616	4,022	-	6,638
Drop Box	415	3,562	-	3,977
Multi-Family Bulky	-	-	787	787
City Drop Box	-	-	263	263
Total Collected	12,737	19,078	2,624	34,439

*Level of MSW needed to achieve 89%
Diversion

Adjusted Solid Waste*	Total	Beginning Solid Waste	Reduction in Solid Waste
613	23,387	11,175	10,562
566	7,204	10,331	9,765
239	4,216	4,353	4,117
-	787	-	-
-	263	-	-
1,418	35,857	25,859	24,444

Residual	Recyclable Materials ("Rr")	Organic Materials ("Or")	Bulky Items ("Br")	Subtotal
Cart	971	230	393	1594
Bin	262	80	-	342
Drop Box	41	71	-	112
Multi-Family Bulky	-	-	393	393
City Drop Box	-	-	66	66
Total Residual	1,274	381	852	2,507
Collected less Residual*	11,463	18,697	1,772	31,932

*Assumes recycle
residual @ 10%

*Assumes bulky
residual @ 25%

Diversion **89.1%**

EXHIBIT G5 CONTRACTOR'S PROPOSED DIVERSION PLAN

CONTRACTOR PROPOSED SUPPORTING ACTION STEPS

The following action steps have been proposed by the Contractor as suggestions for how the City and Contractor may work together to achieve the Diversion targets identified in Section 5.12 of the Agreement. The City and Contractor will continue to discuss, and may revise as necessary throughout the Term, with prior approval of the City Contract Manager.

Waste Reduction Strategy	Implementation	Agency	How
Environmentally referred purchasing policy	Completed	City of Alameda	Update as needed
Zero Waste Plan	Completed	City of Alameda	Update as needed
Material bans in community (polystyrene, single-use, straws)	Completed	City of Alameda	Update as needed
Measure compliance by all Customers in Sate Diversion regulations, prioritize Customer classification	Ongoing	ACI, City of Alameda	Sustainability Specialist, City staff
3-stream services in all public spaces: parks, recreation centers, transit centers, libraries, etc	Early 1-4 years	ACI, City of Alameda	Determine scope of work and develop implementation plan
Promote reduce/reuse behavior	Early 1-4 years	ACI	Outreach – Digital, print, social media (tailor ACI's Zero Waste Portal to City)
Promote California Green Business Network	Early 1-4 years	ACI	Outreach – Digital, print, social media
Social Awareness Advertising Campaign	Early 1-4 years	ACI	Develop and establish parameters for wide-scale social media campaign
Stop Unwanted Mail Campaign	Early 1-4 years	ACI and City of Alameda	Outreach – Digital, print; social media
City-wide Garage Sale	Early 1-4 years	City of Alameda	Staff time to implement outreach (print and electronic)

EXHIBIT G5

CONTRACTOR'S PROPOSED DIVERSION PLAN

Waste Reduction Strategy	Implementation	Agency	How
Enhanced Technical Assistance (site visits, audits, compliance support)	Middle 5-7 years	ACI, Subcontractor	2 Additional FTE/Technical Assistance Staff, increased outreach budget
Diversion plan requirement in all business leases	Middle 5-7 years	City of Alameda	City ordinance
Reusables transport packaging initiative (pallets, boxes, etc.)	Middle 5-7 years	ACI, City of Alameda	Site specific development
Develop a "Zero Waste Hero" Recognition Program	Middle 5-7 years	ACI	Develop program parameters and rewards
Community group partnerships for zero waste activities (Fix-It clinics, resale shops, food bans, etc.)	Middle 5-7 years	ACI	Staff time to coordinate
Zero Waste Workshops	Middle 5-7 years	ACI	Staff time and equipment/outreach implement (included with enhanced TA)
Producer responsibility initiative	Later 8+ years	City of Alameda	Staff time
Stakeholder Zero Waste Participation Pledge (all Customer groups)	Later 8+ years	ACI, City of Alameda	Staff time to develop and establish parameters (included with enhanced TA)
Recycling Competition by Service Day	Later 8+ years	ACI	Staff time to develop and establish parameters (included with enhanced TA)

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EXHIBIT H:
PERFORMANCE BOND

**EXHIBIT I:
ENVIRONMENTALLY PREFERABLE PURCHASING
POLICY**

Environmentally Preferred Purchasing Policy

Alameda County Industries (ACI)

Updated: May 2018

STATEMENT OF POLICY

It is the policy of ACI to:

- Institute practices that reduce waste by increasing product efficiency and effectiveness;
- Purchase products that minimize environmental impacts, toxics, pollution, and hazards to worker and community safety;
- Purchase products whenever suitable of intended use that reduce greenhouse gas emissions in their production, shipping, use and discard; and
- Purchase products whenever suitable for intended use that include recycled content, are durable and long-lasting, conserve energy and water, use agricultural fibers and residues, use unbleached or chlorine free manufacturing processes, are lead-free and mercury-free, and use wood from sustainably harvested forests.

PURPOSE

This Policy is adopted in order to:

- Conserve natural resources,
- Minimize environmental impacts such as pollution and use of water and energy,
- Eliminate or reduce toxics that create hazards to workers and our community,
- Support strong recycling markets,
- Reduce materials that are landfilled,
- Increase the use and availability of environmentally preferable products that protect the environment,
- Provide for environmentally preferable purchasing compliance when required in our franchise contracts,
- Create a model for successfully purchasing environmentally preferable products that encourages other purchasers in our community to adopt similar goals.

STRATEGIES FOR IMPLEMENTATION

Source Reduction

- Institute practices that reduce waste, encourage reuse, and result in the purchase of fewer products.
- Purchase remanufactured products such as toner cartridges, tires and furniture to the extent that these items meet the needs of ACI.
- Consider short-term and long-term costs in comparing product alternatives. This includes evaluation of total costs expected during the time a product is owned, including, but not limited to, acquisition, extended warranties, operation, supplies, maintenance and replacement parts, disposal costs and expected lifetime compared to other alternatives.
- Purchase products that are durable, long lasting, reusable or refillable and avoid purchasing one-time use or disposable products.
- Request vendors eliminate packaging or use the minimum amount necessary for product protection. Vendors shall be encouraged to take back packaging for reuse. A vendor's willingness to take back packaging may be used as part of the consideration in the bid process.
- Specify a preference for packaging that is reusable, recyclable or compostable, when suitable uses and programs exist.
- Encourage vendors to take back and reuse pallets and other shipping materials.
- Encourage suppliers of electronic equipment, including but not limited to computers, monitors, printers, and copiers, to take back equipment for reuse or environmentally sound recycling when ACI discards or replaces such equipment, whenever possible. Suppliers may be required to state their take back, reuse or recycling programs during the bidding process.
- Consider provisions in contracts with suppliers of non-electronic equipment that require suppliers to take back equipment for reuse or environmentally sound recycling when ACI discards or replaces such equipment, whenever possible. Suppliers may be required to state their take back, reuse or recycling programs during the bidding process.
- Promote electronic distribution of documents rather than printing or copying.
- When producing paper documents, print and copy all documents on both sides to reduce the use and purchase of paper.
- Reduce the number and type of equipment needed to perform office functions to save energy and reduce purchasing and maintenance costs. Eliminate desktop printers, redundant network printers and reduce the number of fax machines leased or owned by ACI. Consider lease or purchase of multi-function devices.
- Ensure all imaging equipment is installed with energy and resource-efficient settings set as default.

Recycled Content Products

- Purchase products with recycled content such as office paper, janitorial paper, and non-paper office products, that contain post-consumer content suitable for the intended use and where available from local vendors.
- Purchase multi-function devices, copiers and printers compatible with the use of recycled content and remanufactured products.

- Purchase re-refined lubricating and industrial oil for use in vehicles and other equipment, as long as it is certified by the American Petroleum Institute (API) and appropriate for use in such equipment. This section does not preclude the purchase of virgin-oil products for exclusive use in vehicles whose warranties expressly prohibit the use of products containing recycled oil.
- Ensure pre-printed recycled content papers intended for distribution that are purchased or produced contain a statement that the paper has recycled content.

Energy Efficient and Water Saving Products

- Purchase energy-efficient equipment with the most up-to-date energy efficiency functions when replacing or upgrading these fixtures.
- Replace inefficient interior lighting with energy-efficient equipment when replacing or upgrading these fixtures.
- Replace inefficient exterior lighting when upgrading or replacing these fixtures and minimize exterior lighting where possible to avoid unnecessary lighting of architectural and landscape features while providing adequate illumination for safety and accessibility.
- Purchase U. S. EPA Energy Star certified products when available and appropriate.
- Purchase U.S. EPA WaterSense labeled water-saving products when available and when upgrading or replacing these fixtures.
- Green Building Products and Practices
- Consider Green Building practices for design, construction, and operation as described in the LEED Rating Systems for all building and renovations undertaken by ACI.

Toxics and Pollution Prevention Products and Practices

- Manage pest problems through prevention and physical, mechanical and biological controls when ACI and its contractors maintain buildings and landscapes. ACI may either adopt and implement an Organic Pest Management (OPM) policy and practices or adopt and implement an Integrated Pest Management (IPM) policy and practices using the least toxic pest control as a last resort.
- Purchase or require janitorial contractors to supply, industrial and institutional cleaning products that meet Green Seal certification standards for environmental preference and performance when renewing service agreements.
- Purchase paper, paper products, and janitorial paper products that are unbleached or are processed without chlorine or chlorine derivatives whenever possible.
- Purchase products and equipment with no lead or mercury whenever possible. For products that contain lead or mercury, ACI should give preference to those products with lower quantities of these metals and to vendors with established lead and mercury recovery programs. In addition, whenever lead- or mercury-containing products require disposal, ACI will dispose/recycle those products in the most environmentally safe manner possible.
- When possible, purchase or specify personal computers, displays, imaging equipment and televisions that meet, at a minimum, all Electronic Product Environmental Assessment Tool

(EPEAT) environmental criteria designated as “required” as contained in the IEEE 1680 family of Environmental Assessment Standards.

- When possible, purchase or specify office furniture that meets the California Bureau of Electronic and Appliance Repair, Home Furnishings and Thermal Insulation (BEARHFTI) and Department of Consumer Affairs standard Technical Bulletin 117-2013 for testing upholstered furniture flammability without the use of flame retardant chemicals.
- When possible, purchase or specify commercial carpeting that meets NSF/ANSI 140 Standard for Sustainable Carpet Assessment and recycle old carpet that is removed when replacing flooring.
- When possible, purchase or specify non-carpet floor coverings that meet NSF/ANSI 332 Standard for Resilient Flooring including vinyl, linoleum and rubber flooring when replacing flooring.
- When replacing vehicles, consider less-polluting alternatives to diesel such as compressed natural gas, bio-based fuels, hybrids, electric batteries, and fuel cells, as available and when appropriate.

RESPONSIBILITIES

- The health and safety of workers and citizens is of utmost importance and takes precedence over all other practices. Nevertheless, ACI recognizes its duty to act in a fiscally responsible as well as a timely manner.
- Nothing contained in this policy shall be construed as requiring a department, purchaser or contractor to procure products that do not perform adequately for their intended use, exclude adequate competition, risk the health or safety of workers and citizens, or are not available at a reasonable price in a reasonable period of time.
- Nothing contained in this policy shall be construed as requiring ACI, department, purchaser, or contractor to take any action that conflicts with local, state or federal requirements.
- ACI has made significant investments in developing a successful recycling system and recognizes that recycled content products are essential to the continuing viability of that recycling system and for the foundation of an environmentally sound production system. Therefore, to the greatest extent practicable, recycled content shall be included in products that also meet other specifications, such as chlorine free or bio-based.

IMPLEMENTATION

- The General Manager and/or Controller shall implement this policy in coordination with other appropriate ACI personnel.
- Upon request, buyers making the selection from competitive bids shall be able to provide justification for product choices that meet the environmentally preferable purchasing criteria in this policy.

- Include businesses certified by the California Green Business Program in purchasing requests for products and services.
- Encourage vendors to comply with applicable sections of this policy for products and services provided to ACI.

PROGRAM EVALUATION

- The General Manager and/or Controller shall periodically evaluate the success of this policy implementation.

DEFINITIONS

“California Green Business Program” is a partnership of governments and businesses that certifies the environmental performance of government agencies and businesses.

“Buyer” means anyone authorized to purchase or contract for purchases on behalf of this jurisdiction or its subdivisions.

“The Carpet and Rug Institute” (CRI) is the national trade association representing the carpet and rug industry. CRI has developed and administered the “Green Label” indoor air quality testing and labeling program for carpet, adhesives, cushion materials and vacuum cleaners.

“Contractor” means any person, group of persons, business, consultant, designing architect, association, partnership, corporation, supplier, vendor or other entity that has a contract with ACI or serves in a subcontracting capacity with an entity having a contract with ACI for the provision of goods or services.

“Electronic Product Environmental Assessment Tool” (EPEAT) is a procurement tool to help institutional purchasers in the public and private sectors evaluate, compare and select personal computers, displays, imaging equipment and televisions based on their environmental attributes.

“Energy Star” means the U.S. EPA’s energy efficiency product labeling program.

“Energy-Efficient Product” means a product that is in the upper 25% of energy efficiency for all similar products, or that is at least 10% more efficient than the minimum level that meets Federal standards.

“Green Seal” is an independent, non-profit environmental labeling organization. Green Seal standards for products and services meet the U.S. EPA’s criteria for third-party certifiers. The Green Seal is a registered certification mark that may appear only on certified products.

“Integrated Pest Management” is an ecosystem-based strategy that focuses on long-term prevention of pests or their damage through a combination of techniques such as biological control, habitat manipulation, modification of cultural practices, and use of resistant varieties. Pesticides are used only

after monitoring indicates they are needed according to established guidelines, and treatments are made with the goal of removing only the target organism. Pest control materials are selected and applied in a manner that minimizes risks to human health, beneficial and nontarget organisms, and the environment.

“LEED Rating System” means the most recent version of the Leadership in Energy and Environmental Design (LEED) Rating System, approved by the U.S. Green Building Council, and designed for rating new and existing commercial, institutional, and residential buildings.

“NSF/ANSI” means NSF International follows the American National Standards Institute (ANSI) standards development process. Standards are developed by joint committees (balanced stakeholder groups of public health, industry and user representatives).

“Organic Pest Management” prohibits the use and application of toxic chemical pesticides and strives to prevent pest problems through the application of natural, organic horticultural and maintenance practices. All pest control products shall be in keeping with, but not limited to, those products on the approved list of California Certified Organic Farmers (CCOF).

"Post-consumer Material" means a finished material which would normally be disposed of as a solid waste, having reached its intended end-use and completed its life cycle as a consumer item, and does not include manufacturing or converting wastes.

“Pre-consumer Material” means material or by-products generated after manufacture of a product is completed but before the product reaches the end-use consumer. Pre-consumer material does not include mill and manufacturing trim, scrap, or broke which is generated at a manufacturing site and commonly reused on-site in the same or another manufacturing process.

“Recovered Material” means fragments of products or finished products of a manufacturing process, which has converted a resource into a commodity of real economic value, and includes pre-consumer and post-consumer material but does not include excess resources of the manufacturing process.

“Recycled Content” means the percentage of recovered material, including pre-consumer and post-consumer materials, in a product.

“Recycled Content Standard” means the minimum level of recovered material and/or post-consumer material necessary for products to qualify as “recycled products.”

“Recycled Product” means a product that contains post-consumer and recovered material.

“Remanufactured Product” means any product diverted from the supply of discarded materials by refurbishing and marketing said product without substantial change to its original form.

“Reused Product” means any product designed to be used many times for the same or other purposes without additional processing except for specific requirements such as cleaning, painting or minor repairs.

“Source Reduction” refers to products that result in a net reduction in the generation of waste compared to their previous or alternate version and includes durable, reusable and remanufactured products; products with no, or reduced, toxic constituents; and products marketed with no, or reduced, packaging.

“Water-Saving Products” are those that are in the upper 25% of water conservation for all similar products, or at least 10% more water-conserving than the minimum level that meets the Federal standards.

“WaterSense” means a partnership program by the U.S. Environmental Protection Agency. Independent, third-party licensed certifying bodies certify that products meet EPA criteria for water efficiency and performance by following testing and certification protocols specific to each product category. Products that are certified to meet EPA specifications are allowed to bear the WaterSense label.

EFFECTIVE DATES

- This policy shall remain in effect and may be revised from time to time.

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of doubled-sided printing.***

EXHIBIT J:
INITIAL RATES FOR SPECIAL EVENTS

City of Alameda Rates for Event Services

	Number of Days	Clear Streams	Carts - 32gal, 64gal or 96gal	FEL - Recycle, Organics, Garbage	Debris Box - Recycle, Organics, Garbage	Table/Support Service
Cost per unit	Per event/day	\$ 2,750.00	\$125/\$50	Published Rate	Published Rate	\$ 720.00
Cost notes	After 12th event	Per event/day, up to 30 units	\$125 first set of 3 carts: MSW, REC, ORG, per event; \$50/set thereafter per event	Published "Special Pickup" rate in effect for container size/material requested, per container	Published rate in effect for container size/material requested, per container	Staff of 2 people, 8 hours, \$90/hr each add'l hr

Note: Services for FEL and Debris Box, rate based on applicable published rate in effect at the time service is provided. Rates for non-Container services adjusted annually per rate application.

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of doubled-sided printing.***

EXHIBIT K:
CONTAMINATION MONITORING AND FACILITY
EVALUATIONS

EXHIBIT K

CONTAMINATION MONITORING AND FACILITY EVALUATIONS

1. Annual Route Reviews

Quarterly reports shall be presented by Contractor to show the following information for each month in the reported quarter: and include a quarterly average. In addition, each quarterly report shall show the past four (4) quarters average for data comparison (the first three (3) quarters of the Agreement shall only include the available quarterly information).

- A. Methodology.** The Contractor shall, at its sole expense, conduct Route reviews of Containers for Prohibited Container Contaminants in a manner that meets the requirements of this Section; is approved by the City; and results in all Routes being reviewed at least annually.

The Contractor's Route review shall include all Container types in service (Recyclable Materials, Organic Materials, and Solid Waste Containers) for all Customer Types. The Containers shall be randomly selected prior to beginning the Route review through use of a random number generator; and the minimum number of Containers to be sampled shall be based on weekly Route size, as follows:

1. Tonnage delivered to each Approved Facility by Customer Type, subtotalling and clearly identifying those Tons that are Diverted and those that are Disposed.
2. For weekly Routes with less than 1,500 Generators, the Contractor shall sample a minimum of 25 Containers;
3. For weekly Routes with 1,500-3,999 Generators, the Contractor shall sample a minimum of 30 Containers;
4. For weekly Routes with 4,000-6,999 Generators, the Contractor shall sample a minimum of 35 Containers; and,
5. For weekly Routes with more than 7,000 Generators, the study shall include a minimum of 40 samples.

Contractor shall develop a specific Route review methodology to accomplish the above Container inspection requirements and such methodology shall comply with the requirements of 14 CCR Section 18984.5(b). Contractor shall submit its proposed Route review methodology for the coming year to the City no later than January 15 of each year describing its proposed methodology for the calendar year and schedule for performance of each Route's annual review. Contractor's proposed Route review methodology shall include not only its plan for Container inspections, but shall also include its plan for prioritizing the inspection of Customers that are more likely to be out of compliance. The City and/or CalRecycle will review and approve the proposed methodology. Contractor may commence with the proposed methodology upon approval.

If the City and/or CalRecycle notifies the Contractor that the methodology is inadequate to meet the requirements of 14 CCR Section 18984.5(b), Contractor shall, at its sole expense, revise the methodology and, after obtaining City or CalRecycle approval, conduct additional Route reviews, increased Container inspections, or implement other changes using the revised procedure. If the Contractor's proposed methodology meets the requirements of 14 CCR Section 18984.5(b), but has been deemed inadequate by the City, the Contractor shall, at the expense of the City, revise the methodology and implement the necessary changes using the revised procedure.

EXHIBIT K

CONTAMINATION MONITORING AND FACILITY EVALUATIONS

The City's Contract Manager may request, and Contractor shall accept, modifications to the schedule to permit observation of the Route reviews by the City. In addition, Contractor shall provide an email notice to the City's Contract Manager no less than ten (10) Working Days prior to each scheduled Route review that includes the specific time(s), which shall be within the City's normal business hours, and location(s).

- B. Contamination Notification.** Upon identification of Prohibited Container Contaminants in a Customer's Container during a Route review, Contractor shall provide the Customer with a notice of contamination in the form of either a Courtesy Notice or a Non-Collection Notice as determined by the Route auditor, in accordance with Section 5.3.B.
- C. Courtesy Pick-Up Notice.** Upon identification of Prohibited Container Contaminants in a Customer's Container, Contractor shall provide the Customer a Courtesy Notice. The Courtesy Notice shall: (i) inform the Customer of the observed presence of Prohibited Container Contaminants; (ii) include the date and time the Prohibited Container Contaminants were observed; (iii) include information on the Customer's requirement to properly separate materials into the appropriate Containers, and the accepted and prohibited materials for Collection in each Container; (iv) inform the Customer of the courtesy pick-up of the contaminated materials on this occasion with information that the Contractor may assess contamination Processing fees and/or issue a Non-Collection Notice in the future; and, (v) shall include photographic evidence. Contractor shall leave the Courtesy Notice attached to or adhered to the Generators' contaminated Containers; at the Premises' door or gate; or, subject to City's approval, may deliver the notice by mail, e-mail, or text message.

The format of the Courtesy Notice shall be submitted and approved by the City Contract Manager in accordance with Section 5.3.B.

Contractor shall Collect the contaminated Recyclable Materials and/or Organic Materials Containers and either Transport the material to the appropriate Approved Facility for Processing; or Contractor may Collect the contaminated materials with the Solid Waste and Transport the contaminated materials to the Designated Disposal Facility. A Courtesy Collection of contaminated Recyclable Materials or Organic Materials where the materials are sent to the Designated Disposal Facility may be made with a Solid Waste Collection vehicle, provided that the contaminants may safely and lawfully be Collected as Solid Waste.

D. Non-Collection Notices

- 1. Non-Collection Notice.** Upon identification of Prohibited Container Contaminants in a Container in excess of standards agreed upon by the Parties or Excluded Materials, Contractor shall provide a Non-Collection Notice to the Generator. The Non-Collection Notice shall, at a minimum: (i) inform the Customer of the reason(s) for non-Collection; (ii) include the date and time the notice was left or issued; (iii) describe the premium charge to Customer for Contractor to return and Collect the Container after Customer removes the Contamination; and, (iv) provide a warning statement that a contamination Processing fee may be assessed. The Non-Collection Notice shall include photographic evidence of the violation(s).
- 2. Communications with Customer.** Whenever a Container at the Premises of a Commercial or a Multi-Family Customer is not Collected, Contractor shall contact the Customer on the scheduled Collection day or within twenty-four (24) hours of the scheduled Collection day by telephone, email, text message, or other verbal or electronic message to explain why the

EXHIBIT K

CONTAMINATION MONITORING AND FACILITY EVALUATIONS

Container was not Collected. Whenever a Container is not Collected because of Prohibited Container Contaminants, a Customer service representative shall contact the Customer to discuss and encourage the Customer to adopt proper Discarded Materials preparation and separation procedures.

3. **Contractor Return for Collection.** Upon request from Customer, Contractor shall Collect Containers that received Non-Collection Notices within one (1) Working Day of Customer's request if the request is made at least two (2) Working Days prior to the regularly scheduled Collection Day. Contractor shall bill Customer for the extra Collection service event ("extra pick-up") at the applicable City-approved Rates only if Contractor notifies Customer of the premium Rate for this service at the time the request is made by Customer.
- E. **Assessment of Contamination Processing Fees.** If the Contractor observes Prohibited Container Contaminants and has issued a Courtesy Notice or Non-Collection Notice, as appropriate, the Contractor may impose a contamination Processing fee rate approved by the City for that Customer's Service Level. Contractor shall leave a contamination Processing fee notice tag attached to or adhered to the Generators' contaminated Container(s); at the Premises' door or gate; or, subject to City approval, may deliver the notice by mail, e-mail or text message. The contamination Processing fee notice shall describe the specific material(s) of issue, explain how to correct future set outs, and indicate that the Customer will be charged a contamination Processing fee on their next bill. The format of the contamination Processing fee notice shall be approved by the City Contract Manager. Contractor shall notify the City in its quarterly report of Customers for which contamination Processing fees were assessed.

Contractor agrees that Contamination fees shall not exceed one percent (1%) of Contractor's Gross Receipts in any calendar quarter. In the event that Contamination fees exceed one percent (1%) of Contractor's Gross Receipts in any calendar quarter, the assessment of Contamination fees shall be suspended immediately and indefinitely pending a program assessment by the City and Contractor. Upon program suspension or at the request of the City at any time during the Term of the Agreement, City and Contractor shall meet and confer regarding the application and effectiveness of Contamination fees in accomplishing the behavior change. If the program is suspended due to excessive revenue generation, the City may require Contractor to either: (i) modify the program parameters; (ii) modify the amount of the Contamination fee; or, (iii) return to the City any funds generated by the Contamination fee which exceed one percent (1%) of Contractor's Gross Receipts for a given period of time.

Failure to comply with the requirements of this Section shall equate to Liquidated Damages in accordance with Exhibit F.

- F. **Reporting Requirements.**
1. **Container Contaminant Log.** The driver or other Contractor representative shall record each event of identification of Prohibited Container Contaminants in a written log or in the on-board computer system including: date, time, Customer's address, type of Container, and photographic evidence. Contractor shall maintain records and report information on a monthly basis in accordance with Exhibit D.

EXHIBIT K

CONTAMINATION MONITORING AND FACILITY EVALUATIONS

Annual Route Review Methodology

REPORT FOR 12-MONTH PERIOD From July 1, 2023 to June 30, 2024	Residential Commercial Multifamily Cart Service (Form 6A)			Commercial Cart Service (Form 6B)			Commercial Bin Service (Form 6C)		
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials
1 Account Information # of weekly accounts (customers)	19,927	20,054	19,968				777	298	100
Routes	6	7	4	Note 1	Note 1	Note 1	3	1	1
Weekly Generators	3321	2665	4992				259	298	108
Minimum Sampling Requirement (Containers)	30	30	35				25	25	25

Note 1: Commercial Cart Service sampling is included with Form 6A routes

Contractor's Methodology

1. ACI shall perform Route reviews for Prohibited Container Contaminants annually in accordance with the requirements in Exhibit K.
 - 1a. Route Reviews methodology shall comply with the requirements of 14 CCR Section 18984.5(b).
2. ACI shall randomly select the minimum number of Containers to be sampled based on weekly Route size as per the table above.
 - 2a. Random selection process will be based on a software program for random number generation.
3. ACI shall use best efforts to prioritize Customers that are more likely to be out of compliance. ACI will consider reports from ACI staff of contamination during site visits or during service provided in the recent past in identifying these out of compliance Customers and include these sites in the selected sample.
4. ACI will provide an email notice to the City's Contract Manager no less than ten (10) Working Days prior to each scheduled Route review that includes the specific dates and time(s) in order to allow the City Contract Manager or its designee to observe the Route review.
5. ACI will perform the Route Reviews using either ACI staff or 3rd party temporary staff with ACI supervision. Staff will be provided with proper identification and PPE (hi-vis vest, gloves, disinfectant, etc.) while in the field so they are clearly identifiable as performing services on behalf ACI.
6. ACI staff (or its subcontractor) will perform Route Reviews during the allowable hours of service per section 5.2 of the Franchise Agreement, Operating Hours and Schedules.
7. Containers not located curbside will be included in Route reviews, however these customers will be notified about the purpose of the Container contents review in advance.
8. ACI staff shall perform a visual inspection of the Container contents to the best of their ability without unloading the contents of the Container.
 - 8a. Container lid opened, survey of type prohibited materials observed, estimation of contamination level documented, Container lid closed. There shall be no physical handling of Container contents, and Container placement shall remain as found upon arrival.
9. ACI staff shall document their findings for each container reviewed and observed directly into the company's customer database, or other City approved database tracking software.
10. ACI will use its best efforts to document the findings only in digital form to reduce waste. ACI will use electronic devices to record the observations, photograph and notate any observed Prohibited Container Contaminants for uploading to the company's tracking software.
11. ACI staff will provide the Customer with a notice of contamination in the form of either a Courtesy Notice or a Non-Collection Notice as determined by the Route auditor in accordance with Section 5.3.B upon identification of Prohibited Container Contaminants in a Customer's Container during a Route review.
12. ACI shall summarize its findings from the Route Review and provide a report in electronic format to the City Contract Manager.



CERTIFICATE OF LIABILITY INSURANCE

ALAMCOU-01

CASA

DATE (MM/DD/YYYY)

3/30/2021

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

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

PRODUCER Omnis Risk Insurance Solutions 108 S.Sunnyvale Avenue, Suite A Sunnyvale, CA 94086		(408) 245-6600 CONTACT NAME: Isabel Jimenez PHONE (A/C, No, Ext): (408) 245-6600 FAX (A/C, No): (408) 245-6610 E-MAIL: ijimenez@omnisrisk.com ADDRESS:	
INSURED Alameda County Industries, Inc 610 Aladdin Ave San Leandro, CA 94577-		INSURER(S) AFFORDING COVERAGE INSURER A: Greenwich Insurance Company INSURER B: XL Specialty Insurance Co INSURER C: Alaska National Insurance Company INSURER D: Indian Harbor Ins Co INSURER E: National Union Fire Insurance Company of Pittsburgh, Pa. INSURER F:	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	X COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	GEC002264714	4/1/2021	4/1/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	X AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	AEC002264914	4/1/2021	4/1/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	X UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000	Y	N	UEC003717209	1/27/2021	1/27/2022	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input checked="" type="checkbox"/> Y / N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	Y	21D WD 10505	4/1/2021	4/1/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Pollution	Y	Y	PEC000097321	4/1/2021	4/1/2022	Limit \$5,000,000/\$10,000,000
E	Crime	N	N	08-646-86-37	4/1/2021	4/1/2022	Limit \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 City, its officers, agents employees, and volunteers shall be named as additional insured regarding General Liability, Auto Liability, Umbrella and Pollution and a Waiver of Subrogation applies to General Liability, Auto Liability, Pollution and Workers' Compensation. Coverage will not be cancelled except after 30 days prior written notice and 10 days for non-payment of premium. Coverage shall be Primary.

CERTIFICATE HOLDER City of Alameda Public Works D Environmental Services Manager 950 West Mall Square Bld1 Room 110 Alameda, CA 94501-	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Isabel Jimenez</i>
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s): Any person or organization where required by written contract provided that such contract was executed prior to the date of loss.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
AUTO DEALERS COVERAGE FORM

- A. **COVERED AUTOS LIABILITY COVERAGE, Who Is An Insured**, is amended to include as an "insured" any person or organization you are required in a written contract to name as an additional insured, but only for "bodily injury" or "property damage" otherwise covered under this policy caused, in whole or in part, by the negligent acts or omissions of:

1. You, while using a covered "auto"; or
2. Any other person, except the additional insured or any employee or agent of the additional insured, operating a covered "auto" with your permission;

Provided that:

- a. The written contract is in effect during the policy period of this policy;
 - b. The written contract was signed by you and executed prior to the "accident" causing "bodily injury" or "property damage" for which liability coverage is sought; and
 - c. Such person or organization is an "insured" solely to the extent required by the contract, but in no event if such person or organization is solely negligent.
- B. The Limits of Insurance provided for the Additional Insured shall not be greater than those required by contract and, in no event shall the Limits of Insurance set forth in this policy be increased by the contract.
- C. **General Conditions, Other Insurance** is amended as follows:

Any coverage provided hereunder shall be excess over any other valid and collectible insurance available to the additional insured whether such insurance is primary, excess, contingent or on any other basis unless the contract specifically requires that this policy be primary.

All terms, conditions, exclusions and limitations of this policy shall apply to the liability coverage provided to any additional insured, and in no event shall such coverage be enlarged or expanded by reason of the contract.

All other terms and conditions of this policy remain unchanged.

C. Litigation Expense Coverage

We will indemnify you up to an aggregate limit of liability of \$25,000 for the actual loss of earnings and reasonable and necessary expenses incurred by you for attendance at depositions, hearings, arbitrations, **Mediation** or trials, at our written request, for **Claim(s)** covered under this Policy. This limit of liability is the most we will pay regardless of the number of **Claim(s)**, events or persons attending.

D. Subpoena Expense Coverage

We will pay on your behalf up to an aggregate limit of liability of \$25,000 for reasonable and necessary fees and costs of counsel retained by us to advise you regarding the production of subpoenaed documents or to represent you while preparing for or giving testimony in response to a subpoena that is both served on you during the **Policy Period** and reported by you to us, in writing, during the **Policy Period**, or, where applicable, the Extended Reporting Period, and arises from a **Pollution Condition** on, at, under or migrating from **Your Location**. This limit of liability is the most we will pay regardless of the number of subpoenas served.

SECTION III - DEFINITIONS**A. Additional Insured means:**

1. any person or entity endorsed onto this Policy as an **Additional Insured**;
2. all of your first mortgagees for loans on **Your Location**; or
3. any person or entity, as required by a written contract or agreement signed by the **First Named Insured**, provided that such written contract or agreement is signed by the **First Named Insured** prior to the commencement of the **Pollution Condition**.

Coverage for such **Additional Insured** only applies for:

- a. a **Pollution Condition** on, at, under or migrating from **Your Location**;
- b. the person's, entity's or mortgagee's liability, to the extent permitted by law, arising out of the **First Named Insured's** ownership, occupation, development, operation, maintenance, financing or use of **Your Location**; and
- c. only if the person, entity or mortgagee is named in a suit as a co-defendant with the **First Named Insured**, alleging that the person or entity is liable on the basis described in Subsection A.3.b. immediately above,

If coverage is required by a written contract or agreement, under Subsection A.3. referenced above, the most we will pay on behalf of the **Additional Insured** is the lesser of: (i) the amount of insurance required by the written contract or agreement; or (ii) the amount of insurance available under the applicable Limit of Liability set forth in Item (4) of the Declarations. Coverage shall not increase the applicable Limit of Liability set forth in Item (4) of the Declarations.

B. Additional Named Insured means any person or entity endorsed onto this Policy as an **Additional Named Insured, but solely with respect to the liability of such person or entity as a result of their ownership, occupation, development, operation, maintenance, financing or use of **Your Location**.****C. Bodily Injury means each of the following caused by a **Pollution Condition**:**

1. physical injury, sickness, disease or building related illness sustained by any person, including death resulting therefrom, and any accompanying medical or environmental monitoring; or

ENDORSEMENT #003

This endorsement, effective 12:01 a.m., April 1, 2021 forms a part of Policy No. UEC003717209 issued to ALAMEDA COUNTY INDUSTRIES, INC. by XL Specialty Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF UNDERLYING INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS FOLLOW FORM AND UMBRELLA LIABILITY POLICY

Declarations Item 5. is completed to read as follows:

Coverage:	Commercial General Liability
Insurer	GREENWICH INSURANCE
Policy Number:	GEC002264714
Policy Period:	April 1, 2021 to April 1, 2022
	\$ 1,000,000 Each Occurrence
	\$ 2,000,000 General Aggregate
	\$ 2,000,000 Products/Completed Operations Aggregate

Coverage:	Automobile Liability
Insurer	XL SPECIALTY INSURANCE
Policy Number:	AEC002264914
Policy Period:	April 1, 2021 to April 1, 2022
	\$1,000,000 Combined Single Limit

Coverage:	Employers' Liability
Insurer	ALASKA NATIONAL INS CO.
Policy Number:	21D WD 10505
Policy Period:	April 1, 2021 to April 1, 2022
	\$ 1,000,000 Each Accident
	\$ 1,000,000 Each Employee
	\$ 1,000,000 Each Policy

Coverage:	Employers' Liability
Insurer	ALASKA NATIONAL INS CO.
Policy Number:	21D WD 11405
Policy Period:	April 1, 2021 to April 1, 2022
	\$ 1,000,000 Each Accident
	\$ 1,000,000 Each Employee
	\$ 1,000,000 Each Policy

Coverage:	Employers' Liability
Insurer	ALASKA NATIONAL INS CO.
Policy Number:	21D WD 11574

Policy Period: April 1, 2021 to April 1, 2022
\$ 1,000,000 Each Accident
\$ 1,000,000 Each Employee
\$ 1,000,000 Each Policy

All other terms and conditions remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART DESIGNATED SITES
POLLUTION LIABILITY LIMITED COVERAGE PART DESIGNATED SITES
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

SCHEDULE

Name Of Person(s) Or Organization(s):

Any person or organization where required by written contract provided that such contract was executed prior to the date of loss (as permissible by law)

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: ALAMEDA COUNTY INDUSTRIES, INC.

Endorsement Effective Date: April 1, 2021

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

WHERE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT EXECUTED
PRIOR TO LOSS (EXCEPT WHERE NOT PERMITTED BY LAW).

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2% of the California workers' compensation premium otherwise due on such remuneration.

Person or Organization	SCHEDULE	Job Description
Blanket Waiver: Any person or organization for whom the insured, has agreed by written contract to furnish this waiver		

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective 04/01/2021

Policy No. 21D WD 10505

Insured Alameda County Industries, Inc.

Endorsement No. 4

Countersigned By Wayne Bryan

Omnis/Sunnyvale

1. as if each **Insured** were the only **Insured**; and
2. separately to each **Insured** against whom a **Claim** is made.

Any misrepresentation, act or omission that is in violation of a term, duty or condition under this Policy by one **Insured** shall not by itself affect coverage for another **Insured** under this Policy. However, this exception shall not apply to the **Insured** who is a parent, subsidiary or affiliate of the **Insured** which committed the misrepresentation, act or omission referenced above.

L. Sole Agent

The **First Named Insured** shall act on behalf of all **Insureds** for the payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation or non-renewal, any policy buy back and the exercise of the rights provided in SECTION VI – EXTENDED REPORTING PERIOD.

M. Subrogation and Recoupment

In the event of any payment under this Policy, we shall have the right to seek recoupment against you in the event we determine no coverage exists and/or be subrogated to all your rights of recovery against any person or entity, and you shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights.

Any recovery as a result of subrogation proceedings under this Policy shall accrue first to you to the extent of your payments in excess of the Limits of Liability of this Policy; then to us to the extent of our payment under this Policy; and then to you to the extent of your payment of the Self-Insured Retention Amount. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recovery in the proportion that each interested party's share in the recovery bears to the total recovery amount.

However, we waive our right of recovery against any person or entity if and to the extent you agree to waive your right of recovery against such person or entity in a written contract or agreement signed by you prior to:

1. a **Claim** or **Pollution Loss**; or
2. the first commencement of a **Pollution Condition** out of which the **Claim** or request for **Pollution Loss** or **Emergency Remediation Expense** arises under SECTION I - INSURING AGREEMENTS.

N. Territory

This Policy only applies to a **Claim** that is first brought, and at all times maintained, within the United States, its territories and possessions, or in Canada.

This Policy does not apply to any **Claim** for which payment would be in violation of the laws of the United States including, but not limited to, United States economic or trade sanction laws or export control laws administered by the United States Treasury, State, and Commerce Departments, such as the economic and trade sanctions administered by the United States Treasury Office of Foreign Assets Control.