

AMENDED AGREEMENT

BETWEEN

THE CITY OF PLEASANTON

AND

PLEASANTON GARBAGE SERVICE, INC.

**FOR SOLID WASTE, RECYCLABLE MATERIALS, AND
ORGANIC MATERIALS SERVICES**

JUNE 7, 2022

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**Amended Agreement between
the City of Pleasanton
and
Pleasanton Garbage Service, Inc.**

**For Solid Waste, Recyclable Materials and
Organic Materials Collection Services**

THIS AMENDED AGREEMENT is made and entered into as of the ____ day of _____, 2022, by and between the City of Pleasanton (hereinafter "the City") and Pleasanton Garbage Service, Inc. (hereinafter referred to as the "Contractor" or "PGS").

RECITALS

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

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

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

WHEREAS; SB 1383 establishes regulatory requirements for jurisdictions, Generators, haulers, Solid Waste facilities, and other entities to support achievement of State-wide Organic Waste Disposal reduction targets;

WHEREAS; SB 1383 requires the City to implement Collection programs, meet Processing Facility requirements, conduct contamination monitoring, provide education, maintain records, submit reports, monitor compliance, conduct enforcement, and fulfill other requirements; and, the City has chosen to delegate some of its responsibilities to the Contractor, acting as the City's designee, through this Agreement;

WHEREAS; in 1990 the Alameda County Waste Reduction and Recycling Initiative Charter Amendment established a county-wide Solid Waste Diversion Rate goal of seventy-five percent (75%) by 2010;

WHEREAS; in 2010, the Alameda County Source Reduction and Recycling Board (“StopWaste”) adopted a Strategic Plan including a new waste Diversion goal: by 2020, less than 10 percent (10%) of what is deposited in Alameda County’s landfills will be readily Recyclable or Compostable;

WHEREAS; on July 28, 2021, StopWaste adopted its *Organics Reduction and Recycling Ordinance* (ORRO) (Ordinance No. 2021-02), which enforces the mandatory Collection service and other programmatic requirements of SB 1383, on behalf of any member agencies that choose to opt-in and adopt the ORRO.

WHEREAS; on November 2, 2021, City Council adopted Ordinance No. 2226, which added a new Chapter 9.23 “Organics Reduction and Recycling” to the Municipal Code and adopted StopWaste’s ORRO by reference, with certain local amendments.

WHEREAS; under Title 9, Section 20.060, Refuse Collection of the City of Pleasanton Municipal Code, the City has the authority to provide for the Collection, Transport, Processing, marketing, and Disposal of Solid Waste, Recyclable Materials and Organic Materials through a franchise agreement;

WHEREAS; pursuant to California Public Resources Code Section 40059(a)(2), the City has determined that the public health, safety, and well-being require that an exclusive right be awarded to a qualified Contractor to provide for the Collection, Transportation, and Processing (where permitted under this Agreement) of Solid Waste, Recyclable Materials, Organic Materials, Construction and Demolition Debris, Bulky Items and other services related to meeting the City’s Customer service and environmental goals, State regulatory requirements, and goals established through the City’s Climate Action Plan;

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

WHEREAS; the City Council has determined that Contractor, by demonstrated experience providing service to the City since 1969, reputation and capacity is qualified to provide for both the Collection of Solid Waste, Recyclable Materials, and Organic Materials within the corporate limits of the City and the Transportation of such material to appropriate places of Processing, Recycling, Composting and/or Disposal, and desires that Contractor be engaged to perform such services on the basis set forth in this Agreement;

WHEREAS; in 2018, the City and Contractor mutually agreed to extend and restate the previous agreement between the City and Contractor dated May 16, 1989 (as subsequently amended on October 16, 1990, and October 13, 1995) by entering into an amended and restated agreement dated March 8, 2018; and,

WHEREAS; in alignment with the goals set forth in these recitals, the City and Contractor have mutually agreed to amend and restate the agreement between the City and Contractor dated March 8, 2018, by entering into this Agreement.

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

ARTICLE 1. DEFINITIONS

For purposes of this Agreement, unless a different meaning is clearly required, the following terms shall have the following meanings and be capitalized throughout this Agreement:

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

1.2 "AB 939" means the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000 et seq.), as amended, supplemented, superseded, and replaced from time to time.

1.3 "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.

1.4 "Affiliate" means all businesses (including corporations, limited and general partnerships, and sole proprietorships) which provide services, facilities, or products related to services under this Agreement and 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.

1.5 "Agreement" means this Agreement, including all exhibits, and any future amendments hereto between the City and Pleasanton Garbage Service, Inc. for Solid Waste, Recyclable Materials, and Organic Materials services described herein.

1.6 "Alternative Daily Cover" has the same meaning as in Section 20690 of Title 27 of the California Code of Regulations.

1.7 "Alternative Intermediate Cover" has the same meaning as in Section 20700 of Title 27 of the California Code of Regulations.

1.8 "Amendment Commencement Date" means the date specified in Section 3.1 when Contractor shall provide all services required by this Agreement, as amended.

1.9 "Appliance" means any domestic or Commercial device, including, but not limited to, a washing machine, clothes dryer, hot water heater, dehumidifier, conventional oven, microwave oven, stove, refrigerator, freezer, air conditioner, trash compactor, and Residential furnace.

1.10 "Applicable Law" means all federal, State, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, Transportation, Processing, and Disposal of Solid Waste, Recyclable Materials, and Organic Materials that are in force on the Effective Date and as they may be enacted, issued, or amended during the Term of this Agreement.

1.11 "Approved C&D Processing Site" means the Pleasanton Transfer Station and Material Recovery Facility at 3110 Busch Road in Pleasanton, California, that was selected by Contractor and approved by the City Manager or their designee.

1.12 "Approved Disposal Site" means the Altamont Landfill at 10840 Altamont Pass Road in Livermore, California, that was selected by Contractor and approved by the City Manager or their designee.

1.13 "Approved Facility(ies)" means the Approved C&D Processing Site, Approved Transfer Site, Approved Disposal Site, Approved Organic Materials Processing Site, and/or the Approved Recyclable Materials Processing Site, individually or collectively.

1.14 "Approved Organic Materials Processing Site" means the Central Valley Compost Facility at 916 Frewert Road in Lathrop, California, that was selected by Contractor and approved by the City Manager or their designee.

1.15 "Approved Recyclable Materials Processing Site" means the City Automatic Recycling, Inc. Facility at 3110 Busch Road in Pleasanton, California, that was selected by Contractor and approved by the City Manager or their designee.

1.16 "Approved Transfer Site" means the Pleasanton Transfer Station at 3110 Busch Road in Pleasanton, California, that was selected by Contractor and approved by the City Manager or their designee.

1.17 "Billings" means any and all statements of charges for services rendered, howsoever made, described or designated by Contractor, or made by another for City or Contractor, presented to Customers that are serviced by Contractor for the Collection of Solid Waste, Recyclable Materials, and Organic Materials under this Agreement.

1.18 "Bin(s)" means a detachable metal Container with a capacity of one to seven (1 to 7) cubic yards and hinged lid(s), which may have wheels, and that is serviced by a front-end loading Collection truck.

Franchise Agreement with Pleasanton Garbage Service

142 **1.19 "Bin Service"** means service provided to Customers for Solid Waste, Recyclable Materials, or
143 Organic Materials Collection using Bins as defined in Section 1.18. Bin Service may be used by
144 Commercial Premises, Multi-Family Premises, or Single-Family Premises generating large volumes of
145 Solid Waste, Recyclable Materials, or Organic Materials.

146 **1.20 "Bulky Item"** means discarded Appliances, furniture, tires, carpets, mattresses, and similar large
147 items which require special Collection due to their size or nature, but can be Collected without the
148 assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load
149 limits. A Bulky Item does not include abandoned automobiles, large auto parts, or trees.

150 **1.21 "Business Days"** means days during which City offices are open to do business with the public.

151 **1.22 "California Code of Regulations (or CCR)"** means the State of California Code of Regulations. CCR
152 references in this Agreement are preceded with a number that refers to the relevant Title of the CCR
153 (e.g., "14 CCR" refers to Title 14 of CCR).

154 **1.23 "CalRecycle"** means California's Department of Resources Recycling and Recovery.

155 **1.24 "Cart(s)"** means a wheeled plastic Container with varying capacities of approximately thirty-five
156 (35), sixty-four (64), or ninety-six (96) gallons that is equipped with a hinged lid designed for
157 mechanical pickup by an automated or semi-automated Collection vehicle.

158 **1.25 "Cart Service"** means Collection services provided to Customers using Carts as defined in Section
159 1.24. Cart Service may be used by Single-Family Premises, Multi-Family Premises, or Small
160 Commercial Generators.

161 **1.26 "Change in Law"** means any of the following events or conditions which has a material and adverse
162 effect on the performance by either Party of their respective obligations under this Agreement (except
163 for payment obligations)

164 A. The enactment, adoption, promulgation, issuance, modification, or written change in
165 administrative or judicial interpretation on or after the Effective Date of, any Applicable Law;
166 or

167 B. The order or judgment of any governmental body, on or after the Effective Date, to the
168 extent such order or judgment is not the result of willful or negligent action, error or
169 omission or lack of reasonable diligence of the City or of the Contractor, whichever is
170 asserting the occurrence of a Change in Law; provided, however, that the contesting in good
171 faith or the failure in good faith to contest any such order or judgment shall not constitute
172 or be construed as such a willful or negligent action, error or omission, or lack of reasonable
173 diligence.

174 **1.27 "City"** means the City of Pleasanton, a municipal corporation, and all the territory lying within the
175 municipal boundaries of the City as presently existing or as such boundaries may be modified during
176 the Term, except as provided for in Section 12.13.

- 177 **1.28 "City Contract Manager"** means the City Manager or their designee.
- 178 **1.29 "Clean Wood"** means wood that is not painted, stained, coated, pressure treated, or chemically
179 treated. Clean Wood may include, but is not limited to, dimensional lumber, pallets, crates, chop
180 sticks, tooth picks, stir sticks, and wooden utensils. Clean Wood excludes creosote, lumber treated
181 with chromated copper arsenate (CCA), melamine coated furniture, and manufactured wood
182 products such as plywood, particle board, oriented strand board, and medium density fiberboard. The
183 Parties agree that materials may be added to or subtracted from this list from time to time, in
184 accordance with Applicable Law. Contractor shall not add or subtract materials to or from this list
185 without written approval from the City Contract Manager, and such approval shall not be
186 unreasonably withheld. Clean Wood is a subset of Organic Materials.
- 187 **1.30 "Collection" (or any variation thereof)** means the removal and Transportation of Solid Waste from
188 the place where it was generated to a Disposal Site and/or the removal and Transportation of
189 Recyclable Materials, Organic Materials, and other Salvageable Materials from the place where such
190 materials were generated to a Processing Site.
- 191 **1.31 "Commencement Date"** means the date specified in Section 3.1 when Collection, Transportation,
192 Processing, and Disposal services required by this Agreement shall be provided.
- 193 **1.32 "Commercial"** means of, from or pertaining to non-Residential Premises where business activity is
194 conducted, including, but not limited to, wholesale and retail sales and operations, services,
195 manufacturing, and industrial operations, but excluding businesses conducted upon Residential
196 property which are permitted under applicable zoning regulations and are not the primary use of the
197 property.
- 198 **1.33 "Commercial Edible Food Generator"** includes Tier One Commercial Edible Food Generators and
199 Tier Two Commercial Edible Food Generators, or as otherwise defined in 14 CCR Section 18982(a)(7).
200 For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not
201 Commercial Edible Food Generators, or as otherwise specified by 14 CCR Section 18982(a)(7).
- 202 **1.34 "Community Composting"** means any activity that Composts green material, agricultural material,
203 food material, and vegetative food material, alone or in combination, and the total amount of
204 feedstock and Compost on-site at any one time does not exceed one hundred (100) cubic yards and
205 seven hundred fifty (750) square feet, as specified in 14 CCR Section 17855(a)(4); or as otherwise
206 defined in 14 CCR Section 18982(a)(8).
- 207 **1.35 "Compactor"** means a mechanical apparatus that compresses materials. Compactors include two
208 (2) to four (4) cubic yard Bin compactors serviced by front-end loader Collection trucks and six (6) to
209 fifty (50) cubic yard Drop Boxes serviced by roll-off Collection trucks.
- 210 **1.36 "Complaint"** means written or orally communicated statements made by members of the public,
211 Owners or Occupants of properties served by Contractor, or officers, employees or agents of City
212 alleging: i) non-performance or deficiencies in performance of Contractor's duties and obligations

under this Agreement, or otherwise alleging a violation by Contractor of the provisions of this Agreement; or, (ii) alleging that an entity is out of compliance with SB 1383.

1.37 "Compost (or Composting)" means a method of treatment in which organic wastes are biologically decomposed under controlled, aerobic, or anaerobic conditions to produce a safe and nuisance-free Compost Product.

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

1.39 "Compost Product" means the product resulting from the controlled biological decomposition of Organic Materials that are Source Separated from the municipal Solid Waste stream, or which are separated at a centralized facility.

1.40 "Construction and Demolition Debris (or C&D)" means used or discarded construction materials removed from Premises during the construction or renovation of a structure resulting from construction, remodeling, repair, or demolition operations on any pavement, house, Residential property, Commercial building, or other structure.

1.41 "Container" means a receptacle for temporary storage of Solid Waste, Organic Materials, or Recyclable Materials to be Collected by Contractor. Container includes a Cart, Bin, Drop Box, or Compactors.

1.42 "Contractor" means Pleasanton Garbage Service, Inc. or PGS, a corporation organized and operating under the laws of the State of California and its officers, directors, employees, agents, companies, and Subcontractors.

1.43 "Contractor's Compensation" means the monetary compensation received by Contractor from Customers in return for services provided by Contractor in accordance with this Agreement as described in, and pursuant to Article 8.

1.44 "Contractor's Proposal" means the proposal submitted by Contractor on June 23, 2017 for provision of Solid Waste, Recyclable Materials, and Organic Materials services in the City as modified by this Agreement and Exhibit F, which is incorporated by reference.

1.45 "Curb or Curbside" means the location for placement of a Cart for pick-up by Single-Family Customers, which shall be on the street against the face of the Curb, or where no street Curb exists, the Container shall be placed not more than five (5) feet from the outside edge of the street nearest the property's entrance. In the case of condominiums and townhomes receiving Single-Family service, placement of Carts shall be adjacent to each Residential unit at a location agreed upon by both Contractor and Customer.

1.46 "Customer" means the Person to whom Contractor submits billing invoices and from whom Contractor collects payment for Collection services provided to a Premises. The Customer may be the

Occupant or Owner of the Premises provided that the Owner of the Premises shall be responsible for payment of Collection services if an Occupant of a Premises, which is identified as the Customer of Owner's Premises, fails to make such payment.

1.47 "Delivery" means placement of Solid Waste, Recyclable Materials, or Organic Materials by a Generator in a receptacle or at a location that is designated for Collection pursuant to the City's Municipal Code.

1.48 "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 of California, in California Water Code 13173.

1.49 "Discarded Material" means Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, or Construction and Demolition Debris placed by a Generator in a Container, receptacle or at a location that is designated for Collection pursuant to the City's Municipal Code.

1.50 "Disposal or Dispose (or any variation thereof)" means the final disposition of Solid Waste Collected by the Contractor at a Disposal Site approved by the City.

1.51 "Disposal Site(s)" means a facility for the ultimate Disposal of Solid Waste.

1.52 "Diversion" or "Divert" means activities that reduce or eliminate the amount of Solid Waste from Solid Waste Disposal including, but not limited to, Recycling and Composting.

1.53 "Diversion Rate" means the percentage equal to the Tonnage Diverted by Contractor divided by the Tonnage Collected by Contractor multiplied by 100, which reflects the accomplishments of the Contractor's Diversion programs.

1.54 "Drop Box," means a wheeled or sledded Container or Compactor, generally with a capacity of six (6) to fifty (50) cubic yards, suitable for storage of Solid Waste, Recyclable Materials, Organic Materials, or Construction and Demolition Debris that is separately serviced by a truck, which Transports the Drop Box and the materials contained within to a Disposal Site, Processing Site, Transfer Station Site, or Organic Materials Processing Site.

1.55 "Drop Box Service" means the service requested by any Generator requiring Drop Boxes for regularly scheduled, ongoing Collection of Solid Waste, Recyclable Materials, or Organic Materials. Drop Box Service does not include temporary Drop Box Collection services typically resulting from construction, demolition, or large clean-out projects.

1.56 "Edible Food" means food intended for human consumption. For the purposes of this Agreement, Edible Food is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes the 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.

1.57 "Effective Date" means the date on which the latter of the Parties signs this Agreement, as amended, and the date on which Contractor may begin to take actions and incur costs in preparation to provide Collection, Transportation, and Processing Services required by this Agreement.

1.58 "E-Waste" means discarded electronic equipment including, but not limited to, televisions, computer monitors, central processing units (CPUs), laptop computers, computer peripherals (including external hard drives, keyboards, scanners, and mice), printers, copiers, facsimile machines, radios, stereos, stereo speakers, VCRs, DVDs, camcorders, microwaves, telephones, cellular telephones, and other electronic devices. Some E-Waste or components thereof may be Hazardous Waste or include Hazardous Substances and thus require special handling, Processing, or Disposal.

1.59 "Excluded Waste" 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 Waste does not include Used Motor Oil and Filters or household batteries when properly placed for Collection by Customer as set forth in this Agreement.

1.60 "Food Recovery Organization" means an entity that primarily engages in the Collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that Edible Food to the public for Food Recovery either directly or through other entities, including, but not limited to:

- A. A food bank as defined in Section 113783 of the Health and Safety Code;
- B. A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; or,
- C. A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.

If the definition in 14 CCR Section 18982(a)(25) for Food Recovery Organization differs from this definition, the definition in 14 CCR Section 18982(a)(25) shall apply to this Agreement.

1.61 "Food Recovery Service" means a Person or entity that collects and transports Edible Food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for Food Recovery; or as otherwise defined in 14 CCR Section 18982(a)(26).

317 **1.62 "Food Scraps"** means those Discarded Materials that will decompose and/or putrefy including (i)
318 all kitchen and table food waste, (ii) animal or vegetable waste that is generated during or results from
319 the storage, preparation, cooking or handling of food stuffs, (iii) discarded paper that is contaminated
320 with Food Scraps or liquid; (iv) fruit waste, grain waste, dairy waste, meat and fish waste; and, (v) non-
321 Recyclable paper or contaminated paper. Food Scraps are a subset of Organic Materials.

322 **1.63 "Franchise Fee"** means the fee paid by Contractor to City for the privilege to hold the exclusive
323 rights granted by this Agreement. Such fee shall be treated as a regulatory fee for purposes of
324 calculating Contractor's total annual cost and Rates.

325 **1.64 "Generator"** means any Person as defined by Section 40170 of the Public Resources Code, whose
326 act or process produces Solid Waste, Recyclable Materials, or Organic Materials as defined in the
327 Public Resources Code, or whose act first causes Discarded Materials to become subject to regulation.

328 **1.65 "Gross Rate Revenue"** means the actual monies remitted to Contractor by Customers, which shall
329 be determined in accordance with Generally Accepted Accounting Principles.

330 **1.66 "Hazardous Substance"** means any of the following: (a) any substances defined, regulated or listed
331 (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes",
332 "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health
333 or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation
334 and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials
335 Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC
336 §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code
337 §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and (vii)
338 California Water Code §13050; (b) any amendments, rules or regulations promulgated thereunder to
339 such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous
340 or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated
341 under any other applicable federal, State or local environmental laws currently existing or hereinafter
342 enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"),
343 petroleum, natural gas and synthetic fuel products, and by-products.

344 **1.67 "Hazardous Waste"** means all substances defined as Hazardous Waste, acutely Hazardous Waste,
345 or extremely Hazardous Waste by the State of California in Health and Safety Code Sections 25117,
346 25110.02, and 25115, or in the future amendments to or recodifications of such statutes, or identified
347 and listed as Hazardous Waste by the U.S. Environmental Protection Agency, pursuant to the Federal
348 Resource Conservation and Recovery Act (42 USC Section 6901, et seq.), all future amendments
349 thereto and all rules and regulations promulgated thereunder.

350 **1.68 "Holidays"** means New Year's Day and Christmas Day for the purposes of planning the Collection
351 schedule.

352 **1.69 "Household Hazardous Waste"** means Hazardous Waste generated at Residential Premises within
353 the City.

1.70 "Infectious Waste" means medical or 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.

1.71 "Litter" means any quantity of Solid Waste, Recyclable Materials, or Organic Materials, which is not placed in a Container.

1.72 "Liquidated Damages" means the amounts owed by Contractor to City for failure to meet specific quantifiable standards of performance as described in Section 11.6 and Exhibit E.

1.73 "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.

1.74 "Multi-Family" means any Residential complex, other than a Single-Family Premises, with five (5) or more Residential units used for Residential purposes, which has centralized Discarded Materials Collection service for all Residential units in the building and may be billed as one address.

1.75 "Nonputrescible Waste" means Solid Waste which is not subject to decomposition by microorganisms.

1.76 "Occupant" means and includes every tenant or Person who is in possession of, is the inhabitant of, or has the care and control of, an inhabited Single-Family Premises, Multi-Family Premises, or Commercial Premises.

- 386 **1.77 "Organic Materials" or "Organics"** means any combination of Food Scraps, Yard Trimmings,
387 Compostable Plastics (if applicable), and Clean Wood. Organic Materials is a subset of Organic Waste.
- 388 **1.78 "Organic Materials Processing Site"** means any plant, facility, or site used for the Processing and
389 Composting of Organic Materials for the purpose of making Compost, Mulch, or other marketable
390 material.
- 391 **1.79 "Organic Waste"** means wastes containing material originated from living organisms and their
392 metabolic waste products including, but not limited to, food, Yard Trimmings, organic textiles and
393 carpets, lumber, wood, paper products, printing and writing paper, manure, biosolids, digestate, and
394 sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined
395 in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.
- 396 **1.80 "Owner"** means the Person holding legal title to the land or building.
- 397 **1.81 "Party or Parties"** means the City and Contractor, individually or together.
- 398 **1.82 "Person"** means an individual, firm, limited liability company, association, partnership, political
399 subdivision, government agency, municipality, industry, public or private corporation, or any other
400 entity whatsoever.
- 401 **1.83 "Premises"** means any land or building in the City where Solid Waste, Recyclable Materials, or
402 Organic Materials are generated or accumulated.
- 403 **1.84 "Processing" or "Process" (or any variation thereof)** means to prepare, treat, or convert through
404 some special method, including, but not limited to, baling, crushing, shredding, chipping, grinding,
405 extracting, mechanical or hand classification, and any other method of handling Recyclable Materials,
406 Organic Materials, and C&D by the Contractor at the Approved Facility(ies).
- 407 **1.85 "Processing Site"** means any plant or site used for the purpose of sorting, cleansing, treating, or
408 reconstituting Salvageable Material for the purpose of making such material available for reuse.
409 Activities that may be undertaken at a Processing Facility include, but are not limited to, Processing
410 Organic Materials and Recyclable Materials.
- 411 **1.86 "Prohibited Container Contaminants"** means the following: (i) Discarded Materials placed in the
412 Recyclable Materials Container that are not identified as acceptable Recyclable Materials for the City's
413 Collection program; (ii) Discarded Materials placed in the Organic Materials Container that are not
414 identified as acceptable Organic Materials for the City's Collection program; (iii) Discarded Materials
415 placed in the Solid Waste Container that are acceptable Recyclable Materials and/or Organic Materials
416 to be placed in the City's Recyclable Materials or Organic Materials Containers or otherwise managed
417 under the City's Collection program; and, (iv) Excluded Waste placed in any Container.
- 418 **1.87 "Putrescible Waste"** means Solid Wastes originated from living organisms and their metabolic
419 waste products, which contains naturally produced organic compounds and which are biologically

decomposable by microbial and fungal action into the constituent compounds of water, carbon dioxide and other simpler organic compounds.

1.88 "Rate" means the dollar unit to be charged a Customer by Contractor for providing Solid Waste Collection, Transportation, and Disposal, Recyclable Materials and Organic Materials Collection, Transportation, and Processing services, and other related additional services. A Rate has been established for each individual Service Level and extra service, and the initial Rates for Rate Period One are presented in Exhibit F.

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

1.90 "Rate Review and Performance Review Fee" means the fee paid by Contractor to City to offset costs of contracting with a consultant in order to review the Contractor Rate adjustment application pursuant to Section 8.3 and conduct a review of Contractor's performance pursuant to Section 6.14.

1.91 "Recyclable Materials or Recyclables" means newspaper, cardboard, mixed color paper, white paper, junk mail, magazines, telephone books, paper bags, cereal and food boxes, egg cartons, plastic bottles and containers labeled #1-7, plastic milk containers, detergent containers, clear, brown, and green food and beverage container glass, cans of aluminum, steel, tin, food cans, empty aerosol cans, pipe tins or other materials having economic value contained within a load of Recyclable Materials which have been separated from Solid Waste and Organic Materials prior to Collection, and may also include any other type of Recyclable waste material agreed on by the Parties.

1.92 "Recycling" means the process of sorting, cleansing, treating, and reconstituting Recyclable Materials at a Processing Site and returning such materials to the economic mainstream in the form of raw materials for new, reused, or reconstituted products. Recycling does not include Transformation as defined in the Public Resources Code Section 40201.

1.93 "Related Party Entity" means any Affiliate which has financial transactions with Contractor pertaining to this Agreement that has been approved by the City. For the purposes of this Agreement, PGS has identified the following Related Party Entities: Pleasanton Truck & Equipment Repairs, Inc., Recycling and Resource Recovery Systems, LLC, City Automatic Recycling, Inc., Amador Valley Industries, LLC, M&M Land Company, LLC, and Southfront, LLC.

1.94 "Renewable Natural Gas (or RNG)" means gas derived from Organic Waste that has been Diverted from a landfill and Processed at an in-vessel digestion facility that is permitted or otherwise authorized by 14 CCR to recover Organic Waste, or as otherwise defined in 14 CCR Section 18982(a)(62).

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

1.96 "Residential Premises" means a site occupied by a building zoned for Residential occupation where Solid Waste, Recyclable Materials, or Organic Materials are generated or accumulated. No place used primarily for business purposes shall be considered a Residential unit.

1.97 "Residue or Residual (or any variation thereof)" means those materials which, after Processing, are Disposed rather than Recycled or Composted due to either the lack of markets for materials or the inability of the Processing Site to capture and recover the materials.

1.98 "Reuse Vendor" means a vendor (e.g., St. Vincent DePaul, Goodwill Industries, or other non-profit or for-profit organizations) that will collect used furniture and other re-usable items for purposes of reuse rather than Disposal.

1.99 "SB 1383" means the 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 to add Chapter 13.1 [commencing with Section 42652] to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions), also commonly referred to as "SB 1383," as amended, supplemented, superseded, and replaced from time to time. For the purposes of this Agreement, SB 1383 specifically refers to the Short-Lived Climate Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle and adopted on November 3, 2020 that created Chapter 12 of 14 CCR, Division 7 and amended portions of regulations of 14 CCR and 27 CCR.

1.100 "Salvageable Material" means those Discarded Materials that may be reused in their existing form or may be reused after some form of Processing including, but not limited to, Organic Materials and Recyclable Materials.

1.101 "Self-Hauler" or "Self-Haul" means a Person who hauls Solid Waste, Organic Materials, Recyclable Materials, or other Discarded Materials they have generated to another Person for disposition, as permitted by the City and otherwise in accordance with all Applicable Law. Self-Hauler also includes a Person who back-hauls such materials, and as otherwise defined in 14 CCR Section 18982(a)(66).

1.102 "Service Level" means and refers to the number and size of a Customer's Container(s) and the frequency of Collection service.

1.103 "Service Type" means and refers separately to the following types of Solid Waste, Recyclable Materials, and Organic Materials Collection services for each of the following types of services: Single-Family, Multi-Family Cart Service, Multi-Family, Commercial Cart Service, Commercial Bin Service, Drop Box Service, and City facilities service.

1.104 "Single-Family" means any detached or attached house or residence designed or used for occupancy by one (1) family, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service. Single-Family includes Residential units of a duplex, triplex, or fourplex Residential structure provided that each unit is separately billed for their specific Service Level.

1.105 "Small Commercial Generator" means any Commercial Generator which generates less than ninety-six (96) gallons of Solid Waste per week and which subscribes to Cart Service.

1.106 "Solid Waste" means all Putrescible and Non-putrescible solid, semisolid, and associated liquid waste, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, discarded home and industrial Appliances, dewatered, treated or chemically fixed sewage sludge which is not a Hazardous Waste, special waste, manure, vegetable or animal solid and semi-solid wastes, and other discarded solid and semi-solid wastes, which the City Municipal Code requires Generators within the City to set out for Collection. Solid Waste does not include the following:

- A. Salvageable Materials set out for Collection in a Container, which is specifically designated for Recyclable Materials or Organic Materials;
- B. Hazardous Waste;
- C. Radioactive waste;
- D. Infectious Waste provided that Infectious Waste, whether treated or untreated, is not Disposed of at a Solid Waste facility; and,
- E. Abandoned automobiles.

Solid Waste includes Salvageable Materials only when such materials are included for Collection in a Solid Waste Container.

1.107 "Source Separated" means the segregation from Solid Waste, by the Generator, of materials designated for separate Collection for some form of materials recovery or special handling.

1.108 "State" means the State of California.

1.109 "Subcontractor" means a party who has entered into a contract, express or implied, with the Contractor for the performance of an act that is necessary for the Contractor's fulfillment of its obligations under this Agreement and approved by the City in accordance with Section 12.6 of this Agreement for services such as, but not limited to, Collection, Transportation, Processing, Diversion, sales or marketing of Recyclable Materials or Organic Materials, staffing, public education, Customer service, and billing, or other service whose cost is a substantial portion of the Contractor's total annual cost. Notwithstanding any other provision in this Agreement, vendors providing materials, supplies, or professional services to Contractor, and Approved Facilities that are not Affiliates of Contractor, shall not be considered Subcontractors for any purpose under this Agreement.

1.110 "Tier One Commercial Edible Food Generator" means a Commercial Edible Food Generator that is one of the following, each as defined in 14 CCR Section 18982:

- A. Supermarket.
- B. Grocery Store with a total facility size equal to or greater than 10,000 square feet.

522 C. Food Service Provider.

523 D. Food Distributor.

524 E. Wholesale Food Vendor.

525 If the definition in 14 CCR Section 18982(a)(73) of Tier One Commercial Edible Food Generator
526 differs from this definition, the definition in 14 CCR Section 18982(a)(73) shall apply to this
527 Agreement.

528 **1.111 "Tier Two Commercial Edible Food Generator"** means a Commercial Edible Food Generator that
529 is one of the following, each as defined in 14 CCR Section 18982:

530 A. Restaurant with two hundred fifty (250) or more seats, or a total facility size equal to or
531 greater than five thousand (5,000) square feet.

532 B. Hotel with an on-site food facility and two hundred (200) or more rooms.

533 C. Health facility with an on-site food facility and one hundred (100) or more beds.

534 D. Large Venue.

535 E. Large Event.

536 F. A State agency with a cafeteria with two hundred fifty (250) or more seats or total cafeteria
537 facility size equal to or greater than five thousand (5,000) square feet.

538 G. A local education agency with an on-site food facility.

539 If the definition in 14 CCR Section 18982(a)(74) of Tier Two Commercial Edible Food Generator
540 differs from this definition, the definition in 14 CCR Section 18982(a)(74) shall apply to this
541 Agreement.

542 **1.112 "Term"** means the duration of this Agreement, as provided for in Article 3.

543 **1.113 "Ton (or Tonnage)"** means a unit of measure for weight equivalent to two thousand (2,000) pounds
544 where each pound contains sixteen (16) ounces.

545 **1.114 "Transfer"** means the act of transferring the materials Collected by Contractor in their route
546 vehicles into larger vehicles for Transport to other facilities for the purpose of Processing or Disposing
547 of such materials.

548 **1.115 "Transfer Station"** means a facility that receives Solid Waste, Recyclable Materials, and/or Organic
549 Materials, temporarily stores, and Transfers the materials from smaller to larger vehicles for
550 Transport.

1.116 "Transfer Station Revenue" means the actual monies received at the Transfer Station from Persons delivering Solid Waste, Recyclable Materials, and/or Organic Materials to the Transfer Station, which shall be determined in accordance with Generally Accepted Accounting Principles.

1.117 "Transformed" means incinerated, pyrolysed, distilled, gasified, or biologically converted in a way other than Composted.

1.118 "Transport" or "Transportation" means the act of conveyance from one place to another or state of being transported.

1.119 "Unacceptable Spillage" or "Unacceptable Spills" means any Discarded Materials spilled or left at an established Collection site by Contractor after Collection, with the exception that small particles of grass clippings, leaves, and other small Yard Trimmings will not be considered Unacceptable Spillage.

1.120 "Uncontrollable Circumstance(s)" means floods, earthquakes, other "acts of nature", war, civil insurrection, riots, acts of any government (including judicial action), labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action, and other similar catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. However, labor unrest by employees of Contractor or of any Related Party Entity directed against Contractor or a Related Party Entity, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action, is not an Uncontrollable Circumstance.

1.121 "Used Motor Oil and Filter" means motor oil and oil filter that has been used in a motor vehicle, and subsequently removed from such vehicle.

1.122 "Used Oil Recovery Kit" means a kit containing: one (1) reusable plastic jug of at least one (1) gallon capacity with a watertight screw-on top to contain used motor oil; one (1) plastic disposable resealable bag 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 Filters from Single-Family and Multi-Family residents.

1.123 "U-Waste" means all wastes as defined by Title 22, Subsections 66273.1 through 66273.9 of the California Code of Regulations. These include, but are not limited to, batteries, fluorescent light bulbs, mercury switches, and E-Waste.

1.124 "Yard Trimmings" means those Discarded Materials that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, leaves, pruning's, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of Organic Waste. Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection may not exceed six (6) inches in diameter and five (5) feet in length.

ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF THE CONTRACTOR

2.1 Corporate Status

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

2.2 Corporate Authorization

Contractor has the authority to enter into and perform its obligations under this Agreement. The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement. The Person signing this Agreement on behalf of Contractor has authority to do so, and the Corporate Secretary's Certificate in Exhibit J confirms this. This Agreement constitutes the legal, valid, and binding obligation of the Contractor.

2.3 Agreement Will Not Cause Breach

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

2.4 No 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:

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

2.5 No Adverse Judicial Decisions

To the best of Contractor's knowledge, after reasonable investigation, there is no judicial decision that affects the validity of this Agreement and may subject this Agreement to legal challenge.

2.6 No Legal Prohibition

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

2.7 Contractors Statements

The Contractor's Proposal and any other supplementary information submitted to the City, which the City has relied on in awarding and entering this Agreement, do not: (i) contain any untrue statement of a material fact, or (ii) omit to state a material fact that is necessary in order to make the statements made, in light of the circumstances in which they were made, not misleading.

2.8 Contractors Investigation

Contractor has made an independent investigation (satisfactory to it) of the conditions and circumstances surrounding the Agreement and the work to be performed hereunder. Contractor has taken such matters into consideration in entering this Agreement to provide services in exchange for the compensation provided for under the terms of this Agreement.

2.9 Ability to Perform

Contractor possesses the business, professional, and technical expertise to: (i) manage, Collect, Transport, and Dispose of Solid Waste; (ii) manage, Collect, Transport, and Process Recyclable Materials, Organic Materials, and Construction and Demolition Debris; and, (iii) record, report, and maintain information as required by this Agreement. Contractor possesses directly or contractually the equipment, facility capacity, information systems, reporting capabilities, and employee resources required to perform this Agreement throughout its Term. The Contractor represents that the Contractor Compensation described in this Agreement is sufficient to perform all services in the amount and at the standards described in this Agreement.

ARTICLE 3. TERM OF AGREEMENT

3.1 Effective Date and Commencement Date

The Effective Date of this Agreement shall be the date the latter of the two Parties signs the amended Agreement provided that City Council has taken action approving this Agreement and no restraining order of any kind has been issued.

The Commencement Date of this Agreement shall be July 1, 2018, and shall be the date Contractor commenced providing Collection, Transportation, and Processing services and all other obligations described by the original Agreement between the Parties.

The Amendment Commencement Date of this Agreement shall be July 1, 2022, and shall be the date Contractor commences to provide all services and obligations described by this Agreement, as amended.

During the time between the Effective Date and Amendment Commencement Date, Contractor shall continue to perform all services in effect as of the Commencement Date, and shall perform any and all activities necessary to prepare itself to start Collection, Transportation, and Processing services and all other obligations required by this amended Agreement on the Amendment Commencement Date.

3.2 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 each and all of the conditions set out below, each of which may be waived in whole or in part by City.

3.2.1 Accuracy of Representations

The representations and warranties made in Article 2 of this Agreement are true and correct on and as of the Effective Date.

3.2.2 Absence of Litigation

There is no litigation pending on the Effective Date in any court challenging the award or execution of this Agreement or seeking to restrain or enjoin its performance.

3.2.3 Furnishings of Insurance and Bond

Contractor has furnished evidence of the insurance required by Section 9.5 that is satisfactory to the City; provided evidence of its ability to secure the performance bond required by Section 9.6 that will be effective on the Commencement Date of the Agreement.

3.2.4 Secretary's Certification

Exhibit J of this Agreement shall have been signed by the secretary of the Contractor and identifies the name of the Contractor's representative that is authorized to execute this Agreement.

3.3 Term

The Term of this Agreement shall be eleven (11) years from 12:01 a.m. on July 1, 2018 (Commencement Date) to midnight June 30, 2029, unless extended by City pursuant to Section 3.4 or terminated in accordance with Section 11.3.

3.4 Option to Extend Term

At the City's sole discretion, the City shall have the option to extend this Agreement, up to sixty (60) months beyond the Term identified in Section 3.3, in one or more periods of at least twelve (12) months each pursuant to the terms and conditions of this Agreement. If the City elects to exercise the option, it shall give written notice of its election, specifying the number of months by which it elects to extend the Term, to the Contractor, one hundred eighty (180) calendar days prior to the initial expiration date or extended termination date of this Agreement. At the end of the Term (including any extensions), the City may extend the Agreement on the same terms contained herein without renegotiation (subject to the next paragraph), renegotiate the terms and conditions of the Agreement with the Contractor (subject to agreement by the Parties), or select another means to procure or provide Collection services.

If the City chooses to extend the Agreement, the Parties shall meet and confer to discuss Collection vehicle needs and related costs, if any. The equipment replacement plans presented on Contractor's depreciation schedule (Exhibit F) 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 the incremental increase in depreciation and interest expenses above those existing prior to the extension of the Agreement, shall be treated during the extension period. Should the Parties fail to reach agreement, the matter shall be submitted to binding arbitration.

The City has no obligation to renegotiate, renew, or extend the rights granted to Contractor beyond the initial Term of the Agreement identified in Section 3.3.

ARTICLE 4. SCOPE OF AGREEMENT

4.1 Scope of Agreement

Subject to Section 4.2, the Agreement granted to Contractor shall be exclusive for Collection, Transportation, Processing, and/or Disposal of Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris generated in the City, except where otherwise precluded by federal, State and local laws and regulations or where other current programs provide for Collection of Household Hazardous Waste.

The Contractor shall be responsible for the following, as responsibilities may be limited by Section 4.2 or precluded by Applicable Law:

- A. Collecting all Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris generated in the City and placed by Single-Family, Multi-Family, and Commercial Generators in Containers.
- B. Collecting Solid Waste, Recyclable Materials, and Organic Materials from City facilities (as identified in Exhibit A of this Agreement) and at special events and Collecting Solid Waste and Recyclable Materials from public litter and recycling Containers (as identified in Exhibit A of this Agreement).
- C. Transporting Collected materials to the Approved Transfer Site, Approved Disposal Site, Approved Organic Materials Processing Site, or Approved Recyclable Materials Processing Site.
- D. Processing and marketing, or arranging for Processing and marketing of Recyclable Materials, Organic Materials, and Construction and Demolition Debris Collected in the City by Contractor.
- E. Providing public education to residents and businesses located in the City as defined in Exhibit B.
- F. Providing Customer service and billing service as necessary to fulfill its obligations under this Agreement.
- G. Implementing all services in accordance with this Agreement and as approved by the City.
- H. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement.
- I. Paying all expenses related to provision of services required by this Agreement including, but not limited to, taxes, regulatory fees, City fees, utilities, etc.
- J. Performing or providing all other services necessary to fulfill its obligations under this Agreement.
- K. Providing all services required by this Agreement in a thorough and professional manner so that residents, businesses, and the City are provided timely, reliable, courteous, and high-quality service at all times.
- L. Performing all services in substantial accordance with the Contractor's Proposal and in full accordance with this Agreement at all times using best industry practice for comparable operations.

730 If the Contractor's Proposal and Agreement conflict, the terms and provisions of the Agreement
731 shall prevail.

732 M. Complying with Applicable Law.

733 N. Providing reports in a timely manner with details as requested by the City pursuant to Sections 6.3,
734 6.4, and 6.5.

735 The enumeration and specification of particular aspects of service, labor, or equipment requirements shall
736 not relieve Contractor of the duty of accomplishing all other aspects necessary to fulfill its obligations
737 under this Agreement whether such requirements are enumerated elsewhere in the Agreement or not,
738 unless excused in accordance with Section 11.7.

739 4.2 Limitations to Scope

740 This Agreement for the Collection and Transportation of Solid Waste and Collection, Transportation, and
741 Processing of Recyclable Materials, Organic Materials, and Construction and Demolition Debris granted
742 to Contractor shall be exclusive except as to the following materials listed in this Section. The award of
743 this Agreement shall not preclude the categories of Solid Waste, Recyclable Materials, Organic Materials,
744 and Construction and Demolition Debris listed below from being delivered to and Collected and
745 Transported by others provided that nothing in this Agreement is intended to or shall be construed to
746 excuse any Person from obtaining any authorization from City which is otherwise required by law:

747 A. **Self-Hauled Materials.** If permitted by the City, a Generator may Transport Solid Waste, Recyclable
748 Materials, Organic Materials, and Construction and Demolition Debris generated in or on their own
749 Premises with their own vehicle, in accordance with the City's Municipal Code;

750 B. **Donated Materials.** Recyclable Materials and Organic Materials which are Source Separated at any
751 Premises by the Generator and donated to youth, civic, or charitable organizations;

752 C. **Beverage Containers.** Containers delivered for Recycling under the California Beverage Container
753 Recycling and Litter Reduction Act, Section 14500, et seq. California Public Resources Code;

754 D. **Materials Removed by Customer's Contractor as Incidental Part of Services.** Solid Waste,
755 Recyclable Materials, Organic Materials and/or Construction and Demolition Debris removed from
756 a Premises by a contractor (e.g., gardener, landscaper, or tree-trimming service,
757 construction/demolition contractor) as an incidental part of the service being performed and such
758 contractor removes materials at no additional or separate fee with the contractor's own employees
759 and equipment. The determination of whether removal of material is incidental to the services
760 being performed may, for example, be based on whether fees are charged on a volume or hourly
761 basis, and the reasonableness of those fees relative to those charged by third parties for comparable
762 services;

763 E. **Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse or
764 butcher shops, grease, or used cooking oil;

765 F. **Sewage Treatment By-Product.** By-products of sewage treatment, including sludge, sludge ash, grit
766 and screenings;

- 767 G. **Hazardous Waste and Designated Waste.** Hazardous Waste and Designated Waste regardless of
768 its source;
- 769 H. **Materials Generated by Public School, County, and Federal Facilities.** Materials generated by
770 public schools, county, and federal facilities located in the City provided that the Generator has
771 arranged services with other Persons or has arranged services with the Contractor through a
772 separate agreement;
- 773 I. **Temporary Drop Box Collection after Rate Period One.** In the event that Contractor fails to achieve
774 the minimum C&D Diversion Rate from residents and businesses where it is the arranger for these
775 services required by Section 5.7 in Rate Period One or should the Contractor fail to perform its
776 obligations as part of a developer's plan where it is not the sole provider of C&D Collection and
777 Diversion services, then, the Contractor shall be subject to Liquidated Damages as described in
778 Section 11.6 of this Agreement;
- 779 J. **Edible Food.** Edible Food which is collected from a Generator by other Person(s), such as a Person
780 from a Food Recovery Organization or Food Recovery Service, for the purposes of Food Recovery;
781 or which is transported by the Generator to another Person(s), such as a Person from a Food
782 Recovery Organization, for the purposes of Food Recovery, regardless of whether the Generator
783 donates, sells, or pays a fee to the other Person(s) to collect or receive the Edible Food;
- 784 K. **Food Scraps.** Food Scraps that are separated by the Generator and used by the Generator or
785 distributed to other Person(s) for lawful use as animal feed, in accordance with 14 CCR Section
786 18983.1(b)(7). Food Scraps intended for animal feed may be Self-Hauled by the Generator or hauled
787 by another party; and,
- 788 L. **On-site or Community Composting.** Organic Materials Composted or otherwise legally managed at
789 the site where they are generated (e.g., backyard Composting, or on-site anaerobic digestion) or at
790 a Community Composting site.
- 791 Contractor acknowledges and agrees that the City may permit other Persons besides the Contractor to
792 Collect any and all types of materials excluded from the scope of this Agreement, as set forth above,
793 without seeking or obtaining approval of Contractor. If Contractor can produce evidence that other
794 Persons are servicing Collection Containers or are Collecting and Transporting Solid Waste, Recyclable
795 Materials, and/or Organic Materials in a manner that is not consistent with the City's Municipal Code or
796 the exclusive rights granted to Contractor hereunder, it shall report the location, the name, and phone
797 number of the Person or company to the City along with Contractor's evidence of the violation of the
798 exclusiveness of this Agreement. The receipt of this information does not obligate the City to take any
799 action, provided however that Contractor shall have the right to seek judicial or other lawful relief for
800 violations of its exclusive rights under this Agreement.
- 801 The City shall not be responsible for any lost profits or losses claimed by Contractor to arise out of
802 limitations of the scope of the Agreement set forth herein. In such an event, it shall be the responsibility
803 of Contractor to minimize the financial impact to other services being provided as much as possible.

4.3 City-Directed Changes

A. **Types of Changes.** City may, by written notice, direct Contractor to perform additional services or modify existing services; provided, however, that in no case shall City terminate services provided by Contractor hereunder and grant any other Person the right to provide such services, unless specifically provided for in Section 4.3.B below. For example, and without limitation, the City may request the following:

1. Collection of certain materials, which were originally Solid Waste, but during the Term can, in the reasonable opinion of the City, be economically Diverted from Disposal;
2. Inclusion of new Diversion programs;
3. Expansion of public education activities;
4. Elimination of programs;
5. Modification of the manner in which Contractor performs existing services;
6. Performance of pilot programs;
7. Implementation of innovative services, which may entail new Collection methods, targeted routing, different kinds of services, different types of Collection vehicles or Collection Containers, and/or new requirements for Generators;
8. Transportation of materials to an Approved Facility other than that specified on the Effective Date;
9. Purchase of new Collection vehicles, Containers, or other equipment if the Agreement is extended beyond the initial Term; and,
10. Implementation of other program or service adjustments as may be determined by the City.

B. **Procedure for Making Changes in Scope.** Contractor shall present, within thirty (30) calendar days of the City's written request, a written proposal to perform additional or modified services. Contractor shall not be compensated for the proposal preparation costs or costs incurred during the negotiation of its proposal for the change in scope of such services. At a minimum, the proposal shall contain a complete description of the following:

1. Collection methodology to be employed (equipment, staffing requirements, etc.);
2. Equipment to be used (vehicle number, types, capacity, age, etc.);
3. Labor requirements (number of employees by classification; estimated hours per year per employee);
4. Estimated Customer participation level;
5. Type of materials to be Collected and Containers to be used and estimated volumes per week and per year;
6. Provision for program publicity/education/marketing;
7. Five-year projection of the financial results of the program's operations in a balance sheet and operating statement format including documentation of the key assumptions underlying the projections and the support for those assumptions, giving full effect to the savings or costs to existing services; and,

8. Plans and schedule for implementing the service change.

The City shall review the Contractor's proposal for the change in scope of services. The City may negotiate with the Contractor to amend the Agreement to reflect the change in scope or the City may choose not to negotiate with the Contractor.

If the City chooses to negotiate with the Contractor and the Contractor and City cannot agree on terms and conditions of such services within one hundred twenty (120) calendar days from the date when City first requests a proposal from Contractor to perform such services, Contractor acknowledges and agrees that City may permit other Persons besides Contractor to provide additional Solid Waste, Recyclable Materials, and Organic Materials Collection and Diversion services which do not conflict with the exclusive rights granted to Contractor pursuant to this Agreement.

C. **Adjustment to Contractor's Compensation.** If the City directs a change in scope or change in one or more Approved Facilities, Contractor may be entitled to an adjustment in its compensation in accordance with Section 8.5.

D. **Implementation of New Services.** The Contractor's implementation of the new services, modification to existing service, or change in the Approved Facility shall occur in a timely, smooth, and seamless manner such that Customers and/or Generators do not experience disruption in Collection services. Contractor shall be responsible for managing the implementation of new or modified Collection services or change in the Approved Facility and other related services and shall do so in accordance with an implementation plan that has been approved by the City.

E. **Monitoring and Evaluation of Changes in Scope.** At the City's request, the Contractor shall meet with the City to describe the progress of implementing the change in scope. If applicable, and requested by the City, the Contractor shall document the results of the new or modified services on a monthly basis, including, at a minimum, the Tonnage Diverted by material type, the end use or processor of the Diverted materials, the cost per Ton for Transporting and Processing each type of material, and other such information requested by the City that is necessary to evaluate the performance of each program change.

At each status meeting, the City and Contractor shall have the opportunity to revise the program or services based on mutually agreed upon terms in accordance with provisions of this Section. The City shall have the right to terminate a program if, in its sole discretion, the Contractor is not achieving the program goals and objectives in a cost-effective manner. Before such termination, the City shall meet and confer with the Contractor for a period not to exceed ninety (90) calendar days to resolve the City's concerns ("meet and confer period"). Thereafter, the City may utilize a third party to perform these services if the City reasonably believes the third party can improve Contractor's performance and/or cost. Notwithstanding these changes, Contractor shall continue the program during the "meet and confer period" and, thereafter, until the third party takes over the program.

F. **Changes Related to Existing Regulations.** The Parties acknowledged that as of March 20, 2018, legislation, including, but not limited to, SB 1383, existed which had been passed by the State but had not been fully implemented within the State. The Parties agreed that as the appropriate regulatory bodies continued to develop implementation strategies and requirements regarding

such existing legislation, the Parties would meet and confer as requested by Contractor or the City Contract Manager or their designee to discuss how such legislation may impact the services provided under this Agreement. Prior to such meet and confer period, Contractor agreed to minimize actions (such as replacement of Collection vehicles) that may be affected by such legislation. Notwithstanding the foregoing, the Parties agreed that changes to this Agreement resulting from legislation which has been passed, but for which rules and regulations have not been promulgated prior to March 20, 2018, shall be considered changes resulting from a Change in Law once such rules are promulgated. As of the Amendment Commencement Date, this Agreement reflects such changes agreed to by the Parties.

4.4 Transition to Next Contractor at End of Agreement

If applicable, before expiration or earlier termination of this Agreement, Contractor will take direction from the City and subsequent contractor to assist in a timely and orderly transition of services from Contractor to subsequent contractor. In response to the City's direction, Contractor shall provide then-current route lists, which identify each Customer on the route, its Service Level (number of Containers, Container sizes, frequency of Collection, scheduled Collection day), and any special Collection notes, and detailed then-current Customer account and Billing information. Contractor may, but shall not be obliged to, sell Collection vehicles, equipment, or facilities to the next contractor. In accordance with Exhibit O to this Agreement, the next contractor will be obligated to reimburse Contractor for its ongoing landfill closure costs after the transition.

4.5 City Free to Negotiate with Third Parties

The City may investigate all options for Collection, Transportation, Processing, and Disposal services that will be scheduled to commence after the expiration of the Term or earlier termination of this Agreement. Without limiting the generality of the foregoing, the City may solicit proposals from Contractor and/or from third parties for the provision of Collection, Transportation, Processing, or Disposal of Solid Waste, Recyclable Materials, and Organic Materials services, and any combination thereof. The City may negotiate and execute agreements for such services that will take effect upon the expiration or earlier termination of this Agreement.

ARTICLE 5. COLLECTION SERVICES

5.1 General

The work to be done by Contractor pursuant to this Agreement shall include the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the services required by this Agreement. The enumeration and specification of requirements for particular items of labor or equipment shall not relieve Contractor of the duty to furnish all others, whether enumerated elsewhere in the Agreement or not.

The work to be done by Contractor pursuant to this Agreement shall be accomplished in a thorough and professional manner so that the residents and businesses within the City are provided reliable, courteous, and high-quality service at all times. The enumeration and specification of requirements for particular aspects of service quality shall not relieve Contractor of the duty of accomplishing all other aspects, whether they are enumerated elsewhere in the Agreement or not.

Contractor acknowledges that the City is committed to Diverting materials from Disposal through the implementation of source reduction, reuse, Diversion programs and that the City may at some time in the future implement, in accordance with Section 4.3, new programs that may impact the overall quantity or composition of Solid Waste, Recyclable Materials, and Organic Materials to be Collected by Contractor.

5.2 Solid Waste Collection Services

5.2.1 Single-Family Solid Waste Collection Service

Contractor shall Collect Solid Waste placed in Contractor-provided Carts once per week from Single-Family Premises. Contractor shall provide each Customer with a thirty-five (35) or ninety-six (96)-gallon Cart (or similar sizes approved by the City) as requested by the Customer. For Single-Family Premises, Contractor shall Collect Carts from the Curbside (or at other designated locations for townhomes, condominiums, or attached Single-Family Premises) unless the Occupant is physically unable to place the Container Curbside. In such case, Contractor shall Collect Carts from an alternative service location (such as the side yard or back yard) at no additional fee. Customers that are physically capable of moving Carts Curbside may choose to subscribe to side yard or back yard service and Contractor shall Collect Carts from the alternative service location and may charge the Customer for the extra service in accordance with the City-approved Rate on the Rate schedule in Exhibit G.

Contractor shall replace Solid Waste Carts that have been stolen or damaged at no cost to the Customer not more than once per year.

5.2.2 Single-Family On-Call Bulky Item and Clean-Up Service

A. **General Requirements.** Contractor shall provide each Single-Family Customer with three (3) on-call Curbside (or at other designated location for townhomes, condominiums, or attached Single-Family Premises) clean-up services per year at the Customer's request at no charge. The Contractor shall promote, manage, staff, and operate the on-call clean-up services.

945 Contractor shall promote the service annually by preparing billing inserts to be included in each
946 Customer's bill and by advertising in a minimum of two (2) local newspapers as approved by the
947 City. The City shall approve all advertisements or public announcements related to the on-call clean-
948 up service.

949 B. **Scheduling.** Contractor shall provide clean-up services Monday through Friday except on Holidays.
950 The Contractor shall provide the service to the Customer within seven (7) Business Days of the
951 Customer's request on a day agreed to by the Customer and Contractor. Contractor may provide
952 additional on-call clean-up service for a Customer beyond three (3) per year, and in such case shall
953 be entitled to charge the Customer for such service at the City-approved Rate on the Rate schedule
954 in Exhibit G.

955 C. **Accepted Materials.** During each on-call clean-up event, the Single-Family Customer may Deliver
956 Curbside, and Contractor shall accept for Collection: up to five (5) cubic yards of Bulky Items, Solid
957 Waste, Recyclable Materials, and/or Yard Trimmings. For purposes of this service a couch and a
958 combination box springs and mattress shall each equal 3 cubic yards.

959 Contractor may reject: liquids or sludges; materials which exceed five (5) feet in length and are not
960 bundled; painted or stained wood; automotive batteries; used motor oil; pesticides; Construction
961 and Demolition Debris; Hazardous Waste; Infectious Waste; or, tires exceeding four (4) per clean-
962 up event. Contractor may reject a single item that weights more than seventy-five (75) pounds
963 (excluding Bulky Items) unless Customer has paid an additional fee for service at the City-approved
964 Rate on the Rate schedule in Exhibit G. Contractor may also reject un-containerized materials,
965 materials that are not bundled, or other items that exceed the Collection abilities as determined by
966 the Contractor and approved by the City.

967 Each Customer shall be instructed to place all items to be Collected by Contractor Curbside by 6:00
968 a.m. on pick-up day to ensure Collection.

969 D. **Processing and Disposal.** Contractor shall Collect materials and Transport the materials to the
970 Approved Transfer Site with the exception of Appliances and E-Waste that may be delivered to a
971 recycler or dismantling company and furniture that may be delivered to a third party for reuse or
972 Recycling. The site or site(s) and/or Subcontractor(s) that Contractor selects to handle, Process,
973 and/or Dispose of Appliances and E-Waste shall be approved by the City.

974 E. **Recycling and Reuse.** Contractor shall separate reusable Bulky Items, Recyclable Materials, and
975 Organic Materials Collected from the on-call clean-up services and Transport such materials to the
976 appropriate Processing Sites. Due to the unknown quantities of reusable and Recyclable Materials
977 Collected as well as the types of items community organizations and others will take for reuse or
978 Recycling at any point in time, the Contractor shall reuse and Recycle Appliances, clothing, furniture,
979 mattresses, etc. so that a minimum of fifty percent (50%) of the material by weight Collected during
980 the on-call clean-up service is Diverted from Disposal. At a minimum, the following materials shall
981 be Collected separately and Diverted: clean, untreated wood, Yard Trimmings, textiles, cardboard,
982 and Appliances.

983 When providing such service, Contractor shall encourage and facilitate the participation of Reuse
984 Vendor(s) to select and sort out Recyclable and reusable items at the point of Collection or at a
985 Transfer or Processing Site. Marketing of reusable materials that are designated for reuse by the

986 Reuse Vendor(s) may include clothing, toys, house wares, linens, wood furniture, tables, chairs,
987 working computers, undamaged monitors, cell phones, books, working small Appliances, working
988 VCRs and working stereos. Materials that are not desired by the Reuse Vendor(s) shall be
989 Transported by Contractor to the Approved Disposal Site, Approved Recyclable Materials Processing
990 Site, or Approved Organic Materials Processing Site.

991 F. **Handling Major Appliances.** Major Appliances shall be reused, Recycled, or Disposed by Contractor
992 in accordance with requirements of Applicable Law.

993 **5.2.3 Multi-Family Solid Waste Collection Service**

994 Contractor shall Collect Solid Waste from Multi-Family Premises as frequently as scheduled by the
995 Customer, up to six (6) times per week but not less than once per week. Contractor shall offer Multi-Family
996 Premises the option of subscribing to Cart, Bin, Drop Box, or Compactor service. Contractor shall Collect
997 Solid Waste from Containers at a location selected by the Customer and approved by the City.

998 Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform
999 other services as reasonably necessary to access and empty the Containers and shall not charge
1000 Customers an additional fees for such services.

1001 **5.2.4 Multi-Family On-Call Bulky Item and Clean-Up Service**

1002 Contractor shall provide Multi-Family Customers with up to three (3) on-call clean-up services per year,
1003 plus one (1) additional on-call clean-up event per every ten (10) dwelling units, per complex at no
1004 additional cost. This service shall be provided in the same manner as that described for Single-Family
1005 Customers in Section 5.2.2 with the following exceptions:

1006 A. The Multi-Family Customer or property manager shall arrange the service with the Contractor.
1007 Tenants of the Multi-Family Premises may not arrange the service. Service shall not be provided to
1008 individual Residential units but to the Multi-Family complex.

1009 B. Contractor shall provide clean-up services Monday through Friday except on Holidays. The
1010 Contractor shall provide the service to the Customer within seven (7) Business Days of the
1011 Customer's request on a day agreed to by the Customer and Contractor. Contractor may provide
1012 additional on-call clean-up service for a Customer beyond three (3) per year, and in such case shall
1013 be entitled to charge the Customer for such service at the City-approved Rate on the Rate schedule
1014 in Exhibit G.

1015 C. During each on-call clean-up event, the Multi-Family Customer may Deliver Curbside, and
1016 Contractor shall accept for Collection: up to five (5) cubic yards of Bulky Items, Solid Waste,
1017 Recyclable Materials, and/or Yard Trimmings. For purposes of this service a couch and a
1018 combination box springs and mattress shall each equal 3 cubic yards. Contractor shall arrange the
1019 dates of delivery and pick-up of the Bin, as applicable, with the Customer or property manager and
1020 shall pick-up the Bin within seven (7) calendar days of the original date of delivery.

1021 D. Appliances shall be Collected as part of the service only if the Customer or property manager pays
1022 an additional fee at the City-approved Rate on the Rate schedule in Exhibit G.

5.2.5 Commercial Solid Waste Collection Service

Contractor shall Collect Solid Waste from Commercial Premises as frequently as scheduled by the Customer, up to six (6) times per week but not less than once per week. Contractor shall offer Commercial Premises the option of subscribing to Cart, Bin, Drop Box, or Compactor service. Contractor shall Collect Solid Waste from Containers at a location selected by the Customer and approved by the City.

Contractor shall allow each Commercial Customer to select a Collection service methodology that best suits the needs of its Premises. Specifically, the Contractor shall offer the following Collection service methodologies to Commercial Customers:

A. **Individual Cart or Bin Service.** Contractor shall allow each Commercial Premises to use Carts or Bins for Solid Waste Collection. Contractor shall provide each Customer with a choice of one (1) or more Carts with capacities of thirty-five (35) or ninety-six (96) gallons (or similar sizes approved by the City) or Bins with capacities ranging from one (1) to seven (7) cubic yards (or similar sizes approved by the City).

B. **Centralized Bin or Cart Service.** Contractor shall allow each Commercial Premises to use Carts or Bins for Solid Waste Collection that are shared by the Occupants of two (2) or more adjacent Commercial Premises. In such case, Contractor shall provide one (1) or more Carts or Bins as requested by Customer(s) provided that no less than ninety-six (96) gallons (or similar volume) of Container capacity is provided for every four (4) Commercial Premises. Contractor shall provide each Customer with a choice of one (1) or more Carts with capacities ranging from thirty-five (35) to ninety-six (96) gallons (or similar sizes approved by the City) or Bins with capacities ranging from one (1) to seven (7) cubic yards (or similar sizes approved by the City).

C. **Drop Boxes and Large Compactors.** Contractor shall allow a Customer to use a Drop Box or Compactor with a roll-off Compactor Container for Solid Waste Collection to meet the Customer's Solid Waste Collection needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from six (6) to fifty (50) cubic yards (or similar sizes approved by the City). Contractor shall offer Customers the option to purchase or lease Compactors through either the Contractor or an outside vendor.

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 the Containers and shall not charge Customers an additional fee for such services.

5.2.6 Bin Rental Service

Contractor shall offer rentals of four (4) cubic-yard Bins to all Customers for Solid Waste Collection only on a temporary basis when Customers are remodeling, cleaning their property, or performing other projects. Contractor shall charge Customers for this service in accordance with City-approved Rates on the Rate schedule in Exhibit G.

5.3 Recyclable Materials Collection Services

5.3.1 General

Contractor shall Collect Recyclable Materials that are commingled in the Customer's Recyclable Materials Collection Container provided that the Customer has Source Separated the Recyclable Materials from Solid Waste and Organic Materials. The types of Recyclable Materials to be Collected by Contractor are specified in Section 1.91. Contractor shall Transport all Recyclables Collected to the Approved Recyclable Materials Processing Site for Processing.

In accordance with Section 4.3, the City may request Contractor to modify its scope of services to include Collection of additional types of Recyclable Materials beyond those materials defined in Section 1.91. If the City requests Collection of additional Recyclable Materials, the Contractor shall not receive additional compensation for Collection service if the Recyclable Materials are placed by Generator in the Recyclable Materials Container unless Contractor can demonstrate that Collection of the additional material(s) requires modifications to Collection routes to accommodate the additional volume of the material(s). An adjustment to Contractor's Rates may be made for changes in Processing costs in accordance with Sections 4.3 and 8.5.

5.3.2 Single-Family Recyclables Collection Service

Contractor shall Collect Recyclable Materials from Single-Family Premises once each week on the regularly scheduled Solid Waste Collection day. Contractor shall supply each Single-Family Customer with one (1) Cart for storage and Collection of Recyclable Materials. The Contractor shall provide each Customer a ninety-six (96)gallon Cart (or similar size approved by the City).

If a Customer requests a second Recyclables Cart, Contractor shall provide the Cart to the Customer for regular weekly Collection service. The Contractor shall charge the Customer for the extra Recyclables Cart at the Rate approved by the City on the Rate schedule in Exhibit G.

For Single-Family Premises, Contractor shall Collect Carts from the Curb (or at other designated location for townhomes, condos, or attached Single-Family Premises) unless the Occupant is physically unable to place the Container Curbside. In such case, Contractor shall Collect Carts from an alternative service location (such as the side yard or back yard) at no additional fee. Customers that are physically capable of moving Carts Curbside may choose to subscribe to side yard or back yard service. In such cases, Contractor shall Collect Carts from the alternative service location and charge the Customer for the extra service in accordance with the City-approved Rate on the Rate schedule in Exhibit G.

Contractor shall replace Containers, which were specifically designated for Recyclable Materials that have been stolen or damaged at no cost to the Customer not more than once per year. Additional Cart replacements shall be charged to the Customer at a City-approved Rate on the Rate schedule in Exhibit G.

Contractor shall instruct Single-Family Customers as to any necessary preparation of materials; the proper placement of Recyclable Materials Carts Curbside; and shall notify Single-Family Generators who fail to follow these instructions in accordance with Section 5.14.8. In cases of extreme or repeated failure to comply with the instructions, Contractor may Collect the Recyclable Materials as Solid Waste and shall charge the Customer for the extra Solid Waste Cart at the City-approved Rate on the Rate schedule in Exhibit G.

Contractor shall Collect all Recyclable Materials from Carts with the exception of Used Motor Oil and Filters which shall be Collected from Contractor-provided Used Oil Recovery Kits placed adjacent to the Carts. Contractor shall Collect Used Motor Oil and Filters once per week from Single-Family Customers who request it if the Customers place the Used Motor Oil and Filters in a Used Oil Recovery Kit provided by the Contractor. Contractor shall provide the Used Oil Recovery Kit to a Residential Customer within two (2) Business Days of such request by Customer at no additional cost to Customer. Contractor shall instruct Customers how to properly use and place Used Oil Recovery Kits for Collection. Upon Collection of a Used Oil Recovery Kit from a Generator, Contractor shall leave a clean, empty, Used Oil Recovery Kit adjacent to the Recyclables Cart. Contractor shall not be required to Collect more than one gallon of Used Motor Oil per individual dwelling unit per week from Single-Family Customers who request it.

5.3.3 Multi-Family and Commercial Recyclables Collection Service

A. **General.** Contractor shall Collect Recyclable Materials placed in Containers for Collection from Multi-Family and Commercial Premises at least once each week and up to five (5) times per week as scheduled by the Customer. Contractor shall provide Carts, Bins, or Drop Boxes for Recyclables storage and Collection and shall place Containers in locations determined by the Customer or property manager.

Multi-Family and Commercial Recyclable Materials Collection shall be performed at a time mutually agreed upon by Contractor and the Customer and which is consistent with allowable Collection hours specified in Section 5.14.3. The City reserves the right per Section 4.3 to direct Contractor to perform additional Commercial Recycling services such as the use of selective routing to Collect clean loads of Recyclable Materials in the event that Contractor is not making adequate progress toward the City's Diversion/Recycling goals. Contractor shall provide Used Motor Oil and Filter Collection to Multi-Family Customers in the same manner in which Contractor provides the service to Single-Family Customers.

B **Commercial and Multi-Family Service Options.** Contractor shall allow Commercial and Multi-Family Customers to select a Collection service method that best suits the needs of its Premises. Specifically, the Contractor shall offer the following choices to Commercial Customers:

1. **Individual Cart or Bin Service.** Contractor shall allow Commercial and Multi-Family Customers to use Cart(s) or Bin(s) for Recyclable Materials Collection. Contractor shall provide each Customer with a choice of one (1) or more Carts with capacity of thirty-five (35) or ninety-six (96) gallons and with one or more Bins with capacities ranging from one (1) to seven (7) cubic yards (or similar sizes approved by the City).

2. **Centralized Cart or Bin Service.** Contractor shall allow Commercial or Multi-Family Customers to use Cart(s) or Bin(s) for Recyclable Materials Collection that are shared by the Occupants of two (2) or more Commercial or Multi-Family Premises. In such case, Contractor shall provide one (1) or more Carts or Bins to such Premises as requested by Customer(s).

3. **Drop Boxes and Compactors.** Contractor shall allow Commercial or Multi-Family Customers to use a Drop Box or Compactor for Recyclable Materials. In such case, Contractor shall provide Customers with a choice of Container capacities ranging from ten

1137 (10) to fifty (50) cubic yards. Contractor shall offer Customers the option to purchase or
1138 lease Compactors through Contractor or an outside vendor.

1139 C. **Container Replacement.** Contractor shall replace Recyclable Materials Containers that have been
1140 stolen or damaged, at no cost to the Multi-Family and Commercial Premises, not more than once
1141 per year. Additional replacements shall be charged to the Customer at the City-approved Rate on
1142 the Rate schedule in Exhibit G.

1143 D. **Posters, Signage, and Other Education Materials.** Pursuant to the public education plan in Exhibit
1144 B, Contractor shall instruct (as part of the education program) Multi-Family and Commercial
1145 Premises Customers and/or their property managers as to any necessary preparation, separation,
1146 and placement of Recyclable Materials and shall provide the property manager with the following
1147 materials to facilitate Customer and tenant education:

1148 1. Educational Recycling posters for strategic placement on the Premises. For Multi-Family
1149 Premises, Contractor shall make the posters available for use in areas frequented by
1150 tenants (such as in mail rooms, laundry rooms, offices, etc.). For Commercial Premises,
1151 the Contractor shall make the posters available for use in areas frequented by employees.

1152 2. Recycling signs at the Recyclable Materials Container locations that clearly indicate the
1153 types of Recyclables that are accepted and those that are not.

1154 3. "Move-In Kits" for tenants of Multi-Family units as described in Exhibit B.

1155 4. "How To" Brochures as described in Exhibit B.

1156 5. Pursuant to Section 6.3.2.J and Section 6.3.3.G, Contractor shall report its public
1157 education efforts to the City on a monthly and quarterly basis.

1158 E. **Notification of Improper Setout.** Contractor shall notify Customers and their property managers (if
1159 applicable) who fail, or whose residents or employees fail, to follow Recycling instructions provided
1160 by Contractor in accordance with Section 5.14.8 and Section 5.24. In cases of extreme or repeated
1161 failure to comply with the instructions, Contractor may decline to Collect the Recyclable Materials
1162 but must notify the Customer of the reason and what steps must be taken by Customer to
1163 recommence service.

1164 **5.4 Organic Materials Collection Services**

1165 **5.4.1 Single-Family Organics Collection Service**

1166 A. **General.** Contractor shall Collect Organic Materials (including Food Scraps) from each Single-Family
1167 Customer Curbside once each week on the regularly scheduled Solid Waste Collection day. Organic
1168 Materials shall be Collected and Transported to the Approved Organic Materials Processing Site for
1169 the purposes of Organic Materials Processing. Contractor shall instruct Customers as to the types
1170 of Organic Materials accepted for Collection (and those prohibited); any necessary preparation of
1171 Yard Trimmings (such as the cutting of large items), and Food Scraps; and the appropriate use and
1172 placement of Carts designated for Organic Materials Collection. Contractor shall notify Customers
1173 who fail to follow these instructions in accordance with Section 5.14.8. In cases of extreme or

1174 repeated failure to comply with the instructions, Contractor may Collect the Organic Materials as
1175 Solid Waste and shall charge the Customer for the extra Solid Waste Cart at the City-approved Rate
1176 on the Rate schedule in Exhibit G.

1177 B. **Carts.** Contractor shall supply each Single-Family Customer with one (1) Cart for storage and
1178 Collection of Organic Materials. The Contractor shall provide each Customer a ninety-six (96) gallon
1179 Cart (or similar size approved by the City) unless the Customer requests a smaller Cart size, in which
1180 case, the Contractor shall provide a thirty-five (35) gallon Cart (or similar sizes approved by the City).
1181 If a Customer requests a second Organics Cart, Contractor shall provide the Cart to the Customer
1182 and Collect Organics on a weekly basis. The Contractor shall charge the Customer for the extra
1183 Organics Cart at the City-approved Rate on the Rate schedule in Exhibit G.

1184 Contractor shall replace Organics Carts that have been stolen or damaged at no cost to the
1185 Generator not more than once per year. Additional Cart replacements shall be charged to the
1186 Generator at a Rate equal to Contractor's actual purchase price of Cart (plus cost of Cart assembly)
1187 and such Rate shall be approved by the City as shown on the Rate schedule in Exhibit G.

1188 Refer to Section 5.16 for additional information about Containers.

1189 C. **Kitchen Pails.** Upon Customer request and at no cost to the Customer, Contractor shall provide
1190 Single-Family Customers kitchen pails for use in the kitchen suitable for the collection and storage
1191 of Food Scraps. Contractor shall promote the availability of the kitchen pails through public
1192 education efforts required by Exhibit B. Contractor shall purchase a sufficient number of kitchen
1193 pails to maintain an inventory of pails so that upon a Single-Family Customer's request, Contractor
1194 can assemble (if needed) and deliver the pail to the Single-Family Customer within one (1) week of
1195 request. Each kitchen pail shall be accompanied by flyer describing the Organic Materials program
1196 requirements

1197 The kitchen pail shall be consistent in function and specifications to meet guidelines or
1198 requirements of the StopWaste.Org (also known as the Alameda County Waste Management
1199 Authority and Alameda County Source Reduction and Recycling Board) Residential Food Scrap
1200 Subsidy Program. The kitchen pail shall be made of rigid plastic, and have a capacity of 1.5 to 2.5
1201 gallons, a wire or plastic handle, and a lid. Contractor must submit kitchen pail order (including
1202 material and design specifications, colors, and identification marks) to City for City's written
1203 approval prior to submitting the order to the manufacturer.

1204 **5.4.2 Multi-Family and Commercial Organics Collection Service**

1205 A. **General.** Contractor shall Collect Organic Materials from Commercial and Multi-Family Premises as
1206 frequently as scheduled by Customer up to five (5) days per week, but not less than one (1) day per
1207 week. Contractor shall provide Carts, Bins, Drop Boxes, or Compactors for Organics storage and
1208 Collection and shall place Containers in locations determined by the Customer or property manager.

1209 Commercial and Multi-Family Organic Materials Collection shall be performed at a time mutually
1210 agreed upon by Contractor and the Customer and which is consistent with allowable Collection
1211 hours specified in Section 5.14.3.

1212 Contractor will work with and support the City and any consultants contracted by the City or
1213 StopWaste.Org (also known as the Alameda County Waste Management Authority and Alameda
1214 County Source Reduction and Recycling Board) to conduct Commercial and Multi-Family Organic
1215 Materials audits.

1216 Any revenue other than Rate revenue that the Contractor receives specifically for the Commercial
1217 and Multi-Family Organic Materials Program, including but not limited to, the StopWaste.Org Food
1218 Scrap Subsidy and Incentive payment programs, shall be deducted from the Contractor's total
1219 calculated costs to reduce Customer Rates in accordance with Section 3.F of Exhibit H and Section
1220 3.F of Exhibit I.

1221 B. **Collection Service Options.** Contractor shall provide Commercial and Multi-Family Organics
1222 Customers with a Container appropriate for the needs of the business and the available space in the
1223 enclosure for outside storage and Collection of Organic Materials. Contractor shall allow
1224 Commercial Customers to select a Collection service method that best suits the needs of its
1225 Premises in the same manner as the described in Section 5.3.3.B.

1226 D. **Container Replacement.** Contractor shall replace Containers, which are specifically designated for
1227 Organic Materials Collection, that have been stolen or damaged at no cost to the Commercial or
1228 Multi-Family Premises not more than once per year. Additional replacements shall be charged to
1229 the Customer at City-approved Rates on the Rate schedule in Exhibit G.

1230 E. **Posters, Signage, and Other Education Materials.** Pursuant to the public education plan described
1231 in Exhibit B, Contractor shall instruct Commercial and Multi-Family Customers and/or their property
1232 managers as to any necessary preparation, separation, and placement of Organic Materials and
1233 shall provide posters, signs, and other public education materials.

1234 F. **Notification of Improper Setout.** Contractor shall notify Customers and their property managers (if
1235 applicable) who fail, or whose residents or employees fail, to follow the posted instructions. In
1236 cases of extreme or repeated failure to comply with the instructions, Contractor may decline to
1237 Collect the Organic Materials but must notify the Customer of the reason and what steps must be
1238 taken by Customer to recommence service.

1239 G. **Reporting.** Pursuant to Sections 6.3.1, 6.3.2, 6.3.3 and 6.3.4, Contractor shall provide reports to the
1240 City documenting its efforts to promote Organic Materials Collection services to Commercial
1241 Customers including, but not limited to, the number of site visits performed.

1242 H. **Internal Organics Bins.** Upon the Customer's request, Contractor shall offer Commercial Customers
1243 a variety of Organics storage bins for use by the Customer inside their Premises to store Organic
1244 Materials prior to placement of the materials in the outdoor Containers to be Collected by
1245 Contractor. Up to three (3) internal Organics bins shall be provided at no cost to the Customer.
1246 Contractor shall promote the availability of the internal Organics bins during the site visits with the
1247 Owner or property manager, and through other Commercial public education efforts required by
1248 Exhibit B. Contractor shall purchase a sufficient number of Organics bins to maintain an inventory
1249 of bins so that upon a Customer's request, Contractor can deliver the Organics bin(s) to the
1250 Commercial Premises within two (2) weeks of request. Each Organics bin shall be accompanied by
1251 a flyer describing the Organics program requirements.

1252 Contractor must submit the Organics bin order (including material and design specifications, colors,
1253 and identification marks) to City for City's written approval prior to submitting the order to the
1254 manufacturer.

1255 **5.4.3 Holiday Tree Collection**

1256 A. **Single-Family Customers.** Contractor shall offer to each Single-Family Customer Curbside Collection
1257 of holiday trees during the first and second week beginning on the Monday following New Year's
1258 Day. In the event New Year's Day is a Monday, holiday tree Collection shall commence on Tuesday
1259 following New Year's Day and continue for five (5) Business Days. Holiday trees shall be Collected
1260 on the Customer's regular Collection day during the designated week. Customer notification
1261 requirements are specified in the public education plan, Exhibit B.

1262 B. **Drop Box for Drop-Off Collection.** Contractor shall supply a thirty (30) cubic yard Drop Box, to be
1263 placed at a location determined by the City, to provide a drop-off location for holiday trees. The
1264 Contractor shall provide signage for the drop-off location that assists Persons in readily identifying
1265 the site as the holiday tree drop-off location and signage on the Drop Box or adjacent to it with
1266 instructions for placing the trees in the Drop Box and the types of items that are prohibited (e.g.,
1267 flocked trees, trees with decorations, etc.). The Contractor shall service the holiday tree Drop Box
1268 on a regular basis and keep the surrounding area free of any debris. Contractor shall deliver the
1269 Drop Box to a site specified by the City on the first Business Day after Christmas Day and shall service
1270 the Drop Box until the third Monday of January.

1271 C. **Diversion Requirement.** Holiday trees shall be Recycled, Composted, or used as mulch or a slope
1272 stabilization material, in a manner to count as Diversion in accordance with AB 939 and in
1273 compliance with SB 1383, with the exception of trees that are flocked, contain tinsel, or other
1274 decorations, which shall be Collected and Disposed by Contractor.

1275 **5.5 City Facilities and Events Collection**

1276 **5.5.1 City Facilities, and City-Sponsored Events**

1277 Contractor shall provide Solid Waste, Recyclable Materials, and Organic Materials Collection, Processing,
1278 and Disposal services for City sponsored events, and City facilities at the Service Levels described in Exhibit

1279 A. Contractor shall provide and maintain Collection Containers with the exception of public litter and
1280 public Recycling cans (including those located in City parks), which shall be provided and maintained by
1281 the City. Contractor may integrate Collection of City facilities with other Collection services provided that
1282 Contractor estimates Tonnage Collected from City facilities separately from other Customers.

1283 Contractor shall work cooperatively with the City to annually survey City facilities to determine
1284 appropriateness of service and shall adjust Container size, frequency of service, and type of service if
1285 appropriate. In addition, Contractor shall assist the City in developing a strategy for increasing Recycling
1286 activities and Recycling participation levels of visitors and Commercial Customers in the City's downtown
1287 area (bounded by Peter Street, First Street, Bernal Avenue and Arroyo Del Valle).

5.5.2 Large Events and Venues

Contractor shall offer Solid Waste, Recyclable Materials, and Organic Materials Collection services for all events (e.g., fairs, festivals, etc.) and venues in the City. Contractor shall provide the service to Customers at City-approved Rates on the Rate Schedule in Exhibit G.

Contractor shall also provide the Solid Waste, Recyclable Materials, and Organic Materials Collection services to all the City-sponsored events each calendar year. Contractor shall provide Collection to the City-sponsored events and any additional special events at City-approved Rates on the Rate Schedule in Exhibit G.

Large venues requiring regularly scheduled Collection services shall be serviced as Commercial Customers and offered the full range of Commercial Collection services described in this Agreement at City-approved Rates on the Rate schedule in Exhibit G.

For large events and venues with periodic Collection needs, Contractor shall provide Solid Waste, Recyclable Materials, and Organic Materials service as requested by the event or venue organizer. Services provided by Contractor shall include delivery of Collection Containers prior to the Commencement of the event and removal of Collection Containers at the end of the event. Contractor shall provide staff during events to: (i) maintain and empty Collection Containers, (ii) provide outreach, (iii) coordinate with event organizers and other event participants and volunteers, and (iv) collect data for reporting purposes.

Contractor shall make available Carts, Bins, and Drop Boxes. The number and size of Containers shall be sufficient to allow convenient Collection of Solid Waste, Recyclable Materials, and Organic Materials for event participants. If the event coordinator determines that additional Containers are necessary, Contractor shall promptly deliver the requested number of additional Containers. Carts provided shall be equipped with special lids with drop in slots that minimize contamination of Recyclable and Organic Materials. Contractor shall arrange the Container delivery and pick-up schedule with the event organizer.

All Solid Waste, Recyclable Materials, and Organic Materials Collected from events and venues shall be delivered to the Approved Facility as appropriate.

Contractor shall work cooperatively with events and venues that are classified as Large Events and Large Venues by AB 2176 to assist such events and venues in complying with requirements of AB 2176. Contractor shall assist Large Events and Venues organizers in meeting AB 2176 requirements by offering Recyclable Materials and Organic Materials Collection services at no cost to the Customer.

5.6 Provision of Service to Schools

If a public or private school requests Solid Waste, Recyclable Materials, or Organic Materials Collection services, Contractor shall provide such services in accordance with the Collection requirements pursuant to Sections 5.2.5, 5.3.3, and 5.4.2. Contractor shall charge the school at Rates that do not exceed the City-approved Rates for Commercial Customers on the Rate schedule in Exhibit G. At the Contractor's option, the Contractor may require that the school enter into a service agreement with a commitment to subscribe to Collection service for a minimum of six (6) months.

5.7 Construction and Demolition Debris Collection

Contractor shall offer and provide Construction and Demolition Debris (C&D) Collection services to any Customer requesting such service, in a manner which promotes the Customer's ability to achieve compliance with the C&D Diversion requirements identified in the City Municipal Code. C&D Collection service shall be a temporary service, provided only at sites where construction, alteration, remodeling, repair, or demolition operations are being performed. Contractor shall Collect C&D from Customers that have requested C&D Collection service as frequently as scheduled by Customer up to six (6) days per week, but not less than one (1) day per week. Contractor shall provide Drop Boxes for C&D storage and Collection and shall place Drop Boxes in locations determined by the Customer or construction site manager. Contractor shall require that all Customers receiving C&D Collection service under this Agreement are provided a Container for non-C&D Solid Waste.

Contractor shall work with the Customer to provide Collection services that result in a minimum of ninety percent (90%) of Portland cement concrete and asphalt concrete, and at least seventy-five percent (75%) of the remaining C&D being Diverted (except as otherwise provided in the City Municipal Code), taking into account only C&D projects where Contractor Collects all materials. Contractor Billings shall be at the City-approved Rates for such service.

Contractor shall Transport all C&D Collected under this Agreement to the Approved C&D Processing Site for Processing. Contractor shall pay all tipping fees and other costs associated with Transporting, Processing, and/or Disposal of C&D.

Contractor shall observe and comply with all regulations in effect at the Approved C&D Processing Site and cooperate with and take direction from the operator thereof with respect to delivery of C&D.

5.8 Abandoned Waste Collection

Contractor shall Collect Solid Waste and Bulky Items abandoned by Generators in the City. Contractor shall dispatch a truck to Collect abandoned materials at locations in the City identified by Contractor or at locations identified by the City. In instances when the Contractor has received verbal or written 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 or written request 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 or written 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 the Approved Disposal Site for Disposal of abandoned Solid Waste shall be made available by Contractor upon request by the City.

5.9 Transfer Station Drop-Off Service

5.9.1 Community Drop-off Events

Contractor shall arrange and provide one (1) drop-off event per calendar year at the Approved Transfer Site, wherein City residents may drop-off up to up to seven (7) cubic yards of Yard Trimmings at no charge

to the City or residents. Contractor may require that participating residents show proof of residency within the City. Such proof of residency may include, but is not limited to, a valid drivers' license or other form of photo identification. Contractor shall notify residents of the scheduled drop-off event through a Billings insert, and shall publish notice in no fewer than two (2) local news publications no later than fourteen (14) days prior to the scheduled event date. Contractor shall schedule the drop-off event in the fall. Contractor shall ensure that all Yard Trimmings received during the community drop-off events are kept separate from other Discarded Materials and deliver the material to the Organic Materials Processing Site for Processing, in accordance with this Agreement and SB 1383.

5.9.2 Ongoing Drop-Off Service

Contractor shall accept, and Divert from Disposal, Source Separated Recyclable Materials (at the Buy Back Center), clothing, and other textiles, and up to five (5) gallons of used cooking oil per Customer per visit, delivered by Single-Family Customers to the Approved Transfer Site during regular facility open hours at no charge to the Customers or City. Contractor may require that participating residents show proof of residency within the City. Such proof of residency may include, but is not limited to, a valid drivers' license or other form of photo identification.

5.9.3 Reuse Trailer

Contractor shall operate and maintain at the Approved Transfer Site a "Reuse Trailer" where reusable items including, but not limited to, recovered Bulky Items may be stored and made available for visitors to the Approved Transfer Site for reuse. Operation of the Reuse Trailer shall be provided during regular facility open hours at no cost to Customers or the City.

5.10 E-Waste and U-Waste Collection

5.10.1 On-Call E-Waste Collection

In addition to Collection of E-Waste during on-call clean-up events, Contractor shall offer Single-Family, Multi-Family, and Commercial Customers Collection of E-Waste on an on-call basis upon Customer request at City-approved Rates on the Rate schedule in Exhibit G.

5.10.2 Single-Family Cell Phone and Household Battery Collection

Contractor shall provide weekly Collection of cell phones and household batteries from Single-Family Customers on the same day as Solid Waste, Recyclable Materials, and Organic Materials are Collected from the Customers. Contractor shall Collect cell phones and household batteries contained in a sealed plastic bag placed on top of the Recyclable Materials Cart. Contractor shall not be required to Collect automobile batteries through this program.

5.10.3 E-Waste and U-Waste Drop-Off

Effective upon Contractor's receipt of the applicable permits authorizing such service, Contractor shall provide a drop-off service at the Approved Transfer Station Site at no cost that enables City residents to drop-off: fluorescent bulbs, household batteries, cell phones, automotive batteries, paint, Used Motor Oil

1398 and Filters, and other similar E-Waste and U-Waste in accordance with Applicable Law, but not hazardous
1399 materials. The drop-off area shall be open 8:00AM to 4:00PM seven (7) days per week (except legal
1400 Holidays).

1401 **5.11 Hazardous Waste**

1402 If Contractor determines that material placed in any Container for Collection is Hazardous Waste,
1403 Designated Waste, or other material that may not legally be Disposed of or handled at the Approved
1404 Facilities or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to
1405 accept such material. However, Contractor shall accept: Used Motor Oil and Filters placed by Generator
1406 for Collection as a Recyclable Material; E-Waste accepted on an on-call basis or through Single-Family on-
1407 call clean-up service. The Generator will be contacted by the Contractor and requested to arrange proper
1408 Disposal. If the Generator cannot be reached immediately, the Contractor shall, prior to leaving the
1409 Premises, leave a tag at least two (2) inches by six (6) inches which lists the phone number for the Alameda
1410 County Household Hazardous Waste program, indicating the reason for refusing to Collect the material.
1411 If the material could possibly result in imminent danger to people or property, the Contractor shall notify
1412 the Livermore/Pleasanton Fire Department using the 911 emergency number as soon as possible.

1413 The Contractor shall notify the City of any Hazardous Waste left at any Premises for fourteen (14) or more
1414 calendar days.

1415 If Hazardous Waste is delivered to the Approved Facilities by Contractor before its presence is detected
1416 and the Generator cannot be identified or fails to remove the material after being requested to do so, the
1417 Contractor shall arrange for its proper Disposal. The Contractor shall make a good faith effort to recover
1418 the cost of Disposal from the Generator, and the cost of this effort, as well as the cost of Disposal shall be
1419 chargeable to the Generator. The Contractor shall be entitled to include the costs incurred under this
1420 Section as an operating expense for purposes of compensation under Article 8 and shall include all sums
1421 recovered by it from Generators as "Other Income."

1422 **5.12 Transportation of Collected Materials**

1423 Contractor shall Transport all Solid Waste, Recyclable Materials, Organic Materials, C&D, and Bulky Items
1424 Collected under this Agreement to the Disposal, Processing, or Organic Materials Processing Sites
1425 approved by the City. Contractor shall maintain accurate records of the quantities of Solid Waste,
1426 Recyclable Materials, Organic Materials, C&D, and Bulky Items Transported to each Approved Facility and
1427 will cooperate with City in any audits or investigations of such quantities.

1428 Prior to delivering Collected materials for Processing and/or Disposal, Contractor shall Transport Solid
1429 Waste, Recyclable Materials, Organic Materials, C&D, and Bulky Items Collected in the City to the
1430 Approved Transfer Site where the materials will be unloaded from Collection vehicles and loaded into
1431 large-capacity vehicles and Transported to the appropriate Approved Processing Site and/or Approved
1432 Disposal Site. If the Contractor is unable to use said facility, then the Contractor shall be responsible for
1433 making other Transportation arrangements, in accordance with Section 5.21. In such event, Contractor
1434 shall not be compensated for any additional costs. If the Contractor plans to change its Transfer method,
1435 Contractor shall obtain written approval from the City prior to making the change.

Any and all Transfer, Processing, and other material handling activities performed in the City shall occur in an enclosed facility and areas used for parking, vehicle access, and operations shall be paved. A site in the City used for Discarded Materials handling activities of any kind will be subject to the City's strict development permit review process.

5.13 Disposal and Processing of Collected Materials

5.13.1 Solid Waste Disposal

A. General. Contractor agrees to Transport and deliver all Solid Waste it Collects in the City to the Approved Disposal Site. Contractor shall pay all costs associated with Transfer (if applicable), Transporting, and Disposing Solid Waste. Any and all Transfer, and other Discarded Materials handling activities performed in the City shall only occur at a facility that is in compliance with all City permit requirements and all other Applicable Law that applies to operations at such facility.

B. Disposal Arrangements. Contractor shall secure sufficient capacity to Dispose Solid Waste Collected under this Agreement and shall cause the Approved Disposal Site to Dispose the Solid Waste. Contractor shall provide the City, upon request, with documentation demonstrating the availability of such capacity.

Contractor shall keep all existing permits and approvals necessary for use of the Approved Disposal Site(s) in full regulatory compliance or confirm that the Owner or operator of such facility does so. Contractor shall, upon request, provide copies of permits and/or notices of violation of permits to the City.

Contractor may change its selection of the Approved Disposal Site following City's written approval, but Contractor shall not be compensated for any increased Transportation, Disposal, and Processing costs. Contractor will bear any increased Transportation, Disposal, and Processing costs associated with a Contractor-initiated change in the Approved Disposal Site. In such case, Contractor shall guarantee the same Disposal Cost specified in Exhibit F associated with the use of Disposal Site(s) different from the Approved Disposal Site. If Contractor elects to use a Disposal Site(s) that is different than the Approved Disposal Site, it shall request written approval from the City sixty (60) calendar days prior to use of the site and obtain the City's written approval no later than ten (10) calendar days prior to use of the site.

Below is information about the Approved Disposal Site selected by the Contractor:

- Facility name: Altamont Landfill
- Owner: Waste Management
- Operator: Waste Management
- Address: 10840 Altamont Pass Road, Livermore, CA
- Contact Person and telephone number: Ken Lewis, 510-385-9520
- Current term and opportunities for extension of agreement: Jan 1, 2020 – December 31, 2029. Method of allocating Solid Waste Disposed to the City (from among two or more jurisdictions): allocation by inbound weight.

Contractor shall Collect Solid Waste generated in the City in Collection vehicles separately from other Solid Waste generated outside the City and shall weigh each vehicle so that the Tonnage of Solid Waste can be documented on a per-load basis with supporting documentation (such as a certified weight ticket or tag).

If Contractor is unable to use the Approved Disposal Site due to an emergency or sudden unforeseen closure of the Approved Disposal Site, Contractor may use an alternative Disposal Site provided that the Contractor provides verbal and written notice to the City and receives written approval from the City at least twenty-four (24) hours prior to the use of an alternative Disposal Site. The Contractor's written notice shall include a description of the reasons the Approved Disposal Site is not feasible and the period of time Contractor proposes to use the alternative Disposal Site. Contractor shall not be compensated for any increased Transportation and Disposal costs associated with the emergency use of Disposal Site(s) different from the Approved Disposal Site.

- C. Transport.** The Contractor is responsible for Transporting Collected Solid Waste to the Approved Disposal Site by large-capacity Transfer vehicle haul. If the Contractor plans to change its Transport method, Contractor shall obtain written approval from the City prior to making the change; pay all costs; and shall not be reimbursed for any additional costs. The City shall approve the Transport method, and the duration the Transport method is expected to remain in use.

- D. Reporting.** Contractor shall provide reports on Solid Waste Disposal and Recyclables Processing as required by Sections 6.3 and 6.4.

5.13.2 Recyclables Processing

- A. General.** Contractor agrees to Transport and deliver all Source Separated Recyclable Materials it Collects in the City to the Approved Recyclable Materials Processing Site. Contractor shall pay all costs associated with Transfer (if applicable), Transporting, Processing, and marketing of Recyclable Materials. Residue remaining after Recyclable Materials Processing shall be Disposed of by Contractor or the Processing Site Subcontractor at a Disposal Site selected by Contractor or the Processing Site Subcontractor. Any and all Transfer, Processing, and other Discarded Materials handling activities performed in the City shall occur only at a facility that is in compliance with all City permit requirements and all other Applicable Law that applies to operations at such facility. A site in the City used by Contractor for Discarded Materials handling activities of any kind will be subject to the City's strict development permit review process.

- B. Processing Arrangements.** Contractor shall secure sufficient capacity to Process Recyclable Materials Collected under this Agreement and shall cause the Approved Recyclable Materials Processing Site to Process and market the Recyclable Materials. Contractor shall provide the City, upon request, with documentation demonstrating the availability of such capacity.

If Contractor provides these services, it shall make a good faith effort to achieve a Residue level no greater than twenty-five percent (25%), where the Residue level shall be calculated as 100 multiplied by the monthly Tonnage of Processing Residue requiring Disposal divided by the total monthly Tonnage of Recyclable Materials Collected. If the Contractor does not provide these services, it shall contractually require of the third party processor that it achieve this Residue level. If Contractor cannot obtain such contract provision, so notifies City Contract Manager, and provides

1513 evidence, reasonably satisfactory to the City, that such terms are not commercially available, the
1514 City Contract Manager shall waive this obligation.

1515 Contractor shall keep all existing permits and approvals necessary for use of the Recyclable
1516 Materials Processing Site(s) in full regulatory compliance or confirm that the Owner or operator of
1517 such facility does so. Contractor shall, upon request, provide copies of permits and/or notices of
1518 violation of permits to the City.

1519 Contractor may change its selection of the Approved Recyclable Materials Processing Site following
1520 City's written approval, but Contractor shall not be compensated for any increased Transportation
1521 and Processing costs. Contractor will bear any increased Transportation and Processing costs
1522 associated with a Contractor-initiated change in the Approved Recyclable Materials Processing Site.
1523 In such case, Contractor shall guarantee the same net Processing Cost specified in Exhibit F or shall
1524 increase the net Processing Costs (if the amount is a net revenue) associated with the use of
1525 Processing Site(s) different from the Approved Recyclable Materials Processing Site. If Contractor
1526 elects to use a Recyclable Processing Site(s) that is different than the Approved Recyclable Materials
1527 Processing Site, it shall request written approval from the City sixty (60) calendar days prior to use
1528 of the site and obtain the City's written approval no later than ten (10) calendar days prior to use of
1529 the site.

1530 Below is information about the Approved Recyclable Materials Processing Site selected by the
1531 Contractor:

- 1532 • Facility Name: City Automatic Recycling, Inc.
- 1533 • Owner: Robert Molinaro and Anthony Macchiano
- 1534 • Operator: City Automatic Recycling, Inc.
- 1535 • Address: 3110 Busch Road in Pleasanton, CA
- 1536 • Contact Person and telephone number: Robert Molinaro (925) 846-2042
- 1537 • Current term and opportunities for extension of agreement: N/A
- 1538 • Method of allocating Recyclable Materials Diverted by material type and Processing Residue
1539 to the City (from among two or more jurisdictions): allocation by inbound weight for
1540 Recyclable Materials and for Processing Residue.

1541

1542 Contractor shall Collect Recyclable Materials generated in the City in Collection vehicles separately
1543 from other Recyclable Materials generated outside the City and shall weigh each vehicle so that the
1544 Tonnage of Recyclable Materials can be documented on a per-load basis with supporting
1545 documentation (such as a certified weight ticket or tag). Periodically, the Contractor shall review
1546 its marketing records to calculate the volume of Recyclable Materials received at the Approved
1547 Recyclable Materials Processing Site and marketed to determine the percentage of various
1548 Recyclable Materials (e.g., glass, newspaper, cardboard, PET, HDPE, aluminum, etc.) and the City's
1549 Residue level. The percentages determined from the review of marketing records shall be used to
1550 allocate the total Tonnage Collected in the City into various categories of Recyclable Materials and
1551 Residue.

If Contractor is unable to use the Approved Recyclable Materials Processing Site due to an emergency or sudden unforeseen closure of the Approved Recyclable Materials Processing Site, Contractor may use an alternative Processing Site provided that the Contractor provides verbal and written notice to the City and receives written approval from the City at least twenty-four (24) hours prior to the use of an alternative Processing Site. The Contractor's written notice shall include a description of the reasons the Approved Recyclable Materials Processing Site is not feasible and the period of time Contractor proposes to use the alternative Processing Site. Contractor shall not be compensated for any increased Transportation and Processing costs and shall guarantee the net Processing Cost specified in Exhibit F or shall increase the net Processing Costs (if net revenues) associated with the use of Processing Site(s) different from the Approved Recyclable Materials Processing Site. If the alternative Processing Site is located in the City, the material handling and Processing operations shall occur in an enclosed facility and areas used for parking, vehicle access, and operations shall be paved.

C. Transport. The Contractor is responsible for Transporting Collected Recyclable Materials to the Approved Recyclable Materials Processing Site by large-capacity Transfer vehicle haul. If the Contractor plans to change its Transport method, Contractor shall obtain written approval from the City prior to making the change; pay all costs; and shall not be reimbursed for any additional costs. The City shall approve the Transport method, and the duration the Transport method is expected to remain in use.

D. Marketing. The Contractor shall be responsible for marketing Recyclable Materials that Contractor Collects in the City, including materials Collected during on-call clean-up and on-call Bulky Item/E-Waste pick-up events. Contractor shall be compensated by the end users/marketplace for such Recyclable Materials at no less than fair market value.

Contractor shall prepare and maintain a City-approved marketing plan for all Recyclable Materials Collected in the City. The plan, which shall be approved by City Contract Manager or their designee, shall be in place on or before the Commencement Date of this Agreement. The marketing plan shall fully describe the Contractor's marketing methods and approach, targeted primary and contingent markets, pricing policy and assumed salvage value for each Collected type of Recyclable Material products, and contingency plans when market conditions are severe.

Upon request, Contractor shall provide proof to the City that all Recyclable Materials Contractor Collects in the City are marketed for Recycling or reuse in such a manner that materials shall be considered as Diverted in accordance with the State regulations established by AB 939 and SB 1383. All Residual material from the Processing activities that is not marketed for use shall be accounted for as Disposal Tonnage at a permitted Disposal Site. No Recyclable Materials shall be Transported to a domestic or foreign location if Solid Waste Disposal of such material is its intended use.

Annually, the Contractor shall update its marketing plan and submit it to the City for approval pursuant to Section 6.3.4. Contractor shall provide City with a list of broker/buyers it has used during the preceding twelve (12) months, if requested by City. If Contractor becomes aware that a broker or buyer has illegally handled or Disposed of material generated by the City or elsewhere, Contractor shall immediately inform the City and terminate its contract or working relationship with such party.

1593 **E. Reporting.** Contractor shall provide reports on Recyclables Processing as required by Section 6.3
1594 and 6.4.

1595 **5.13.3 Organic Materials Processing**

1596 **A. General.** Contractor shall Transport all Organic Materials Collected in the City to the Approved
1597 Organic Materials Processing Site. Contractor shall pay all costs associated with Transfer (if
1598 applicable), Transporting, Processing, Composting, and marketing of Organic Materials. All Organic
1599 Materials shall be Processed for use as Compost, Mulch, or soil amendment and none shall be
1600 Disposed or used as Alternative Daily Cover or Alternative Intermediate Cover. Residue from the
1601 Organic Materials Processing activities shall be Disposed of by Contractor or the Organic Materials
1602 Processing Site Subcontractor at a Disposal Site selected by the Contractor or the Organic Materials
1603 Processing Site Subcontractor.

1604 Any and all Transfer, Processing, Composting, and other Discarded Materials handling activities
1605 performed in the City shall occur in an enclosed facility and areas used for parking, vehicle access,
1606 and operations shall be paved.

1607 **B. Processing Arrangements.** Contractor shall secure sufficient capacity with sufficient term to
1608 Process and Compost Organic Materials Collected under this Agreement and Contractor will cause
1609 the Approved Organic Materials Processing Site to Process, Compost, and market Organic Materials.
1610 Promptly upon direction from City, Contractor shall provide City with documentation satisfactory
1611 to City demonstrating availability of Organic Materials Processing and Composting capacity at the
1612 Approved Organic Materials Processing Site and any Approved Transfer Station Site used to deliver
1613 materials to such site.

1614 Contractor shall keep all existing permits and approvals necessary for use of the Approved Organic
1615 Materials Processing Site in full regulatory compliance or confirm that the Owner or operator of
1616 such facility does so. Contractor shall, upon request, provide copies of permits and/or notices of
1617 violation of permits to the City.

1618 Contractor may change its selection of the Approved Organic Materials Processing Site following
1619 City's written approval, but the Contractor's Compensation and Rates will not be adjusted, and
1620 Contractor will bear any increased Transportation and Processing costs associated with a
1621 Contractor-initiated change in the Approved Organic Materials Processing Site. In such case,
1622 Contractor shall guarantee the same net Organic Materials Processing Cost specified in Exhibit F or
1623 shall reduce the net Organic Materials Processing Costs associated with the use of an Organic
1624 Materials Processing Site(s) different from the Approved Organic Materials Processing Site. If
1625 Contractor elects to use an Organic Materials Processing Site(s) that is different than the Approved
1626 Organic Materials Processing Site, it shall request written approval from the City Manager or their
1627 designee sixty (60) calendar days prior to use of the site and obtain the City's written approval no
1628 later than ten (10) calendar days prior to use of the site.

1629 The City shall direct a change to a new Approved Organic Materials Processing Site in the event that
1630 the Approved Organic Materials Processing Site is no longer able to Process some or all of the City's
1631 Organic Materials due to State or local permit requirements that change the acceptability of Organic
1632 Material type(s). The Contractor shall notify the City in writing immediately and provide
1633 documentation identifying concerns (e.g., letter from Approved Processing Site, Permit citing the

noted restrictions). The City shall review the materials submitted and work responsively with Contractor to understand the scope of the concerns identified. Upon verification of the information provided by the Contractor, the City shall direct a change to the Contractor to deliver Organic Materials to a new Approved Organic Materials Processing Site and/or may add an additional Approved Organic Materials Processing Site.

As outlined in Section 8.4.A of the Agreement, as the result of a City-directed change in the Approved Organic Materials Processing Site, a Special Rate Review will be conducted. The Special Rate Review will be conducted expeditiously as outlined below.

1. The City will notify the Contractor within five (5) days of written notification by Contractor, directing the change and/or addition of an Approved Organic Materials Processing Site.
2. The Contractor will provide to the City within fourteen (14) days of City notice directing a change to (or addition of) the Approved Organic Materials Processing Site the following information:
 - a. Draft agreement with Organic Material Processing Site that outlines the term of the agreement and cost of the service.
 - b. Facility name, Owner, operator, address, contact person, and telephone number.
 - c. Estimated Tonnage to be taken to the new Organic Materials Processing Site daily.
 - d. A descriptive narrative of any proposed change to the Organic Materials Collection process. Outline how Organic Materials will be Collected, pre-Processed, stored, and Transferred to the new Organic Materials Processing Site. Provide information that outlines any change in Transfer Station function and/or operation.
 - e. Provide Transportation cost for Tonnage brought to the new Organic Materials Processing Site.
3. The Contractor will provide additional information as requested by the City in order to make the special Rate adjustment. The City's review of the draft agreement between Contractor and the proposed facility shall not be subject to any confidentiality agreement. The duty to defend any proprietary information shall be the obligation of the Contractor in the event the City receives a Public Records Act request.
4. Within thirty (30) days, the City will prepare the special Rate adjustment based upon the information provided by Contractor and will present to the City Council for recommended approval.
5. Upon City Council approval of the special Rate adjustment, the City Contract Manager will provide Contractor written approval for use of the new or additional Approved Organic Materials Processing Site.
6. The City and Contractor will publish the new Rates on their respective websites.
7. The Contractor will send a letter notifying Customers of the special Rate adjustment, including when new Rates will take effect.

Below is information about the Approved Organic Materials Processing Site selected by the Contractor:

- 1672 • Facility Name: Central Valley Compost – Lathrop, CA
- 1673 • Owner: Waste Management
- 1674 • Operator: Waste Management
- 1675 • Address: 916 Frewert Rd, Lathrop, CA
- 1676 • Contact Person and telephone number: Ryan Brown, 209-229-6712
- 1677 • Current term and opportunities for extension of agreement: May 1, 2021 to April 30, 2024
- 1678 • Method of allocating materials Diverted and Processing and Composting Residue to the City
- 1679 (from among two or more jurisdictions): allocation by inbound weight for Organic Materials
- 1680 and for Composting Residue.

1681

1682 Contractor shall Collect Organic Materials generated in the City in Collection vehicles separately
1683 from other Organic Materials generated outside the City and shall weigh each vehicle so that the
1684 Tonnage of Organic Materials can be documented on a per-load basis with supporting
1685 documentation (such as a certified weight ticket or tag). Periodically, the Contractor shall review
1686 Tonnage records and marketing records to determine the City's Residue level and the average
1687 percentage of products marketed from the Compost Product (e.g., Compost, Mulch, soil
1688 amendment, etc.). The percentages determined from the review of Tonnage and marketing records
1689 shall be used to allocate the total Tonnage Collected in the City into various categories of Organic
1690 Materials and Residue.

1691 If Contractor is unable to use the Approved Organic Materials Processing Site due to an emergency
1692 or sudden unforeseen closure of the Approved Organic Materials Processing Site, Contractor may
1693 use an alternative Processing Site provided that the Contractor provides verbal and written notice
1694 to the City and receives written approval from the City at least twenty-four (24) hours prior to the
1695 use of said alternative Processing Site. The Contractor's written notice shall include a description
1696 of the reasons the Approved Organic Materials Processing Site is not feasible and the period of time
1697 Contractor proposes to use the alternative Organic Materials Processing Site.

1698 Contractor shall not be compensated for any increased Transportation and Processing costs
1699 associated with the use of Organic Materials Processing Site(s) different from the Approved Organic
1700 Materials Processing Site.

1701 Contractor shall observe and comply with all regulations in effect at the Approved Organic Materials
1702 Processing Site and cooperate with and take direction from the operator thereof with respect to
1703 delivery of Organic Materials. Contractor shall actively work with the Approved Organic Materials
1704 Processing Site operator throughout the Term of this Agreement to ensure that contamination of
1705 the Organic Materials Collected under this Agreement and delivered to the Processing Site remains
1706 below the limits established by Applicable Law including, without limitation, SB 1383.

1707 If City requests that Compostable Plastics be included as an Organic Material Collected under this
1708 Agreement, Contractor shall make commercially reasonable efforts to locate an Approved Organic
1709 Materials Processing Facility that will accept Compostable Plastics, subject to City approval.
1710 Contractor shall notify the City in writing at least six (6) months prior to the commencement of the
1711 program, and annually thereafter, of the acceptable materials requirements of the Approved

1712 Organic Materials Processing Facility and to what degree, if at all, it is able to accept Compostable
1713 Plastics. If Compostable Plastics are accepted in the City's Organic Materials Collection program in
1714 the future, Contractor shall update its education materials as needed to reflect such change, in
1715 accordance with Section 5.17.

1716 **C. Processing Standards.** The following Processing standards shall be met by the Approved Organic
1717 Materials Processing Site:

- 1718 1. Pre-Processing activities shall include, at a minimum, the inspection for and removal of
1719 Hazardous Waste and removal of plastic bags.
- 1720 2. Composting shall be accomplished by the use of recognized Composting methods, which have
1721 been demonstrated to be able to consistently produce stable, mature Compost Product that is
1722 suitable for general purpose use, similar to the U.S. Composting Council's Class 1 rating.
- 1723 3. Post-Composting Processing activities shall include screening to remove plastics and other
1724 contaminants from the Compost Product.
- 1725 4. The Approved Organic Materials Processing Site Owner and/or operator shall cooperate with
1726 the City or its agent(s), including StopWaste.Org (also known as the Alameda County Waste
1727 Management Authority and Alameda Source Reduction and Recycling Board), if the City wants
1728 to collect data, perform field work, conduct capacity planning studies in accordance with 14 CCR
1729 Section 18992.1, and/or evaluate and monitor program results related to Organic Materials
1730 Collected in the City by the Contractor.
- 1731 5. The Approved Organic Materials Processing Site shall maintain an average monthly Residue
1732 level from Organic Materials delivered by Contractor less than five percent (5%) where the
1733 Residue level shall be calculated as 100 multiplied by the monthly Tonnage of Processing or
1734 Composting Residue requiring Disposal divided by the total monthly Tonnage of Organic
1735 Materials Collected. If the Contractor does not provide these services, it shall contractually
1736 require of the third party processor that it achieve this Residue level. If Contractor cannot
1737 obtain such contract provision, so notifies City Contract Manager, and provides evidence,
1738 reasonably satisfactory to the City, that such terms are not commercially available, the City
1739 Contract Manager shall waive this obligation.

1740 **D. Transport.** The Contractor is responsible for Transporting Collected Organic Materials to the
1741 Approved Organic Materials Processing Site by large-capacity Transfer vehicle haul. If the
1742 Contractor plans to change its Transport method, Contractor shall obtain written approval from the
1743 City prior to making the change; pay all costs; and shall not be reimbursed for any additional costs.
1744 The City shall approve the Transport method and the duration the Transport method is expected to
1745 be in use.

1746 **E. Marketing.** Contractor shall market the resulting Compost Product to agricultural growers or other
1747 interested parties. Materials shall be used for Compost, Mulch, or soil amendment and none shall
1748 be deposited for Disposal or used as Alternative Daily Cover or Alternative Intermediate Cover.

1749 Contractor shall prepare and maintain a City-approved marketing plan for all Organic Materials
1750 Collected in the City. The plan, which shall be approved by City Contract Manager or their designee,
1751 shall be in place on or before the Commencement Date of this Agreement. The marketing plan shall
1752 fully describe the Contractor's marketing methods and approach, targeted primary and contingent

1753 markets, pricing policy and assumed value for each type of Compost Product, and contingency plans
1754 when market conditions are severe.

1755 Upon request, Contractor shall provide proof to the City that all Organic Materials Contractor
1756 Collects in the City are marketed for use as Compost Products in such a manner that materials shall
1757 be considered as Diverted in accordance with the State regulations established by AB 939 and SB
1758 1383. All Residual material from the Processing activities that is not marketed for use shall be
1759 accounted for as Disposal Tonnage at a permitted Disposal Site. No Organic Materials shall be
1760 Transported to a domestic or foreign location if Solid Waste Disposal of such material is its intended
1761 use.

1762 Annually, the Contractor shall update its marketing plan and submit it to the City for approval
1763 pursuant to Section 6.3.4. Contractor shall provide City with a list of broker/buyers it has used
1764 during the preceding twelve (12) months, if requested by City. If Contractor becomes aware that a
1765 broker or buyer has illegally handled or Disposed of material generated by the City or elsewhere,
1766 Contractor shall immediately inform the City and terminate its contract or working relationship with
1767 such party.

1768 **F. Compost Product Use by City.** Upon request from the City Contract Manager or their designee,
1769 Contractor shall provide up to one thousand (1,000) cubic yards of Compost Product per calendar
1770 year to the City for use in City parks and facilities at no charge to the City. Contractor shall provide
1771 additional Compost Product requested by the City at a price that is limited to the cost incurred by
1772 the Contractor to purchase and deliver such material to the City.

1773 The City will notify Contractor as to the City's needs for delivery of finished Compost Product
1774 throughout the calendar year. Contractor shall deliver Compost Product within ten (10) Business
1775 Days, upon City request to any accessible location within City limits at no additional cost to the City.
1776 If the City does not exercise its right to request the one thousand (1,000) cubic yards of Compost
1777 Product in a given calendar year, the remaining amount that was not requested may not be carried
1778 over to subsequent calendar years.

1779 **G. Compost Product Give-Away.** Contractor shall host one (1) annual Compost Product give-away
1780 event per year, at which each Single-Family Customer in the City may pick-up up to two (2) bags of
1781 Compost Product at no charge upon presenting proof of residency. Contractor shall provide
1782 Compost Product in a total volume per event equivalent to ten percent (10%) of the Organic
1783 Materials Collected under this Agreement in the previous calendar year. At Contractor's option, a
1784 single-use coupon or other ticket-type method may be implemented, subject to City approval, to
1785 prevent residents from receiving more Compost Product than allotted. The annual Compost Product
1786 give-away shall be held at the Approved Transfer Site, or at a site selected by City.

1787 **H. Reporting.** Contractor shall provide reports on Organic Materials Processing as required by Sections
1788 6.3.2, 6.3.3, 6.3.4, and 6.4.

1789 **5.13.4 Construction and Demolition Debris Processing**

1790 **A. General.** Contractor agrees to comply with City's Construction and Demolition Debris ordinance
1791 (Municipal Code Section 9.21) and Transport and deliver all C&D it Collects in the City to the
1792 Approved C&D Processing Site. Contractor shall pay all costs associated with Transfer (if applicable),

1793 Transporting, Processing, and marketing C&D. Residue remaining after C&D Processing shall be
1794 Disposed of by Contractor or the Processing Site Subcontractor at a Disposal Site selected by
1795 Contractor or the Processing Site Subcontractor. Any and all Transfer, Processing, and other
1796 Discarded Materials handling activities performed in the City shall occur only at a facility that is in
1797 compliance with all City permit requirements and all other Applicable Law that applies to operations
1798 at such facility.

1799 **B. Processing Arrangements.** Contractor shall secure sufficient capacity to Process C&D Collected
1800 under this Agreement and shall cause the Approved C&D Processing Site to Process and market the
1801 C&D. Contractor shall provide the City, upon request, with documentation demonstrating the
1802 availability of such capacity.

1803 If the Contractor provides these services, it shall achieve a Residue level of twenty-five percent
1804 (25%) or less, where the Residue level shall be calculated as 100 multiplied by the monthly Tonnage
1805 of Processing Residue requiring Disposal divided by the total monthly Tonnage of C&D Collected,
1806 taking into account only C&D projects where Contractor Collects all materials. If the Contractor
1807 does not provide these services, it shall contractually require of the third party processor that they
1808 achieve this Residue level. If Contractor cannot obtain such contract provision, so notifies City
1809 Contract Manager, and provides evidence, reasonably satisfactory to the City, that such terms are
1810 not commercially available, the City Contract Manager shall waive this obligation.

1811 Contractor shall keep all existing permits and approvals necessary for use of the C&D Processing
1812 Site(s) in full regulatory compliance or confirm that the Owner or operator of such facility does so.
1813 Contractor shall, upon request, provide copies of permits and/or notices of violation of permits to
1814 the City.

1815 Contractor may change its selection of the Approved C&D Processing Site following City's written
1816 approval, but Contractor shall not be compensated for any increased Transportation and Processing
1817 costs. Contractor will bear any increased Transportation and Processing costs associated with a
1818 Contractor-initiated change in the Approved C&D Processing Site. In such case, Contractor shall
1819 guarantee the same net Processing Cost specified in Exhibit F or shall increase the net Processing
1820 Costs (if the amount is a net revenue) associated with the use of Processing Site(s) different from
1821 the Approved C&D Processing Site. If Contractor elects to use a C&D Processing Site(s) that is
1822 different than the Approved C&D Processing Site, it shall request written approval from the City
1823 sixty (60) calendar days prior to use of the site and obtain the City's written approval no later than
1824 ten (10) calendar days prior to use of the site.

1825 Below is information about the Approved C&D Processing Site selected by the Contractor:

- 1826 • Facility name: Recycling and Resource Recovery Systems, LLC
- 1827 • Owner: Recycling and Resource Recovery Systems, LLC
- 1828 • Operator: Recycling and Resource Recovery Systems, LLC
- 1829 • Address: 3110 Busch Road in Pleasanton, CA
- 1830 • Contact Person and telephone number: Robert Molinaro (925) 846-2042
- 1831 • Current term and opportunities for extension of agreement: N/A

- Method of allocating C&D Diverted by material type and Processing Residue to the City (from among other jurisdictions): allocation by inbound weight for C&D Material and for Processing Residue.

Contractor shall Collect C&D generated in the City in Collection vehicles separately from other C&D generated outside the City and shall weigh each vehicle so that the Tonnage of C&D can be documented on a per-load basis with supporting documentation (such as a certified weight ticket or tag). Periodically, the Contractor shall review its marketing records to calculate the volume of C&D received at the Approved C&D Processing Site and marketed to determine the percentage of various Salvageable Materials (e.g., asphalt, clean wood, etc.) and the City's Residue level. The percentages determined from the review of marketing records shall be used to allocate the total Tonnage Collected in the City into various categories of Salvageable Materials and Residue.

If Contractor is unable to use the Approved C&D Processing Site due to an emergency or sudden unforeseen closure of the Approved C&D Processing Site, Contractor may use an alternative Processing Site provided that the Contractor provides verbal and written notice to the City and receives written approval from the City at least twenty-four (24) hours prior to the use of an alternative Processing Site. The Contractor's written notice shall include a description of the reasons the Approved C&D Processing Site is not feasible and the period of time Contractor proposes to use the alternative Processing Site. Contractor shall not be compensated for any increased Transportation and Processing costs and shall guarantee the net Processing Cost specified in Exhibit F or shall increase the net Processing Costs (if net revenues) associated with the use of Processing Site(s) different from the Approved C&D Processing Site. If the alternative Processing Site is located in the City, the Discarded Materials handling and Processing operations shall occur in an enclosed facility and areas used for parking, vehicle access, and operations shall be paved.

- C. Transport.** The Contractor is responsible for Transporting Collected C&D to the Approved C&D Processing Site by large-capacity Transfer vehicle haul. If the Contractor plans to change its Transport method, Contractor shall obtain written approval from the City prior to making the change; pay all costs; and shall not be reimbursed for any additional costs. The City shall approve the Transport method, and the duration the Transport method is expected to remain in use.

- D. Marketing.** The Contractor shall be responsible for marketing C&D that Contractor Collects in the City. Contractor shall be compensated by the end users/marketplace for such C&D at no less than fair market value.

Contractor shall prepare and maintain a City-approved marketing plan for all C&D Collected in the City. The plan, which shall be approved by City Contract Manager or their designee, shall be in place on or before the Commencement Date of this Agreement. The marketing plan shall fully describe the Contractor's marketing methods and approach, targeted primary and contingent markets, pricing policy and assumed salvage value for each Collected type of C&D products, and contingency plans when market conditions are severe.

Upon request, Contractor shall provide proof to the City that C&D Contractor Collects in the City is marketed for Recycling or reuse in such a manner that materials shall be considered as Diverted in accordance with the State regulations established by Applicable Law. All Residual material from the Processing activities that is not marketed for use shall be accounted for as Disposal Tonnage at a

1873 permitted Disposal Site. No C&D shall be Transported to a domestic or foreign location if Solid
1874 Waste Disposal of such material is its intended use.

1875 Annually, the Contractor shall update its marketing plan and submit it to the City for approval
1876 pursuant to Section 6.3.4. Contractor shall provide City with a list of broker/buyers it has used
1877 during the preceding twelve (12) months, if requested by City. If Contractor becomes aware that a
1878 broker or buyer has illegally handled or Disposed of material generated by the City or elsewhere,
1879 Contractor shall immediately inform the City and terminate its contract or working relationship with
1880 such party.

1881 **E. Reporting.** Contractor shall provide reports on C&D Processing as required by Sections 6.3 and 6.4.

1882 **5.13.5 Insurance, Indemnifications and Performance Standards**

1883 If Contractor uses a Recyclables Processing Site Subcontractor or Organic Materials Processing Site
1884 Subcontractor, or enters into any contract, agreement or understanding with a party for services related
1885 to Recyclable Materials Processing and marketing, Organic Materials Processing, Composting, and
1886 marketing, or Transfer Station services, Contractor shall provide that terms and conditions (such as
1887 insurance requirements, indemnifications, and Processing, Composting, marketing performance, and
1888 Residue guarantees) of any contract, agreement, or other understanding Contractor has with such party
1889 can be enforced by the City as an additional insured or third party beneficiary thereof in the same manner
1890 provided in Article 9 and in a manner reasonably satisfactory to City.

1891 If Contractor or an Affiliate owns or operates the Approved Recyclable Materials Processing Site or
1892 Approved Organic Materials Processing Site, Contractor shall include City as an additional insured on
1893 liability policies and defend and indemnify City in a manner satisfactory to City, and provide that any
1894 materials recovery and marketing performance standards or guarantees made to any other facility
1895 customers are made to City as well, including obligations such as recovered product and Compost Product
1896 quality guarantees and limits on the Residue level.

1897 Contractor shall demonstrate compliance with the requirements of this Section on or before the
1898 Commencement Date of this Agreement.

1899 **5.13.6 Compliance with Applicable Law**

1900 Contractor (or its Subcontractor(s)) warrants throughout the Term that the Approved Recyclable
1901 Materials Processing Site and Approved Organic Materials Processing Site selected by Contractor are
1902 respectively authorized and permitted to accept Recyclable Materials and Organic Materials in accordance
1903 with Applicable Law and is in full compliance with Applicable Law. Contractor shall: (i) verify compliance
1904 for the Approved Recyclable Materials Processing Site and Approved Organic Materials Processing Site
1905 (that neither it nor its Affiliates own) by contacting the local enforcement agency and other regulatory
1906 agencies having jurisdiction over that Approved Recyclable Materials Processing Site and Approved
1907 Organic Materials Processing Site at least quarterly; and (ii) upon City direction, shall promptly provide
1908 City with copies of the Approved Recyclable Materials Processing Site and Approved Organic Materials
1909 Processing Site's permits or notice of violations to City.

5.13.7 Compliance with Facility Rules

Contractor (or its Subcontractor(s)) shall observe and comply with all regulations in effect at the Approved Recyclable Materials Processing Site and Approved Organic Materials Processing Site and cooperate with the operators thereof with respect to delivery of Recyclable Materials and Organic Materials, including directions to unload Collection vehicles in designated areas, accommodating operations and maintenance activities, and complying with Hazardous Waste exclusion programs.

5.13.8 Transportation and Processing Costs

All costs associated with Transporting to and Processing Recyclable Materials and Organic Materials at the Approved Recyclable Materials Processing Site and Approved Organic Materials Processing Site shall be paid by Contractor.

5.13.9 Weighing and Record Requirements

Contractor shall ensure that all Solid Waste, Recyclable Materials, and Organic Materials are weighed upon delivery to the Approved Disposal Site, Approved Recyclable Materials Processing Site, and Approved Organic Materials Processing Site, and all weight and related delivery information (including date, time, material type, route, and truck number) ("Delivery Data") is recorded. Contractor shall provide City the name of any driver of any identified delivery promptly upon request by City. If vehicle receiving and unloading operations are recorded on video cameras at any Approved Disposal, Processing, or Organic Materials Processing Site, Contractor shall make, or shall use its best efforts to arrange with the facility operator, if other than Contractor, to make those videos available for City review during the facility's operating hours, upon request of the City.

5.13.10 Disposal of Recyclable and Organic Materials Prohibited

With the exception of Processing and Composting Residue, Recyclable and Organic Materials may not be Disposed of in lieu of Recycling or Composting the material, without the expressed written approval of the City. If for reasons beyond its reasonable control, Contractor (or its Subcontractor(s)) believes that it cannot Divert the Recyclable or Organic Materials from Disposal, then it shall prepare a written request for approval to Dispose of such material. Such request shall contain the basis for Contractor's belief (including, but not limited to, supporting documentation), describe the Contractor's efforts to arrange for the Diversion from Disposal of such material, the period required for such Disposal, the incremental net cost increases or net cost savings (giving account to the value from the sale of the Recyclable or Organic Materials) resulting from such Disposal, and any additional information supporting the Contractor's request. In addition, the request shall describe the Contractor's proposed interim plans for implementation while the City is evaluating its request. If the City objects to the interim plans, the City shall provide written notice to the Contractor and request an alternative arrangement. The City shall consider the Contractor's request and inform Contractor in writing of its decision within sixty (60) calendar days. If the City approves such request, any difference in the net cost of such Disposal compared to Diversion shall be adjusted in accordance with Section 8.4. Depending on the nature of the Contractor's request, the City may extend the sixty (60) day calendar period, at its own discretion, to provide more time for evaluation of the request and negotiation of an acceptable arrangement with the Contractor. Contractor shall be excused from its obligations under this Section during any such period when it cannot

1949 Divert the Recyclable or Organic Materials from Disposal, so long as it has provided the request and
1950 documentation described in this Section and received City's written approval.

1951 **5.13.11 Alternative Facility Designation by City**

1952 The City reserves the right to direct Contractor to Transport and deliver: (i) all Organic Materials Collected
1953 pursuant to this Agreement to an Organic Materials Processing Site other than the Organic Materials
1954 Processing Site selected by the Contractor, and/or (ii) all Recyclable Materials Collected pursuant to this
1955 Agreement to a Recyclable Materials Processing Site other than the Processing Site selected by the
1956 Contractor. If the City exercises its right under this provision and specifies use of an Organic Materials or
1957 Recyclable Materials Processing Site that is different from the Contractor-selected Approved Recyclable
1958 Materials Processing Site or Approved Organic Materials Processing Site, the City shall provide written
1959 notice to Contractor one (1) year before the date the Contractor shall commence use of the City-
1960 designated site; provided, however, that the City may provide such notice to Contractor 90 days prior to
1961 the commencement date for Recyclable and Organic Materials processing contracts being negotiated by
1962 City during 2018. Furthermore, the Contractor's Compensation and Rates will be adjusted for increases
1963 or decreases in Transportation, Processing, and/or Composting costs, if any, in accordance with Sections
1964 4.3 and 8.5, and Contractor shall no longer be subject to the Diversion requirements applicable to such
1965 materials so long as contamination levels in the materials that Contractor delivers to the new Processing
1966 Sites do not exceed mutually agreeable levels.

1967 **5.14 Collection Standards**

1968 **5.14.1 Care of Private Property**

1969 Contractor shall use due care when handling Solid Waste, Recyclable Materials, and Organic Materials
1970 Containers. Containers shall not be thrown from trucks, roughly handled, damaged, or broken.
1971 Containers shall be returned to the Collection point upright, with lids properly secured. The City may levy
1972 Liquidated Damages for repeat occurrences in accordance with Section 11.6 of this Agreement.

1973 Contractor shall ensure that its employees close all gates opened in making Collections, unless otherwise
1974 directed by the Generator, and avoid crossing landscaped areas and climbing or jumping over hedges and
1975 fences for Collection service provided to the elderly and/or disabled receiving backyard/side yard services
1976 and any Customers paying for backyard/side yard services.

1977 City shall refer Complaints about damage to private property to Contractor. Contractor shall repair all
1978 damage to private property caused by its employees or their vehicles.

1979 **5.14.2 Litter Abatement**

1980 A. **Minimization of Spills.** Contractor shall use due care to prevent Discarded Materials from being
1981 spilled, scattered, or windblown during the Collection, Transportation, Processing, or other material
1982 handling activity. If any Discarded Materials are spilled, scattered, or windblown during Collection,
1983 Transportation, Processing, or other material handling activity, the Contractor shall promptly clean
1984 up all Unacceptable Spillage. This clean-up requirement shall apply to cleaning up drift (e.g.,
1985 windblown materials) near the facilities used by the Contractor for Transport, Transfer, or other

1986 Discarded Materials handling activities (including, without limitation, land adjacent to the Approved
1987 Transfer Site).

1988 Contractor shall not transfer loads from one vehicle to another on any public street, unless it is
1989 necessary to do so because of mechanical failure; hot load (combustion of material in the truck);
1990 accidental damage to a vehicle; or unless approved by the City.

1991 B. **Cleanup.** During Collection, the Contractor shall clean up Litter (whether or not Contractor has
1992 caused the Litter) and Unacceptable Spills in the immediate vicinity of any Discarded Materials
1993 storage area (including the areas where Collection Bins and Drop Boxes are delivered for Collection).
1994 Each Collection vehicle shall carry a broom and shovel at all times for the purpose of cleanup of
1995 Litter and Unacceptable Spills. Cat-litter or similar absorbent material shall be used for liquid spill
1996 cleanups. The Contractor shall discuss instances of repeated spillage not caused by it directly with
1997 the Generator responsible and will report such instances to City. In situations where the Contractor
1998 has already attempted to do so without success, the City will attempt to rectify such situations with
1999 the Generator.

2000 C. **Covering of Loads.** Contractor shall cover all open Drop Boxes at pick-up location prior to Transport
2001 to the Disposal Site or Processing Site.

2002 **5.14.3 Hours of Collection**

2003 Contractor shall maintain a current schedule of routes for Collection operations and shall make such
2004 schedule available to the City Contract Manager, or their designee, upon request. Such schedule shall be
2005 subject to final review and approval by the City Contract Manager or their designee. If, in the judgement
2006 of the City Contract Manager or their designee, conditions warrant a temporary departure from the days
2007 and hours of Collection as determined by the City Council, City Contract Manager or their designee may
2008 authorize Collection on such days and during such hours as City Contract Manager or their designee deems
2009 appropriate after consultation with Contractor. To the extent reasonably possible, Collection on each
2010 route shall commence at the same point, at the same time, and follow the same route each time
2011 Collections are made.

2012 **5.14.4 Noise**

2013 All Collection operations shall be conducted as quietly as possible and shall conform to applicable federal,
2014 State, Alameda County, and City noise level regulations. Additional requirements are specified in Section
2015 5.15.2.

2016 **5.14.5 Holiday Collection Schedule**

2017 During the week of a Holiday, Collection may not occur on the Holiday but shall occur on the day following
2018 the Holiday, except when the Holiday falls on a Saturday or Sunday Collection shall occur on the first
2019 Monday following the Holiday. The Contractor shall provide at least a two (2) week advance notice to all
2020 Customers regarding the Holiday week schedule changes.

5.14.6 Permanent Changes in Service Days

The regularly scheduled day for Single-Family Collection may be changed with prior written approval from the City. Once approved, Single-Family Customers shall be notified four (4) weeks prior to any schedule changes to Solid Waste, Recyclable Materials, and Organic Materials services. Contractor shall not permit any Customer to go more than seven (7) calendar days without service during a Collection schedule change.

5.14.7 Load Inspection Program

Contractor shall develop and implement a program to detect and discover Hazardous Waste and shall not knowingly accept such material at the time of Collection. The load inspection program shall include the following steps: Collection vehicle drivers shall receive regular training (at least four (4) times annually) to identify Hazardous Wastes and methods for handling these materials once spotted. All Contractor facilities shall have waste exclusion programs in place to screen for and eliminate Hazardous Waste from the materials received. Random inspections of loads Collected and visual screening shall be periodically conducted by the Contractor at its facilities or at the Approved Disposal Site, Approved Recyclable Materials Processing Site, or Approved Organic Materials Processing Site when materials are unloaded from the Collection vehicle. Records of load checks and copies of the employee training records shall be maintained at Contractor's facilities. When Hazardous Waste is found, it shall be returned to the Generator if possible. If the Hazardous Waste cannot be returned to the Generator, Contractor shall place Hazardous Waste in an authorized storage location and arrange for proper disposal of such material at its own costs. (See also Sections 5.11 and 5.18.3.)

5.14.8 Improper Set-Out and Non-Collection Notices

Contractor shall instruct all Customers and Generators as to any necessary preparation of materials (e.g., Source Separation requirements and materials that are Prohibited Container Contaminants), and the proper placement of Containers for Collection. Contractor shall notify Customers who fail to follow these instructions by attaching a two (2) inch by six (6) inch tag to the Container with a description of how Customer has violated such instructions. In the event of non-Collection as a result of such violation, Contractor shall clearly indicate on the tag the reason for non-Collection and what steps must be taken by Customer to recommence service. In cases of extreme or repeated failure to comply with the instructions, Contractor shall notify the City of the Customer's repeated failures. Contractor shall maintain a record of non-Collection notices and the reason for non-Collection, in accordance with Sections 6.2 and 6.3. Additionally, the Contractor shall conduct the contamination monitoring and noticing procedures specified in Section 5.22 and Section 5.24.

5.15 Vehicles**5.15.1 General**

Throughout the Term, Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently perform the work required by the Agreement in strict accordance with its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection vehicle used (e.g., side loader, front loader, roll-off, etc.) to respond to Complaints and emergencies.

Contractor shall Collect Solid Waste, Recyclable Materials, and Organic Materials generated in the City in Collection Vehicles separately from each other and from other materials generated outside the City. Contractor shall weigh each vehicle at the Approved Facilities so that the Tonnage of materials can be documented on a per-load basis by material type with supporting documentation (such as a certified weight ticket or tag).

5.15.2 Specifications

All vehicles used by Contractor in providing Collection services shall be registered with the California Department of Motor Vehicles. All such vehicles shall have watertight bodies designed to prevent leakage, spillage, or overflow. All such vehicles shall comply with U.S. Environmental Protection Agency (EPA) noise emission regulations and other applicable noise control regulations. Any vehicle that does not comply with noise level requirements stated in Section 5.14.4 shall be prohibited from performing services under this Agreement.

As required by law, Contractor shall comply with State and federal regulations including, but not limited to: (i) the California Air Resources Board Heavy Duty Engine Standards, contained in CCR Title 13, Section 2020 et seq; and, (ii) the Federal Environmental Protection Agency's Highway Diesel Fuel Sulfur regulations (Section 209(b) of the Clean Air Act, as amended, 42 U.S.C. 7543(b)). In addition, Contractor shall plan to comply with all State and federal regulations related to emissions control using engines, vehicles, and/or control technologies that meet or exceed the 2018 or later model year vehicle and engine requirements. If Contractor needs to convert, retrofit, or replace its Collection vehicles to be in full compliance with local, State and federal clean air requirements (including compliance with requirements for 2018 or later model year vehicles) in effect on the Commencement Date of the Agreement, the costs for such changes shall be the sole responsibility of the Contractor and shall not be reimbursed through a change in Contractor's Compensation or Rates. To the extent that clean air requirements become more or less stringent after the Commencement Date of the Agreement, Contractor Compensation or Rates shall be adjusted upward or downward to reflect reasonable and actual costs of modification subject to prior approval from the City.

5.15.3 Vehicle Identification

Contractor's name, local address and telephone number, and a unique vehicle identification number for each vehicle shall be prominently displayed on all vehicles, in letters and numbers no less than six (6) inches high. Contractor shall not place the City's logo on its vehicles. Contractor shall not use vehicles identified for use in Pleasanton in any other jurisdiction without prior approval from the City.

5.15.4 Inventory

Contractor shall furnish sufficient Collection and Transfer vehicles to provide all service required under this Agreement. Contractor shall furnish the City a written inventory of all vehicles and Containers, including Collection vehicles, used in providing service, and shall update the inventory report annually. The inventory shall list all vehicles by manufacturer, ID number, date of acquisition, type, capacity, and decibel rating.

2096 **5.15.5 Cleaning and Maintenance**

2097 A. **General.** Contractor shall maintain all of its properties, facilities, and equipment used in providing
2098 service under this Agreement in a safe, neat, clean, and operable condition at all times.

2099 B. **Cleaning.** Vehicles used in the Collection of Solid Waste, Recyclable Materials, and Organic
2100 Materials shall be thoroughly washed and thoroughly steam cleaned a minimum of one (1) time per
2101 week, or more frequently if necessary, so as to present a clean appearance of the exterior and
2102 interior compartment of the vehicle. City may inspect vehicles at any time to determine compliance
2103 with sanitation requirements. Contractor shall make vehicles available to the Alameda County
2104 Health Department for inspection at any frequency it requests.

2105 C. **Maintenance.** Contractor shall inspect each vehicle daily to ensure that all equipment is operating
2106 properly. Vehicles that are not operating properly shall be taken out of service until they are
2107 repaired and operate properly. Contractor shall perform all scheduled maintenance functions in
2108 accordance with the manufacturer's specifications and schedule. Contractor shall keep accurate
2109 records of all vehicle maintenance, recorded according to date and mileage, and shall make such
2110 records available to the City upon request to the extent necessary to perform the inspections
2111 described in Section 6.7.

2112 D. **Painting.** All vehicles shall be painted on a regular schedule to maintain a clean, professional, new-
2113 like appearance. At any time during the Term, the City may require painting of any vehicle which
2114 does not present a satisfactory appearance and such vehicle shall be painted within thirty (30)
2115 calendar days of the City's written request. All graffiti shall be removed within forty-eight (48) hours
2116 if such graffiti includes any written or pictorial obscenities and otherwise shall be removed within
2117 five (5) Business Days.

2118 D. **Repairs.** Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for
2119 which repairs are needed because of accident, breakdown, or any other cause so as to maintain all
2120 equipment in a neat, clean, safe, and operable condition. If an item of repair is covered by a
2121 warranty, Contractor shall obtain warranty performance. Contractor shall maintain accurate
2122 records of repair, which shall include the date/mileage, nature of repair, and the signature of a
2123 maintenance supervisor that the repair has been properly performed. Repairs shall include repair
2124 of cosmetic dents and damage to vehicles so as to maintain a neat appearance of the equipment.

2125 E. **Storage.** Contractor shall arrange to store all vehicles and other equipment in safe and secure
2126 location(s) in accordance with City's applicable zoning regulations.

2127 **5.15.6 Operation**

2128 Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable safety and
2129 local ordinances. Contractor shall not load vehicles in excess of the manufacturer's recommendations or
2130 limitations imposed by State or local weight restrictions on vehicles. The City shall be notified no later
2131 than seventy-two (72) hours after an inspection is performed by the California Highway Patrol under the
2132 California Motor Vehicle Code Section 34501.12 (Maintenance Facility or Terminal Inspection). All records
2133 of periodic inspections of vehicles to comply with California Motor Vehicle Code Section 34505.5 shall be
2134 available for inspection by City.

5.15.7 GPS Equipment and Monitoring

Contractor shall equip each Collection vehicle with Global Positioning System (GPS) equipment that allows for tracking the vehicle's activities. The City requires the GPS tracking system to provide vehicle position and history and the location of each Collection event. Data updates shall be real time or updated every fifteen (15) minutes. Contractor shall provide the City access to GPS data through a minimum of two (2) City computers.

5.15.8 Renewable Natural Gas (RNG)

Under this Agreement, the Contractor shall make a reasonable business effort, subject to Contractor's existing fuel arrangements, for all Collection vehicles to be powered by RNG generated by a local facility or powered by RNG that is purchased through a wheeling agreement with a party(ies), provided that the wheeling agreement is for purchase of gas derived from Organic Waste that has been diverted from a landfill and Processed at an in-vessel digestion facility that is permitted or otherwise authorized by Title 14 of CCR to recover Organic Waste and meets the requirements of 14 CCR Section 18993.1(h). Upon City request, Contractor shall obtain and provide the City with a written certification by an authorized representative of the publicly owned treatment works or the wheeling agreement contractor certifying that the in-vessel digestion facility produces the RNG consistent with the requirements of 14 CCR Section 18993.1(h). Contractor shall maintain records of the amount of RNG purchased, if any, and shall report this information in accordance with Section 6.3. Contractor shall agree to give the City the right to report this RNG usage toward the City's fulfillment of its annual recovered Organic Waste product procurement target in accordance with 14 CCR Section 18993.1.

5.16 Containers**5.16.1 General**

Contractor shall provide Customers with Collection Containers as requested by the Customer to meet its desired Service Level. The City has the ownership rights to Containers that were put into service at Customers' Premises under the prior franchise agreement ("Existing Containers") and is requiring as part of this Agreement that Contractor acquire these Containers from the City. Contractor shall make an independent assessment of the condition and anticipated useful life of the Existing Containers and plan for replacements over the Term of the Agreement. New Container purchases shall comply with the requirements of this Section 5.16.

If a Customer requests a different Container size, Contractor shall provide Customer with Container(s) in the requested size within seven (7) Business Days or pay Liquidated Damages pursuant to Section 11.6.

Contractor shall make Compactors available to Customers for purchase or lease and shall allow Customers to purchase or lease Compactor's through an outside vendor.

5.16.2 Use of Existing Containers

Contractor shall not be responsible for providing all new Containers prior to the Commencement Date and shall service the existing Containers until such time as each Container must be replaced in accordance with Section 5.16.3.

2172 5.16.3 Purchase of New Containers

2173 Contractor shall be responsible for replacing the existing Containers when Contractor determines the
2174 Container is no longer suitable for service; or when the City or Customer requests replacement of
2175 Customer's Container that does not properly function, leaks, is damaged, or is otherwise not fit for service.
2176 Contractor shall be responsible for acquiring the replacement Containers as well as maintaining an
2177 inventory of Containers at a level that allows for the Contractor to provide Customers with new,
2178 replacement and different size Containers within seven (7) calendar days of request.

2179 Contractor shall purchase Containers with a useful life of ten (10) years or more and shall depreciate the
2180 Containers over a ten-year (10-year) period. All new Containers shall comply with the standards
2181 presented in Section 5.16.5.

2182 5.16.4 City Ownership of Containers at end of Term

2183 Upon expiration or early termination of Agreement, all Carts, Bins, Drop Boxes, and Compactors (for
2184 permanent Customers) purchased and put into service at Customers' Premises during the Term of the
2185 Agreement shall become property of the City at no cost to the City if such Containers are fully depreciated.
2186 All Carts, Bins, Drop Boxes, and Compactors (for permanent Customers) purchased and put into service at
2187 Customers' Premises during the Term of the Agreement that have not been fully depreciated shall be
2188 available to the City, at the City's option, at a cost reflecting the net book value.

2189 At its sole discretion, the City may elect not to exercise its rights with regards to this Section and, in such
2190 case; the Containers shall remain the property of the Contractor upon the expiration date of this
2191 Agreement or date of its earlier termination of this Agreement. In such case, Contractor shall be
2192 responsible for outstanding depreciation and for removing all Containers in service from Premises within
2193 ten (10) Business Days of the expiration date or early termination date of this Agreement.

2194 5.16.5 New Container Standards

2195 Contractor shall provide Containers for storage and Collection of Solid Waste, Recyclable Materials, and
2196 Organic Materials that are designed and constructed to be watertight and prevent the leakage of liquids.

2197 Contractor shall purchase Carts that contain a minimum of 20% post-consumer recycled plastic content
2198 and kitchen pails that contain a minimum of 20% post-consumer recycled plastic content. All Carts and
2199 kitchen pails shall be 100% recyclable.

2200 All new Carts shall be manufactured by injection or rotational molding methods and shall meet the Cart
2201 design, color, and performance requirements provided in Exhibit D. Contractor shall obtain the City's
2202 written approval of Cart specifications before acquisition. Carts provided to Customers shall have a useful
2203 life of ten (10) or more years as evidenced by a manufacturer's warranty or other documentation
2204 acceptable to the City.

2205 All Containers with a capacity of one (1) cubic yard or more shall meet applicable federal regulations for
2206 Bin safety and be covered with attached lids. All Bins, Drop Boxes, and Compactors shall be painted the
2207 Contractor's standard color and shall prominently display the name and telephone number of the
2208 Contractor.

Contractor shall differentiate Solid Waste Containers, Recyclable Materials Containers, and Organic Materials Containers from each other by providing Containers of different colors, with high-quality educational labels. Containers shall have bodies and lids in uniform colors that differentiate the different material types to be Collected, in accordance with Section 5.16.7, and such plans shall be approved by the City. On and after January 1, 2022, all new or replacement Containers shall comply with the color and labeling requirements of Section 5.16.7. Notwithstanding this Section, the Contractor is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the color requirements of Section 5.16.7 prior to the end of the useful life of those Containers, or prior to January 1, 2036, whichever comes first.

As described in Section 5.4.1.C, the kitchen pail shall be made of rigid plastic, and have a capacity of 1.5 to 2.5 gallons, a wire or plastic handle, and a lid. Contractor must submit kitchen pail order (including material and design specifications, colors, and identification marks) to City for City's written approval prior to submitting the order to the manufacturer.

5.16.6 Container Sizes

Below is a table that summarizes the Container size specifications. In the event of conflicts between descriptions in this Section and Sections 5.2, 5.3, 5.4, and 5.5, the requirements in Sections 5.2, 5.3, 5.4, and 5.5 shall govern.

Service Type	Single-Family Customers	Multi-Family Customers	Commercial Customers
Solid Waste	35- or 96-gallon Carts (or similar sizes approved by the City)	35- or 96-gallon Carts (or similar sizes approved by the City) 1 to 6 cubic yard Bins 10 to 50 cubic yard Drop Boxes and Compactors	35- or 96-gallon Carts (or similar sizes approved by the City) 1 to 6 cubic yard Bins 10 to 50 cubic yard Drop Boxes and Compactors
Recyclable Materials	96-gallon Carts (or similar size approved by the City)	96-gallon Carts (or similar sizes approved by the City) 1 to 6 cubic yard Bins 10 to 50 cubic yard Drop Boxes and Compactors	96-gallon Carts (or similar sizes approved by the City) 1 to 6 cubic yard Bins 10 to 50 cubic yard Drop Boxes and Compactors
Organic Materials	96-gallon Carts (or similar sizes approved by the City) 1.5- to 2.5-gallon kitchen pail upon Customer request	96-gallon Carts (or similar sizes approved by the City) 1 to 6 cubic yard Bins	96-gallon Carts (or similar sizes approved by the City) 1 to 6 cubic yard Bins 10 to 50 cubic yard Drop Boxes and Compactors - Containers for indoor use pursuant to Section 5.4.2.H

5.16.7 Container Colors and Labeling

A. Labels. On each Container, Contractor shall label with paint, adhesive label, or white, hot-stamped lettering, with text and/or graphic images indicating the type of materials (e.g., Solid Waste,

2230 Recyclable Materials, cardboard, mixed paper, Organic Materials, Construction and Demolition
2231 Debris, wood waste, metal, etc.) accepted and primary materials prohibited to be placed in the
2232 Container for Collection. Labels shall clearly indicate items that are the primary Prohibited Container
2233 Contaminants for each Container. The labeling shall be positioned on each Container so it is visible
2234 to the Customer at all times.

2235 All Containers shall prominently display the Contractor's name and phone number in paint or on an
2236 adhesive label.

2237 Such labeling of Containers shall be completed within one year of the Commencement Date.

2238 **B. Colors.** Contractor shall provide all Customers with Collection Containers that comply with the
2239 Container color requirements specified in this Section, or as otherwise specified in 14 CCR Section
2240 18982; 14 CCR, Division 7, Chapter 12, Article 3; or other Applicable Law. Colors shall be colorfast
2241 and resistant to fading as a result of weathering or ultraviolet degradation. The lids and bodies shall
2242 be uniform for each Container type, as follows:

2243 1. **Carts.** Solid Waste Carts shall have black bodies and black lids; Recyclable Materials Carts shall
2244 have black bodies and blue lids; and, Organic Materials Carts shall have black bodies and green
2245 lids.

2246 2. **Bins.** Solid Waste Bins shall have white bodies and black lids, Recyclable Materials Bins shall
2247 have white bodies and blue lids, and Organic Materials Bins shall have white bodies and green
2248 lids.

2249 3. **Drop Boxes.** Solid Waste Drop Boxes shall have gray bodies; Recyclable Materials Drop Boxes
2250 shall have blue bodies; and, Organic Materials Drop Boxes shall have green bodies.

2251 4. **C&D Containers.** Containers for Collection of C&D may be in any color, provided that the colors
2252 do not conflict with the Container color requirements of this Section and provided that the C&D
2253 Container colors are consistent for all C&D Containers. The C&D Container color shall be
2254 proposed by the Contractor and reviewed and approved by the City Contract Manager prior to
2255 Contractor's procurement of such Containers. Containers used for Source Separated Collection
2256 of C&D materials at a Customer's location will have a label indicating the allowable materials
2257 and most common Prohibited Container Contaminants for the material types Collected.

2258 5. **Hardware.** Hardware such as hinges and wheels on the Containers may be a different color than
2259 specified above.

2260 **C. Timing and Approval.** On and after January 1, 2022, all new and replacement Containers shall
2261 comply with the color and labeling requirements of this Section. Notwithstanding this Section, the
2262 Contractor is not required to replace functional Containers, including Containers purchased prior to
2263 January 1, 2022, that do not comply with the color requirements of this Section prior to the end of
2264 the useful life of those Containers, or prior to January 1, 2036, whichever comes first. Contractor
2265 shall obtain written approval from the City on the proposed Container colors and labeling prior to
2266 procuring or distributing new or replacement Containers.

2267 5.16.8 Cleaning, Painting, Maintenance

2268 Contractor shall steam clean and repaint all Containers as needed (other than Carts) so as to present a
2269 clean appearance. Contractor shall offer and promote the availability of Customer requested steam
2270 cleaning service (or clean Container exchange) to Cart Customers, and may charge Cart Customers for
2271 such cleaning (or Container exchange) in accordance with City-approved Rates on the Rate schedule in
2272 Exhibit G.

2273 Contractor shall remove graffiti from Containers within forty-eight (48) hours of identification by
2274 Contractor or notice by City or Customer if such graffiti includes any written or pictorial obscenities and
2275 otherwise within five (5) Business Days.

2276 All Containers shall be maintained in a functional condition. At the City's request, Contractor shall provide
2277 City with a list of Containers and the date each Container was painted and maintained.

2278 5.16.9 Repair and Replacement

2279 Contractor shall repair or replace all Containers which have broken wheels, hinges, or other
2280 nonfunctioning parts, or cracks or holes. Contractor shall repair or replace all Containers damaged by
2281 Collection operations within a one (1) week period. If the repair or replacement cannot be completed
2282 within in one (1) week, the Customer shall be notified by Contractor and a larger Container shall be made
2283 available until the proper Container can be replaced.

2284 5.17 Public Education and Technical Assistance**2285 5.17.1 General**

2286 Contractor shall educate Residential and Commercial Customers on the following: (i) the benefit of source
2287 reduction, reuse, Recycling, and Composting and related program opportunities; (ii) proper handling of E-
2288 Waste, U-Waste, and Hazardous Waste; (iii) specific programs offered by the Contractor; and (iv) Rates
2289 for Collection services. The public education program shall include distribution of public education
2290 materials at the commencement of the Agreement, when Collection services are changed during the Term
2291 of the Agreement, and when new Collection services are implemented during the Term of the Agreement.
2292 In addition, the public education program shall include on-going education activities throughout the Term
2293 of the Agreement. Educational media shall include, but not be limited to, newsletters, bill inserts, flyers,
2294 door hangers, notification tags, newspaper advertisements, and direct contact with Customers or Owners
2295 and Occupants of Premises.

2296 Detailed requirements of the public education program and required program staffing are described in
2297 Exhibit B.

2298 Contractor shall ensure that the personnel described in this Section and in Exhibit B shall be responsible
2299 for providing the public education and outreach activities described in Exhibit B, in accordance with the
2300 full-time equivalency stated in Exhibit B, and shall not be utilized to perform other functions within
2301 Contractor's operations, unless authorized in writing by the City.

2302 In the event Contractor fails to perform some or all of the requirements of the public education plan
2303 described in this Section and in Exhibit B, the Contractor shall pay the City Liquidated Damages as
2304 described in Section 11.6.

2305 **5.17.2 Annual Public Education Plan**

2306 As part of the Contractor's third quarterly report (required by Section 6.3.3 of this Agreement) for each
2307 Rate Period, Contractor shall submit an annual update to Contractor's public education plan outlining its
2308 specific planned public education efforts for the coming Rate Period. The plan shall list each public
2309 education piece (e.g., newsletters, bill inserts, flyers, newspaper advertisements, etc.) to be prepared, the
2310 purpose of the piece, the key subject(s) to be covered, and the anticipated date of issuance. In addition,
2311 the plan shall list all events the Contractor plans to attend and the public education it intends to provide
2312 at such event (e.g., exhibit at Earth Day event, presentation at Chamber of Commerce meetings, etc.).
2313 The City shall review and approve the plan.

2314 **5.17.3 Public Education Content and Production Requirements**

2315 Prior to preparing public education materials, Contractor shall discuss with the City its general approach
2316 to preparing the materials and shall determine if the City has any City-specific guidelines to be followed
2317 and if the City wants the Contractor to work with templates prepared by StopWaste.Org (also known as
2318 the Alameda County Waste Management Authority and Alameda County Source Reduction and Recycling
2319 Board) or others.

2320 The public education materials shall emphasize use of visual/graphic images as much as is practical.
2321 Furthermore, the materials shall include a clear listing of program "Dos" and "Don'ts" using visual images
2322 as much as is practical. For example, the "Dos" shall list the types of materials the Customer may place in
2323 its Recyclable Materials or Organic Materials Containers and the "Don'ts" should list Prohibited Container
2324 Contaminants and Hazardous Waste.

2325 All public education materials shall be printed on paper containing the highest levels of recycled content
2326 material reasonably practical with a minimum requirement of thirty percent (30%) post-consumer content
2327 based on federal standards.

2328 To address the multi-lingual diversity of the City, public education materials shall use visual images and
2329 English descriptions supplemented with text on the bottom of the public education document in different
2330 languages directing the non-English speaking Customers to telephone a Contractor-provided hotline for
2331 help in their native language. In accordance with 14 CCR Section 18985.1, Contractor shall provide public
2332 education materials in any non-English language spoken by a substantial number of the public, as
2333 determined by the City and consistent with Section 7295 of the Government Code, and distribute the
2334 materials to Single-Family, Multi-Family, and Commercial Customers as specified by the City. Contractor
2335 shall arrange for review of the multi-lingual materials by a third party to verify the accuracy and
2336 appropriateness of the translations.

2337 Prior to distribution of any public education materials, Contractor shall provide the City with a copy of the
2338 public education materials for the City's review and approval.

2339 5.17.4 Signage

2340 Contractor shall be responsible for preparing, distributing, and posting signage at Commercial and Multi-
2341 Family Premises that promote Recyclable Materials and Organic Materials Collection services, describe
2342 the program requirements, and identify allowable and non-allowable types of materials for Collection. At
2343 a minimum, these signs shall be posted in the Container areas. Upon request of the Customer, Contractor
2344 shall provide signage and Container labeling in Spanish, or another language spoken by a substantial
2345 number of the public, as directed by the City. Within fourteen (14) calendar days of a Customer's request,
2346 Contractor shall provide extra signage for use in areas such as laundry and mail rooms at Multi-Family
2347 Premises and in employee training areas, break rooms, kitchens, and janitorial areas at Commercial
2348 Premises.

2349 5.17.5 Multi-Family Technical Assistance Program

2350 Contractor shall provide Recycling technical assistance to Multi-Family Customers to help each Customer
2351 determine how best to provide Recyclable Materials and Organic Materials service to its tenants. This
2352 technical assistance shall include meetings with property managers at the Premises and on-site
2353 assessments of the Multi-Family Premises to identify appropriate locations for Containers and the
2354 number, type, and size of Containers that would be most suitable. Contractor shall offer the property
2355 manager Recyclable Materials and Organic Materials posters and signage as required by Section 5.3.3.D
2356 and 5.4.2.E, and education materials as required by Section 5.17.7.B. At a minimum, the Contractor's
2357 Recycling coordinator shall meet virtually or in person with every property manager twice annually to
2358 work with the property manager to improve Recycling participation levels in terms of the quantity and
2359 quality of Recyclable Materials and Organic Materials Collected.

2360 Contractor shall document each site visit or meeting, using a form approved by the City identifying the
2361 name and address of the Premises, number of tenant units, date of the visit, name of property manager
2362 and contact information, current Recyclable Materials, Organic Materials, and Solid Waste Service Levels
2363 and calculated weekly Recycling capacity per tenant unit, property manager concerns and requests, and
2364 actions items. Audit forms shall be provided to the City in accordance with Section 6.3.3.I.

2365 During the two annual site visits or meetings, or upon request, Contractor shall restock posters, "How To
2366 Guides," personal recycling baskets and any other appropriate materials (required by Section 5.3.3.D),
2367 and provide new Container signage if necessary.

2368 Contractor shall provide one half (0.5) full-time Recycling coordinator to provide Multi-Family technical
2369 assistance services.

2370 Other public education requirements for Multi-Family Customers are described in Exhibit B.

2371 5.17.6 Commercial Technical Assistance

2372 Contractor shall perform Diversion audits for Commercial Customers. At a minimum, Contractor shall
2373 perform audits for all Customers that request an on-site or virtual audit, for all new Commercial
2374 Customers, and for twenty percent (20%) of all Commercial Customers in the City each year. The goal of
2375 each audit shall be to provide assistance to the Customer or its property manager in the development of
2376 source reduction, reuse, Recycling, and Organics Diversion programs. During the first Rate Period, the
2377 twenty percent (20%) of Customers targeted by the Contractor shall be the Commercial Customers that

2378 generate the largest volumes of Solid Waste (as measured by the total weekly volume of Solid Waste
2379 serviced). After Contractor performs site visits for these large-volume Customers, Contractor shall
2380 continue to provide support to each Customer as requested and shall periodically contact the Customer
2381 to offer technical assistance and answer questions.

2382 Contractor shall, by July 15 of each year, submit to the City a list of the Commercial Customers it proposes
2383 to audit during the Rate Period to comply with the twenty percent (20%) audit requirement and include
2384 justification for selection of the Commercial Customers. Commercial Customers shall be selected so that
2385 one hundred percent (100%) of the Commercial Customers are audited during a five (5) year period so
2386 that each Business is audited once every five (5) years. City shall review the list and provide comments to
2387 the Contractor within ten (10) Business Days of receipt. In the event the City does not provide a response
2388 to the Contractor, the proposed list of Commercial Customers shall be considered acceptable to the City.

2389 Audits shall include, but are not limited to a Solid Waste, Recyclables, Organic Materials, Diversion, and
2390 source reduction analysis; research of markets for specialized materials generated by the Customer; and
2391 assistance in internal Collection and training efforts.

2392 During site visits and through quarterly newsletters and other public outreach efforts, Contractor shall
2393 offer employee training sessions to Commercial Customers at the Customer's Premises to educate
2394 employees about the Recycling and Organics Collection programs and answer employee questions.
2395 Contractor shall provide the employee training sessions upon Customer request.

2396 Contractor shall document each site visit using a form approved by the City identifying the name and
2397 address of the Premises, type of Commercial business, date of the visit, name of property
2398 manager/property contact and contact information, current Recyclable Materials and Organic Materials
2399 Service Levels, property manager concerns and requests, training (if any) provided to Customer and/or
2400 employees, and actions items. Audit forms shall be provided to the City in accordance with Section
2401 6.3.3.H.

2402 Contractor shall provide one half (0.5) full-time Recycling coordinator to provide Commercial technical
2403 assistance services.

2404 **5.17.7 SB 1383 Education and Outreach**

2405 A. **Annual Notice of Requirements.** Not less than once per year, Contractor shall prepare and
2406 distribute to each Generator in the City a mailer that includes information specified in 14 CCR
2407 Section 18985.1(a). Such mailer shall be distributed by Contractor to all Single-Family, Multi-Family,
2408 and Commercial mailing addresses including individual Multi-Family Dwelling Units. Contractor shall
2409 also make this notice available in an electronic format through the Contractor's website. This
2410 information shall, at a minimum, include:

2411 1. Information on the Generator's requirements to properly separate Source Separated Recyclable
2412 Materials, Organic Materials, and Solid Waste, and place such materials in appropriate
2413 Containers pursuant to this Agreement, SB 1383 Regulations, and all other Applicable Law.

2414 2. Information on methods for the prevention of Organic Waste and Recyclable Materials
2415 generation; managing Organic Waste on Generator's Premises through composting or other
2416 Landfill Disposal reduction activities allowed under 14 CCR Sections 18983.1 and 18983.2;

- 2417 sending Organic Waste to Community Composting operations; and any other local
2418 requirements regarding Discarded Materials requested by the City.
- 2419 3. Information regarding the methane reduction benefits of reducing the Disposal of Organic
2420 Waste, and the method(s) that the Contractor uses to recover Organic Waste.
- 2421 4. Information regarding how to recover Source Separated Recyclable Materials and Organic
2422 Waste, and a list of haulers approved by the City.
- 2423 5. Information related to the public health and safety and environmental impacts associated with
2424 the Disposal of Organic Waste.
- 2425 6. If requested by the City, information regarding the City's Edible Food Recovery programs;
- 2426 7. Information regarding Self-Hauling requirements.
- 2427 8. Any other federal, State, or local requirements to properly separate Discarded Materials or
2428 other necessary actions by Generators, including applicable requirements of the Municipal
2429 Code, AB 341, AB 1826, SB 1383, and other Applicable Law.
- 2430 B. **Education Materials for Property and Business Owners and Tenants.** Contractor shall, not less than
2431 annually, provide Property Owners and Commercial Business Owners with public education
2432 materials for their distribution to all employees, contractors, tenants, and Customers of the
2433 properties and businesses. The Contractor's public education materials shall include, at a minimum,
2434 information about Organic Waste recovery requirements and proper sorting of Discarded Materials,
2435 and shall reflect content requirements described above. A Commercial Business or Multi-Family
2436 Property Owner may request these materials more frequently than the standard annual provision
2437 if needed to comply with the requirement of 14 CCR Section 18984.10 for Commercial Businesses
2438 and Multi-Family Property Owners to provide educational information to new tenants and
2439 employees before or within fourteen (14) days of occupation of the Premises. In this case, the
2440 Commercial Business or Multi-Family Property Owner may request delivery of materials by
2441 contacting the Contractor's customer service department not later than two (2) weeks in advance
2442 of the date that the materials are needed.
- 2443 C. **Commercial Edible Food Generators.** Upon City request, Contractor shall support City in
2444 distributing educational materials developed by the City or its designee, such as StopWaste,
2445 regarding Edible Food Recovery to Commercial Customers that are Commercial Edible Food
2446 Generators. The Contractor's website shall include a link to the City's webpage regarding Edible
2447 Food Recovery programs.
- 2448 D. **Non-Compliance Education.** Contractor shall provide educational materials to non-compliant
2449 entities under this Agreement, as further described in Section 6.9.B and Exhibit B.

2450 **5.18 Personnel**

2451 **5.18.1 General**

2452 Contractor shall furnish such qualified drivers, mechanical, supervisory, Customer service, clerical, and
2453 other personnel as may be necessary to provide the services required by this Agreement in a safe and
2454 efficient manner. (See also Section 5.1.)

2455 Contractor recognizes the importance of establishing a successful relationship between its general
2456 manager and City staff (and their agents or designees). Therefore, the Contractor will allow the City the
2457 right to approve the selection of the Contractor's general manager provided that the City's approval is not
2458 unreasonably withheld. The City shall have the right to request that the Contractor replace its general
2459 manager for any of the following reasons:

2460 A. In the event Liquidated Damages levied for events listed in Exhibit E, with the exception of damages
2461 levied for Collection reliability and Collection quality event items 1, 2, and 13 of Exhibit E, in any
2462 three (3) month period exceed two thousand dollars (\$2,000); or,

2463 B. In the event Liquidated Damages levied for Collection reliability and Collection quality event items
2464 1, 2, and 13 of Exhibit E, in any three (3) month period exceed forty-five thousand dollars (\$45,000);
2465 or,

2466 C. In the event the City determines, through a review of Billings required by Section 6.14, that
2467 Contractor has under billed or overcharged Single-Family Customers by a rate of three (3) percent
2468 or more of total Single-Family billed revenues or Multi-Family, Commercial and Drop Box Customers
2469 by a rate of one and a half percent (1.5%) of total Multi-Family, Commercial and Drop Box billed
2470 revenues, and Contractor is unable to correct such Billings errors to a rate of one and a half percent
2471 (1.5%) of total Billings of Single-Family Customers and half a percent (0.5%) of total Billings of Multi-
2472 Family Customers, and half a percent (0.5%) of total Billings of Commercial and Drop Box Customers
2473 as demonstrated by a subsequent audit of incorrectly billed accounts conducted in the quarter
2474 immediately following the bi-annual report in which the billing error rate was identified, or that
2475 Contractor fails to submit the bi-annual report required by Section 6.14 within fifteen (15) days of
2476 the due date;

2477 D. In the event financial and operational records maintained by the Contractor pursuant to Sections
2478 6.2.1 and 6.2.2 and requested by the City for retrieval by the Contractor are not provided to City
2479 within two (2) weeks of the request.

2480 **5.18.2 Driver Qualifications**

2481 All drivers shall be trained and qualified in the operation of Collection vehicles and must have in effect a
2482 valid license, of the appropriate class, issued by the California Department of Motor Vehicles. Contractor
2483 shall ensure full compliance with the California Department of Motor Vehicles "Employer Pull Notice
2484 Program" (CVC 1808.1).

2485 5.18.3 Safety Training

2486 Contractor shall provide suitable operational and safety training for all of its employees who utilize or
2487 operate vehicles or equipment for Collection of Discarded Materials or who are otherwise directly
2488 involved in such Collection. Contractor shall train its employees involved in Collection to identify, and not
2489 to Collect, Hazardous Waste or Infectious Waste. Training records shall be available for review by the City
2490 upon request. (See also Sections 5.11 and 5.14.7.)

2491 5.18.4 No Gratuities

2492 Contractor shall not permit its employees to accept, demand, or solicit, directly or indirectly, any
2493 additional compensation or gratuity from members of the public for the Collection of Discarded Materials
2494 under this Agreement.

2495 5.18.5 Employee Conduct and Courtesy

2496 Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct
2497 themselves in a courteous manner. Contractor shall regularly train its employees in Customer courtesy,
2498 shall prohibit the use of loud or profane language or music, and shall instruct Collection employees to
2499 perform the work as quietly as possible. If any employee is found not to be courteous or not to be
2500 performing services in the manner required by this Agreement, Contractor shall take all appropriate
2501 corrective measures.

2502 5.18.6 Uniforms

2503 All employees of the Contractor performing field service under this Agreement shall be dressed in clean
2504 uniforms with employee's name or numbered badge, which also shows Contractor's name, thereon at all
2505 times while engaged in the work; no portion of this uniform may be removed while working.

2506 5.18.7 Provision of Field Supervision

2507 Contractor shall designate at least one and one half (1.5) full time qualified employees as supervisor of
2508 field operations. The field supervisor will devote at least one hundred percent (100%) of their time in the
2509 field checking on Collection operations, including responding to Complaints.

2510 5.18.8 Customer Service Representatives

2511 At a minimum, Contractor shall employ one (1) full time Customer service manager and four (4) full-time
2512 Customer service representatives dedicated exclusively to serving the City and its Customers. The
2513 Customer service representatives shall be trained on specific City service requirements, a minimum of
2514 once per quarter in accordance with Section 6.8.6.

2515 5.19 Contingency Plan

2516 Contractor shall submit to City on or before the Commencement Date, a written contingency plan
2517 demonstrating Contractor's arrangements to provide vehicles and personnel and to maintain

2518 uninterrupted service during mechanical breakdowns, and in case of natural disaster, other emergencies,
2519 or labor disputes. This contingency plan shall be specific to the needs of the City and its Customers.

2520 **5.20 Implementation of New Services**

2521 The Contractor acknowledges that the Contractor's implementation of the services required under this
2522 Agreement shall occur in a smooth and seamless manner such that Customers do not experience
2523 disruption in Collection services. Contactor shall be responsible for managing implementation of
2524 Collection services and other related services required under this Agreement and shall do so in accordance
2525 with this Agreement and as approved by the City.

2526 **5.21 Corporation Yard, Transfer Station, and Other Facility Requirements**

2527 Contractor shall provide a site to be used for staging Collection equipment and personnel, performing
2528 equipment maintenance, housing administrative and Customer service offices and staff, and receiving and
2529 Transferring Solid Waste, Recyclable Materials, and Organic Materials from Contractor's Collection
2530 vehicles and from the public. Contractor shall comply with Applicable Law (including local noise
2531 restrictions), and all land-use or other permits related to conducting operations required by this
2532 Agreement at the site. Contractor shall provide to City copies of all notices of violations at such facilities.
2533 Any fees charged to Customers related to the site must be approved by the City. The Contractor may own
2534 or lease the site. Contractor's proposed total annual costs for services and Rates for Rate Period One
2535 include costs for the corporation yard. If for some reason, the Contractor is unable to secure, develop,
2536 and operate the site that served as the basis of its cost and Rate proposal at the cost it anticipated or
2537 secured an alternative site, Contractor's Compensation and Rates shall not be adjusted to reflect any
2538 differences in costs incurred by the Contractor for site acquisition, development, permitting, operations,
2539 or other related items unless Contractor proposes a reduction in costs. As of the Effective Date, such site
2540 shall be the Pleasanton Transfer Station, located at 3110 Busch Rd, Pleasanton, CA, operating permits for
2541 which are included in Exhibit L, and incorporated herein by reference.

2542 **5.22 Minimum Diversion Requirement**

2543 Contractor shall perform services under this Agreement in a manner which supports the City's
2544 environmental goals, and at all times complies with and supports the Alameda County Mandatory
2545 Recycling Ordinance. This includes, but is not limited to, providing services, education, and outreach to
2546 Customers and in the community which promote source reduction, reuse, Recycling, Composting, and
2547 other methods to reduce landfill Disposal. Contractor is expected, during each and every one of its
2548 interactions with Customers, to suggest opportunities for Customers to reduce their Solid Waste
2549 subscription levels and increase the level of Recyclable Materials and Organic Materials service received.
2550 Contractor shall achieve the following minimum annual Diversion Rates:

- 2551 • Materials Collected from Single-Family, Multi-Family, and Commercial Customers: seventy-five
2552 percent (75%) Diversion; and,
- 2553 • C&D Debris Collected: ninety percent (90%) of Portland cement concrete and asphalt concrete, and
2554 at least seventy-five percent (75%) of the remaining C&D (except as otherwise provided in the City
2555 Municipal Code), taking into account only C&D projects where Contractor Collects all materials.

Contractor's Diversion Rate for each category identified above shall be calculated by dividing (i) the Tons of Salvageable Materials Collected under this Agreement less Processing Residue, by (ii) the total Tons of Discarded Materials Collected under this Agreement from each applicable Customer sector (as identified above).

Contractor's ability to achieve the Diversion Rates identified in this Agreement is affected by the amount of contamination of Salvageable Materials in the Container. Such contamination can be minimized through effective public education and outreach, monitoring (including but not limited to inspection of Containers) and working with specific Generators (including but not limited to providing notices of contamination and non-Collection with copies to the City) all of which are obligations undertaken by the Contractor in accordance with this Agreement. Notwithstanding any other provision in this Agreement, if Contractor can demonstrate with documented evidence reasonably satisfactory to the City that such contamination is preventing Contractor from meeting the relevant Diversion Rate and it has performed all specific obligations contained in the Agreement as well as all actions performed by similar contractors with similar contracts, then City agrees to waive any applicable Liquidated Damages and consider appropriate adjustments to the stated performance standards.

5.23 Service Exemptions and Waivers

5.23.1 Commercial and Multi-Family Customer Waivers

A. General. In accordance with Chapter 9.23 of the Municipal Code, the City may grant waivers to Generators that may impact the scope of Contractor's provision of service for those Customers; provided that such Generators shall continue to subscribe with Contractor for Collection services under this Agreement to the extent such services are not waived by the City. Waivers issued shall be subject to compliance with SB 1383 requirements, pursuant to 14 CCR Section 18984.11, or other requirements specified by the City.

B. Waiver Review and Re-verification. The City or its designee shall be responsible for granting and re-verifying waivers. Upon City request, Contractor shall support the City in the waiver verification process by providing requested Customer information related to the conditions of the waiver.

C. Service Level Updates. If the City grants a waiver to a Customer pursuant to this Section, or the Customer's waiver status under this Section changes after a re-verification determination, the City shall notify the Contractor within seven (7) days of the waiver approval or status change with information on the Customer and any changes to Service Level or Collection service requirements for the Customer. Contractor shall within seven (7) days modify the Customer's Service Level, Customer account data, and Billings statement, as needed.

5.23.2 Contractor Service Exemptions

A. Disaster Waivers. In the event of a disaster, the City may grant Contractor a waiver of some or all Discarded Materials Collection requirements under this Agreement and 14 CCR, Division 7, Chapter 12, Article 3 in the disaster-affected areas for the duration of the waiver, provided that such waiver has been approved by CalRecycle. Any resulting changes in Collection requirements shall be addressed as a change in scope in accordance with Article 4.

B. **Removal of Material from Illegal Disposal Sites.** The Contractor may, but is not required to, separate or recover Organic Waste that City removes from encampments and illegal disposal sites as part of an abatement activity to protect public health and safety. Contractor shall report the amount of Discarded Materials removed for Disposal from encampments and illegal disposal sites, in accordance with Section 6.3.

C. **Quarantined Waste.** If approved by the City, the Contractor may Dispose of, rather than Process, specific types of Organic Materials and/or Recyclable Materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by the City or until the City provides notice that the quarantine has been removed and directs Contractor to Transport the materials to the Approved Facilities for such material.

In accordance with Section 6.3, the Contractor shall maintain records and submit reports regarding compliance agreements for quarantined Organic Materials and Recyclable Materials that are Disposed of pursuant to this subsection.

5.24 Contamination Monitoring.

5.24.1 Annual Route Reviews and Notification

A. Methodology.

1. 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. Contractor shall complete the annual Route review process in two hundred (200) working hours, for a total cost of no more than \$37,178 in Rate Period Five (July 1, 2023). After Rate Period Five (July 1, 2023), the route review cost shall be adjusted on an annual basis by one (1) plus the Annual Percentage Change in the CPI-W.

2. The Contractor's route review shall include all Container types in service (Recyclable Materials, Organic Materials, and Solid Waste Containers) for all Customer types. On each route, the minimum number of Containers to be sampled shall be based on weekly route size, as follows:

- a. For weekly routes with less than 1,500 Generators, Contractor shall sample a minimum of 25 Containers.
- b. For weekly routes with 1,500 to 3,999 Generators, Contractor shall sample a minimum of 30 Containers.
- c. For weekly routes with 4,000 to 6,999 Generators, Contractor shall sample a minimum of 35 Containers.
- d. For weekly routes with 7,000 or more Generators, Contractor shall sample a minimum of 40 Containers.

The Containers shall be randomly selected prior to beginning the route review through use of a random number generator, or another method approved by the City. Upon City request, the Contractor shall prioritize inspections of Customers that are more likely to be out of compliance as identified by the Contractor, City, or the City's designee.

- 2633 3. Contractor shall develop a specific route review methodology for the Container inspections,
2634 and such methodology shall comply with the minimum requirements of this Section and 14
2635 CCR Section 18984.5(b). Contractor shall submit its proposed route review plan for the coming
2636 year to the City no later than January 15 of each year, which shall describe, at a minimum,
2637 Contractor's proposed methodology and schedule for performance of each route's annual
2638 review in accordance with the City's standards. If requested by the City, Contractor's
2639 proposed route review methodology shall include its plan for prioritizing the inspection of
2640 Customers that are more likely to be out of compliance, as identified by the Contractor, City,
2641 the City's designee, and/or CalRecycle. Contractor's methodology shall include its proposed
2642 process for identifying Prohibited Container Contaminants. The City, and/or its designee, such
2643 as StopWaste or CalRecycle, will review and approve the proposed methodology. Contractor
2644 may commence with the proposed methodology upon approval. Alternatively, the City
2645 reserves the right to develop the contamination minimization methodology, and Contractor
2646 shall use the City-developed methodology, provided that such methodology can be
2647 reasonably performed within two hundred (200) working hours. If the City's proposed
2648 methodology directs the Contractor to expend greater than two hundred (200) working hours
2649 to conduct the Route reviews, Contractor shall be entitled to compensation, in accordance
2650 with subsection A.5 below.

- 2651 4. The City Contract Manager may request, and Contractor shall accept, modifications to the
2652 schedule to permit observation of the Route reviews by the City or its designee. In addition,
2653 Contractor shall provide an email notice to the City's Contract Manager no less than ten (10)
2654 business days prior to each scheduled Route review that includes the specific time(s), which
2655 shall be within the City's normal business hours, and location(s) for the review.

- 2656 5. If the City determines that the Contractor's methodology is inadequate, City shall notify the
2657 Contractor and provide an estimate of the number of additional hours required to correct the
2658 inadequacy. Contractor shall revise the methodology accordingly; and, after obtaining City
2659 approval, conduct additional Route reviews, increase Container inspections, or implement
2660 other changes using the revised procedure. Contractor shall be entitled to compensation for
2661 the additional hours spent beyond the budgeted two hundred (200) hours, as estimated by
2662 the City, using the same hourly rate and adjustment methodology specified in subsection A.1
2663 above.

- 2664 **B. Contamination Response and Notification.** Upon identification of Prohibited Container
2665 Contaminants in a Customer's Container during the annual route review, Contractor shall Collect
2666 the material as a courtesy to the Customer and provide the Customer with a notice of
2667 contamination ("Courtesy Pick-Up Notice") at the Customers door or gate; or, subject to City's
2668 approval, may deliver the notice by mail, e-mail, or text message. Contractor shall also attach or
2669 adhere a Courtesy Pick-Up Notice to Generators' contaminated Containers.

2670 The Courtesy Pick-Up Notice shall, at a minimum:

- 2671 1. Inform the Customer of the observed presence of Prohibited Container Contaminants;
2672 2. Include the date and time the Prohibited Container Contaminants were observed;
2673 3. Include information on the Customer's requirement to properly separate materials

2674 into the appropriate Containers, and the accepted and prohibited materials for
2675 Collection in each Container;

2676 4. Inform the Customer of the courtesy pick-up of the contaminated materials on this
2677 occasion, with information that the Contractor may issue a non-Collection notice for
2678 continued instances of Prohibited Container Contaminants in the future; and,

2679 5. Include photographic evidence.

2680 The format of the Courtesy Pick-Up Notice shall be approved by the City Contract Manager.

2681 Contractor shall Collect the contaminated Recyclable Materials and/or Organic Materials
2682 Containers and either Transport the material to the appropriate Approved Facility for Processing;
2683 or, Contractor may Collect the contaminated materials with the Solid Waste and Transport the
2684 contaminated materials to the Approved Disposal Site. A courtesy Collection of contaminated
2685 Recyclable Materials or Organic Materials where the materials are sent to the Approved Disposal
2686 Facility may be made with a Solid Waste Collection vehicle, provided that the contaminants may
2687 safely and lawfully be Collected as Solid Waste.

2688 **C. Recordkeeping.**

2689 1. **Container Contaminant Log.** The driver or other Contractor representative shall record
2690 each event of identification of Prohibited Container Contaminants in a written log or in the
2691 on-board computer system including, but not limited to, the: date, time, Customer's
2692 address, type of Container, and photographic evidence.

2693 2. **Monthly Reports.** Contractor shall maintain records and report to the City monthly on
2694 contamination monitoring activities and actions taken, consistent with the requirements of
2695 Section 6.3.

2696

ARTICLE 6. OTHER RELATED SERVICES AND STANDARDS

6.1 Billing**6.1.1 General**

The City shall approve Rates by City Council resolution that Contractor shall charge Customers for the types of service provided under this Agreement. Contractor shall bill all Customers and collect payments in accordance with City-approved policies and Rates on the Rate schedule in Exhibit G. City shall have the right to review and revise the Billing format to itemize certain charges, and City and Contractor shall do so in accordance with a process approved by the City Contract Manager.

On each Billing, Contractor shall include a brief message to Customers providing service-related announcements such as messages about new services, the on-call clean-up services, E-Waste services, Bulky Item services, proper handling of Household Hazardous Waste, and holiday tree Collection, etc.

The Contractor shall prepare, mail, and collect bills (or shall issue written receipts for cash payments) for Collection services provided by Contractor under this Agreement. Billings for Residential service shall be mailed to Customers quarterly in advance of the provision of service. Billings for Commercial service shall be mailed to Customers monthly in arrears. If Commercial Customers have centralized service (in which Containers are shared by more than one Commercial Premises), Contractor shall bill one Customer for centralized services or, at the request of the Commercial Customers sharing the Containers, Contractor shall treat each Commercial Premises as a separate Customer and shall bill each Customer for service costs equal to the Rate divided by the number of Commercial Premises sharing the service.

Contractor shall make arrangements to allow its Customers to pay bills through the following means: check, cash, credit card, Internet payment service, or automatic withdrawal from banking account. Contractor shall provide at least one drop-off location in the City where Customers may deposit their payments.

The Contractor shall maintain copies of said Billings and receipts, each in chronological order, for a period of three (3) years after the Billing date for inspection by City. The Contractor may, at its option, maintain those records in computer form, on microfiche, or in any other manner, provided that the records can be preserved and retrieved for inspection and verification in a timely manner.

6.1.2 Bad Debt Collection

Contractor shall be responsible for collection of payment from Customers with past due accounts ("bad debt"). Contractor shall make reasonable efforts to obtain payment from delinquent accounts through issuance of late payment notices, telephone requests for payments, and assistance from collection agencies. Contractor may discontinue service for any Customer whose account remains unpaid for ninety (90) days after the date of Billing as long as the Customer has received a notice on a form approved by the City stating that service will be discontinued fifteen (15) days from the date of the notice if payment is not made by that time. On a monthly basis, Contractor shall provide a list of Customers that are sixty (60) days past due.

6.1.3 Billing Inserts

City may direct Contractor to insert up to ten (10) mailers per year into Billings relating to service with the Billings including inserts prepared by StopWaste.Org (also known as the Alameda County Waste Management Authority and Alameda County Source Reduction and Recycling Board). The mailers must fit in standard envelopes. Contractor also agrees to insert with the Billings, mailers describing activities of the City government. City will provide not less than thirty (30) calendar days' notice to Contractor prior to the mailing date of any proposed mailing to permit Contractor to make appropriate arrangements for inclusion of the City's materials. City will provide Contractor the mailers at least fifteen (15) calendar days prior to the mailing date. The cost of printing such inserts and any additional postage shall either be paid for by the City or included in the costs upon which Rates are based.

6.2 Records**6.2.1 General**

Contractor shall maintain such accounting, statistical, and other records related to its performance under this Agreement as shall be necessary to develop the financial statements and other reports required by this Agreement. Also, Contractor agrees to conduct data collection, information and record keeping, and reporting activities needed to comply with and to meet the reporting and Solid Waste program management needs of Contractor and AB 939, SB 1383, and other federal, State, and local laws and regulations and the requirements of this Agreement. To the extent such requirements are set out in this and other Articles of this Agreement, they shall not be considered limiting or necessarily complete. In particular, this Article is intended to only highlight the general nature of records and reports and their minimum content and is not meant to comprehensively define what the records and reports are to be and their content. Further, with the written direction from the City, the records and reports to be maintained and provided by Contractor in accordance with this and other Articles of the Agreement shall be adjusted in number, format, or frequency. Records and reporting may be revised to reflect current record keeping and reporting requirements.

Contractor shall maintain records required to conduct its operations, to support requests it may make to City, and to respond to requests from City. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft, and earthquake. Electronically-maintained data/records shall be protected and a second copy of data/records shall be saved to a protected source such as an external hard-drive.

Contractor agrees to provide or make available records of any and all companies conducting operations addressed in the Agreement to City and its agents and/or representatives during normal business hours.

The Parties acknowledge that as of the Effective Date of this Agreement, the Contractor's accounting and management information systems may not have the capability of meeting the requirements of this Agreement. As of the Effective Date, the Contractor has identified any necessary revisions to its existing systems or selected replacement systems, and has entered into agreements for such revisions or implementation of such systems, including training of Contractor's staff in order to meet the requirements of this Agreement. Plans for the modification or implementation of such system have been provided by the Contractor to the City. Contractor's failure to successfully implement systems which enable reporting and data management as required by this Agreement within one (1) year from the Effective Date shall be

2773 considered a material breach and may result in termination of this Agreement in accordance with Article
2774 11.

2775 **6.2.2 Maintenance of Financial and Operational Records**

2776 **A. General.** In order to effectuate the periodic financial review to determine Rates pursuant to Article
2777 8, it is necessary for Contractor to maintain accurate, detailed financial and operational information
2778 in a consistent format and to make such information available to the City in a timely fashion.

2779 **B. Contractor's Accounting Records.** Contractor shall maintain accurate and complete accounting
2780 records containing the underlying financial and operating data relating to and showing the basis for
2781 computation of all costs associated with providing services under this Agreement. The accounting
2782 records shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) or,
2783 with the City's written approval, the Financial Reporting Framework for Small and Medium Sized
2784 Entities established by the AICPA consistently applied.

2785 **C. Inspection of Records.** The City, its auditors, and other agents, shall have the right, during regular
2786 business hours, to conduct unannounced on-site inspections of the records and accounting systems
2787 of Contractor and to make copies of any documents it deems relevant to this Agreement. In the
2788 event the Person responsible for such records and systems is not on the premises at the time the
2789 City, its auditors, or other agents visit Contractor's facilities, Contractor shall not be in breach of this
2790 Agreement and the City shall give notice requesting access to the records and Contractor shall make
2791 arrangements for City, its auditors, or other agents to conduct the on-site inspection within twenty-
2792 four (24) hours of such notice. The City's right to inspection of records under this paragraph shall
2793 continue for at least five (5) years after the expiration or earlier termination of this Agreement;
2794 however, after expiration or termination of this Agreement, the City shall provide Contractor with
2795 written request to inspect records and Contractor shall make records available for inspection within
2796 one (1) week of such request.

2797 **D. Retention of Records.** Unless otherwise herein required, Contractor shall retain all records and
2798 data required to be maintained by this Agreement for at least five (5) years after the expiration or
2799 earlier termination of this Agreement.

2800 Records and data required to be maintained that are specifically directed to be retained shall be
2801 retrieved by Contractor and made available to the City.

2802 Records and data required to be maintained that are not specifically directed to be retained that
2803 are, in the sole opinion of the City, material to the financial review to determine Rates or to
2804 determine Contractor's performance under this Agreement, shall be retrieved by Contractor and
2805 made available to the City.

2806 Records and data required to be maintained that are not specifically directed to be retained and
2807 that are not material to a financial review to determine Rates and/or not required for the
2808 determination of the Contractor's performance or regulatory compliance do not need to be
2809 retrieved by Contractor. In such a case, however, the City may make reasonable assumptions
2810 regarding what information is contained in such records and data, and such assumption(s) shall be
2811 conclusive in whatever action the City takes.

2812 6.2.3 Collection Records

2813 Records shall be maintained by Contractor for City relating to:

2814 A. Customer services and Billings;

2815 B. Weight and volume of each material type Collected separately (e.g., Solid Waste, Recyclable
2816 Materials, Organic Materials, C&D, Bulky Items, E-Waste, Used Motor Oil and Filters, etc.). Where
2817 possible, information is to be separated among Cart Service, Bin Service and Drop Box Service
2818 and/or Customer type (e.g., Single-Family, Multi-Family, Commercial, and Drop Box);

2819 C. Routes;

2820 D. Facilities, equipment and personnel used;

2821 E. Facilities and equipment operations, maintenance, and repair;

2822 F. Disposal and Processing of Solid Waste, Recyclable Materials, Organic Materials, and any other
2823 materials separately Collected;

2824 G. Daily record of the quantities of Solid Waste, Recyclable Materials, and Organic Materials Collected;
2825 and,

2826 H. Records of on-call clean-up Collections received by Contractor. Such records shall include the date
2827 of such Collection and shall demonstrate that Contractor did not provide more than three (3) clean-
2828 up Collections at no charge to any one Customer per year.

2829 Contractor shall maintain records of all Solid Waste, Recyclable Materials, and Organic Materials Collected
2830 in the City for the period of this Agreement plus five (5) years after its expiration or earlier termination.
2831 Records shall be in chronological and organized form and readily and easily interpreted. In the event City
2832 requests, Contractor shall provide all records of all Solid Waste, Recyclable Materials, and Organic
2833 Materials requested to City within thirty (30) calendar days of discontinuing service.

2834 6.2.4 Recyclables and Organic Materials Collection Service Records

2835 Records shall be maintained for Contractor that relate to:

2836 A. Mandatory Recyclable Materials and Organic Materials Collection service especially as related to
2837 determining participation and set-out rates, complying with mandatory service requirements of SB
2838 1383, and implementing programs to increase existing participation and to expand Diversion
2839 including, but not limited to, Customer names and addresses and contacts made;

2840 B. Recyclable Materials and Organic Materials sales value;

2841 C. Weight of material recovered by type;

2842 D. Weight of Residue Disposed; and,

2843 E. End use and markets for recovered materials.

6.2.5 Transfer and Disposal Records

Contractor shall maintain records of Transfer, Disposal, and Processing of all Solid Waste, Recyclable Materials, and Organic Materials Collected by Contractor for the period of this Agreement plus five (5) years after its expiration or earlier termination. Records shall be in chronological and organized form and readily and easily interpreted. In the event City requests, Contractor shall provide all records of Transfer and Disposal or Processing of all Solid Waste, Recyclable Materials, and Organic Materials Collected by Contractor in the City within thirty (30) calendar days of discontinuing service.

6.2.6 Other Program Records

Records for other programs shall be tailored to specific needs. In general, they shall include:

- A. Plans, tasks, and milestones;
- B. Documentation of compliance with Applicable Laws and regulations related to each program, including, but not limited to, SB 1383; and,
- C. Accomplishments in terms activities conducted; date of activity; Tonnages of materials Collected; quantities of products used, produced, or distributed; and numbers of participants and responses.

6.2.7 CERCLA Defense Records

City views the ability to defend against Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and related litigation as a matter of great importance. For this reason, the City regards the ability to prove where Solid Waste Collected in the City was taken for Transfer or Disposal, as well as where it was not taken, to be matters of concern. Contractor shall maintain, retain, and preserve records which can establish where Solid Waste Collected in the City was Disposed (and therefore establish where it was not). This provision shall survive the expiration or earlier termination of this Agreement. Contractor shall maintain these records for a minimum of ten (10) years beyond expiration or earlier termination of the Agreement. Contractor shall provide these records to City in an organized and indexed manner rather than destroying or Disposing of them.

6.2.8 Customer Service Records

Customer service records shall be maintained by Contractor for City related to:

- A. Number and nature of calls;
- B. Categories (missed pickups, Complaints, SB 1383 non-compliance, damage, inquiries, etc.) of calls;
- C. Training records;
- D. Individual call and resolution log (including initial call date and resolution date); and,
- E. New Customer account log.

6.3 Reports

6.3.1 Report Formats and Submittal Schedule

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:

- A. Determine and set Rates and evaluate the financial efficacy of operations;
- B. Evaluate past and expected progress towards achieving the Contractor's Diversion goals and objectives; and,
- C. Determine needs for adjustment to programs; and evaluate Customer service and Complaints.

Contractor may propose report formats that are responsive to the objectives and audiences for each report. The format of each report shall be approved by City. Contractor agrees to e-mail all reports to the City (or submit reports on an electronic file storage device in the event e-mail communications are unsuccessful) in a format compatible with City's software/computers at no additional charge. City Contract Manager may, from time to time during the Term, review and request changes to the format of the Contractor's reports and Contractor shall not unreasonably deny such requests. The City reserves the right to require the Contractor to maintain the records and submit the reports required by this Agreement through use of a City-selected web-based software platform, at no additional charge to the City or Customers. Contractor will provide a certification statement, under penalty of perjury, by the responsible Contractor official, that the report being submitted is true and correct to the best knowledge of the responsible official after their reasonable inquiry.

Monthly reports shall be submitted within thirty (30) calendar days after the end of the reporting month. Quarterly reports shall be submitted within forty-five (45) calendar days after the end of the reporting quarter. Annual reports shall be submitted no later than April 30 for the calendar year ending December 31.

All reports shall be submitted to:

City of Pleasanton
123 Main Street
Pleasanton, CA 94566
Attn: Assistant to the City Manager

6.3.2 Monthly Report Content

Monthly reports shall be presented to show the following information.

- A. **Solid Waste Service.** Contractor shall provide:
 - 1. Number of Solid Waste Customers and Containers by sector and Service Level;
 - 2. Tonnage Collected by sector; and,

- 2909 3. Total Tonnage delivered to each Approved Facility.
- 2910 B. **Recyclable Materials Service.** Contractor shall provide:
- 2911 1. Number of Recyclable Materials Customers and Containers by sector and Service Level;
- 2912 2. Tonnage Collected by sector; and,
- 2913 3. Tonnage marketed and Residue Disposed (which should total the Tonnage Collected). If more
- 2914 than one Processing Site is used, present information separately for each site.
- 2915 C. **Organic Materials Service.** Contractor shall provide:
- 2916 1. Number of Organic Materials Customers and Containers by sector and Service Level;
- 2917 2. Number of Containers at each Service Level by sector;
- 2918 3. Tonnage Collected by sector.; and,
- 2919 4. Tonnage marketed and Residue Disposed (which should total the Tonnage Collected). If more
- 2920 than one Processing Site is used, present information separately for each site.
- 2921 D. **Construction and Demolition Debris Service.** Contractor shall provide:
- 2922 1. Number of C&D Customers and Containers by sector and Service Level;
- 2923 2. Tonnage Collected by sector; and,
- 2924 3. Tonnage marketed and Residue Disposed (which should total the Tonnage Collected). If more
- 2925 than one Processing Site is used, present information separately for each site.
- 2926 E. **Customer Service.** Contractor shall provide:
- 2927 1. Number of Customer calls listed separately by Complaints and inquiries (where inquiries
- 2928 include requests for Recycling information, Rate information, etc.). For Complaints, list the
- 2929 number of calls separately by category (e.g., missed pickups, scheduled cleanups, Billings
- 2930 concerns, damage claims, SB 1383 non-compliance, etc.);
- 2931 2. Number of Carts, Bins, and Drop Boxes tagged for non-Collection and the reason for tagging
- 2932 (e.g., inclusion of Prohibited Container Contaminants, improper setout, Hazardous Waste,
- 2933 etc.);
- 2934 3. List of Customers for which Contractor has performed a courtesy Collection, including the
- 2935 Customer address, and material type for which the courtesy Collection was performed;
- 2936 4. Number of hits to the Contractor's website;
- 2937 5. Number of Customers subscribing to each City approved service exemption by Customer type,
- 2938 including: the total number of new de minimis waivers and physical space constraint waivers
- 2939 in the month, if any; the Customer name and the address for each waiver; and, a record of
- 2940 the Service Level update made by the Contractor in response to the waiver and the date that
- 2941 change was made; and,
- 2942 6. A report detailing SB 1383 non-compliance Complaints submitted to the Contractor, which
- 2943 shall include at a minimum: the Complaint as received; name and contract information of the
- 2944 complainant, if the incident is not submitted anonymously; identity of the alleged violator, if
- 2945 known; description of the alleged violation, including location(s) and all other relevant factors

- 2946 known; identity of any witnesses, if known; and, if requested by the City pursuant to Section
2947 6.9.B, the date the Contractor conducted additional outreach or investigated the Complaint;
2948 documentation of the findings of the investigation; and, any photographic evidence collected
2949 during the investigation.
- 2950 F. **Revenue.** Contractor shall provide a statement detailing Gross Rate Revenues from all operations
2951 conducted or permitted pursuant to this Agreement as required by Section 7.6. This statement shall
2952 identify billed revenues and actual Gross Rate Revenues received listed separately for Single-Family,
2953 Multi-Family, Commercial, and Drop Box Customers.
- 2954 G. **Multi-Family Technical Assistance.** Contractor shall submit a list of all complexes in the City with
2955 addresses, contact names and telephone numbers, number of units, and the Solid Waste,
2956 Recyclable Materials, and Organic Materials Service Level for each complex. Identify the complexes
2957 visited during the reporting period, the date of each visit, and the results of such visits.
- 2958 H. **Commercial Technical Assistance.** Contractor shall submit a list of all Commercial Customers visited
2959 during the reporting period, the date of each visit, and the results of such visits. Include addresses,
2960 contact names, and telephone numbers of Persons contacted.
- 2961 I. **Community Drop-Off Event.** If the community drop-off event at the Approved Transfer Site
2962 described in Section 5.9 occurred during the most-recently completed month, report the number
2963 of participating residents, and total volume of materials received through the event by material
2964 type.
- 2965 J. **Public Education and Outreach.** Contractor shall maintain records of:
- 2966 1. The monthly status of activities required by Section 5.17 and identified in the annual public
2967 education plan described in Exhibit B, including copies of education and outreach materials
2968 provided during the month and a list of to whom the information was sent, and the date it
2969 was sent. Include the dates and content of posted social media posts, e-mail communications,
2970 or other electronic messages.
- 2971 2. For any mass distribution through mailings or bill inserts that occurred in the month, the
2972 Contractor shall maintain a record of the date, a copy of the information distributed, and the
2973 type and number of accounts that received the information.
- 2974 K. **Contamination Monitoring.** Contractor's contamination monitoring report shall include the
2975 following information:
- 2976 1. The number of route reviews conducted pursuant to Section 5.24 of this Agreement.
- 2977 2. A description of the Contractor's process for determining the level of contamination during
2978 route reviews. Contractor shall document the contamination and/or overfilling through
2979 photographic evidence.
- 2980 3. A record of each inspection, which shall include, at a minimum:
- 2981 a. Name and address of the Customer;
- 2982 c. The date the contaminated Container was observed;
- 2983 d. The staff who conducted the inspection;

- 2984 e. The total number of violations found and a description of what action was taken for
2985 each;
2986 f. Copies of all notices to Customers with Prohibited Container Contaminants; and,
2987 g. Photographic documentation.
- 2988 4. Documentation of the total number of Containers with contents Disposed of due to
2989 observation of Prohibited Container Contaminants.
- 2990 5. Summary report of courtesy pick-up notices and non-Collection notices issued, which for each
2991 notice shall include the date of issuance, Customer name, and service address.
- 2992 6. Any other information reasonably requested by the City or specified in contamination
2993 monitoring provisions of this Agreement.

2994 **6.3.3 Quarterly Report Content**

2995 Quarterly reports shall be presented to show the following information by each month's data in the
2996 reported quarter and include a quarterly average. In addition, each quarterly report shall show the past
2997 four (4) quarters average for data comparison (the first three quarters of the Agreement shall only include
2998 the available quarterly information).

2999 **A. Solid Waste Services**

- 3000 1. Quarterly summary of monthly reports required in Section 6.3.2.A;
3001 2. Accounts Collected by sector. Include number of accounts, as well as number of total cubic
3002 yards for Bin Service; and number of pulls, deliveries, and pickups for Drop Box / Compactor
3003 Service; and,
3004 3. Solid Waste Tonnage Disposed.

3005 **B. Recyclable Materials Services**

- 3006 1. Quarterly summary of monthly reports required in Section 6.3.2.B;
3007 2. Accounts Collected by sector. Include number of accounts, as well as number of total cubic
3008 yards for Bin Service; and number of pulls, deliveries, and pickups for Drop Box and Compactor
3009 Service;
3010 3. Participation percentage by sector (number of accounts actually serviced divided by the number
3011 of accounts scheduled for service); and,
3012 4. Tonnage by Recyclable Material commodities and sector. Report on marketing activities.
3013 Report the average monthly Residue level.

3014 **C. Organic Materials Service**

- 3015 1. Quarterly summary of monthly reports required in Section 6.3.2.C;
3016 2. Accounts Collected by sector. Include number of accounts, as well as number of total cubic
3017 yards for Bin Service; and number of pulls, deliveries, and pickups for Drop Box and Compactor
3018 Service;
3019 3. Participation percentage by Service Type (number of accounts actually serviced divided by the
3020 number of accounts scheduled for service);

- 3021 4. Tonnage Processed; and,
- 3022 5. Tonnage by Organic Materials commodities and Service Type. Report on marketing activities.
- 3023 Report the average monthly Residue level.
- 3024 D. **Construction and Demolition Debris Service**
- 3025 1. Quarterly summary of monthly reports required in Section 6.3.2.D;
- 3026 2. Accounts Collected. Include number of accounts, as well as number of total cubic yards; and
- 3027 number of pulls, deliveries, and pickups;
- 3028 3. Tonnage Processed; and,
- 3029 4. Tonnage by Construction and Demolition Debris commodities. Report on marketing activities.
- 3030 Report the average monthly Residue level.
- 3031 E. **Customer Service and Subscription Data**
- 3032 1. Quarterly summary of monthly reports required in Section 6.3.2.E; and,
- 3033 2. Customer Service overview sheet, training agenda, and other training supplements provided at
- 3034 the quarterly Customer service meeting pursuant to Section 6.8.6.
- 3035 3. Date and time of the Customer service training session scheduled for Customer service
- 3036 representatives for the following quarter as the City may exercise its right to attend the meeting
- 3037 pursuant to Section 6.8.6.
- 3038 F. **Other Collection Services**
- 3039 Provide Tonnage Collected or received for each of the following programs: abandoned waste,
- 3040 special event, on-call Bulky Item, E-Waste, and holiday tree Collection services. Include the
- 3041 following information:
- 3042 1. Disposal Tonnage;
- 3043 2. Diversion Tonnage, listed by vendor or Processing Site;
- 3044 3. Number of stops serviced by a third party Reuse Vendor (if applicable);
- 3045 4. List of Reuse Vendors collecting reusable items (if applicable); and,
- 3046 5. Number of individual clean-up events, special events, Bulky Item pick-ups, and E-Waste pick-
- 3047 ups during quarter.
- 3048 G. **Education and Outreach Quarterly Activities**
- 3049 Include the following:
- 3050 1. List of all public education efforts including but not limited to: mailers, newsletters, Billings
- 3051 inserts, announcements on Billings, etc. For each item listed, identify the date and method of
- 3052 distribution, the Customers or parties that received the materials, and the total number
- 3053 distributed and include a copy of the material distributed; and,
- 3054 2. Dates, times, and group names of meetings attended.
- 3055 H. **Commercial Diversion and Technical Assistance Report**

- 3056 1. Summarize the technical assistance provided to Customers by identifying the number of site
3057 visits conducted each month in the most-recently completed quarter, and submitting copies of
3058 the Commercial Diversion auditing forms as required in Section 5.17.6;
- 3059 2. Dates, times, addresses, and names of Commercial Customers that received technical
3060 assistance/audits; and,
- 3061 3. Report the percentage of total Commercial service volume that is Recyclables volume and
3062 Organics volume (e.g., the percentage of Commercial service volume that is Recycling volume
3063 equals the number of cubic yards of Commercial Recycling service per week divided by the sum
3064 of the weekly Commercial Solid Waste, Recyclable Materials, and Organic Materials cubic yards
3065 service per week).
- 3066 I. **Multi-Family Diversion and Technical Assistance Report**
- 3067 1. Summarize the technical assistance provided to Customers by identifying the number of site
3068 visits conducted each month in the most-recently completed quarter, and submitting copies of
3069 the Multi-Family Diversion auditing forms as required in Section 5.17.5;
- 3070 2. Dates, times, addresses, and names of Multi-Family Customers that received technical
3071 assistance/audits; and,
- 3072 3. Report the average volume of Recyclables Collected per tenant unit per week (e.g., the number
3073 of cubic yards of Multi-Family Recycling service per week divided by the total number of Multi-
3074 Family units in the City).
- 3075 J. **Pilot and New Programs.** For each pilot and/or new program, provide activity related and narrative
3076 reports on goals, milestones, and accomplishments. Describe problems encountered, actions taken
3077 and any recommendations to facilitate progress. Describe vehicles, personnel, and equipment
3078 utilized for each program.
- 3079 K. **Summary Assessment.** Provide a summary assessment of the overall Solid Waste, Recyclable
3080 Materials, and Organic Materials program from Contractor's perspective relative to the financial
3081 and physical status of the program. The physical status assessment shall reflect how well the
3082 program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and
3083 objectives of this Agreement, particularly the Contractor's Diversion goals. Provide
3084 recommendations and plans to improve. Highlight significant accomplishments and problems.
- 3085 L. **Customer Accounts.** Provide a detailed report of all Customers served in the City, indicating the
3086 Service Level by material type of each. Such report shall include a summary of the number of
3087 Customers at each Service Level. Include a list of Customers with invoices that are sixty (60) days
3088 past due including the following information for each delinquent account: name, service address,
3089 contact information, number of days the account is delinquent, method(s) the Contactor has used
3090 to attempt collection of the bad debt including date of such attempt(s), and identification, if, and
3091 when the Contractor reduced the Customer's level of Collection services as a result of the account
3092 delinquency.
- 3093 M. **Vehicle Inventory.** Provide a report of all vehicles used for services under this Agreement,
3094 identifying vehicle type (e.g. rear-load, automated side-load, roll-off, flat-bed, pick-up, etc.), make,
3095 model, and year.

3096 N. **Education Plan for Coming Rate Period.** The quarterly report that reports on third quarter results
3097 shall include a plan for public education activities for the coming Rate Period in accordance with
3098 Section 5.17.2.

3099 **6.3.4 Annual Report Content**

3100 The annual report shall be in the form of the quarterly reports and shall provide the same type of
3101 information as required pursuant to Section 6.3.3 of this Agreement, summarized for the preceding four
3102 quarters. In addition, Contractor's, and Related Party Entities', annual financial reports with
3103 corresponding federal tax returns and detailed invoices from Related Party Entities shall be included. The
3104 annual report shall also include a complete inventory of equipment used to provide all services, and a list
3105 of Contractor's officers and members of its board of directors.

3106 A. **Financial Information.** Within one hundred and fifty (150) calendar days after the close of
3107 Contractor's fiscal year, Contractor shall deliver to the City four (4) copies of the audited
3108 consolidated financial statements and profit and loss statements of Contractor for the preceding
3109 fiscal year. Financial statements shall include a supplemental combined schedule showing
3110 Contractor's results of operations, including the specific revenues and expenses in connection with
3111 the operations provided for in this Agreement from others included in such financial statements
3112 (e.g., operations related to the unincorporated area adjacent to the City and schools in the City).
3113 The financial statements and footnotes shall be prepared in accordance with Generally Accepted
3114 Accounting Principles (GAAP) or, with the City's written approval, the Financial Reporting
3115 Framework for Small and Medium Sized Entities established by the AICPA consistently applied and
3116 fairly reflecting the results of operation and Contractor's financial condition. Annual financial
3117 statements shall be audited, in accordance with Generally Accepted Auditing Standards (GAAS) by
3118 a Certified Public Accountant (CPA) licensed (in good standing) to practice public accounting in the
3119 State of California as determined by the State of California Department of Consumer Affairs Board
3120 of Accountancy, and that the CPA opinion on Contractor's annual financial statements shall be
3121 unqualified, and shall contain the CPA's conclusions regarding the Contractor's accounting policies
3122 and procedures, internal controls, and operating policies. The CPA shall perform an evaluation and,
3123 if necessary, shall cite recommendations for improvement.

3124 B. **Related Party Entities.** As part of the annual reporting requirement, Contractor shall provide the
3125 City with a copy of the annual financial statements of each Related Party Entity along with a copy of
3126 the federal tax return for the same period and every invoice from each Related Party Entity issued
3127 to Contractor for the prior fiscal year.

3128 Contractor agrees that all financial transactions with all Related Party Entities shall be approved by
3129 the City in advance in writing and disclosed annually (coinciding with Contractor's annual audited
3130 financial statements referred to in Section 6.3.4.A) to the City in a separate disclosure letter to the
3131 City. The standard for the City's approval shall be market rates for comparable services provided in
3132 good faith by unrelated third parties as mutually determined by the Parties. In the event that the
3133 Parties are unable to reach agreement, the standard for the City's approval shall be based upon
3134 review of Contractor and Related Party Entity financial statements. This letter shall include, but not
3135 be limited to, the following information:

3136 1. A general description of the nature of each Related Party Entity transaction, or type of
3137 transaction (if many similar transactions exist) shall be provided, as applicable. Such description

shall include for each (or similar) transaction, amounts, specific Related Party Entity, basis of amount (how amount was determined), and description of the allocation methodology used to allocate any common costs, and profit amount. Amounts shall be reconciled to the Related Party Entity disclosures made in Contractor's annual audited financial statements referred to in this Section; and,

2. At the City's request, Contractor shall provide the City with copies of working papers or other documentation deemed relevant by the Contractor relating to information shown in the annual disclosure letter. The annual disclosure letter shall be provided to the City within one hundred twenty (120) calendar days after the end of the Contractor's fiscal year.

- C. **Operational Information.** In addition to requirements stated elsewhere in this Agreement, the annual report shall include the following information:

1. **Routes by Service Type**

- a. Number of routes per day;
- b. Types of vehicles;
- c. Crew size per route;
- d. Number of full time equivalent (FTE) routes;
- e. Number of accounts per route;
- f. Total route hours per Service Type per year; and,
- g. Average cost per route.

2. **Personnel**

- a. Organizational chart;
- b. Job classifications and number of employees (e.g. administrative, Customer service representatives, drivers, supervisors, educational staff);
- c. Wages by job classification;
- d. Number of full time equivalents (FTE) positions for each job classification; and,
- e. Number of hours per job classification per year.

3. **Productivity Statistics**

- a. Number of accounts per Service Type;
- b. Average number of setouts per Service Type; and,
- c. Tons per route per day.

4. **Maintenance**

- a. Average cost per Service Type.

5. **Operational Changes**

- a. Number of routes;
- b. Staffing;
- c. Supervision; and,
- d. Collection services.

6. **Disposal and Processing**

- a. If the Contractor is granted a Processing facility temporary equipment or operational failure waiver, in accordance with Section 5.13 of the Agreement, the Contractor shall include the following documents and information:
 - i. The number of days the Processing Facility temporary equipment waiver or operation failure waiver was in effect;
 - ii. Copies of any notifications sent to the City pursuant to Sections 5.13.1, 5.13.2, and 5.13.3 of the Agreement;

- 3183 iii. Documentation setting forth the date of issuance of the waiver, the
3184 timeframe for the waiver; and,
- 3185 iv. A record of the Tons of Organic Materials, Recyclable Materials, and Solid
3186 Waste redirected to an alternative facility or Disposed at an Approved
3187 Facility as a result of the waiver, recorded by Collection vehicle or Transfer
3188 vehicle number/load, date, and weight.
- 3189 b. A copy of the written notification provided to the City that documents the
3190 approved material list that can be accepted at the Approved Organic Materials
3191 Processing Site, in accordance with Section 5.13.3 of the Agreement.
- 3192 c. Should the California Department of Food and Agriculture or the County
3193 Agricultural Commissioner determine that some Organic Waste must be Disposed
3194 of at a Solid Waste landfill as it cannot be safely recovered through the Approved
3195 Processing Facilities, the Contractor shall provide a copy of the California
3196 Department of Food and Agriculture approved compliance agreement for each
3197 shipment stating that the material must be transported to a Solid Waste landfill
3198 operating under the terms of its own compliance agreement for the pest or disease
3199 of concern. This shall include documentation that describes the name of Generator,
3200 date issued, location of final disposition, and the amount of Organic Waste that
3201 was required to be disposed at a Solid Waste landfill.
- 3202 d. A record of the total Tons of Discarded Materials, listed separately by Discarded
3203 Material type, removed from illegal Disposal sites as part of an abatement activity,
3204 listing each Collection event separately by date, location, and Tonnage Collected.
- 3205 D. **Marketing Plan.** Contractor shall include an updated Recyclable Materials and Organic Materials
3206 marketing plan in its annual report for City approval as required by Sections 5.13.2.D and 5.13.3.E.
- 3207 E. **Historical Data.** (to be completed if Rates are to be determined using a cost-based adjustment
3208 pursuant to Section 8.2)
- 3209 Provide the following annual historical data for each Service Type:
- 3210 1. Customer levels and subscription levels;
- 3211 2. Solid Waste Tonnage;
- 3212 3. Diversion Tonnage;
- 3213 4. Gross Rate Revenues; and,
- 3214 5. Material revenues for Recyclable Materials and Organic Materials by program type.
- 3215 F. **Variance Analysis.** (to be completed if Rates are to be determined using a cost-based adjustment
3216 pursuant to Section 8.2)
- 3217 Provide the following variance analysis for each Service Type. For any variances greater than five
3218 percent (5%) annually, Contractor shall provide sufficient rationale to support variance.
- 3219 1. Variance analysis comparing current Rate Period to each of the prior Rate Periods of Agreement;
3220 and,
- 3221 2. Variance analysis comparing current Rate Period to each of the future projected Rate Periods.

3222 G. **Allocations.** (to be completed if Rates are to be determined using a cost-based adjustment pursuant
3223 to Section 8.2)

3224 1. Provide a concise general explanation of the various allocation methodologies used for each
3225 Rate application line item;

3226 2. Provide specific examples of each type of allocation used showing how an entry is reported in
3227 the general ledger (GL) and ties to the Rate application; and,

3228 3. Provide a statement indicating whether there have been any changes in allocation methods
3229 used since the last Rate application. If any allocation methods have changed clearly identify
3230 those changes.

3231 H. **Projections.** (to be completed if Rates are to be determined using a cost-based adjustment pursuant
3232 to Section 8.2)

3233 1. Provide support for the basis for projected Gross Rate Revenues and line item expenses, clearly
3234 indicate the supporting calculations and assumptions; and,

3235 2. Provide support for the most-recent twelve (12) months of Tonnage data for period ending
3236 October; clearly indicate the supporting calculations and assumptions.

3237 I. **Recovered Organic Waste Products.**

3238 1. **Compost for City Use.** The total amount of Compost Product provided to the City in the year
3239 for City use, in accordance with Section 5.13.3.F.

3240 2. **Compost Product Give-Away.** The results of the Contractor's annual Compost Product give-
3241 away event, pursuant to Section 5.13.3.G, including the following information:

3242 a. The total amount of Compost Product made available during the give-away event;

3243 b. The total amount of Compost Product picked up by residents during the give-away
3244 event; and,

3245 c. A copy of the educational notice provided to Generators in advance of the give-
3246 away event, as specified in Section 5.13.3.G

3247 3. **Renewable Natural Gas.** The total amount of RNG procured by the Contractor for use in
3248 Contractor vehicles, in diesel gallon equivalents (DGE), including copies of any receipts,
3249 invoices, or other similar documentation evidencing procurement. In addition to the amount
3250 procured, Contractor shall include the total amount actually used in Contractor vehicles in the
3251 calendar year, if these values are different

3252 **6.4 Annual Reports Required by Law**

3253 **6.4.1 Reports to CalRecycle**

3254 Contractor shall prepare the annual report required by AB 939 ("Annual Report") in draft form on behalf
3255 of the City as specified in Title 14, California Code of Regulations, Section 18794. Contractor shall submit
3256 a draft of the Annual Report to the City, including supporting documentation and calculations, for review
3257 no later than forty-five (45) calendar days prior to the State's annual reporting deadline. The City shall
3258 review the draft Annual Report and may request that Contractor modify the report and/or direct
3259 Contractor to investigate any opportunities to correct possible inaccuracies in the Tonnage reflected in
3260 the California Integrated Waste Management Board's Disposal Reporting System, and request other

changes as appropriate. Contractor shall revise the Annual Report to incorporate changes requested by the City and shall submit the revised Annual Report to the City within ten (10) calendar days of receipt of the City's comments. The City shall be responsible for submitting the revised Annual Report to the State in accordance with the State's annual reporting deadline. In the event the Contractor does not submit the draft Annual Report or revised Annual Report in accordance with the timeline described in this Section, the Contractor shall pay the City Liquidated Damages as described in Section 11.6.

6.4.2 Reports to StopWaste

Contractor shall prepare the Annual Measure D Programs Report, as well as any other reports required by StopWaste, in draft form on behalf of the City. Contractor shall submit a draft report to the City, including supporting documentation and calculations, for review no later than forty-five (45) calendar days prior to StopWaste's applicable reporting deadline. The City shall review the draft report and may request that Contractor modify the report and/or direct Contractor to investigate any opportunities to correct possible inaccuracies, and request other changes as appropriate. Contractor shall revise the report to incorporate changes requested by the City and shall submit the revised report to the City within ten (10) calendar days of receipt of the City's comments. The City shall be responsible for submitting the revised report to StopWaste in accordance with the StopWaste's reporting deadline. In the event the Contractor does not submit a draft report or revised report in accordance with the timeline described in this Section, the Contractor shall pay the City Liquidated Damages as described in Section 11.6.

6.5 Meet and Confer with City

If the City requests, the Contractor shall meet with the City to describe the progress of each active Diversion program and discuss other service issues. Contractor shall document the results of the programs on a monthly basis, including at a minimum the Tonnage Diverted by material type, the end use or Processing Site of the Diverted materials and the cost per Ton for Transporting and Processing each type of material and other such information requested by the Contractor and/or City necessary to evaluate the performance of each program.

At each meeting, the City and Contractor shall have the opportunity to revise the program based on mutually agreed upon terms in accordance with provisions of Section 8.5. The City shall have the right to terminate a program if, in its sole discretion, the Contractor is not cost effectively achieving the program's goals and objectives. Prior to such termination, the City shall meet and confer with the Contractor for a period of up to ninety (90) calendar days to resolve the City's concerns ("meet and confer period"). Thereafter, the City may utilize a third party to perform these services if the City reasonably believes the third party can improve on Contractor's performance and/or cost. Notwithstanding these changes, Contractor shall continue the program during the "meet and confer period" and, thereafter, until the third party takes over the program.

6.6 City Contract Manager

The City has designated the City Contract Manager to be responsible for the monitoring and administration of this Agreement. Contractor 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 and effective manner that is consistent with the stated objectives of this Agreement.

3300 From time to time, the City Contract Manager may designate other agents at the City to work with
3301 Contractor on specific matters. In such cases, those individuals shall be considered designees of the City
3302 Contract Manager for those matters to which they have been engaged. Such designees shall be afforded
3303 all of the rights and access granted thereto. In the event of a dispute between the City Contract Manager's
3304 designee and Contractor, the City Contract Manager's determination shall be conclusive.

3305 In the event of dispute between the City Contract Manager and the Contractor regarding the
3306 interpretation of, or the performance of services under, this Agreement, the City Contract Manager's
3307 determination shall be conclusive except where each such determination results in a material impact to
3308 the Contractor's revenue and/or cost of operations. In the event of a dispute between the City Contract
3309 Manager and the Contractor that results in such material impact to the Contractor, Contractor may appeal
3310 the determination of the City Contract Manager to the City Council, whose determination shall be
3311 conclusive. For the purposes of this definition, "material impact" is an amount equal to or greater than
3312 one-quarter of one percent (0.25%) of annual Gross Rate Revenues.

3313 The City Contract Manager is authorized and empowered to adjust, settle, or compromise any controversy
3314 or charge arising from the operations under this Agreement, either on behalf of the City, Contractor, or
3315 the public, pursuant to the Municipal Code.

3316 **6.7 Inspection by City**

3317 The City Contract Manager or their designee shall have the right to inspect or review payroll tax reports,
3318 specific documents or records required pursuant to this Agreement, or any other similar records or reports
3319 of the Contractor that it shall deem, at its sole discretion, necessary to evaluate annual reports, Rate
3320 adjustment applications provided for in this Agreement, and the Contractor's performance provided for
3321 in this Agreement.

3322 City Contract Manager or their designee shall have the right to observe and review Contractor operations
3323 and Approved Facilities and enter the premises for the purposes of such observation and review, during
3324 reasonable hours with reasonable notice. In no event shall Contractor prevent access to such Approved
3325 Facility premises for a period of more than three (3) days after receiving such a request.

3326 **6.8 Customer Service Program**

3327 **6.8.1 Office Location**

3328 Contractor shall maintain a business office in the City, or such other location as the City approves, for
3329 purposes of carrying out its obligations under this Agreement, such approval not be unreasonably
3330 withheld. If the office is located outside of the City, Contractor must ensure that telephone calls to its
3331 office from locations within the City are toll free calls or are billed to Customers as "local calls" by all
3332 telephone companies.

3333 **6.8.2 Office Hours**

3334 Contractor's office shall be open to the public from 8:00 a.m. to 6:00 p.m. Monday through Friday. The
3335 office may be closed on Saturdays, Sundays, and Holidays (as defined in Article 1).

6.8.3 Availability of Representatives

The office shall be staffed with a sufficient number of Persons capable of accepting payments from Customers, answering service questions, changing Customer Service Levels, and resolving other Customer service issues in a timely manner, and in accordance with the performance measures described in Exhibit E. At a minimum, Contractor shall employ one (1) full time Customer service manager and four (4) full-time Customer service representatives dedicated to serving the City and its Customers. A representative of the Contractor shall be available from 8:00 a.m. to 6:00 p.m. Monday through Friday to communicate with the public in person and by telephone.

A voice mail service or program shall be available for Persons to leave a message during non-business hours. Contractor shall return calls received during non-business hours no later than 5:00 p.m. of the following Business Day. If Contractor fails to meet the requirements described in this Section, the Contractor shall pay the City Liquidated Damages in accordance with Section 11.6.

Contractor shall provide City with the names and telephone numbers of contact Persons available during office hours and of emergency contact Persons who will be available during hours when the office is closed.

Customer service personnel shall maintain a log documenting each Complaint or inquiry received and listing for each entry the following: date, time, Customer name and address, description of Complaint or inquiry, and resolution of the Complaints. Copies of this log shall be made available upon City request.

6.8.4 Telephone

Contractor shall maintain a telephone system in operation at its office from 8:00 a.m. to 6:00 p.m. and shall have staff available to answer calls. Contractor shall install telephone equipment sufficient to handle the volume of calls typically experienced on the busiest days and such telephone equipment shall be capable of recording a variety of call statistics (e.g., average hold time, average talk time, dropped calls, etc.). Contractor's phone system shall be TDD compatible for the hearing impaired. Customer service representatives shall be available to speak to non-English-speaking Customers (at a minimum, in the languages determined by Section 5.17.3). If Persons are unable with reasonable effort to reach Contractor's office by phone, or are subject to waiting time "on hold" of more than two (2) minutes prior to reaching a Customer service representative, City may require that Contractor install additional telephone lines or hire additional Customer service representatives. Liquidated Damages may be levied for repetitive Complaints regarding waiting time longer than two (2) minutes in accordance with Section 11.6.

6.8.5 Online Tools

Contractor shall develop and maintain a publicly-accessible website describing services provided in the City. The site shall include a description of all Collection services and details related to their implementation, answers to frequently asked questions, Rates for Single-Family, Multi-Family, Commercial, and Drop Box Service, Recyclable Materials and Organic Materials Customer set-out specifications, Collection service schedule and map, Holidays that impact Collection service schedule and related set-out instructions, and other related topics. The website shall enable Customers to look up their regularly scheduled Collection day by address or street name. The website shall also allow a Customer to e-mail a question, compliment, or Complaint to the Contractor and Contractor shall provide a response

to e-mail inquiries or Complaints within twenty-four (24) hours of receipt. Contractor shall arrange for the City's website to include an e-mail link to Contractor and a link to the Contractor's website. Contractor shall ensure that key elements of the website, including but not limited to Collection day look-up, are accessible to view on smart phones. Contractor shall maintain a social media presence on no less than one (1) social media platform (e.g. Facebook).

6.8.6 Training

Customer service representatives shall receive training during each quarter of the calendar year on City-specific Collection programs, service requirements, and key regulatory requirements (e.g., SB 1383). 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 each quarter after the training in accordance with quarterly reporting requirements of Section 6.3.3.E. The City may review the training materials and request changes.

The Contractor shall notify the City of the date and time of the scheduled Customer service training sessions (pursuant to quarterly reporting requirements of Section 6.3.3.E) and the City may, at its option, attend the meetings.

Contractor will use Customer service and outreach efforts and materials to minimize contaminants (e.g., glass and plastics).

6.9 Complaints

A. **Service Complaints.** Contractor shall maintain the ability to receive verbal Complaints and compliments through its Customer service center and shall have e-mail capabilities (accessible through the Contractor's website) to enable Persons to communicate Complaints and compliments to Contractor via e-mail. Contractor shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all Complaints. Contractor shall record in a separate log all Complaints and compliments, noting the name and address of Customer(s) involved, date and time of Complaint or compliment, nature of Complaint or compliment, and nature and date of resolution. This Complaint and compliment log shall be retained by the Contractor for the Term and shall be made available for review upon City request. In addition, Contractor shall compile a summary statistical table of the Complaint and compliment log, satisfactory to the City, and submit the table to City each quarter.

Contractor shall respond to all Complaints from Generators or Customers by phone or email within twenty-four (24) hours, weekends and Holidays excluded, by informing the Customer of the action Contractor will take to remedy the Complaint or respond to the service request. In particular, if a Complaint involves a failure to Collect Solid Waste, Recyclable Materials, or Organic Materials from a Premises (missed pick-up), required by this Agreement, Contractor shall Collect the material in question within twenty-four (24) hours of receipt of the Complaint, provided the materials have been Delivered for Collection in accordance with the City Municipal Code. If Contractor fails to meet the requirements described in this Section, the Contractor shall pay the City Liquidated Damages in accordance with Section 11.6.

B. **SB 1383 Non-Compliance Complaints.** For Complaints received in which the Person alleges that an entity is in violation of SB 1383 requirements, Contractor shall document the information listed in Section 6.3.2.E.6. Contractor shall provide this information in a brief Complaint report to the City for each SB 1383-noncompliance Complaint within seven (7) days of receipt of such Complaint, and a monthly summary report of SB 1383-non-compliance Complaints in accordance with Section 6.3.

Upon City request, Contractor shall conduct follow-up outreach or assist with site visit investigations to the violating entity, and shall document the information in the reports provided pursuant to Section 6.3. In accordance with the required timeframe in 14 CCR Section 18995.3, Contractor shall commence the additional outreach or investigation, if requested by the City, within ninety (90) days of receipt of the complaint, unless another timeframe is otherwise specified by the City Contract Manager or Applicable Law. Final determination of non-compliance with SB 1383, and assessment of any associated civil penalties, shall be the responsibility of the City.

6.10 Title to Solid Waste

Once Solid Waste, Recyclable Materials, and/or Organic Materials are placed in Containers and properly placed at the Collection location, ownership and the right to possession shall transfer directly from the Generator to Contractor by operation of this Agreement. Subject to Contractor's objective to meet AB 939 and Measure D Diversion goals, City goals, and City's right to direct Contractor to Process and Dispose of Solid Waste at a particular licensed Transfer or Processing Site or to Dispose of Solid Waste at a particular licensed Disposal Site, Contractor is hereby granted the right to retain, Recycle, Process, Dispose of, and otherwise use such Solid Waste, Recyclable Materials or Organic Materials or any part thereof, in any lawful fashion or for any lawful purpose desired by Contractor. Subject to the provisions of this Agreement, Contractor shall have the right to retain any benefit resulting from its right to retain, Recycle, Process, Dispose of, or reuse the Solid Waste, Recyclable Materials, or Organic Materials which it Collects. Solid Waste, Recyclable Materials or Organic Materials or any part thereof, which is deposited at a Disposal Site, Transformation site, Transfer Station Site, or Processing Site shall become the property of the Owner or operator of the facility, once deposited there by Contractor.

City may obtain ownership or possession of Solid Waste, Recyclable Materials, or Organic Materials placed for Collection upon written notice of its intent to do so (subject, in the case of Recyclable Materials, to a net Rate adjustment for lost commodity revenue offset by a reduction in costs), however, nothing in this Agreement shall be construed as giving rise to any inference that City has such ownership or possession unless such written notice has been given to Contractor.

6.11 Non-Discrimination

Contractor shall not discriminate in the provision of service or the employment of Persons engaged in performance of this Agreement on account of race, color, religion, sex, age, marital status, sexual orientation, physical handicap, or medical condition in violation of any applicable federal or State law.

6.12 Report of Accumulation of Solid Waste; Unauthorized Dumping

Contractor shall direct its drivers to note: (i) the addresses of any Premises at which they observe that Solid Waste, Recyclable Materials and Organic Materials is accumulating and is not being Delivered for Collection; and (ii) the address, or other location description, at which Solid Waste, Recyclable Materials

3454 or Organic Materials has been dumped in an apparently unauthorized manner. Contractor shall deliver
3455 the address or description to City within five (5) working days of such observation.

3456 **6.13 Administration of Service Exemption Programs**

3457 Contractor shall allow for Persons that have a disability as defined by the Americans with Disabilities Act
3458 (which means Public Law 101-336, 104 Stat. 327, 42 U.S.C. 12101-12213 and 27 U.S.C. 225 and 611, and
3459 all Federal rules and regulations relating thereto) that are Occupants of Single-Family Premises and Multi-
3460 Family Premises to receive Collection services at a location other than Curbside at no extra charge to the
3461 Customer. Contractor shall review all applications (which shall include statements from physicians) made
3462 by Customers to determine conformance with this exemption provision and shall grant exemptions if
3463 applicable. With regard to all requirements of this Section, the Contractor shall make reasonable
3464 accommodations with regard to provision of and servicing of Containers (e.g., Container size and type,
3465 placement of Containers for Collection, etc.) at no additional cost to the Customer.

3466 **6.14 Performance Review and Audits**

3467 **6.14.1 Performance Review**

3468 The City shall have the right to conduct two (2) reviews of Contractor's performance during the Term to
3469 verify that Contractor has fulfilled its obligations under the Agreement. City intends to perform one (1)
3470 performance review during Rate Period Two, and reserves the right to conduct one (1) additional
3471 performance review at any other point during the Term. Upon notice from City that a performance review
3472 will be conducted, Contractor shall provide all information requested by City and cooperate with the
3473 review. Performance review may focus on the following, but is not limited to these items: call center
3474 performance, total Complaints, missed pick-ups Complaints, noise Complaints, contract compliance,
3475 Diversion results, Customer participation levels in Diversion programs, vehicle maintenance, compliance
3476 with the implementation plan provided by the Contractor to the City, and public education and outreach
3477 efforts. City will conduct its evaluation and report to City Council. At City request, Contractor shall make
3478 a presentation to City Council reporting the Contractor's results. Contractor shall be responsible for
3479 reimbursing the City for the cost of each such review, in an amount up to sixty thousand dollars (\$60,000)
3480 per review, which shall be a pass-through cost.

3481 **6.14.2 Payment and Billings Audit**

3482 The City shall have the right to conduct three (3) audits of Contractor's Billings and payment of monies
3483 due to the City during the Term to verify that Contractor is accurately billing Customers, and has calculated
3484 and transmitted all fees and payments as required by this Agreement. City intends to perform such audits
3485 during Rate Period Three, Rate Period Five, and Rate Period Seven. Upon notice from City that a payment
3486 and Billings audit will be conducted, Contractor shall provide all information requested by the City and
3487 cooperate with the audit. Contractor shall be responsible for reimbursing the City for the cost of each
3488 such audit, in an amount up to thirty-five thousand dollars (\$35,000) per audit, which shall be a pass-
3489 through cost.

6.14.3 Service Level and Route Audit

A. General. Notwithstanding the provisions of Section 6.14.2, Contractor shall independently review its Billings to Customers in accordance with this Section 6.14.3. The purpose of the review is to determine that the amount which the Contractor is billing each Generator is consistent with the City-approved Rate schedule in Exhibit G for the level of service (i.e., frequency of Collection, size of Container(s), number of Containers, and location of Container(s)) provided to such Generator by Contractor.

B. Procedures. Contractor shall review each Cart Service account at least once per year in such a manner that all accounts on a particular route are audited on the same day. The audits shall be scheduled so that Contractor completes audits of twenty-five percent (25%) of the Cart Service routes each quarter. Contractor shall review each Bin Service account and Drop Box Service account at least once every other year. Audits shall be scheduled in a manner that all accounts on a particular route are audited on the same day and twelve and one half percent (12.5%) of the Bin Service and Drop Box Service routes are audited each quarter.

The review shall be performed by the Contractor's route supervisor(s) or other agent approved by the City. The Person conducting the review shall compare a route report for the route under review and verify, through visual inspection of each Customer's Premises on the Customer's scheduled day of Collection, the level of service actually provided to each Customer listed on the route report review and note the actual Service Level in writing on the route report. In addition, the Contractor's route supervisor or appropriate agent shall list any Customers receiving service (and the level of such service) that do not appear on the routing report. The Contractor shall reconcile the route report to the billing report, noting all discrepancies. Any discrepancies should be marked clearly on the billing report. Contractor shall verify if the discrepancies result from Customer's request for special services on the day of the route audit and shall provide documentation in such cases. Contractor shall issue correction notices to the Customers correcting any billing inaccuracies within five (5) Business Days of the day the route audit was performed and shall provide such notices to City along with the annotated billing report.

C. Route Audit Schedule. Thirty (30) calendar days prior to the Commencement Date, Contractor shall submit a two (2)-year schedule for performing route audits, listing each route and calendar quarter that each route will be audited. If the Contractor proposes to modify the two (2)-year schedule during the Term, the Contractor shall submit a revised route audit schedule to the City for approval.

D. Reporting Requirements. Two (2) weeks after the end of each calendar quarter, Contractor shall submit a written report to the City that identifies the Cart Service, Bin Service and Drop Box Service routes audited, the number of accounts on each route, the number of Billing inaccuracies per route, the percentage of Billing inaccuracies (where Billing inaccuracies are instances when service observed by route auditor differs from service listed on the route and/or Billing reports) per route (equal to the number of Billing inaccuracies divided by the number of accounts per route), and the estimated annual revenue impact associated with the Billing inaccuracies (which shall be calculated as the difference between the Billing amount shown on the Billing report on the date of the audit and the corrected Billing amount multiplied by 12). The written report shall also include copies of the route audits (i.e., Billing reports with handwritten notes identifying actual level of service provided to each Customer and notes the Billing discrepancies), copies of

3533 the corrective notices sent to Customers, and any supporting calculations. The City reserves the
3534 right to perform this review itself or through use of an agent at its expense.

3535 **6.15 Provision of Emergency Services**

3536 Contractor shall provide emergency services at the City's request in the event of major accidents,
3537 disruptions, or natural calamities in a manner consistent with the services and procedures identified in its
3538 contingency plan required in accordance with Section 5.19. Emergency services may include, but are not
3539 limited to, assistance handling salvaged materials, Processing, Composting, or Recycling materials, or
3540 Disposing of Solid Waste following a major accident, disruption, or natural calamity. Contractor shall be
3541 capable of providing emergency services within twenty-four (24) hours of notification by the City or as
3542 soon thereafter as is reasonably practical in light of the circumstances. Emergency services, which exceed
3543 the Contractor's obligations, shall be compensated in accordance with Section 8.4. If Contractor cannot
3544 provide the requested emergency services, the City shall have the right to take possession of the
3545 Contractor's equipment for the purposes of providing emergency services in accordance with Article 10.

3546 **6.16 Assistance to City with Code and Plan Reviews**

3547 Contractor shall provide staff and time to assist the City in evaluating and revising its Municipal Code and
3548 Planning and Zoning Code requirements related to Collection of Solid Waste, Recyclable Materials, and
3549 Organic Materials; space allocation and enclosure requirements for Containers, etc. In addition,
3550 Contractor shall provide staff with the expertise to review building plans for new Residential and
3551 Commercial development projects during the City's permit review process to verify the reasonableness of
3552 the space allocation and enclosure design for Solid Waste, Recyclable Materials, and Organic Materials
3553 Containers and the accessibility of such areas. For these plan reviews, the Contractor may be requested
3554 to visit the site and submit written recommendations for improvements to the design. Plan reviews shall
3555 be completed within two (2) weeks of the City's request for such review. The City anticipates
3556 approximately five (5) to ten (10) reviews may be requested annually.

ARTICLE 7. CITY FEES

7.1 Franchise Fee

In consideration of the exclusive rights provided Contractor herein, Contractor shall pay to City a Franchise Fee equaling four percent (4%) of its Gross Rate Revenues and Transfer Station Revenues, calculated as follows. An amount expected by the Parties to approximate one-half of one percent (0.5%) of Gross Rate Revenues and Transfer Station Revenues during the Term of this Agreement shall be prepaid by Contractor in accordance with the Rate Reserve Agreement between the Contractor and the City dated March 20, 2018 and attached hereto. On a monthly basis, the Franchise Fee amount shall equal three and one-half percent (3.5%) of the Gross Rate Revenues and Transfer Station Revenues collected by Contractor during the previous month for services provided under this Agreement. Contractor will bill Collection Customers and Persons delivering Solid Waste, Recyclable Materials and/or Organic Materials to the Transfer Station a Franchise Fee equal to such three and one-half percent (3.5%) amount, and Contractor will not be obligated to pay Franchise Fees beyond the amounts Contractor is required to pay by the second and third sentences in this Section 7.1, unless City adopts additional Franchise Fees. The Franchise Fee shall be paid to the City in accordance with procedures and terms and conditions described in Section 7.6. The Franchise Fee may be adjusted by City Council beyond what is described above by resolution. Franchise Fees, as described herein, and as they may be adjusted over time, shall be a pass-through cost.

7.2 Vehicle Impact Mitigation Fee

Contractor shall pay a Vehicle Impact Mitigation Fee to City each month. The amount of the Vehicle Impact Mitigation Fee shall be zero dollars (\$0) per month in Rate Period One and may be increased at the discretion of the City. This fee, if applied, shall be paid in equal monthly installments. This fee is to reimburse the City for street maintenance costs incurred from Collection vehicles traveling on City streets. The Vehicle Impact Mitigation Fee shall be a pass-through cost.

7.3 Rate Review Fee

The City considers the Rate review process to be a complex process, requiring a contract with a consultant in order to provide the best review possible of the Contractor Rate adjustment application resulting in adjustment of Rates consistent with the terms of this Agreement. Two types of Rate reviews may be conducted (an indexed-based adjustment and a cost-based adjustment as described in Article 8), depending on the Rate Period. Contractor shall pay a Rate Review Fee to City each month. The amount of the Rate Review Fee shall be zero dollars (\$0) per month in Rate Period One and may be increased at the discretion of the City. This fee, if applied, shall be paid in equal monthly installments. This fee shall be a pass-through cost.

7.4 Procurement Reimbursement

Contractor shall reimburse the City for its costs related to the procurement and negotiation of this Agreement in the amount of eighty thousand dollars (\$80,000), due immediately upon execution of this Agreement. This amount shall be paid by Contractor and may not be recovered through Rates charged to Customers.

3595 7.5 Other Fees

3596 The City shall reserve the right to set other fees, as it deems necessary subject to City Council approval.
3597 The time and method of payment and adjustment process will be set as specified in Sections 7.6 and 7.7.
3598 Any such new fees shall be pass-through costs.

3599 7.6 Procedures for Monthly Submittal of Fees

3600 On or before the twentieth (20th) day of each month during the Term of this Agreement, Contractor shall
3601 remit to City the fees due in accordance with this Section. If the fees are not paid on or before the
3602 twentieth (20th) day of any month, Contractor shall pay in addition to the amount owed to City a late
3603 payment penalty in an amount equal to two percent (2%) of the amount owing for that month. Contractor
3604 shall pay an additional two percent (2%) owing on any unpaid balance for each following thirty (30)
3605 calendar day period the fee remains unpaid. Late payment penalty amounts shall not be reimbursed to
3606 Contractor. The late payment penalty amounts are not intended as interest on debt, but rather are
3607 intended as a predetermined penalty for failure to meet an obligation under this Agreement.

3608 Each monthly remittance to City shall be accompanied by a statement detailing Gross Rate Revenues for
3609 the period covered from all operations conducted or permitted pursuant to this Agreement. This monthly
3610 statement shall identify billed revenues and actual Gross Rate Revenues received listed separately for
3611 Single-Family, Multi-Family, Commercial, and Drop Box Customers. In addition, Contractor shall maintain
3612 copies of all Billing and collection records for five (5) years, following the expiration or earlier termination
3613 of this Agreement, for inspection and verification by City at any reasonable time upon request.

3614 7.7 Adjustment to Fees

3615 The City may set other fees or payments or adjust the fees and payments established in this Article 7 from
3616 time-to-time during the Term of this Agreement and, except for the adjustments described in the next
3617 paragraph (which shall be included in the adjustment of Rates as described in Exhibit H and Exhibit I), all
3618 such new fees or payments and all such adjustments shall result in automatic adjustments in Rates so as
3619 to eliminate, to the maximum extent possible, Contractor's increase or decrease in costs resulting from
3620 the new fees or payments or adjustments from the date(s) such new fees or payments or adjustments
3621 first took effect.

3622 The amounts of the AB 939/AB 341 Fee, Vehicle Impact Mitigation Fee, Illegal Dumping Fee, GHG/Carbon
3623 Emissions Fee, and Rate Review and Performance Review Fee for Rate Periods subsequent to Rate Period
3624 One shall be adjusted annually by one plus the Annual Percentage Change in the CPI-U using the
3625 adjustment method described in Exhibit H and Exhibit I, or shall be the amount specified by the City.

ARTICLE 8. CONTRACTOR'S COMPENSATION

8.1 Overview

The Contractor's Compensation for performance of all its obligations under this Agreement shall be Gross Rate Revenues. 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, Processing and Disposal fees, fees due to City, 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.

If Contractor's actual costs of providing service as described in this Agreement, including fees due to City, are more than Gross Rate Revenues, Contractor must provide the service in accordance with such descriptions and shall not be compensated for the difference in actual costs and actual Gross Rate Revenues. If Contractor's actual costs are less than the actual Gross Rate Revenues, Contractor shall retain the difference provided that Contractor has paid City fees pursuant to Article 7.

Under this Agreement, Contractor shall have the right and obligation to charge and collect from Customers, Rates in Exhibit G 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 F. Rates for subsequent Rate Periods Two through Six shall be adjusted annually in accordance with Section 8.2 using an index-based adjustment method that involves adjustments using various cost indices and adjustments to Disposal and Processing costs to reflect actual Tonnage. Rates for Rate Period Seven shall be adjusted using a cost-based methodology that involves a review of Contractor's actual costs and projection of cost for the coming Rate Period.

8.2 Rate-Setting Process

A. **General.** The City 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 G, Contractor shall immediately notify the City and request establishment of such Rate. For example, if a Customer requires Collection of 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.

B. **Rates for Rate Period One.** Rates for Rate Period One, which are presented in Exhibit G, were determined by Contractor and City and were approved by City Council resolution on or before the execution of the Agreement. The Rates for Rate Period One are effective July 1, 2018 through June 30, 2019. Rates for Rate Period One, as per Exhibit G, shall not be adjusted to reflect either increases or decreases in costs from those anticipated by Contractor (except as the result of a Change in Law or a change in scope in accordance with Section 4.3).

C. **Annual Adjustment Process.** The Rates shall be adjusted annually, with City Council approval, commencing July 1, 2019 through the remaining Term of this Agreement including any extension

periods. The adjustments to Rates shall be determined using one of two methodologies: (i) an index-based adjustment, or (ii) cost-based adjustment. The index-based adjustment, which is described in Exhibit H, involves use of various cost adjustment factors (such as the percentage change in the consumer price index and percentage change in the Approved Disposal Site tipping fee) to calculate adjusted Rates. The cost-based adjustment, which is described in Exhibit I, involves a detailed review of the Contractor's actual costs of service and determination of adjusted Rates to reflect Contractor's projected costs. The cost-based adjustment shall not exceed a six percent (6%) increase in Rates.

- D. **Rate Structure.** The City shall have the sole and exclusive right to change the relationship of individual Rates in comparison with other Rates as City deems appropriate; provided, however, that any such changes shall occur in conjunction with the annual Rate adjustment process described in Section 8.3 or in conjunction with a Rate adjustment resulting from a Special Rate Review in accordance with Section 8.4; and, provided, further, that changes to the Rates charged under the new structure shall be calculated in such a way that the revised Rate structure is reasonably anticipated to generate at least the same amount of total revenue from the prior Rate Structure when the number of accounts at each Service Level are multiplied by the Rates charged for each Service Level and the total for all Service Levels are summed.

8.3 Rate Application Process

A. Application Date and Content

1. **Index-Based Rate Adjustment Methodology.** On April 1, prior to the commencement of the Rate Period for which Rates are to be determined using the index-based Rate adjustment method (coming Rate Period), Contractor shall submit at least three (3) copies of its application requesting the Rate adjustment for the coming Rate Period. For example, on April 1, 2020, the Contractor shall submit three copies of its application for the Rate Adjustment to be effective for Rate Period Three. The application shall present the calculations of the annual percentage change in various cost indices, total calculated annual costs for the Rate Period, the Rate adjustment factor, and all supporting documentation for the calculations. The application shall also present the Rates for the then-current Rate Period (e.g., Rate Period Two) and the proposed Rates for the coming Rate Period (e.g., Rate Period Three).

2. **Cost-Based Rate Adjustment Methodology.** On December 1, prior to the commencement of the Rate Period for which Rates are to be determined using the cost-based Rate adjustment method, Contractor shall submit three (3) copies of its application requesting the Rate adjustment for the coming Rate Period.

The application shall present the Contractor's actual total annual cost of operations, profit, pass-through costs, City fees, the actual total annual costs for the most-recently completed Rate Period and forecast of the same cost items for the coming Rate Period in accordance with the procedures described in Exhibit I. Contractor shall assemble, provide, and submit such information that is necessary to support the actual costs presented and the calculation of the assumptions made by Contractor with regard to forecasting the total annual cost of operations, profit, pass-through costs, City fees, and the total annual costs for the coming

3705 Rate Period. The actual costs shall be based on the financial statements for the most-
3706 recently-completed Rate Period, which shall be submitted in accordance with requirements
3707 of Section 6.3.4. In addition, the application shall present the Contractor's calculation of the
3708 Rate Adjustment factor, present each Rate for the then-current Rate Period, and each
3709 proposed Rate for the coming Rate Period. Lastly, the application shall include operational
3710 data listed in Section 6.3.4.C.

3711 If the City requests additional information beyond that provided by the Contractor in its
3712 application, the Contractor shall provide all information requested by the City during its
3713 review of the application, including, but not limited to, all information from Related-Party
3714 Entities requested by the City regarding any transactions between Contractor and any
3715 Related-Party Entity pertaining to Contractor's performance under this Agreement.

3716 **B. City Review of Application.** The Contractor's Rate application shall be reviewed by the City. The
3717 City Council shall adjust Rates to reflect the adjustments made in accordance with Exhibit H or I
3718 depending on the method used to adjust the Rates that are being approved. The City Council shall
3719 act in good faith to approve such Rate adjustments by July 1 of the Rate Period. The adjusted Rates
3720 shall not take effect until the City Council has approved such Rates.

3721 **C. Failure to Adjust Rates by July 1.** If the Contractor submits its Rate application on or before the
3722 Rate application date identified in Section 8.3.A, and the City does not approve adjusted Rates to
3723 be effective on or before July 1 of a Rate Period, the City shall include a surcharge on the Rates that
3724 shall be effective for the remainder of the Rate Period to recover Gross Rate Revenues lost by the
3725 Contractor, if any. To determine the amount of lost revenues, if any, the City and Contractor shall
3726 meet and confer to determine the effect the delay in adopting Rates has on the Contractor's Gross
3727 Rate Revenue. The assessment of the revenue impact shall consider the Contractor's billing cycle
3728 (e.g., impact to Customers billed in advance and to Customers billed in arrears), the ability of
3729 Contractor to delay issuance of Billings, the payment cycle of Customers, and other variables.

3730 If the Contractor does not submit the application on or before the Rate application date identified
3731 in Section 8.3.A, adjusted Rates may not be approved by July 1. In such case, all Rates shall be
3732 adjusted as soon as practical following approval by the City Council. If the Contractor does not
3733 submit the application by the Rate application date identified in Section 8.3.A, no retroactive
3734 adjustment will be made to allow the Contractor to recover Gross Rate Revenues that it would have
3735 collected, had the Rate adjustment been implemented in accordance with the prescribed schedule.

3736 **8.4 Special Rate Reviews**

3737 **A. Change in Approved Organic Materials or Approved Recyclable Materials Processing Site**

3738 1. **Eligible Items.** The Contractor is entitled to apply to the City for consideration of a special
3739 Rate review, or the City may initiate such a review, to reflect actual, necessary, and
3740 reasonable changes in revenues and the cost to provide services as a result of a City-directed
3741 change in the Approved Organic Materials Processing Site and/or Approved Recyclable
3742 Materials Processing Site.

3743 2. **Review of Revenues and Costs.** If the Contractor submits an application, the City shall have
3744 the right to review any or all financial and operating records of Contractor, and of Related

3745 Party Entities that are involved in financial transactions with Contractor, that are related to
3746 the application.

3747 3. **Submittal of Request.** The City shall notify the Contractor at least ninety (90) days before
3748 the proposed effective date of the directed change in the Approved Organic Materials
3749 Processing Site and/or Approved Recyclable Materials Processing Site. Upon such
3750 notification, Contractor shall, within thirty (30) calendar days, submit reasonable cost and
3751 operational data as requested by the City, in a form and manner specified by the City.

3752 A request for special Rate review shall include a proposal on whether the Rate adjustment
3753 resulting from the special Rate review shall be an adjustment in addition to or in lieu of the
3754 annual Rate adjustment to be performed in accordance with Section 8.2.C above.

3755 4. **Burden of Justification.** Contractor shall bear the burden of justifying to the City by
3756 substantial evidence any entitlement to current, as well as increased, Rates under this
3757 Section 8.4.A. If the City determines that the Contractor has not met its burden, the
3758 Contractor may request a meeting with the City Manager or their designee to produce
3759 additional evidence. Upon such request, the City shall permit said additional hearing. In the
3760 event the City denies Contractor's request, Contractor shall have the right to present its claim
3761 in a court of competent jurisdiction.

3762 5. **Grant of Request.** Based on evidence the Contractor submits, the City Council may grant
3763 some, all, or none of the requested increase and approve adjusted Rates.

3764 6. **Compensation.** The actual, necessary, and reasonable costs for participating in such review
3765 shall be a pass-through cost.

3766 **B. Other Special Rate Reviews**

3767 1. **Eligible Items.** The Contractor is entitled to apply to the City for consideration of a special
3768 Rate review, or the City may initiate such a review, either as part of the annual Rate
3769 adjustment or at any other time in accordance with this Section 8.4, should one or more of
3770 the following events occur, which event or events shall have the net effect, after considering
3771 offsetting effects of other events or trends on revenues or expenses, as well as Contractor's
3772 best efforts to minimize the impact of the change through economies, efficiencies, and other
3773 operations, of changing total operating costs, commodity revenues or Gross Rate Revenue,
3774 or a combination thereof, by an amount that is not less than two percent (2%) annually of
3775 the Gross Rate Revenues for the most-recently completed Rate Period. If such net effect is
3776 less than two percent (2%) annually of the Gross Rate Revenues for the most-recently
3777 completed Rate Period, such cost and/or revenue impact shall be considered at the time of
3778 the next annual Rate adjustment.

3779 a. City directed change, limited to documented significant changes in the cost to provide
3780 services required in this Agreement as a result of an agreed-upon, City-directed change in
3781 scope, as provided for under Section 4.3.

3782 b. Provision of emergency services pursuant to Section 6.15.

- 3783 c. Change in Law, including, but not limited to, Changes in Law that result in regulatory,
3784 governmental, or other surcharge fees, after the Effective Date that: (i) was not
3785 reasonably known to the Contractor before the Effective Date, and (ii) the Contractor
3786 substantiates.
- 3787 d. Uncontrollable Circumstances.
- 3788 e. Subsequent to Rate Period One of this Agreement, extraordinary adjustment in operating
3789 costs and/or commodity (but not Rate) revenues beyond the control of the Contractor,
3790 resulting from actual sustained market conditions, with a duration of three (3) months or
3791 more, that the Contractor demonstrates with evidence reasonably satisfactory to the City
3792 have and will continue to result in the Contractor's inability to continue as a going
3793 concern or to meet its actual, reasonable and necessary financial obligations during the
3794 next twenty-four (24) months of this Agreement. The Contractor bears the burden of
3795 demonstrating in writing to the sole satisfaction of the City, whose decisions shall be
3796 binding, that: (i) the event qualifies under the description in the immediately preceding
3797 sentence, (ii) the Contractor has taken all reasonable efforts to mitigate or minimize the
3798 financial effect of the event, and (iii) the Contractor has taken all reasonable efforts to
3799 offset the financial impact of the event by economies, efficiencies, and its ability to
3800 generate additional revenue elsewhere in its operations. The City shall receive the
3801 Contractor's written demonstration of these three factors and meet with the Contractor.
3802 The City may, but is not obligated, to: question the Contractor; request additional
3803 information from Contractor as described in this Agreement; request from the Contractor
3804 information and documents as described elsewhere in the Agreement; request from the
3805 Contractor information and documents demonstrating how other companies in the
3806 industry have responded to the change; and engage experts to evaluate the information
3807 provided by the Contractor and/or request additional information from the Contractor
3808 and provide recommendations to the City.
- 3809 2. **Ineligible Items.** A special Rate review may not be initiated for the following items and
3810 Contractor shall not be compensated for such items over the Term of the Agreement unless
3811 the City and Contractor agree to an adjustment during a cost-based adjustment process
3812 when determining Rates for Rate Period Seven, or such items are identified as eligible items
3813 in Section 8.4.A.
- 3814 a. Increases in the cost of providing the services described in this Agreement in excess of the
3815 increases provided through the annual adjustment mechanisms described in Exhibits H
3816 and I unless such cost increases are related to eligible items listed in Section 8.4.A above.
- 3817 b. Increases in the cost of Discarded Materials Collection, Transportation, Processing, or
3818 Disposal costs in excess of the increases provided through the annual adjustment
3819 mechanisms described in Exhibits H and I unless such cost increases are related to eligible
3820 items listed in Section 8.4.A above.
- 3821 c. Increases in the cost of Discarded Materials Collection, Transportation, Processing, or
3822 Disposal costs that may be impacted by a change in the Approved Disposal Site, Approved
3823 Recyclable Materials Processing Site, Approved Organic Materials Processing Site, or
3824 Approved C&D Processing Site operating conditions, unless such change is initiated by or
3825 at the direction of the City or is related to eligible items listed in Section 8.4.A above.
- 3826 d. Decreases in Revenues from the sale of Recyclable Materials or Organic Materials.

- 3827 e. Growth or decline in the number of Customers or their subscription levels; however, the
3828 Contractor shall be entitled to bill all Customers at the City-approved Rates and retain all
3829 Gross Rate Revenues (net fees due to City) collected from its Customers for Collection
3830 services provided under this Agreement.
- 3831 f. Changes in the number of accounts related to Container sizes or frequency of Collection;
3832 however, the Contractor shall be entitled to bill all Customers at the City-approved Rates
3833 and retain all Gross Rate Revenues (net fees due to City) collected from Contractor's
3834 Customers for Collection services provided under this Agreement.
- 3835 g. Changes in the Tonnage or composition of Discarded Materials; however, changes in
3836 Tonnage shall be reflected in calculated Disposal and Processing Costs in accordance with
3837 procedures in Exhibits H and I.
- 3838 3. **Review of Costs.** If the Contractor or the City requests a special Rate review, the City shall
3839 have the right to review any or all financial and operating records of Contractor, and of
3840 Related Party Entities that are involved in financial transactions with Contractor.
- 3841 4. **Submittal of Request.** If the Contractor is requesting a special Rate review, the Contractor
3842 must submit its request for a special review of Rates, and cost and operational data, in a
3843 form and manner specified by the City, at least six (6) months before the proposed effective
3844 date of any Rate adjustment. The City may waive the six (6) month submittal requirement if
3845 the reason for the special Rate review is a Change in Law that will become effective in less
3846 than a six (6) month period.
- 3847 If City is requesting a special Rate review, the City shall notify the Contractor at least seven
3848 (7) months before the proposed effective date of any Rate adjustment. Upon such
3849 notification, Contractor shall, within thirty (30) calendar days, submit reasonable cost and
3850 operational data as requested by the City, in a form and manner specified by the City.
- 3851 A request for special Rate review shall include a proposal on whether the Rate adjustment
3852 resulting from the special Rate review shall be an adjustment in addition to or in lieu of the
3853 annual Rate adjustment to be performed in accordance with Section 8.2.C above.
- 3854 5. **Burden of Justification.** Contractor shall bear the burden of justifying to the City by
3855 substantial evidence any entitlement to current, as well as increased, Rates under this
3856 Section 8.4. If the City determines that the Contractor has not met its burden, the Contractor
3857 may request a meeting with the City Manager or their designee to produce additional
3858 evidence. Upon such request, the City shall permit said additional hearing. In the event the
3859 City denies Contractor's request, Contractor shall have the right to present its claim in a court
3860 of competent jurisdiction, except for a claim under Section 8.4.B.1.e for which the City's
3861 decision shall be binding and shall not be subject to such right.
- 3862 6. **Grant of Request.** Based on evidence the Contractor submits, the City Council may grant
3863 some, all, or none of the requested increase and approve adjusted Rates.
- 3864 7. **Compensation.** The Party requesting the special Rate review shall bear all reasonable costs
3865 of both Parties for participating in such review up to a maximum of forty thousand dollars
3866 (\$40,000) per Party and such costs shall not be reimbursed through Rates charged
3867 Customers. If a special Rate review occurs in response to a City-directed change in scope

3868 (pursuant to Section 8.4.A.1) or City-initiated Changes in Law (pursuant to Section 8.4.B.1.c),
3869 the City shall be considered the Party requesting the special Rate review.

3870 **8.5 Rates for Changes in Scope**

3871 In the event either the City or Contractor requests a change in scope in accordance with Section 4.3 of
3872 this Agreement, the Contractor shall furnish the City with projected operational and cost data for the
3873 change in scope to support any adjustment to Rates. For the purposes of analyzing cost impacts of
3874 changes in scope, the Contractor's profit shall be calculated using an operating ratio of ninety percent
3875 (90%) of actual, reasonable, and necessary costs net of Disposal expenses and City fees specified in Article
3876 7. The City reserves the right to require that the Contractor supply any additional cost data or other
3877 information it may reasonably need to ascertain the appropriate Rate adjustment, if any, for the change
3878 in scope. The City shall review this operational and cost data, and the City Council shall approve Rates for
3879 the change in scope, if warranted.

3880 The granting of any change in scope shall be contingent upon City's written approval and establishment
3881 of new Rates. The City shall approve Rates adjustments, in good faith, coincident with any adjustment
3882 made pursuant to this Section so that the change in scope and the corresponding Rates become effective
3883 on the same date.

3884 **8.6 Notice of Rate Adjustments**

3885 The Contractor shall provide all Customers with advance written notice of approved Rate changes, in the
3886 form of a Billing insert, postcard, or other written notice approved by the City at least forty-five (45)
3887 calendar days before the effective date of such changes unless the City provides written approval to waive
3888 this requirement.

ARTICLE 9. INDEMNITY, INSURANCE, BOND

9.1 Hazardous Substance Indemnification

Contractor shall indemnify, defend with counsel acceptable to the City (provided that such acceptance by City shall not be unreasonably withheld), protect and hold harmless the City, its officers, employees, volunteers, and agents (collectively, indemnitees) from and against all claims, damages (including but not limited to special, consequential, natural resources, and punitive damages), injuries, costs, (including without limit any and all response, remediation, and removal costs), losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses (including without limit attorneys' expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity), (collectively, "Damages") of any kind whatsoever paid, incurred or suffered by, or asserted against, indemnitees arising from or attributable to the acts or omissions of Contractor whether or not negligent or otherwise culpable, in connection with or related to the performance of this Agreement, including without limit damages arising from or attributable to any operations, repair, cleanup or detoxification, or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Substance or Hazardous Waste, Collected under this Agreement. Notwithstanding the foregoing, however, Contractor shall not be required to indemnify the City for the costs for any claims arising from the Disposal of Solid Waste at the Approved Disposal Site, including, but not limited to, claims arising under the Comprehensive Environmental Response, Comprehensive and Liability Act (CERCLA) unless such Disposal Site is at a facility owned and operated by Contractor or such claim is a direct result of Contractor's negligent actions. This indemnity afforded indemnitees, shall only be limited to exclude coverage for intentional wrongful acts and negligence of indemnitees, and as provided below. In the event Disposal occurs at a Disposal Site owned by the Contractor, Contractor shall be required to indemnify the City for the costs for any claims arising from the Disposal of Solid Waste at the Disposal Site, including, but not limited to, claims arising under the Comprehensive Environmental Response, Comprehensive and Liability Act (CERCLA). The foregoing indemnity, as it relates to the Collection of Solid Waste and/or the Disposal of Solid Waste at Contractor's Disposal Site, is intended to operate as an Agreement pursuant to §107(e) of the Comprehensive Environmental Response, Compensation and Liability Act, CERCLA, 42 USC. §9607(e) and California Health and Safety Code §25364, to defend, protect, hold harmless, and indemnify City from liability.

This provision is in addition to all other provisions in this Agreement and is intended to survive the expiration or earlier termination of this Agreement. Nothing in this Section shall prevent City from seeking indemnification or contribution from Persons or entities other than indemnitees, for any liabilities incurred by City, or the indemnitees. As appropriate, Contractor's parent company should provide the guarantees necessary to meet this provision.

9.2 AB 939 and SB 1383 Indemnification

In addition to all other relief provided Contractor and City under this Agreement, Contractor agrees to defend, indemnify, and hold harmless, the City, its officers, employees, volunteers, and agents from and against all fines and/or penalties imposed by the California Department of Resources Recycling and Recovery (CalRecycle) for operations during the Term of this Agreement in the event the source reduction and Diversion goals or any other requirement of AB 939, AB 341, AB 1826, and/or SB 1383 are not met by

the Contractor with respect to the waste stream Collected by Contractor and other obligations under this Agreement and such failure is: (i) due to the failure of Contractor to meet its obligations under this Agreement unless Contractor can demonstrate to the satisfaction of the City that such failure is beyond Contractor's ability to control or effect; or (ii) due to Contractor delays in providing information that prevents Contractor or City from submitting reports required by AB 939, AB 341, AB 1826, and/or SB 1383 in a timely manner.

Notwithstanding any other provision in this Agreement, Contractor's obligations in this Section shall be subject to the provisions of Section 40059.1 of the Public Resources Code.

9.3 Proposition 218 Indemnification

Contractor shall indemnify, defend and hold harmless City, its officers, employees, agents and volunteers, (collectively, indemnitees) from and against all claims, damages, injuries, costs, including demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest fines, charges, penalties and expenses (including reasonable attorneys' and expert witness fees, expenditures for investigation and administration) and costs of any kind whatsoever paid, imposed upon, endured or suffered by or assessed against any of the indemnitees resulting in any form from the City's approval of Rates for service under this Agreement or in connection with the application of California Constitution, Article XIII C and Article XIII D to the imposition, payment or collection of Rates and fees for services provided by Contractor under this Agreement. This Proposition 218 indemnification shall not extend to indemnification related to City fees described in Article 7 of the Agreement or any City fees established in accordance with Section 7.5 or Section 7.7.

9.4 Measure D Indemnification

Contractor shall indemnify, defend and hold harmless City, its officers, employees, agents and volunteers, from and against any revenues withheld by the Alameda County Source Reduction and Recycling Board in the event the source reduction and Recycling goals or any other requirement of the Measure are not met by the Contractor with respect to the Recycling/source reduction programs under this Agreement and such failure is due to the failure of Contractor to meet its obligations under this Agreement unless Contractor can demonstrate to the satisfaction of the City that such failure is beyond Contractor's ability to control or effect, or due to Contractor delays in providing information that prevents Contractor or City from submitting reports required by Measure D in a timely manner.

9.5 Insurance

9.5.1 Minimum Scope of Insurance

Coverage shall be at least as broad as:

- A. Insurance Services Office form number GL 0002 covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG 0001).

3966 B. Insurance Services Office form number CA 0001 covering Automobile Liability, code 1 "any auto"
3967 and endorsement CA 0025.

3968 C. Workers' Compensation insurance as required by the Labor Code of the State of California and
3969 Employers Liability insurance.

3970 D. Employee Blanket Fidelity Bond.

3971 **9.5.2 Minimum Limits of Insurance**

3972 Contractor shall maintain limits no less than:

3973 A. Comprehensive General Liability: \$10,000,000 combined single limit per occurrence for bodily
3974 injury, personal injury, and property damage.

3975 B. Automobile Liability: \$10,000,000 combined single limit per accident for bodily injury and property
3976 damage.

3977 C. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the
3978 Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

3979 D. Employee Blanket Fidelity Bond in the amount of \$500,000 per employee, covering dishonesty,
3980 forgery, alteration, theft, disappearance, destruction (inside or outside).

3981 **9.5.3 Deductibles and Self-Insured Retentions**

3982 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option
3983 of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as
3984 respects the City, its officials, and employees; or the Contractor shall procure a bond guaranteeing
3985 payment of losses and related investigations, claim administration and defense expenses.

3986 **9.5.4 Other Insurance Provisions**

3987 The policies are to contain, or be endorsed to contain, the following provisions:

3988 **A. General Liability and Automobile Liability Coverages**

3989 1. The City, its officials, employees, and volunteers are to be covered as additional insureds as
3990 respects: liability arising out of activities performed by or on behalf of the Contractor; products
3991 and completed operations of the Contractor; premises owned, leased or used by the
3992 Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage
3993 shall contain no special limitations on the scope of protection afforded to the City, its officials,
3994 employees, or volunteers. The automobile liability is endorsed to contain MCA-90 coverage.

3995 The Contractor's insurance coverage shall be primary insurance as respects the City, its officials,
3996 employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials,
3997 employees, or volunteers shall be in excess of the Contractor's insurance and shall not
3998 contribute with it.

3999 Any failure to comply with reporting provisions of the policies shall not affect coverage provided
4000 to the City, its officials, employees, or volunteers.

4001 Coverage shall state that the Contractor's insurance shall apply separately to each insured
4002 against whom a claim is made or suit is brought, except with respect to the limits of the insurer's
4003 liability.

4004 B. **Workers' Compensation and Employers Liability Coverage.** The insurer shall agree to waive all
4005 rights of subrogation against the City, its officers, employees, and volunteers for losses arising from
4006 work performed by the Contractor for the City.

4007 C. **All Coverages.** Each insurance policy required by this clause shall be endorsed to state that coverage
4008 shall not be suspended, voided, canceled by either Party, reduced in coverage or in limits except
4009 after thirty (30) calendar days prior written notice by certified mail, return receipt requested, has
4010 been given to the City.

4011 **9.5.5 Acceptability of Insurers**

4012 The insurance policies required by this Section shall be issued by an insurance company or companies
4013 authorized to do business in the State of California and with a rating in the most recent edition of Best's
4014 Insurance Reports of size category VII or larger and a rating classification of A or better.

4015 **9.5.6 Verification of Coverage**

4016 Contractor shall furnish Contractor's insurance agent a copy of these specifications, and direct the agent
4017 to provide the City with certificates of insurance and with original endorsements affecting coverage
4018 required by this clause. Issuance of documentation indicates the Contractor's insurance complies with
4019 these provisions. The certificates and endorsements for each insurance policy are to be signed by a Person
4020 authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be
4021 received and approved by the City before work commences. The City reserves the right to require
4022 complete, certified copies of all required insurance policies, at any time.

4023 **9.5.7 Required Endorsements**

4024 A. The Workers' Compensation policy shall contain an endorsement in substantially the following
4025 form:

4026 "Thirty (30) calendar days' prior written notice shall be given to the City of Pleasanton
4027 in the event of cancellation, reduction in coverage, or non-renewal of this policy. Such
4028 notice shall be sent to:

4029 City Manager
4030 City of Pleasanton
4031 123 Main Street
4032 Pleasanton, CA 94566
4033

4034 B. The Commercial General Liability Business and Automobile Liability policies shall contain
4035 endorsements in substantially the following form:

4036 1. "Thirty (30) calendar days' prior written notice shall be given to the City of Pleasanton in the
4037 event of cancellation, reduction in coverage, or non-renewal of this policy. Such notice shall be
4038 sent to:

4039 City Manager
4040 City of Pleasanton
4041 123 Main Street
4042 Pleasanton, CA 94566
4043

4044 2. "The City of Pleasanton, its officers, employees, and agents are additional insureds on this
4045 policy." The City requires form CG2010 1185.

4046 3. "This policy shall be considered primary insurance as respects any other valid and collectible
4047 insurance maintained by the City of Pleasanton, including any self-insured retention or program
4048 of self-insurance, and any other such insurance shall be considered excess insurance only."

4049 4. "Inclusion of the City of Pleasanton as an insured shall not affect the City's rights as respects any
4050 claim, demand, suit or judgment brought or recovered against the Contractor. This policy shall
4051 protect Contractor and the City in the same manner as though a separate policy had been issued
4052 to each, but this shall not operate to increase the Contractor's liability as set forth in the policy
4053 beyond the amount shown or to which the Contractor would have been liable if only one Party
4054 had been named as an insured."

4055 **9.5.8 Delivery of Proof of Coverage**

4056 Simultaneously with the execution of this Agreement, Contractor shall furnish the City certificates of each
4057 policy of insurance required hereunder, in form and substance satisfactory to City. Such certificates shall
4058 show the type and amount of coverage, effective dates, and dates of expiration of policies and shall have
4059 all required endorsements. If the City requests, copies of each policy, together with all endorsements,
4060 shall also be promptly delivered to City.

4061 Renewal certificates will be furnished periodically to City to demonstrate maintenance of the required
4062 coverages throughout the Term.

4063 **9.5.9 Other Insurance Requirements**

4064 A. In the event any services are delegated to a Subcontractor, the Contractor shall require such
4065 Subcontractor to provide statutory workers' compensation insurance and employer's liability
4066 insurance for all of the Subcontractor's employees engaged in the work in accordance with Sections
4067 9.5.2.C and 9.5.4.B. The liability insurance required by Section 9.5.2.A shall cover all Subcontractors
4068 or the Subcontractor must furnish evidence of insurance provided that meets all of the
4069 requirements of this Section 9.5.

4070 B. The Contractor shall comply with all requirements of the insurers issuing policies. The carrying of
4071 insurance shall not relieve Contractor from any obligation under this Agreement. If any claim
4072 exceeding the amount of any deductibles or self-insured reserves is made by any third Person

4073 against the Contractor or any Subcontractor on account of any occurrence related to this
4074 Agreement, the Contractor shall promptly report the facts in writing to the insurance carrier and to
4075 the City.

4076 C. If Contractor fails to procure and maintain any insurance required by this Agreement, the City may
4077 take out and maintain, at the Contractor's expense, such insurance as it may deem proper and
4078 deduct the cost thereof from any monies due to the Contractor.

4079 D. The Commercial General and Automobile Liability insurance required by Sections 9.5.2 and 9.5.4.A
4080 shall be written on an "occurrence", rather than a "claims made" basis, if such coverage is
4081 obtainable. If it is not obtainable, Contractor must arrange for a thirty-six (36) month "tail coverage"
4082 to protect the City from claims filed after the expiration or termination of this Agreement relating
4083 to incidents which occurred prior to such expiration or termination.

4084 **9.6 Performance Bond**

4085 Within five (5) Business Days of the City's notification to Contractor that the City has executed this
4086 Agreement, Contractor shall file with the City a bond, payable to the City, securing the Contractor's
4087 performance of its obligations under this Agreement and such bond shall be renewed annually, if
4088 necessary, so that the performance bond is maintained at all times during the Term. The City will accept
4089 an annual performance bond; however, neither non-renewal (or cancellation, if applicable) by the surety,
4090 nor failure or inability of Contractor to file a replacement bond in the event the surety exercises its right
4091 to not renew the bond, shall itself constitute a loss to the City recoverable under the bond or any extension
4092 thereof. If any conflict or inconsistency exists between the surety's obligations or undertakings as
4093 described in the bond and this Agreement, then the terms of the bond shall prevail. The principal sum of
4094 the bond shall be One Million Dollars (\$1,000,000) unless the Agreement is assigned in which case the
4095 principal sum of the bond may be increased by the City to Seven Million Dollars (\$7,000,000) and
4096 thereafter the principal sum of the bond may be adjusted every three (3) years, commencing with Rate
4097 Period Three, to equal three (3) months of the annual Gross Rate Revenues. The bond shall be executed
4098 as surety by a corporation authorized to issue surety bonds in the State of California, that has a rating of
4099 A-XII or better in the most recent edition of Best's Key Rating Guide, and that has a record of service and
4100 financial condition satisfactory to the City. The bond shall be in the form attached as Exhibit K.

ARTICLE 10. CITY'S RIGHT TO PERFORM SERVICE

10.1 General

In the event that the Contractor, for any reason whatsoever, fails, refuses or is unable to Collect, Transport, or Dispose of any or all Solid Waste and/or Collect, Transport and Process Recyclable Materials, Organic Materials, or C&D which it is required by this Agreement to Collect, Transport, and Process at the time and in the manner provided in this Agreement, for a period of more than forty-eight (48) hours, and if, as a result thereof, Discarded Materials should accumulate in the City to such an extent, in such a manner, or for such a time that City Manager or their designee should find that such accumulation endangers or menaces the public health, safety, or welfare, then the City shall have the right, but not the obligation, upon twenty-four (24) hour prior written notice to Contractor during the period of such emergency as determined by City Manager or their designee, (1) to perform, or cause to be performed, such services itself with its own or other personnel without liability to Contractor; and/or (2) to take possession of any or all of Contractor's equipment and other property used or useful in the Collection, Transporting, Processing and Disposing of Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items and to use such property to Collect, Transport, Process, and Dispose of any Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items generated within the City which Contractor would otherwise be obligated to Collect, Transport, Process, and Dispose of pursuant to this Agreement.

Notice of the Contractor's failure, refusal, or neglect to Collect, Transport, Process, and Dispose of Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items may be given verbally by telephone to the Contractor at its principal office and shall be effective immediately. Written confirmation of such verbal notification shall be sent to Contractor within twenty-four (24) hours of the verbal notification.

Contractor further agrees that in such event:

- A. It will fully cooperate with City to affect the transfer of possession of property to the City for City's use.
- B. It will, if City so requests, keep in good repair and condition all property that the City has taken possession, provide all motor vehicles with fuel, oil, and other service, and provide such other services as may be necessary to maintain said property in operational condition.
- C. Subject to provisions of any labor agreements then in effect, City may immediately engage all or any personnel necessary or useful for the Collecting, Transporting, Processing, and Disposing of Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items including, if City so desires, employees previously or then employed by Contractor. Contractor further agrees, if City so requests, to furnish City the services of any or all management or office personnel employed by Contractor whose services are necessary or useful for Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items Collection, Transportation, Processing, and Disposal operations and for the billing and collection of fees for these services.

The City agrees that it assumes complete responsibility for the proper and normal use of such equipment and facilities while in its possession.

4138 If the interruption or discontinuance in service is caused by any of the reasons listed in Section 11.7, the
4139 City shall pay to Contractor the reasonable rental value of the equipment and facilities, possession of
4140 which is taken by the City, for the period of the City's possession, if any, which extends beyond the period
4141 of time for which Contractor has rendered bills in advance of service, for the class of service involved.

4142 Except as otherwise expressly provided in the previous paragraph, the City's exercise of its rights under
4143 this Article: (i) does not constitute a taking of private property for which compensation must be paid; (ii)
4144 will not create any liability on the part of City to Contractor; and (iii) does not exempt Contractor from the
4145 indemnity provisions of Article 9, which are meant to extend to circumstances arising under this Section,
4146 provided that Contractor is not required to indemnify City against claims and damages arising from the
4147 negligence of City officers, employees and agents in the operation of Collection vehicles during the time
4148 the City has taken possession of such vehicles.

4149 **10.2 Duration of City's Possession**

4150 City has no obligation to maintain possession of Contractor's property and/or continue its use in
4151 Collecting, Transporting, Processing, and Disposing Solid Waste, Recyclable Materials, Organic Materials,
4152 C&D, or Bulky Items for any period of time and may, at any time, in its sole discretion, relinquish
4153 possession to the Contractor.

4154 The City's right to retain temporary possession of Contractor's property, and to provide Solid Waste,
4155 Recyclable Materials, Organic Materials, C&D or Bulky Items Collection services, shall continue until
4156 Contractor can demonstrate to the City's satisfaction that it is ready, willing, and able to resume such
4157 services or for one hundred eighty (180) calendar days, whichever occurs first.

ARTICLE 11. DEFAULT AND REMEDIES

11.1 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 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 listing 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 effect 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 violates Applicable Law relative to this Agreement.

F. **Failure to Perform Collection, Transportation, Processing, or Composting Services.** Contractor ceases to provide Collection, Transportation, Processing, or Composting 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 City fees 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, AB 939, as it may be amended from time to time, or any Applicable Law, statute, ordinance, order, directive, rule, or regulation issued there under 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 the time such representation or disclosure is made, whether or not any such representation or disclosure appears as part of this Agreement; and, any Contractor-provided report containing a misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly defined by the Agreement, excepting non-numerical typographical and grammatical errors.

4194 J. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of Contractor's
4195 operating equipment, including without limits its equipment, maintenance or office facilities, or any
4196 part thereof.

4197 K. **Suspension or Termination of Service.** There is any termination or suspension of the transaction
4198 of business by Contractor related to this Agreement, including without limit, due to labor unrest
4199 including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action
4200 lasting more than two (2) calendar days.

4201 L. **Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of criminal
4202 activity related directly or indirectly to performance of this Agreement or any other Agreement held
4203 with the City as further described in Section 12.16.1.

4204 M. **Assignment without Approval.** Contractor transfers or assigns this Agreement without the
4205 expressed written approval of the City unless the assignment is permitted without City approval
4206 pursuant to Section 12.5.

4207 N. **Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a proposal
4208 for new services or changes to services or fails to implement a change in service as requested by
4209 the City as specified in Section 4.3.

4210 O. **Failure to Perform Any Obligation.** Contractor fails to perform any obligation established under
4211 this Agreement.

4212 City shall provide Contractor written notice of default within twenty-four (24) hours of the occurrence of
4213 default or within twenty-four (24) hours of the City's first knowledge of the Contractor's default,
4214 whichever occurs first.

4215 **11.2 Contractor Rights to Remedy Default**

4216 Contractor shall be given ten (10) calendar days from written notification by City to cure any default which,
4217 in the City's sole opinion, creates a potential public health and safety threat.

4218 Contractor shall be given ten (10) calendar days from written notification by City to cure any default arising
4219 under subsections C, E, F, I, J and K in Section 11.1 provided, however, that the City shall not be obligated
4220 to provide Contractor with a notice and cure opportunity if the Contractor has committed the same or
4221 similar breach/default within a twenty-four (24) month period.

4222 Contractor shall be given thirty (30) calendar days from written notification by City to cure any other
4223 default (which is not required to be cured within ten (10) calendar days); however, that the City shall not
4224 be obligated to provide Contractor with a notice and cure opportunity if the Contractor has committed
4225 the same or similar breach/default within a twenty-four (24) month period.

4226 **11.3 City's Remedies in the Event of Default**

4227 Upon Contractor's default, City has the following remedies in the event of Contractor default:

A. **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 contract, 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 11.1.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 next 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. Upon termination, the City shall have the right to use equipment and Facilities pursuant to Section 11.4.

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

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 11.2 until such time the Contractor can provide assurance of performance in accordance with Section 11.8. During the period of suspension, City shall have the right to use equipment and Facilities pursuant to Section 11.4.

C. **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 waive of an event of default is not a waiver of future events of default that may have the same or similar conditions.

D. **Liquidated Damages.** City may assess Liquidated Damages for Contractor's failure to meet specific performance standards pursuant to Section 11.6 and Exhibit E.

E. **Other Available Remedies.** City's election of one 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.

11.4 Possession of Property upon Termination or Suspension

In the event of termination or suspension for default, the City shall have the right to take possession of any and all of Contractor's equipment and other property used or useful in the Collection, Transportation, Processing, and Disposal of Solid Waste, Recyclable Materials Organic Materials, C&D or Bulky Items and the billing and collection of fees for these services and to use such property. The City shall have the right to retain the possession of such property in accordance with Article 10. If the City retains possession thereof after the period of time for which Contractor has already been paid by means of bills issued in advance of providing service for the class of service involved, the Contractor shall be entitled to the reasonable rental value of such property (which shall be offset against any damages due the City for the Contractor's default).

4267 Contractor shall furnish the City with immediate access to all of its business records related to its
4268 Customers and billing of accounts for Collection services.

4269 **11.5 City's Remedies Cumulative; Specific Performance**

4270 The City's right to terminate the Agreement under Section 11.3 and to take possession of the Contractor's
4271 properties under Section 11.4 are not exclusive, and the City's termination of the Agreement shall not
4272 constitute an election of remedies. Instead, they shall be in addition to any and all other legal and
4273 equitable rights and remedies which the City may have.

4274 By virtue of the nature of this Agreement, the urgency of timely, continuous and high-quality service, the
4275 lead time required to effect alternative service, and the rights granted by City to the Contractor, the
4276 remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive
4277 relief.

4278 **11.6 Liquidated Damages**

4279 **11.6.1 General**

4280 The Parties agree that as of the time of the execution of this Agreement, it is impractical, if not impossible,
4281 to reasonably ascertain the extent of damages which shall be incurred by City as a result of a breach by
4282 Contractor of its obligations under this Agreement. The factors relating to the impracticability of
4283 ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to
4284 members of the public who are denied services or denied quality or reliable service; (ii) such breaches
4285 cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to individual
4286 members of the general public for whose benefit this Agreement exists, in subjective ways and in varying
4287 degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that exclusive
4288 services might be available at substantially lower costs than alternative services and the monetary loss
4289 resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise
4290 monetary terms; and, (iv) the termination of this Agreement for such breaches, and other remedies are,
4291 at best, a means of future correction and not remedies which make the public whole for past breaches.

4292 **11.6.2 Performance Standards; Liquidated Damages for Failure to Meet Standards**

4293 The Parties further acknowledge that consistent, reliable Solid Waste, Recyclable Materials, Organic
4294 Materials, C&D, and Bulky Items Collection service is of utmost importance to City and that City has
4295 considered and relied on Contractor's representations as to its quality of service commitment in awarding
4296 the Agreement to it. The Parties further recognize that some quantified standards of performance are
4297 necessary and appropriate to ensure consistent and reliable service and performance. The Parties further
4298 recognize that if Contractor fails to achieve the performance standards, or fails to submit required
4299 documents in a timely manner, City and its residents and businesses will suffer damages and that it is and
4300 will be impractical and extremely difficult to ascertain and determine the exact amount of damages which
4301 City will suffer. Therefore, without prejudice to City's right to treat such non-performance as an event of
4302 default under this Section, the Parties agree that the following Liquidated Damage amounts represent a
4303 reasonable estimate of the amount of such damages considering all of the circumstances existing on the

4304 date of this Agreement, including the relationship of the sums to the range of harm to City that reasonably
4305 could be anticipated and the anticipation that proof of actual damages would be costly or impractical.

4306 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth in the
4307 Schedule of Performance Adjustments, Exhibit E.

4308 City may determine the occurrence of events giving rise to Liquidated Damages through the observation
4309 of its own employees or representatives or investigation of Customer Complaints.

4310 Liquidated Damages will only be assessed after Contractor has been given the opportunity but failed to
4311 rectify the damages as described in this Agreement. Prior to assessing Liquidated Damages, City shall give
4312 Contractor notice of its intention to do so. The notice will include a brief description of the
4313 incident(s)/non-performance. City may review (and make copies at its own expense) all information in
4314 the possession of Contractor relating to incident(s)/non-performance. City may, within ten (10) calendar
4315 days after issuing the notice, request a meeting with Contractor. City may present evidence of non-
4316 performance in writing and through testimony of its employees and others relevant to the
4317 incident(s)/non-performance. City will provide Contractor with a written explanation of its determination
4318 on each incident(s)/non-performance prior to authorizing the assessment of Liquidated Damages. The
4319 decision of City shall be final, and Contractor shall not be subject to, or required to exhaust, any further
4320 administrative remedies.

4321 **11.6.3 Amount**

4322 City may assess Liquidated Damages for each calendar day or event, as appropriate, that Contractor is
4323 determined to be liable in accordance with this Agreement in the amounts specified in Exhibit E. In the
4324 event the amount of Liquidated Damages for any three (3) month period exceeds the thresholds
4325 established in Section 5.18.1, the City shall have the right to request replacement of the Contractor's
4326 general manager as described in Section 5.18.1.

4327 **11.6.4 Timing of Payment**

4328 Contractor shall pay any Liquidated Damages assessed by City within ten (10) calendar days after they are
4329 assessed. If they are not paid within the ten (10) day period, City may proceed against the performance
4330 bond required by the Agreement,

4331 **11.7 Excuse from Performance**

4332 The Parties shall be excused from performing their respective obligations hereunder in the event they are
4333 prevented from so performing by reason of Uncontrollable Circumstances. In the case of labor unrest or
4334 job action directed at a third party over whom Contractor has no control, the inability of Contractor to
4335 provide Solid Waste, Recyclable Materials, Organic Materials Collection, or C&D services due to the
4336 unwillingness or failure of the third party to provide reasonable assurance of the safety of Contractor's
4337 employees while providing Solid Waste, Recyclable Materials, Organic Materials, or C&D Collection
4338 services or to make reasonable accommodations with respect to Container placement and point of
4339 Delivery, time of Collection or other operating circumstances to minimize any confrontation with pickets
4340 or the number of Persons necessary to make Collections shall, to that limited extent, excuse performance

and provided further that the foregoing excuse shall be conditioned on Contractor's cooperation in making Collection at different times and in different locations.

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

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

The partial or complete interruption or discontinuance of Contractor's services caused by one or more of the events described in this Article shall not constitute a default by Contractor under this Agreement. Notwithstanding the foregoing, however, (i) the existence of an excuse from performance will not affect the City's rights under Article 10; and (ii) if Contractor is excused from performing its obligations hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, other than as the result of third party labor disputes where service cannot be provided for reasons described earlier in this Section, the City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) calendar days' notice, in which case the provisions of Section 11.3 shall apply.

11.8 Right to Demand Assurances of Performance

If Contractor (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out, picketing, or other concerted job action; (ii) appears in the reasonable judgment of City to be unable to regularly pay its bills as they become due; or (iii) is the subject of a civil or criminal judgment or order entered by a federal, State, regional or local agency for violation of an environmental law, and the City Manager or their designee believes in good faith that Contractor's ability to perform under the Agreement has thereby been placed in substantial jeopardy, the City may, at its option and in addition to all other remedies it may have, demand from Contractor reasonable assurances of timely and proper performance of this Agreement, in such form and substance as the City Manager or their designee believes in good faith is reasonably necessary in the circumstances to evidence continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by City, such failure or refusal shall be an event of default for purposes of Section 11.1.

ARTICLE 12. OTHER AGREEMENTS OF THE PARTIES

12.1 Relationship of Parties

The Parties intend that Contractor shall perform the services required by this Agreement as an independent contractor engaged by City and not as an officer or employee of the City nor as a partner of or joint venturer with the City. No employee or agent of Contractor shall be or shall be deemed to be an employee or agent of the City. Except as expressly provided herein, Contractor shall have the exclusive control over the manner and means of conducting the Solid Waste, Recyclable Materials, Organic Materials, C&D and Bulky Items Collection, Transportation, Processing and Disposal services performed under this Agreement, and all Persons performing such services. Contractor shall be solely responsible for the acts and omissions of its officers, employees, Subcontractors, and agents. Neither Contractor nor its officers, employees, Subcontractors, and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to City employees by virtue of their employment with the City.

12.2 Compliance with Law

In providing the services required under this Agreement, Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits and licenses of the United States, the State of California and the City and with all applicable regulations promulgated by federal, State, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the Term.

12.3 Governing Law

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

12.4 Jurisdiction

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

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

12.5 Assignment

For purposes of this Section the term assignment shall be given the broadest possible interpretation, and shall include, but not be limited to (i) a sale, exchange, or other transfer of substantially all of Contractor's assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange, or other transfer of outstanding common stock of Contractor to a third party provided said sale, exchange, or transfer would result in a change of control of Contractor (defined as a change in the ownership of more than ten percent (10%) of the outstanding common stock from the ownership at the time the Agreement was entered); (iii) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or

re-issuance, voting trust, pooling agreement, escrow arrangement, liquidation, or other transaction which results in a change of control; (iv) any assignment by operation of law, including those resulting from mergers or acquisitions by or of Contractor or any of its Affiliates, insolvency or bankruptcy, making assignment for the benefit of creditors, writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which results in a change of control. Notwithstanding the foregoing, transfers of outstanding shares of Contractor's common stock to existing shareholders, family members or family trusts will not be counted in determining a change of control and will not constitute an assignment for purposes of Section 9.6 above or this Section, unless such transfer results in a change in the concentration of ownership between the Molinaro family (50%) and the Macchiano family (50%).

Contractor acknowledges that this Agreement involves rendering a vital service to City's residents and businesses, and that City has selected Contractor to perform the services specified herein based on (i) Contractor's experience, skill, and reputation for conducting services required under this Agreement in a safe, effective, and responsible fashion, at all times in keeping with Applicable Law, regulations and best Solid Waste and Diversion management practices, and (ii) Contractor's financial resources to maintain the required equipment and to support its indemnity obligations to City under this Agreement. City has relied on each of these factors, among others, in choosing Contractor to perform the services to be rendered by Contractor under this Agreement.

12.5.1 Requirements of the Contractor

Contractor shall not enter into negotiations to assign its rights, or delegate, subcontract, or otherwise transfer any of Contractor's obligations under this Agreement (collectively referred to as an "assignment") to any other Person for a period of three (3) years from the Commencement Date of this Agreement.

After such three (3) year period Contractor shall not assign its rights, nor delegate, subcontract, or otherwise transfer any of Contractor's obligations under this Agreement to any other Person without the prior written consent of the City Council. Any such assignment made without the consent of the City Council shall be void and the attempted assignment shall constitute a material breach of this Agreement.

If Contractor requests City Council's consideration of and consent to an assignment, City Council may deny or approve such request in its sole discretion. Any request for an assignment shall be made in a manner to be prescribed by the City Contract Manager or their designee, and no request by Contractor for consent to an assignment need be considered by City unless and until Contractor has met (or with respect to matters that would only occur upon completion of the assignment if approved, made reasonable assurances that it will meet) the following requirements:

- A. Contractor shall undertake to pay City its reasonable expenses for attorney's fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment. An advance payment of one hundred thousand dollars (\$100,000) towards expenses shall be paid to City prior to City consideration of any assignment request and Contractor shall be responsible for paying all costs incurred by City in considering a request for assignment, including those in excess of the aforesaid deposit amount, regardless of whether City consents to the assignment.

4445 B. Contractor shall pay the City a transfer assignment right fee equal to two hundred fifty thousand
4446 dollars (\$250,000). This payment shall be due no later than five (5) calendar days before final closing
4447 of the assignment but if paid and the assignment shall not be completed, it shall be refunded to the
4448 Contractor. If there shall be an escrow-type arrangement with an escrow agent, financial institution,
4449 or other third party in connection with the assignment and the documentation thereof and payment
4450 of the purchase price to Contractor in consideration of the assignment by the assignee, then a
4451 payment of this amount by Contractor to the escrow agent or institution who is instructed to pay it
4452 over to the City upon closing of the assignment, then such payment shall be considered as compliant
4453 with this subsection.

4454 C. Contractor shall furnish City with audited financial statements of the proposed assignee's
4455 operations for the immediately preceding three (3) operating years.

4456 D. Contractor shall furnish City with proof satisfactory to City: (i) that the proposed assignee has at
4457 least five (5) years of Solid Waste, Recyclable Materials, and Organic Materials management
4458 experience on a scale equal to or exceeding the scale of operations conducted by Contractor under
4459 this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any
4460 significant citations or other censure from any federal, State or local agency having jurisdiction over
4461 its Solid Waste, Recyclable Materials, and Organic Materials management operations which are
4462 materially greater than those suffered by similar companies engaged in Solid Waste, Recyclable
4463 Materials, and Organic Materials management operations due to any significant failure to comply
4464 with State, federal or local Applicable Law and that the assignee has provided City with a complete
4465 list of any such citations and censures; (iii) that the proposed assignee has at all times conducted its
4466 operations in an environmentally safe and conscientious fashion as compared with similar
4467 companies engaged in Solid Waste, Recyclable Materials, and Organic Materials management
4468 operations; (iv) that the proposed assignee conducts its Solid Waste, Recyclable Materials, and
4469 Organic Materials management practices in accordance with sound management practices in full
4470 compliance with all federal, State and local laws regulating the handling of Solid Waste, Recyclable
4471 Materials, and Organic Materials including Hazardous Substances, and; (v) proposed assignee(s)
4472 financial resources are sufficient to ensure ability to meet all of Contractor's obligations under this
4473 Agreement.

4474 E. Contractor shall furnish the City with any other information required by City to ensure the proposed
4475 assignee can fulfill the terms of this Agreement in a timely, safe, and effective manner.

4476 Under no circumstances shall City be obliged to consider any proposed assignment if Contractor is in
4477 default at any time during the period of consideration. Should City consent to any assignment request,
4478 such assignment shall not take effect until all conditions relating to City's approval have been met.

4479 **12.5.2 Requirements of the Proposed Assignee**

4480 In approving an assignment, City may require that the proposed assignee agree to one or more of the
4481 following:

4482 A. Reasonable increases in the insurance limits, or modifications in the insurance requirements
4483 contained in Section 9.5.

B. Execution of a guaranty by the controlling entity in the event of a City approved assignment of this Agreement to any corporation, limited liability company, and every similar corporate entity that is controlled by another such corporate entity through ownership of a majority of the equity interests in the assignee. The guaranty shall unconditionally and absolutely guarantee the performance of the Contractor's obligations hereunder and shall be in a form approved by the City. For the avoidance of doubt, while the City and the controlling entity may agree on any form of guaranty they wish, if a form of guaranty proposed by the City is substantially similar to those in use by other municipalities in northern California in connection with similar Discarded Materials Collection agreements, then it shall be presumed to be reasonable by the controlling entity. In the event the City does not propose a guaranty form then if a form of guaranty proposed by the controlling entity is substantially similar to those accepted by other municipalities in northern California in connection with similar Discarded Materials Collection agreements by the controlling entity, then it shall be presumed to be reasonable. The form of guaranty shall be provided concurrently with the request for City approval of the assignment of the Agreement and no assignment to the proposed assignee shall be effective until the controlling entity executes the guaranty. This paragraph shall not be construed so as to require a guaranty from human Persons controlling an assignee or controlling entity thereof.

C. Funding of a fidelity bond in an amount similar to such required by other Cities for similar facilities and/or provision of financial assurance in a form other than a fidelity bond, such as a letter of credit or certificate of deposit.

D. Application of Liquidated Damages as set forth in Section 11.6 and Exhibit E including the provision of the initials as required in Exhibit E.

12.6 Subcontracting

Contractor shall not engage any subcontractor or Subcontractors for Collection, Transportation, Processing or Disposal of Solid Waste, Recyclable Materials, Organic Materials, C&D, or Bulky Items without the prior written consent of the City. As of the Effective Date of this Agreement, the City has approved Contractor's use of the following subcontractors and Subcontractors: (i) Pleasanton Truck & Equipment Repairs, Inc. (truck repairs - Subcontractor); (ii) Recycling and Resource Recovery Systems, LLC (hauling, grinding, material sales, marketing - Subcontractor); (iii) City Automatic Recycling, Inc. (Recyclable Materials sorting - Subcontractor); (iv) Amador Valley Industries, LLC (CNG Fuel - Subcontractor); (v) M&M Land Company, LLC (land lease, TS employees - Subcontractor); (vi) Waste Management (Disposal - subcontractor); (vii) Tiger Lines (hauling - subcontractor); and, (viii) Waste Management (Organic Materials Processing - subcontractor). Contractor shall comply with all obligations, including but not limited to, insurance, indemnification, and performance standards set forth in Section 5.13.5, for any subcontractors or Subcontractors engaged by the Contractor to conduct Organic Materials Processing, Recyclable Materials Processing, or other services specified in Section 5.13.5.

12.7 Binding on Successors

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

12.8 Transition to Next Contractor

Prior to expiration or earlier termination of this Agreement, Contractor will cooperate with City and subsequent Contractor(s) to assist in an orderly transition of services from Contractor to subsequent contractor. Such cooperation will include, but not be limited to, Contractor providing route lists and detailed Customer account and billing information. Contractor will not be obliged to sell Collection vehicles, equipment, or facilities to the next Contractor; however, the City has rights to ownership of Containers pursuant to Section 5.16.4. Depending on Contractor's circumstances at the point of transition, the Contractor at its option may enter into negotiations with the next Contractor to sell (in part or all) Collection vehicles, and other equipment or facilities.

In connection therewith, Contractor acknowledges that the provisions of Public Resources Code Sections 49520-49523 have no application to this Agreement and agrees, to the extent such sections may have application, to waive whatever rights they may afford.

12.9 Parties in Interest

Nothing in this Agreement, whether express or implied, is intended to confer any rights on any Persons other than the Parties to it and their representatives, successors, and permitted assigns.

12.10 Waiver

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

12.11 Contractor's Investigation

The Contractor has made an independent investigation (satisfactory to it) of the conditions and circumstances surrounding the Agreement and the work to be performed by it.

12.12 Notice

All notices, demands, requests, proposals, approvals, consents, and other communications which this Agreement requires, authorizes, or contemplates, except as provided in Section 10.1, shall be in writing and shall either be personally delivered to a representative of the Parties at the address below or deposited in the United States mail, first class postage prepaid, addressed as follows:

If to City:

City Manager
City of Pleasanton
123 Main Street
Pleasanton, CA 94566

4558 With copies to:

4559 City Attorney
4560 City of Pleasanton
4561 123 Main Street
4562 Pleasanton, CA 94566

4563
4564 and,

4565 Assistant City Manager
4566 City of Pleasanton
4567 123 Main Street
4568 Pleasanton, CA 94566
4569

4570 If to Contractor:

4571 President
4572 Pleasanton Garbage Service, Inc.
4573 3110 Busch Road
4574 Pleasanton, CA 94566
4575 (925) 846-2042
4576

4577 The address to which communications may be delivered may be changed from time to time by a notice
4578 given in accordance with this Section.

4579 Notice shall be deemed given on the day it is personally delivered or, if mailed, three (3) calendar days
4580 from the date it is deposited in the mail.

4581 **12.13 Representatives of the Parties**

4582 References in this Agreement to the "City" shall mean the City of Pleasanton as defined in Section 1.27 in
4583 cases where no action is required. In cases where action is required related to adjustment of Contractor's
4584 Compensation, amendment, extension or termination of the Agreement, and approving Rates, "City" shall
4585 mean the City Council. In all other cases where action is required, "City" shall mean City Manager. The
4586 City Manager may delegate, in writing, authority to the Assistant City Manager and/or to other City staff
4587 or officials and may permit such officials, in turn, to delegate in writing some or all of such authority to
4588 subordinate officers. The Contractor may rely upon actions taken by such delegates if they are within the
4589 scope of the authority properly delegated to them.

4590 The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as
4591 the representative of the Contractor in all matters related to the Agreement and shall inform the City in
4592 writing of such designation and of any limitations upon their authority to bind the Contractor. The City
4593 may rely upon action taken by such designated representative as actions of the Contractor unless they
4594 are outside the scope of the authority delegated to them by the Contractor as communicated to City.

12.14 City Free to Negotiate with Third Parties

The City may investigate all options for the Collection, Transportation, Processing and Disposal of Solid Waste, Recyclable Materials Organic Materials, C&D, and Bulky Items after the expiration of the Term or earlier termination of this Agreement. Without limiting the generality of the foregoing, the City may solicit proposals from Contractor and from third parties for the provision of Collection services, Disposal services, Recycling services, Organic Materials Collection and Composting, and any combination thereof, and may negotiate and execute agreements for such services which will take effect upon the expiration or earlier termination under Section 11.3 of this Agreement.

12.15 Statements and Supplemental Information

The Contractor submitted Contractor's Proposal, on which the City has relied in awarding this Agreement to Contractor and entering into this Agreement, does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in light of the circumstances in which they were made, not misleading.

12.16 Criminal Activity of Contractor**12.16.1 Definitions**

A. **Contractor Party.** For the purposes of this Section, Contractor Party(ies) shall mean Contractor, its officers, directors, or management or fiscal employees where "management employee" means any employee with direct or indirect responsibility for direction and control over the Contractor's activities and "fiscal" employee means an employee with direct or indirect responsibility and control duties relating to financial matters.

B. **Criminal Activity.** For purpose of this Section, Criminal Activity shall mean any of the following events or circumstances:

1. **Convictions.** The entry against any Contractor Party of a criminal conviction or a permanent mandatory or prohibitory injunction from a court, municipality or regulatory agency of competent jurisdiction based on acts taken in their or its official capacity on behalf of Contractor with respect to:

a. Fraud or criminal offense in connection with obtaining, attempting to obtain, procuring, or performing a public or private agreement related to municipal Discarded Materials services of any kind (including Collection, hauling, Transfer, Processing, Composting or Disposal), including this Agreement or any amendment thereto; or

b. Bribery or attempting to bribe a public officer or employee of a local, State, or federal agency; or

c. 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

- 4631 d. Unlawful disposal of Hazardous Waste or Designated Waste the occurrence of which
4632 any of Contractor Party knew or should have known; or
- 4633 e. Violation of antitrust laws, including laws relating to price-fixing, bid-rigging, and
4634 sales and market allocation, and of unfair and anti-competitive trade practices laws,
4635 including with respect to inflation of Solid Waste Collection, Transportation,
4636 Processing fees, or Disposal Fees; or
- 4637 f. Violation of securities laws; or
- 4638 g. Felonies.
- 4639 2. **Pleas.** Entry of a plea of “guilty,” “nolo contendere,” or “no contest” by a Contracting Party
4640 based on acts taken in their or its official capacity on behalf of Contractor with respect to the
4641 conduct described in preceding subdivision one (1) of this Section.

4642 **12.16.2 Notice**

4643 Contactor shall notify City in writing within five (5) calendar days of occurrence of any Criminal Activity.

4644 **12.16.3 Contractor’s Cure**

4645 Upon occurrence of any Criminal Activity, Contractor shall immediately do or cause to be done all of the
4646 following:

- 4647 A. Terminate from employment or remove from office any offending individual Contractor Party,
4648 unless otherwise directed or ordered by a court or regulatory agency of competent jurisdiction or
4649 authority, and unless that termination would constitute a breach of any labor agreement entered
4650 into by Contractor, and,
- 4651 B. Eliminate participation by any individual offending Contractor Party in any management,
4652 supervision, or decision activity that affects or could affect, directly or indirectly, the performance
4653 of the Contractor under this Agreement.

4654 **12.16.4 Transfer and Hiring**

4655 Contractor shall not allow or cause to be allowed the hire or transfer of any individual Contractor Party
4656 from any parent or subsidiary company or business entity of Contractor who has committed Criminal
4657 Activity for a position as a Contractor representative, field supervisor, officer, or director who is directly
4658 or indirectly responsible for performance of this Agreement without obtaining prior written consent of
4659 City, following full disclosure to City of the facts and circumstances surrounding such Criminal Activity.

4660 **12.16.5 City’s Remedy**

4661 City, in its sole discretion, may terminate the Agreement upon thirty (30) calendar days written notice to
4662 Contractor, or may impose other sanctions (which may include financial sanctions, temporary suspensions
4663 or any other condition deemed appropriate short of termination) as it will deem proper, in the following
4664 events:

4665 A. Contractor fails to comply with material obligation set forth in Articles 5, 6, 7, 9 or 12 of this
4666 Agreement, subject to any cure provisions stated herein, or,

4667 B. The Criminal Activity concerns or relates directly or indirectly to this Agreement.

4668 Contractor shall be given the opportunity to present evidence in mitigation during the thirty (30) day
4669 notice period.

4670 **12.17 Material Change Notification Process**

4671 Contractor recognizes that material changes in the number and type of Customers, the amount of Gross
4672 Rate Revenue collected from Customers, Change in Law, and other factors may impact financial results
4673 and expectations of or related to the Agreement. Therefore, the Contractor recognizes that it has an
4674 obligation to provide timely notices to the City of such changes and agrees to exercise diligence in
4675 monitoring conditions and to notify the City of any such changes or potential changes as soon as
4676 Contractor is aware of such.

4677 In addition, Contractor shall provide to City monthly reports tracking revenue billed and actual Gross Rate
4678 Revenue received as required by monthly reporting requirements in Section 6.3.2.F and quarterly reports
4679 as required by Section 6.3.3.L so that any material changes to revenues may be detected as quickly as
4680 possible. Contractor and City shall, at an agreed to time, meet to discuss the results of such analysis. In
4681 the event that there is a material difference between actual financial results and expectations, the City
4682 shall be entitled to request from Contractor or Contractor on its own, may initiate a Special Rate Review
4683 pursuant to Section 8.4.

ARTICLE 13. MISCELLANEOUS AGREEMENTS

13.1 Entire Agreement

This Agreement, including the Exhibits, represents the full and entire Agreement between the Parties with respect to the matters covered herein, and shall replace and supersede all previous agreements or understandings whether written or otherwise between the Parties.

13.2 Section Headings

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

13.3 References to Laws

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

13.4 Interpretation

This Agreement shall be interpreted and construed reasonably and neither for nor against either Party, regardless of the degree to which either Party participated in its drafting.

13.5 Amendment

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

13.6 Severability

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

13.7 Counterparts

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

13.8 Exhibits

Each of the Exhibits identified as Exhibits "A" through "O" is attached hereto and incorporated herein and made a part hereof by this reference.

Franchise Agreement with Pleasanton Garbage Service

4711 IN WITNESS WHEREOF, City and Contractor have executed this Agreement as of the day and year first
4712 above written.

4713

4714 ATTEST:

4715

4716 City CLERK

CITY OF PLEASANTON ("CITY")

4717

4718 By Jocely JayBy Karla Browne

4719

City Clerk

Mayor

4720

4721 Date: July 14, 2022Date: July 12, 2022

4722

4723

4724 APPROVED AS TO FORM:

4725

4726 David S. Godep

4727

4728 City Attorney

4729

4730 Date: July 14, 2022

4731

4732

4733

4734 APPROVED AS TO FORM:

PLEASANTON GARBAGE SERVICE, INC. ("PGS")

4735

4736

4737 [Signature]By: [Signature]

4738

4739 Contractor Attorney

Name: Robert Molinaro

4740

Title: President

4741

4742 Date: 6/24/22Date: 7/1/22

4743

4744

4745

4746

EXHIBIT A
CITY SERVICE LOCATIONS

Account #	Name	Address	Solid Waste	Mixed Recycling	Organics	Cardboard Only	Paper Gobbler	Other
none	Alviso Adobe Community Park	3465 Foothill Road, 94588	none	none	none	none	none	
none	Amador Recreation Center	4433 Black Avenue, 94566	none	none	none	none	none	
2583998	Amador Theater	1155 Santa Rita Road, 94566	3 yard bin 1/wk	none	none	none	none	
6880619	Bernal Community Park	7001 Pleasanton Avenue, 94566	2 - 4 yard bin 1/wk	none	none	none	none	1 PFL/1Patelco
3588879	City Hall	157 Main Street, 94566	4 yard bin 3/wk	7 - 96 gallon can	none	one	3 - 64 gallon can	7 roll out carts
none	Century House	2401 Santa Rita Road, 94566	none	none	none	none	none	
none	Cultural Arts Center	4477 Black Avenue, 94566	none	none	none	none	none	
353224	Delores Bengston Aquatics Center	4455 Black Avenue, 94566	4 yard bin 1/wk	none	none	none	1 - 64 gallon can	
8077723	Special Event - Shakespeare in the Park	4455 Black Avenue, 94566	MOD 4yard bin take away -3 weeks					
5061102	Fire Station 1 - Headquarters	3560 Nevada Street, 94566	4 yard bin 1/wk	1 - 96 gallon can			1 - 64 gallon can	
unknown	Fire Station 2	6300 Stoneridge Mall Road, 94588						
unknown	Fire Station 3	3200 Santa Rita Road,						
3333506	Fire Station 4	1600 Oak Vista Parkway, 94566						
unknown	Fire Station 5	1202 Machado Place, 94566	1 yard bin 1/wk	1 - 96 gallon can	none	none	1 - 64 gallon can	
103050	Fire Training Facility	3301 Busch Road, 94566	1 yard bin 1/wk	1 yard bin 1/wk	none	none	none	
6988187	Firehouse Arts Center	4444 Railroad Avenue, 94566	3 yard bin 1/wk	none	none	none	none	
2116994	Gingerbread Preschool	4333 Black Avenue, 94566	3 yard bin 1/wk	none	none	none	1 - 64 gallon can	

Account #	Name	Address	Solid Waste	Mixed Recycling	Organics	Cardboard Only	Paper Gobbler	Other
3669234	Ken Mercer Sports Park	3311 Hopyard Road, 94566	2 - 4 yard bin 1/wk*	none	none	none	none	2 - MOD 4 yard take away *Concession #3 BUSC, Concession #4 PJFL
162786	Library and Police Departments	400 Old Bernal Avenue, 94566	4 yard bin 3/wk	4 - 96 gallon can	none	4 yard bin 1/wk	2 - 64 gallon	1 - 90 gallon can (CTW), MOD 4 yard bin take away, lock & Key 4/wk
44744	Maint Street & Wheels Bus Stop	various	40 cans 2/wk	none	none	none	none	service level will increase with new franchise 38 Main St./2 Wheels
none	Nature House	517 Kottinger, 94566	none	none	none	none	none	
2517540	Operation Services Center	3333 Busch Road, 94566	20 yard drop box 1/wk	3- 96 gallon can	one	4 yard bin 1/wk	2 - 64 gallon can	
126420	Parks Division	P.O. Box 520						Dump Charges
2604498	Pleasanton Senior Center	5353 Sunol Boulevard, 94566	4 yard bin 2/wk	1 - 96 gallon can	1- 96 gallon can	none	1 - 64 gallon can	
6218306	Val Vista Gardens	6701 Payne Court						MOD 4 yard bin take away
5540227	Val Vista Park - Special Event	7350 Johnson Drive, 94588						MOD 4 yard bin take away
unknown	Veterans Memorial Building	301 Main Street						

EXHIBIT B
PUBLIC EDUCATION PLAN

EXHIBIT B

PUBLIC EDUCATION PLAN

Contractor's public education plan submitted as of the Commencement Date of the Agreement is as follows:

Contractor understands and recognizes the importance of effective public education and promotion as the key to helping Residents and businesses understand more about source reduction, reuse, Recycling, and other methods of Diversion. Such education is essential to minimizing contamination of Salvageable Materials. Contractor shall include the following services as part of its public education program. **All public education materials shall be approved by the City prior to distribution to Customers, publication, or issuance.**

1. STAFFING PLAN AND STAFF ROLES

To best achieve the highest possible level of public education and awareness, Contractor shall hire one Outreach Coordinator on a full-time basis (40 hours per week, 52 weeks per year) to supervise, coordinate and implement all public education and outreach activities in the City. This Coordinator shall serve the City exclusively; they shall serve no other Contractor-related operations. The Outreach Coordinator shall perform the following tasks:

A. Government and Community Relations

1. Serve as a liaison between the City and Contractor
2. Represent Contractor at City Council, City staff, and City strategy development meetings
3. Work with the City in partnership to develop and incorporate municipal activities into Contractor activities, and vice versa
4. Prepare proposals and presentations to City Council and City staff upon request
5. Participate and represent Contractor in community activities
6. Oversee customer satisfaction of all program services
7. Ensure compliance with City and regulatory agencies
8. Support local community service organizations as well as various local clean-up projects

B. Media Relations

1. Develop relationships with reporters: TV, radio, and newspapers
2. Track media coverage

C. Contract Compliance

1. Coordinate and produce annual education plan required by Section 5.17.2 of the Agreement
2. Coordinate implementation of the annual public education plan
3. Coordinate and produce monthly, quarterly, and annual reports required by Section 6.3 of the Agreement

D. Outreach - Evaluate outreach programs for effectiveness

The Outreach Coordinator shall not work alone but shall be head of an experienced team. This team shall consist of one half (0.5) full-time equivalent assistant.

The Outreach Coordinator and Contractor shall remain receptive to any additions, modifications or enhancements to the activities and obligations described in this Exhibit that the City Contract Manager or their designee believe would further progress in promoting Recycling education. However, such additions, modifications or enhancements shall not modify Contractor's obligation to achieve the Diversion Rates contained in Section 5.22 of the Agreement.

2. SINGLE-FAMILY EDUCATION PROGRAMS

A. Initial Public Education Activities

1. Within one (1) month of the Commencement Date of this Agreement, Contractor shall prepare and distribute a mailer to Single-Family Customers explaining any changes from the existing Collection programs to new programs; date of change, etc.

B. Continuing Programs Throughout Agreement

1. Prepare and maintain a "how-to" flyer describing how to prepare Recyclable and Organic Materials for Collection and describe the acceptable materials that can be included in the Recyclable Materials and Organic Materials Containers.
2. Prepare a "how-to" flyer describing the proper set out procedures for Collection Containers.
3. Visit homeowner associations or other groups to promote and explain the program, as requested by the associations or as scheduled by the City.
4. Prepare and distribute quarterly newsletters that creatively inform residents about such topics, as availability of three free on-call clean-up events, bulky item pick-ups, availability of Cart cleaning services, home Composting, proper handling of Household Hazardous Waste, E-Waste, and U-Waste, and environmental conservation.
5. Prepare and distribute annually a bill insert, brochure, and/or feature quarterly newsletter article describing how to prepare Recyclable Material for Collection. Contractor shall inform residents as to the acceptable materials that can be included in the Recyclable Materials Containers and any common contaminants to be excluded from Collection to customers.
6. Prepare and distribute annually a bill insert, brochure, and/or feature quarterly newsletter article describing how to prepare Yard Trimmings and Food Scraps for Collection. Contractor shall instruct Customers as to any necessary preparation of Yard Trimmings, such as the cutting of items, placement of materials outside a Container (provided such material is bundled in

lengths less than five feet and bundles that weigh less than 30 pounds), provide tips for minimizing the “yuck” factor of Food Scraps Collection, and describe appropriate use and placement of Organic Materials Containers.

7. Supervise the design and production of four quarterly Single-Family bill inserts covering those educational and topical issues deemed appropriate by the City such as the semi-annual free drop-off events at the Approved Transfer Site, Food Scraps Collection, battery Recycling, holiday tree Recycling, etc.
8. Produce corrective actions notices for use in instances where the Resident sets out inappropriate materials.
9. Produce educational “Cart hangers” annually, the specifics of which shall be developed through meetings with City Contract Manager or their designee.
10. Two weeks prior to Christmas, provide written notification to each Single-Family Customer that Curbside Collection of holiday trees will occur during the first and second week beginning on the Monday following New Year’s Day in accordance with Section 5.4.3 of the Agreement.
11. On each bill, Contractor shall include a brief statement to Customers providing service-related announcements such as messages about new services, the on-call clean-up and Bulky Item pick-up services, availability of Cart cleaning services, proper handling of Household Hazardous Waste, holiday tree Collection, etc.
12. Contractor shall promote the on-call clean-up service annually by preparing billing inserts to be included in each Single-Family Customer’s bill and by advertising in a minimum of two local newspapers as approved by the City.

3. MULTI-FAMILY EDUCATION PROGRAMS

A. Initial Public Education Activities

13. Within one (1) month of the Commencement Date of this Agreement, Contractor shall prepare and distribute a mailer to Multi-Family Customers explaining any changes from the existing Collection programs to new programs; date of change, etc.

B. Continuing Programs Throughout Agreement

1. Perform the same public education activities required in the programs for Single-Family Customers continuing activities as described above by preparing and distributing specially designed public education materials for Multi-Family residents with the exception of the following tasks which shall not be performed:
 - Prepare and distribute quarterly newsletters that creatively inform residents about such topics, as availability of three free on-call clean-up events, bulky item pick-ups, home composting, Household Hazardous Waste and E-Waste Collection event, and environmental conservation;
 - Prepare and distribute annually a bill insert, brochure, and/or feature quarterly newsletter article describing how to prepare Yard Trimmings and Food Scraps for Collection; and,

- Two weeks prior to Christmas, announce to each Single-Family Customer that Curbside Collection of holiday trees will occur during the first or second week beginning on the Monday following New Year's Day in accordance with Section 5.4.3 of the Agreement.
- 2. Visit apartment managers or home owners' association meetings or other groups to promote and explain the Collection programs throughout the term of the Agreement, as requested by the associations or as scheduled by the City.
- 3. Prepare annually public education material on Recycling and proper handling of Household Hazardous Waste, E-Waste, and U-Waste and distribute materials directly to tenants of Multi-Family Premises. Contractor may arrange for distribution to each tenant unit a flyer, newsletter, door hanger, or other public education piece by coordinating with the Owner or property manager of the Premises; or the Contractor may provide an article that the Owner or property manager can place in the complex's newsletter (if applicable).
- 4. Conduct a site visit at least twice annually to meet with the property manager or owner for all Multi-Family Customers to promote Recyclable Materials and Organic Materials Collection, check adequacy of the level of Recyclable Materials and Organic Materials service, verify Container signage is adequate, and distribute public education materials and Personal Recycling Bins as needed by each Multi-Family Complex.
- 5. Prepare and distribute "move-in" kits for property managers and owners of Multi-Family complexes to provide new tenants. Move-in kits shall provide Recycling information and Contractor's Customer service phone number where questions can be answered.
- 6. Prepare and distribute at least two bill inserts annually for Multi-Family Owners and Property Managers that are each focused on a key subject (e.g. Recycling Procedures, free Recycling technical assistance, Bulky Item collection, handy hauler service, etc.).
- 7. Notify Owners and property managers at least two weeks before Christmas of the location and dates the holiday tree drop-off area will be available.
- 8. On each bill, Contractor shall include a brief statement to Customers providing service-related announcements such as messages about new services, the on-call clean-up and Bulky Item pick-up services, proper handling of Household Hazardous Waste, holiday tree Collection, etc.

4. COMMERCIAL EDUCATION PROGRAMS

A. Initial Start-Up Public Education Activities

1. Within one (1) month of the Commencement Date of this Agreement, Contractor shall prepare and distribute a mailer to Commercial Customers explaining any changes from the existing Collection programs to new programs; date of change, etc.

B. Continuing Programs Throughout Agreement

1. Prepare and distribute a quarterly newsletter to all Commercial Customers promoting and explaining Recyclable Materials and Organic Materials Collection and Diversion programs, and identifying possible cost savings through participation in Recyclables and Organics programs. The newsletter shall be distributed to Commercial Customers at the same time bills are issued.

2. Prepare and distribute annually a brochure and/or feature a quarterly newsletter article promoting the Organic Materials Collection program. Contractor shall instruct Customers on how to prepare Food Scraps, and provide tips for minimizing employee training.
3. Prepare and distribute annually a brochure and/or feature a quarterly newsletter article promoting the free Recycling technical assistance offered by Contractor and the services of the Alameda County Waste Management Authority's StopWaste Partnership program.
4. Prepare brochures, flyers, and articles for the quarterly newsletter related to non-franchise-related programs such as source reduction, reuse and non-Contractor Recyclable Materials programs (e.g., green business recognition, Hazardous Waste management, buy-recycled policies, etc.). These materials shall be available upon request, and articles shall be published in the quarterly newsletter.
5. Conduct audits of Commercial Premises as required by Section 5.17.6 of the Agreement. Audits shall include:
 - Meeting with the Customer, Owner, property manager, and/or party responsible for the day-to-day operations of the on-site Commercial activities to discuss the Collection program options, review the types of materials generated, promote Diversion services, respond to questions, agree upon the appropriate Solid Waste, Recyclable Materials, and Organic Materials service levels, etc.;
 - Visual inspection of the types of Solid Waste, Recyclable Materials, and Organic Materials generated at the Premises and estimation of the appropriate level of service for Solid Waste, Recyclable Materials, and Organic Materials Collection service; and,
 - Distribution of public education materials, signage, and posters, to Customers at the time of the assessment or upon request.
6. Educate businesses about the Commercial Organic Materials program. The key components of the public education campaign shall be:
 - Placing Food Scraps presentation posters in highly trafficked areas in the City; and,
 - Producing and distributing periodically, but at Contractor's discretion not more than quarterly, newsletters or bill inserts that inform customers about the Commercial Organic Materials Program.
7. Develop and distribute a Recycling resource guide to provide vendors with names, numbers, and contacts for purchasing Recycled products, re-use donation locations, and other Recycling companies, to be updated annually.
8. Attend business association meetings to promote and explain the Collection programs throughout the term of the Agreement, as requested by the associations or as scheduled by the City.
9. Provide employee training to businesses that participate in Recyclable Materials and/or Organic Materials Collection programs, annually upon the Customer's request.
10. Develop and use a corrective action notice for use situations where businesses set out inappropriate materials.

11. Notify all Commercial Customers in writing two weeks before the Christmas holiday of the dates, time, and places of the holiday tree drop-off area provided in accordance with Section 5.14.5 of the Agreement.
12. Assist the City with evaluating commercial program participation in conjunction with the StopWaste.Org audits.
13. On each bill, Contractor shall include a brief statement to Customers providing service-related announcements such as messages about new services, the on-call clean-up and Bulky Item pick-up services, proper handling of Hazardous Waste, holiday tree Collection, etc.

5. SCHOOL OUTREACH

Develop and implement a public school education curriculum to teach children, through classroom presentations, how to Recycle and Compost at school and at home.

6. ALL SECTORS

- A. Produce press releases, social media posts, and advertisements tied to specific community events at intervals determined by the City. Press releases shall be developed and reviewed by the City regarding new or enhanced services as needed. Advertisements shall be developed in conjunction with workshops, training programs, etc.
- B. Conduct educational tours of the Approved Recyclable Materials Processing Facility to familiarize residents, businesses, and school children with the facility's activities.
- C. Provide public education materials in English that address the multi-lingual diversity of the City by using visual images and English descriptions supplemented with text on the bottom of the public education document in different languages directing the non-English speaking Customers to telephone a Contractor-provided hotline for help in their native language. Upon City request, Contractor shall prepare up to four (4) public education documents annually in one or more languages and distribute the materials to Single-Family, Multi-Family, and Commercial Customers as specified by the City. Contractor shall arrange for review of the multi-lingual materials by a third party to verify the accuracy and appropriateness of the translations.
- D. Tailor promotional materials to characteristics and issues associated with particular neighborhoods or business types and distribute such materials to Customers in those neighborhoods or business types.
- E. Attend at least four community workshops to explain Collection services and respond to questions.
- F. Prepare and distribute presentation posters for distribution at local and well-trafficked public venues (Public Library, City Hall, Post Office, etc.).
- G. Develop and maintain a website describing services provided in the City as required by Section 6.8.5 of the Agreement, and maintain a social media presence through no less than one (1) social media platform (e.g., Facebook).

7. SPECIAL EVENTS

- A. Arrange for and staff a booth or table at City events to promote source reduction, reuse, Recycling, Composting, and proper handling of E-Waste, U-Waste, and Hazardous Waste to and answer questions about Collection services. At a minimum, Contractor shall provide this outreach service at four events annually to be determined with input from the City.
- B. Actively assist with City-sponsored events.
- C. Educate any event sponsor or venue organizer on the requirements of AB 2176 for large events and venues, which are required to comply with AB 2176, and assist the sponsor or organizer in preparation of a recycling plan, which shall include all information required by AB 2176.

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EXHIBIT C
RESERVED

EXHIBIT D

CART SPECIFICATIONS

EXHIBIT D

CART SPECIFICATIONS

The Cart specifications provided in this Exhibit D shall pertain to all Carts provided by the Contractor to Customers during the Term of the Agreement **with the exception that the specifications shall not apply to the Carts in use on the Commencement Date, which were purchased and distributed under the previous franchise agreement.**

8. CART DESIGN REQUIREMENTS

A. General

The Carts shall be manufactured by injection or rotational molding and meet the Cart design and performance requirements as specified below. Contractor shall purchase Carts that contain a minimum of 20% post-consumer recycled plastic content. Contractor must submit Cart orders (including material and design specifications, colors, and identification marks) to City for City's written approval prior to submitting the order to the manufacturer.

B. Materials Identification and Decals

Carts or their lids must be in bright, readily identifiable colors to facilitate Customer's ready recognition of Solid Waste, Recyclable Materials, and Organic Materials, subject to City's written approval as described in this Exhibit. Carts shall clearly display, by use of decal, embossing, or hot stamps, Contractor's name and telephone number. Contractor shall provide and attach decals or emboss the Cart number and information describing correct materials and methods for Collection; forbidding Disposal therein of Hazardous Waste and describing proper Disposal thereof; and forbidding scavenging (through words and international symbols) and describing the penalties therefore under California law or City Municipal Code.

C. Cart Handles

The Cart handles and handle mounts may be an integrally molded part of the Cart body or molded as part of the lid. The Cart handles shall provide comfortable gripping area for pulling or pushing the Cart or lifting the lid. Pinch points are unacceptable.

D. Cart Lid

Each Cart shall be provided with a lid that continuously overlaps and comes in contact with the Cart body or otherwise causes an interface with the Cart body that simultaneously:

- Prevents the intrusion of rainwater, rodents, birds, and flies;
- Prevents the emission of odors;

- Enables the free and complete flow of material from the Cart during the dump cycle without interference with the material already deposited in the truck body or the truck body itself and its lifting mechanism;
- Permits users of the Cart to conveniently and easily open and shut the lid throughout the serviceable life of the Cart;
- The lid handle shall be an integrally molded part of the lid;
- The lid (and body) must be of such design and weight that would prevent an empty Cart from tilting backward when flipping the lid open; and,
- The lid shall be hinged to the Cart body in such a manner so as to enable the lid to be fully opened, free of tension, to a position whereby it may rest against the backside of the Cart body.

E. Cart Colors

The Solid Waste, Recyclable Materials, and Organic Materials Carts shall be differentiated by color. The colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation. Color of lids and Cart bodies must be uniform for each Cart type (i.e., Solid Waste, Recyclable Materials, and Organic Materials) as specified in Section 5.16.7. For all colors including those prescribed in this paragraph and Section 5.16.7, the Contractor shall obtain written approval from the City for the Cart colors before Contractor's purchase of the Carts. Notwithstanding this Section, the Contractor is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the color requirements of Section 5.16.7.B prior to the end of the useful life of those Containers, or prior to January 1, 2036, whichever comes first.

F. Identification Markings

All markings on the Carts shall be approved by the City in advance of ordering Carts. An arrow, of at least three (3) inches by five (5) inches, hot stamped in white color shall be placed on the lid, indicating the direction of Cart placement.

In character size of no less than 3/16 inches, the phrase:

**PLACE CART WITH ARROW FACING
STREET FOR COLLECTION
COLOQUE EL RECIPIENTE CON LAS FLECHAS
HACIA LA CALLE**

Additionally, the **SOLID WASTE, RECYCABLES** or **ORGANIC MATERIALS** must be hot stamped in white on the front or sides of the Cart in characters no less than one (1) inch.

Contractor shall label all new or replacement Carts in accordance with the Container labeling requirements and timeline specified in Section 5.16.7 of this Agreement.

9. CART PERFORMANCE REQUIREMENTS

A. General

All Carts shall be designed and manufactured to meet the minimum performance requirements described below.

B. Cart Load Capacity

Depending on the capacity, the Carts shall have a minimum load capacity as noted on the following table without Cart distortion, damage, or reduction in maneuverability or any other functions as required herein.

Cart Size (Gallons)	Minimum Load Capacity (Pounds)
96	200
35	70

C. Cart Durability

Carts shall remain durable, and at a minimum, shall meet the following durability requirements to satisfy its intended use and performance, for the Term of this Agreement:

- Maintain its original shape and appearance;
- Be resistant to kicks and blows;
- Require no routine maintenance and essentially be maintenance free;
- Not warp, crack, rust, discolor, or otherwise deteriorate over time in a manner that shall interfere with its intended use;
- Resist degradation from ultraviolet radiation;
- Be incapable of penetration by biting or clawing of household pets (i.e., dogs and cats);
- The bottoms of Cart bodies must remain impervious to any damage that would interfere with the Cart's intended use after repeated contact with gravel, concrete, asphalt, or any other rough and abrasive surface;
- All wheel and axle assemblies are to provide continuous maneuverability and mobility as originally designed and intended; and,
- Resist degradation by other airborne gases or particulate matter currently present in the ambient air of the City.

D. Chemical Resistant

Carts shall resist damage from common household or Residential products and chemicals. Carts, also, shall resist damage from human and animal urine and feces.

E. Stability and Maneuverability

The Carts shall be stable and self-balancing in the upright position, when either empty or loaded to its maximum design capacity with an evenly distributed load, and with the lid in either a closed or an open position.

The Carts shall be capable of maintaining its upright position in sustained or gusting winds of up to twenty-five (25) miles per hour as applied from any direction.

The Carts shall be capable of being easily moved and maneuvered, with an evenly distributed load equal in weight to its maximum design capacity on a level, sloped, or stepped surface.

F. Lid Performance

Cart lid assemblies shall meet the following minimum requirements:

- Prevent damage to the Cart body, the lid itself, or any component parts through repeated opening and closing of the lid by residents or in the dumping process as intended;
- Remain closed in winds up to twenty-five (25) miles per hour from any direction. All lid hinges must remain fully functional and continually hold the lid in the original designed and intended positions when either opened or closed or any position between the two extremes; and,
- Lid shall be designed and constructed such that it prevents physical injury to the user while opening and closing the Cart.

G. Reparability

Minor cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts shall be readily repairable by the Contractor's personnel. All repairs must restore the Cart to its full functionality to meet the design and performance requirements as set forth herein.

EXHIBIT E
SCHEDULE OF PERFORMANCE
ADJUSTMENTS (LIQUIDATED
DAMAGES)

EXHIBIT E

SCHEDULE OF PERFORMANCE ADJUSTMENTS (LIQUIDATED DAMAGES)

Contractor may be assessed Liquidated Damages in the event Contractor fails to fulfill its obligations with regards to the events listed in this Exhibit in accordance with the terms and conditions of the Agreement with regards to the time frame for accomplishing each event and nature of the responsibility associated with the event unless otherwise stated in this Exhibit. Refer to Section 11.6 of the Agreement for procedures for assessing Liquidated Damages.

Collection Reliability		
1	For failure to maintain the Collection schedule for a portion of a route or entire route on the scheduled day (unless non-Collection was warranted pursuant to this Agreement):	\$25.00/Container
2	For each failure over fifteen (15) annually to Collect Discarded Materials, which have been properly set out for Collection from an established service recipient account on the scheduled Collection day:	\$150.00
3	For each failure to Collect missed Collections within twenty-four (24) hours of receipt of the Complaint:	\$300.00
4	For each failure to collect Discarded Materials which have been properly set out for Collection, from the same service recipient on two (2) consecutive scheduled pick-ups:	\$150.00
5	For each failure to notify the appropriate authorities of reportable quantities of Hazardous Waste per Article 5:	\$500.00
6	For each failure over five (5) annually to commence service to a new Customer within seven (7) calendar days after order received and account number established, failure to deliver a different Container size to a Customer within seven (7) Business Days of request, or failure to deliver kitchen pails, Multi-Family Personal Recycling Bins, Commercial Recyclable Materials or Organic Materials bins for internal use within the timeframe required by Article 5:	\$150.00
7	For each occurrence of failing to provide Customers with the three-Container system required by and compliant with this Agreement, the City's Municipal Code, and SB 1383 (excluding Generators granted waivers pursuant to this Agreement and the Municipal Code, to the extent that such waivers	\$500/Customer

	impact the scope of services provided to the Generator):	
Collection Quality		
8	For each occurrence over five (5) annually of unreasonable leaking or Unacceptable Spillage of Discarded Materials and failure to pick up or clean up such Discarded Materials immediately:	\$300.00
9	For each occurrence over twelve (12) annually of failure to replace Containers in original position, upright, with lids attached to or on Carts or Bins:	\$150.00
10	For each failure over twenty-four (24) annually of not closing a gate, crossing planted areas, or other damage to private property:	\$300.00
11	For each occurrence over five (5) annually of Collecting Discarded Materials during unauthorized hours:	\$300.00
12	For each occurrence over twelve (12) of excessive noise:	\$300.00
13	For each failure to issue contamination notices, courtesy pick-up notices, and non-Collection notices, as applicable in accordance with this Agreement:	\$150.00
14	Failure to conduct route audits and contamination monitoring as required by this Agreement:	\$150/Route
15	For each occurrence over five (5) annually of failure to clean Collection vehicles one time per week, as described in Section 5.15.5.B:	\$150.00
16	For each occurrence over five (5) annually of damage to property that is not repaired in thirty (30) days:	\$250.00
17	For each occurrence of mixing Solid Waste, Recyclable Materials, and/or Organic Materials during Collection:	\$150.00
18	For each occurrence of failure to deliver materials to appropriate Approved Facility for each Discarded Material type:	\$150.00/Ton
19	For each occurrence of Contractor's failure to comply with Container labeling and color requirements pursuant to Section 5.16 of this Agreement:	\$250.00/Container
20	Failure to comply with RNG standards and notification processes, if applicable, in accordance with Section 5.15.8:	\$250.00/occurrence
Diversion and Processing		
21	For each percent or fraction of a percent less than the Diversion standards described in Section 5.22	\$10,000.00 annually for each percent or fraction thereof

	Contractor achieves annually. For example if Contractor achieves 72.0% Diversion of C&D from temporary Debris Box service (other than Portland cement concrete and asphalt concrete, and taking into account only C&D projects where Contractor Collects all materials) in accordance with Section 5.22, it will pay \$30,000. If the Contractor achieves 73.9% under the same circumstances, it will pay \$20,000:	
22	Each individual occurrence of delivering for Disposal Recyclable Materials, Organic Materials, or Salvageable Materials set out for Collection by the Customer (including use as ADC or AIC) rather than Processing, unless authorized per this Agreement:	\$500/Ton
23	Failure of Contractor to procure and provide the amount of Compost Product specified in Section 5.13.3 of this Agreement; directly to the City and/or through the required Compost giveaways:	\$250/Cubic Yard
Customer Responsiveness		
24	For each occurrence of unreasonably discourteous behavior by Contractor staff:	\$500.00
25	For each failure to respond to and initiate a remedy to a Complaint within eight (8) working hours after notification by the City:	\$300.00
26	For each failure to answer the telephone or answering machine during the hours specified in Section 6.8:	\$300.00
27	For each failure to respond to service requests/ calls within twenty-four (24) hours as specified in Section 6.8:	\$300.00
28	For each failure to return calls received during non-business hours no later than 5:00 p.m. of the following Business Day:	\$300.00
29	For each occurrence over five (5) annually for Complaints regarding waiting on hold for more than two (2) minutes as specified in Section 6.8.4:	\$150.00
Reporting and Performance Adjustments*		
30	For each day that a Monthly Report is late:	\$100.00/ day
31	For each day that a Quarterly Report is late:	\$200.00/ day
32	For each day an Annual Report is late:	\$300.00/ day
33	For each failure to submit any individual report or provide access to records in compliance with and in the timeframe specified in this Agreement. Incomplete and/or inaccurate reports shall be considered a failure to submit until such time as all information in the report has been provided in	\$500/event

	a complete and accurate form. In the event the City determines an errant or incomplete report more than ten (10) Business Days after submittal by Contractor, Contractor shall be given ten (10) Business Days to complete and correct and any pending Liquidated Damages shall be tolled during that period:	
Public Education		
34	Failure to employ personnel specified in Section 5.17 for public education activities:	\$150.00/day
35	Failure to meet with City Contract Manager or their designee in accordance with this Agreement:	\$150.00/day
36	Failure to send initial mailing to Residential Generators:	\$300.00/day
37	Failure to prepare and distribute "how-to" brochure/calendar to Residential Generators:	\$150.00/day
38	Failure to prepare and distribute to Residential Generators door hanger, flyer or mailer to Customers regarding specific Collection day, holiday, Christmas tree, and cleanup event schedules:	\$150.00/day
39	Failure to conduct community presentations targeted at Residential Generators:	\$150.00/day
40	Failure to prepare and mail quarterly newsletter to all Residential Generators:	\$150.00/day
41	Failure to send initial mailing to Commercial businesses:	\$300.00/day
42	Failure to prepare and distribute "how-to" brochures for each of the five Commercial business types:	\$150.00/day
43	Failure to conduct training meetings for Commercial businesses:	\$150.00/day
44	Failure to meet with business associations:	\$150.00/day
45	Failure to conduct Commercial waste audits:	\$150.00/audit
46	Failure to conduct Multi-Family waste audits:	\$150.00/audit
47	Failure to provide comprehensive report of findings and suggestions to each entity for which a Commercial or Multi-Family audit was performed:	\$150.00/day
48	Failure to perform other public education and outreach efforts required by the Agreement, including Exhibit B:	\$150.00/ day
49	Failure to prepare and annually update a Recycling resource guide:	\$150.00/ day
50	Failure to participate in special events:	\$300.00/ event-day

51	Failure to maintain accurate and complete information on Contractor's dedicated webpage for Pleasanton:	\$150.00/ day
52	Failure to conduct any of the SB 1383 public education requirements of Section 5.17.7:	\$300/occurrence
Miscellaneous		
53	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 twenty-four (24) hours upon twenty-four (24) hour notification by City:	\$150.00/ for each

* 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 as indicated in the Reporting and Performance Adjustment section above.

In 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 F
CONTRACTOR'S TOTAL PROPOSED
COSTS FOR RATE PERIOD ONE

General Proposer Information		City of Pleasanton
Proposer Name: PLEASANTON GARBAGE SERVICE, INC.		Form 1 - General Information
		RFP Response Dated March 2, 2018
A. Primary Contact Information		
1. Name	Bob Molinaro	
2. Title	President	
3. Phone	925.846.2042	
4. Fax	925.846.9323	
5. E-mail	gina@pleasantongarbage.com	
B. Support Facilities		
1. Address of collection vehicle parking, maintenance, washing, and route staff parking facility(ies)	3110 Busch Rd, Pleasanton, CA 94566	
2. Address of administrative office	3110 Busch Rd, Pleasanton, CA 94566	
3. Address of billing office	3110 Busch Rd, Pleasanton, CA 94566	
4. Address of customer service office	3110 Busch Rd, Pleasanton, CA 94566	
C. Vehicle Manufacturer and Specifications (Body Capacity, GVWR, Load Capacity)		
1. Residential Collection Vehicles	Autocar chassis / Heil Rapid Rail Body & Labrie Automizer	
2. Commercial Collection Vehicles	Autocar & Mac chassis / Heil Half/Pack & Durapack	
3. Drop Box Vehicles	Peterbuilt chassis / Huge Haul Rails	
D. Container Manufacturer, Sizes Offered, and Specifications		
1. Carts	Toter & Rehrig 35-gallon & 96-gallon	
2. Bins	Consolidated Fabricators, McGlaughlin Waste Equipment, Inc. & Stockton Tri Industries, Inc. 1-, 2-, 3-, 4- & 7-cubic yards	
3. Drop Boxes	Consolidated Fabricators, McGlaughlin Waste Equipment, Inc. & Stockton Tri Industries, Inc. 15, 20, 30, & 40 yard	
E. Recyclable Materials Processing and Handling		
1. Name of processing site	Pleasanton Transfer Station	
2. Owner's name	Pleasanton Garbage Service, Inc.	
3. Operator's name	Pleasanton Garbage Service, Inc.	
4. Address of processing location	3110 Busch Rd, Pleasanton, CA 94566	
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	direct haul	
6. Name and address of transfer location (if applicable)	n/a	
7. Tip Fee (Inclusive of transfer and disposal costs) per processed ton	\$	283.72
8. Recyclable Materials Sales Revenue per Ton	\$	(112.75)
9. PGS Diversion / Handling Savings / Net Stamp Revenue per processed ton	\$	(16.45)
10. Recyclable Materials Net Processing per Ton		154.52

F. Organic Materials Processing and Handling		
1.	Name of processing site	Recology Blossom Valley Organics Composting Facility
2.	Owner's name	Recology, Inc.
3.	Operator's name	Recology, Inc.
4.	Address of processing location	3909 Gaffery Rd, Vernalis, CA 95385
5.	Hauling method (e.g. direct haul, transfer haul, Pod haul)	transfer haul
6.	Name and address of transfer location (if applicable)	Pleasanton Transfer Station 3110 Busch Rd, Pleasanton
7.	Average Tip Fee (Inclusive of transfer and disposal costs) per processed ton	\$ 60.56
8.	Organic Materials Sales Revenue per Ton (if applicable)	n/a
G.Solid Waste Disposal Costs		
1	Disposal Cost per Ton	\$ 22.48
2	Combined Regulatory Fee Cost per Ton	\$ 19.90
3	Tipping Fee per Load	\$ 25.00
4	Environmental Fee per Load	\$ 13.00
5	Average Tip Fee (Inclusive of per load costs @ 20 tons/load) per ton	\$ 44.28

Operating Statistics

Proposer Name:

PLEASANTON GARBAGE SERVICE, INC.

City of Pleasanton

Form 2 Operating Statistics

RFP Response Dated March 2, 2018

Estimated Operating Requirements (July 1, 2019 - June 30, 2020)	Carts			Bins			Roll-Off			Other		TOTAL	
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	C&D Debris	Bulky Waste Program	Transfer Station		
Account Information													
1 # of weekly accounts/customers	20,330	20,246	19,579	916	462	159	149			450		21,395	
Labor Information													
2 # of regular personnel	5.00	3.00	3.00	4.00	3.50	1.50	3.00	0.00	0.00	2.00		25	
3 Labor hours/day/person	8.00	8.00	8.00	8.00	8.00	8.00	8.00	0.00	0.00	10.00		66	
4 Total labor hours/year	10,400	6,240	6,240	8,320	7,280	3,120	6,240	0	0	5,200	0	53,040	
Route Information													
5 # of routes per weekday	4.52	4.50	4.35	3.20	1.56	0.59	2.48			2.00		23.20	
6 # of persons/route	1.00	1.00	1.00	1.00	1.00	1.00	1.00			1.00			
7 # of route hours/day/route	7.00	7.00	7.00	7.00	7.00	7.00	7.00	0.00	0.00	9.00			
8 # of route hours/year	8,222.36	8,188.38	7,918.62	5,827.64	2,835.56	1,077.44	4,517.21	0.00	0.00	4,680.00		43,267.20	
9 # of FTE routes	3.95	3.94	3.81	2.80	1.36	0.52	2.17	0.00	0.00	2.25		20.80	
10 # of lifts/pulls per week for all routes	20,330	20,246	19,579	1,601	779	296	149			450			
11 # of lifts/pulls per year for all routes	1,057,160	1,052,792	1,018,108	83,252	40,508	15,392	7,744	0	0	23,400			
12 # of lifts/pulls route hour	128.57	128.57	128.57	14.29	14.29	14.29	1.71			5.00			
Tonnage Information (annual)													
13 Solid waste collected	14,754	0	0	15,447	0	0	23,840	0	0	3,377	35,993	93,411	
14 Recyclable materials collected	0	7,870	0	0	3,861	0	0	0	0	0	535	12,266	
15 Organic materials collected	0	0	13,362	0	0	2,451	2,841	0	0	0	5,769	24,423	
16 Total Collected	14,754	7,870	13,362	15,447	3,861	2,451	26,681	0	0	3,377	42,297	130,100	
17 Processing residue disposed	0	1,824	0	0	0	0	0	0	0	0	0	1,824	
18 Net Diverted	0	6,046	13,362	0	3,861	2,451	2,841	0	0	0	6,304	34,865	
19 MRF Processed Tons	7,870		753			Projected Diversion Rate							26.8%
20 Roll Off Belt Processed Tons							4,081						

Proposed Staffing Requirements
City of Pleasanton
Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

Form 3 - Staffing

RFP Response Dated March 2, 2018

Route Personnel Headcount (Include fractions of employees, as applicable)	# of Regular Personnel	# of Casual/Pool	Total
Solid Waste Carts	5.00	0.5	5.500
Recyclable Materials Carts	3.00	0.5	3.500
Organic Materials Carts	3.00	0.5	3.500
Solid Waste Bins	4.00	0.5	4.500
Recyclable Materials Bins	3.50	0.5	4.000
Organic Materials Bins	1.50	0.5	2.000
Roll-Off	3.00	0.5	3.500
Bulky Item Collection & Container Delivery	2.00	0.5	2.500
Transfer Station			-
Subtotal Route Personnel	25.00	4.00	29.000
Other Personnel Headcount (Include fractions of employees, as applicable.)			# of Employees
Executive Management (CEO, CFO, COO, etc.)			3.00
General Manager			1.00
Operations Manager			2.00
Route Supervisor			1.00
Dispatcher			0.50
Container Distribution			1.00
Container Maintenance/Welder			0.00
Maintenance Supervisor			0.00
Maintenance Personnel			0.00
Controller			1.00
Billing Clerks / AR / AP			3.00
Office Manager			0.00
Customer Service Supervisor			1.00
Customer Service Representatives			4.00
Recycling Manager			0.50
Recycling/Public Education Coordinator			1.00
Transfer Station /MRF Supervisor			1.00
Transfer Station Employees			24.00
MRF Employees (CARI)			20.00
Other (specify): <u>Payroll</u>			1.00
Other (specify): <u>Database Statistician</u>			1.00
Other (specify): _____			
Subtotal Other Personnel			66.00
	Total ALL Personnel		95.00

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

form 4 - Capital

RFP Response Dated March 2, 2018

RFP Response Data: March 2, 2019										
Collection Vehicles	Quantity									Proposed Cost During Contract Term
	New			Used			Total			
	Actual	Spare	Total	Actual	Spare	Total	Actual	Spare	Total	
Rear Loader(s)	1		1	1		1	2	-	2	\$ 370,833
Side Loader(s)	0		0	11	6	17	11	6	17	
Front Loader(s)	0		0	8	2	10	8	2	10	
Roll Off	0		0	3	1	4	3	1	4	
Flatbed (Bulky)	1		1	-		-	1	-	1	\$ 205,874
Replacement Vehicles (as needed)			0	-	-	-	-	-	-	\$ 6,000,000
Subtotal	2	0	2	23	9	32	25	9	34	\$ 6,576,707
Other Vehicles										
Pickup Trucks			0	1		1	1	-	1	
Ford Truck			0	1		1	1	-	1	
Container Distribution			0	1		1	1	-	1	
Hybrid Vehicle	1		1	-		-	1	-	1	\$ 35,000
			0	-		-	-	-	-	
			0	-		-	-	-	-	
Subtotal	1	0	1	3	-	3	4	-	4	\$ 35,000
Total Vehicle Cost										\$ 6,611,707
Containers										
Cart service										
Solid Waste 96-gallon			0	9,626	10	9,636	9,626	10	9,636	
Solid Waste 32-gallon			0	10,704	60	10,764	10,704	60	10,764	
Recyclable Material 32-gallon			0		70	70	-	70	70	
Recyclable Material 64-gallon			0	127		127	127	-	127	
Recyclable Material 96-gallon			0	20,690		20,690	20,690	-	20,690	
Organic Material 64-gallon			0	20,123		20,123	20,123	-	20,123	
Organic Material 96-gallon			0	27	4	31	27	4	31	
Subtotal	0	0	0	61,297	144	61,441	61,297	144	61,441	\$ -
Bin service										
1 cubic yard			0	234	1	235	234	1	235	
1.5 cubic yards				1		1	1	-	1	
2 cubic yards			0	341	2	343	341	2	343	
3 cubic yards			0	296	22	318	296	22	318	
4 cubic yards			0	647	23	670	647	23	670	
5 cubic yards				1		1	1	-	1	
6 cubic yards				1		1	1	-	1	
7 cubic yards			0	16		16	16	-	16	
Subtotal	0	0	0	1,537	48	1,585	1,537	48	1,585	\$ -
Drop Box service										
8 cubic yards			0	3		3	3	-	3	
10 cubic yards			0	2		2	2	-	2	
15 cubic yards			0	25	2	27	25	2	27	
16 cubic yards			0	1	2	3	1	2	3	
20 cubic yards			0	42	4	46	42	4	46	
24 cubic yards			0	1	4	5	1	4	5	
25 cubic yards			0	5		5	5	-	5	
30 cubic yards			0	56	2	58	56	2	58	
36 cubic yards			0	1		1	1	-	1	
40 cubic yards			0	13		13	13	-	13	
Other (specify): _____			0			-	-	-	-	
Replacement Containers (as needed)										\$ 2,535,000
Subtotal	-	-	-	149	14	163	149	14	163	\$ 2,535,000
Total Container Cost										\$ 2,535,000
Other (If Applicable)										
Oil Jug Racks for Sideloaders										\$ 14,344
Shop Equipment										
Fueling Equipment										
Computer and Office Equipment	Tower Software									\$ 175,000
Other (specify): _____										
Total Other Cost										\$ 189,344
Total Cost										\$ 9,336,051

5 Cost Roll-up

Summary of Contractor's Compensation

City of Pleasanton

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

RFP Response Dated March 2, 2018

Note to Proposer: Input is only required on shaded cells on this sheet. Most data is pulled from other sheets.

Estimated Annual Cost of Service (July 1, 2018 - June 30, 2019)	Cart Service			Bins			Roll-off			Other		TOTAL
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	C&D Debris	Bulky Item Program	Transfer Station	
Annual Cost of Operations												
Labor-Related Costs	\$873,778	\$527,661	\$528,849	\$700,720	\$595,598	\$249,481	\$527,661	\$0	\$0	\$308,933	\$1,793,418	\$6,106,101
Vehicle-Related Costs (DMV)	\$11,602	\$6,961	\$6,961	\$9,281	\$5,801	\$1,160	\$6,961	\$0	\$0	\$0	\$0	\$48,727
Fuel Costs (Diesel only)	\$61,269	\$36,761	\$36,761	\$49,016	\$41,528	\$17,021	\$71,243	\$0	\$0	\$0	\$109,471	\$423,069
Other Costs	\$22,980	\$13,788	\$17,691	\$18,384	\$11,490	\$2,298	\$13,788	\$0	\$0	\$0	\$187,138	\$287,556
Direct Depreciation	\$180,550	\$117,658	\$116,354	\$148,452	\$197,511	\$133,316	\$116,354	\$0	\$0	\$136,685	\$0	\$1,146,880
Legacy Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$521,504	\$496,497	\$496,540	\$1,275,445	\$418,255	\$201,721	\$1,081,066	\$0	\$0	\$11,344	\$480,306	\$4,982,677
Total Allocated Depreciation	\$3,580	\$2,307	\$2,307	\$2,943	\$2,625	\$1,352	\$2,307	\$0	\$0	\$1,670	\$0	\$19,091
Total Annual Cost of Operations	\$1,675,262	\$1,201,633	\$1,205,464	\$2,204,240	\$1,272,808	\$606,349	\$1,819,380	\$0	\$0	\$458,632	\$2,570,333	\$13,014,100
Profit	\$186,140	\$133,515	\$133,940	\$244,916	\$141,423	\$67,372	\$202,153	\$0	\$0	\$50,959	\$285,593	\$1,446,011
Pass-Through Costs												
Disposal Cost	\$653,308	\$80,767	\$0	\$683,994	\$0	\$0	\$1,055,636	\$0	\$0	\$149,517	\$1,593,772	\$4,216,993
Transport Solid Waste	\$244,981	\$30,286	\$0	\$256,488	\$0	\$0	\$395,848	\$0	\$0	\$56,065	\$597,641	\$1,581,309
Net Materials Processing Costs	\$0	\$1,216,068	\$809,165	\$0	\$116,352	\$148,426	\$346,913	\$0	\$0	\$0	\$349,354	\$2,986,277
Interest	\$113,661	\$72,340	\$71,658	\$92,660	\$75,004	\$33,001	\$71,658	\$0	\$0	\$63,740	\$0	\$593,723
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Related Party Expenses	\$598,559	\$360,570	\$366,254	\$478,847	\$427,986	\$188,562	\$324,654	\$0	\$0	\$157,565	\$360,881	\$3,263,877
Other:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$45,693	\$26,048	\$37,441	\$42,256	\$19,073	\$10,784	\$62,107	\$0	\$0	\$14,045	\$108,292	\$365,740
Total Pass-Through Costs	\$1,656,201	\$1,786,079	\$1,284,518	\$1,554,244	\$638,415	\$380,772	\$2,256,817	\$0	\$0	\$440,933	\$3,009,940	\$13,007,919
Total Costs before City Fees	\$3,517,603	\$3,121,227	\$2,623,923	\$4,003,399	\$2,052,646	\$1,054,494	\$4,278,350	\$0	\$0	\$950,524	\$5,865,865	\$27,468,030
City Fees												
4.00% Franchise Fee	\$143,358	\$128,325	\$109,661	\$167,082	\$78,386	\$44,040	\$178,478	\$0	\$0	\$39,684	\$244,656	\$1,133,671
Rate Application Review Fee	10.116	9.056	7.738	11.791	5.531	3.108	12.595	-	-	2.800	17.265	\$80,000
Total City Fees	\$153,475	\$137,380	\$117,399	\$178,873	\$83,917	\$47,148	\$191,072	\$0	\$0	\$42,485	\$261,921	\$1,213,671
Other Pass-Through Costs and Revenues												
Landfill Maintenance / Closure Expense	\$16,742	\$19,819	\$16,163	\$18,218	\$11,977	\$5,667	\$17,239	\$0	\$0	\$4,725	\$22,332	\$132,882
Rental Income Landfill Revenue (Form 6)	(\$2,343)	(\$2,774)	(\$2,262)	(\$2,550)	(\$1,677)	(\$793)	(\$2,413)	\$0	\$0	(\$661)	(\$3,126)	(\$18,600)
G&A Support Income	(\$83,420)											(\$83,420)
Interest Income Revenue (Form 6)	(\$179)											(\$179)
Recycling Income - Cardboard Revenue (Form 6)					(\$177,420)							(\$177,420)
Other Income - State Curbside Revenue (Form 6)		(\$51,491)										(\$51,491)
Total Other Pass-Through Costs	(\$69,201)	(\$34,446)	\$13,900	\$15,668	(\$167,119)	\$4,873	\$14,826	\$0	\$0	\$4,064	\$19,206	(\$198,228)
Post December 31, 2014 Rate Reserve Activity												
0.50% Franchise Fee funded by Prepaid Rate Reserve Credit	(17,920)	(16,041)	(13,708)	(20,885)	(9,798)	(5,505)	(22,310)	-	-	(4,961)	(30,582)	(141,709)
Total Rate Reserve Activity	(\$17,920)	(\$16,041)	(\$13,708)	(\$20,885)	(\$9,798)	(\$5,505)	(\$22,310)	\$0	\$0	(\$4,961)	(\$30,582)	(\$141,709)
Total Proposed Annual Costs	\$3,583,958	\$3,208,121	\$2,741,515	\$4,177,054	\$1,959,646	\$1,101,010	\$4,461,938	\$0	\$0	\$992,112	\$6,116,410	\$28,341,764

Total Proposed Annual Rate Revenue												\$28,343,593

This cost proposal is based on the assumption that 3.5% of the City Franchise Fee will be paid directly by PGS (and ratepayers) and that 0.5% of the City Franchise Fee will be funded via the prepayment of a portion of the 6/30/18 rate reserve credit to the City.

Surplus (Shortfall) \$1,829

Note: Rate Revenue \$28,343,593
-0.01%

Detailed Collection Cost Proposal Information

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

RFP Response Dated March 2, 2018

Note to Proposer: Input is only required on shaded cells on this sheet.

Estimated Annual Cost of Service (July 1, 2018 - June 30, 2019)	Carts			Bins			Roll-Off			Other		TOTAL	
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	C&D Debris	Bulky Item Program	Transfer Station		
	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019		
Labor-Related Costs (include regular & pool personnel)													
Wages (regular/OT/holiday/sick/etc.)	\$ 556,320	\$ 336,935	\$ 338,035	\$ 446,628	\$ 425,113	\$ 205,728	\$ 336,935	\$ -	\$ -	\$ 286,049	\$ 1,573,761	4,505,504	
Health & Welfare / Pension	272,952	163,771	163,771	218,362	136,476	27,295	163,771	-	-	-	93,796	1,240,156	
Payroll Taxes	44,506	26,955	27,043	35,730	34,009	16,458	26,955	-	-	22,884	125,901	360,440	
Other (boots, gloves & ear-plugs)													
Total Labor Related-Costs	\$873,778	\$527,661	\$528,849	\$700,720	\$595,598	\$249,481	\$527,661	\$0	\$0	\$308,933	\$1,793,418	6,106,101	
Vehicle-Related Costs (do not include depreciation and Related Party see below)													
Tires & Tubes (related party included in pass through)												-	
Repairs and Maintenance (related party included in pass through)												-	
Outside Repairs												-	
DMV Fees	11,602	6,961	6,961	9,281	5,801	1,160	6,961	-	-	-	-	48,727	
Other (Please List)												-	
Total Vehicle-Related Costs	\$11,602	\$6,961	\$6,961	\$9,281	\$5,801	\$1,160	\$6,961	\$0	\$0	\$0	\$0	48,727	
Fuel Costs (Diesel only)	61,269	36,761	36,761	49,016	41,528	17,021	71,243	-	-	-	109,471	423,069	
Other Costs													
Liability & Property Damage Insurance (included in G&A)												-	
Equipment Insurance (included in G&A)												-	
Training & Safety Programs (included in G&A)												-	
Uniforms	7,206	4,324	4,324	5,765	3,603	721	4,324	-	-	-	17,025	47,292	
Transfer and Transport (related party included in pass through)												-	
Licenses & Fees (included in G&A)												-	
Outside Services (included in G&A)												-	
Repairs and Maintenance TS PT&E (related party included in pass through)												-	
Repairs & Maintenance Other	9,592	5,755	5,755	7,674	4,796	959	5,755	-	-	-	71,622	111,910	
Utilities TS	-	-	-	-	-	-	-	-	-	-	85,117	85,117	
Used Oil Program / Compost Bag Cost	-	-	100	-	-	-	-	-	-	-	-	100	
Supplies	6,181	3,709	3,709	4,945	3,091	618	3,709	-	-	-	13,374	39,334	
Compost Giveaway Purchase			3,804									3,804	
Total Other Costs	\$22,980	\$13,788	\$17,691	\$18,384	\$11,490	\$2,298	\$13,788	\$0	\$0	\$0	\$187,138	287,556	
Direct Depreciation													
Vehicle & Container Depreciation	180,550	117,658	116,354	148,452	197,511	133,316	116,354	-	-	136,685	-	1,146,880	
Other Depreciation												-	
Total Direct Depreciation	\$180,550	\$117,658	\$116,354	\$148,452	\$197,511	\$133,316	\$116,354	\$0	\$0	\$136,685	\$0	1,146,880	
Legacy Depreciation Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	
Allocated Costs - Labor, Vehicle, Fuel & Other Costs													
From General and Administrative (5B)	\$521,504	\$496,497	\$496,540	\$1,275,445	\$418,255	\$201,721	\$1,081,066	\$0	\$0	\$11,344	\$480,306	4,982,677	
From Vehicle Maintenance (5B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	
From Container Maintenance (5B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs	\$521,504	\$496,497	\$496,540	\$1,275,445	\$418,255	\$201,721	\$1,081,066	\$0	\$0	\$11,344	\$480,306	4,982,677	
Start-Up Costs and Allocated Depreciation													
Depreciation From General and Administrative (5B)	\$3,580	\$2,307	\$2,307	\$2,943	\$2,625	\$1,352	\$2,307	\$0	\$0	\$1,670	\$0	19,091	
Depreciation From Vehicle Maintenance (5B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	
Depreciation From Container Maintenance (5B)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	
Total Start-Up Costs and Allocated Depreciation	\$3,580	\$2,307	\$2,307	\$2,943	\$2,625	\$1,352	\$2,307	\$0	\$0	\$1,670	\$0	\$19,091	
Total Annual Cost of Operations	\$1,675,262	\$1,201,633	\$1,205,464	\$2,204,240	\$1,272,808	\$606,349	\$1,819,380	\$0	\$0	\$458,632	\$2,570,333	\$13,014,100	
Profit (Enter % Operating Ratio; i.e. 0.95 or 95%):	0.90 calc	\$186,140	\$133,515	\$133,940	\$244,916	\$141,423	\$67,372	\$202,153	\$0	\$0	\$50,959	\$285,593	\$1,446,011
Pass-Through Costs													
Disposal Cost (Average) (See Form 7 and 2 OP_Stat RES includes RESIDUAL)	\$ 44.28 /ton	\$653,308	\$80,767	\$0	\$683,994	\$0	\$0	\$1,055,636	\$0	\$0	\$149,517	\$1,593,772	\$4,216,993
Solid Waste Transport Cost (See Form 7 and 2 OP_Stat)	\$ 16.60 /ton	\$244,981	\$30,286	\$0	\$256,488	\$0	\$0	\$395,848	\$0	\$0	\$56,065	\$597,641	\$1,581,309
Processing Costs													
Foodwaste / Greenwaste Processing Costs (Average) (See Form 7 and 2 OP_Stat)	\$ 60.56 /ton		\$809,165			\$148,426	\$172,043				\$349,354		1,478,988
Recyclable Processing Costs													
Recyclable Materials Processing Costs before Rev Credit (See Form 7 and 2 OP_Stat)	\$ 283.72 /ton	\$2,232,897			\$213,640								2,446,538
Recyclable Materials Sales Revenue (See Form 7 and 2 OP_Stat) (please enter as a credit amount (\$XXX))	\$ (112.75) /ton	(\$887,369)			(\$84,902)								(972,271)
PGS Diversion & Handling Savings and Stamp Revenue	\$ (16.45) /ton	(\$129,460)			(\$12,387)								(141,847)
Net Recyclable Materials Processing Costs	-	\$1,216,068	\$0	\$0	\$116,352	\$0	\$0	\$0	\$0	\$0	\$0	\$0	1,332,419
Roll Off Material Sort Belt	\$ 42.85 /ton						\$174,870						174,870
Total Net Processing Costs	\$0	\$1,216,068	\$809,165	\$0	\$116,352	\$148,426	\$346,913	\$0	\$0	\$0	\$349,354		2,986,277
Interest Expense	\$113,661	\$72,340	\$71,658	\$92,660	\$75,004	\$33,001	\$71,658	\$0	\$0	\$63,740	\$0	\$593,723	

Detailed Collection Cost Proposal Information

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

City of Pleasanton

RFP Response Dated March 2, 2018

Note to Proposer: Input is only required on shaded cells on this sheet.

Estimated Annual Cost of Service (July 1, 2018 - June 30, 2019)				Carts			Bins			Roll-Off			Other		TOTAL
				Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	C&D Debris	Bulky Item Program	Transfer Station	
				12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019
Related Party Transactions															
PT&E Vehicle Maintenance				541,090	324,654	324,654	432,872	364,283	147,847	324,654	-	-	115,341	-	2,575,393
PT&E Container Maintenance				-	-	-	-	24,750	24,750	-	-	-	-	-	49,500
PT&E Transfer Station Maintenance				-	-	-	-	-	-	-	-	-	-	360,881	360,881
PT&E Used Oil Program Maintenance				-	1,434	-	-	-	-	-	-	-	-	-	-
CNG Fueling				57,469	34,482	34,482	45,975	38,953	15,965	-	-	-	42,224	-	269,550
Compost Give-away Transport				-	-	7,118	-	-	-	-	-	-	-	-	7,118
Other (Please List)				-	-	-	-	-	-	-	-	-	-	-	-
Total Related Party				\$598,559	\$360,570	\$366,254	\$478,847	\$427,986	\$188,562	\$324,654	\$0	\$0	\$157,565	\$360,881	3,262,443
Other:														\$0	\$0
Direct Lease Costs															
Land Rent															-
Equipment Rent															-
Total Direct Lease Costs				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Lease Costs															
From General and Administrative (5B)				\$45,693	\$26,048	\$37,441	\$42,256	\$19,073	\$10,784	\$62,107	\$0	\$0	\$14,045	\$108,292	\$365,740
From Vehicle Maintenance (5B)				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
From Container Maintenance (5B)				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
Total Allocated Lease Costs				\$45,693	\$26,048	\$37,441	\$42,256	\$19,073	\$10,784	\$62,107	\$0	\$0	\$14,045	\$108,292	\$365,740
Total Pass-Through Costs				\$1,656,201	\$1,786,079	\$1,284,518	\$1,554,244	\$638,415	\$380,772	\$2,256,817	\$0	\$0	\$440,933	\$3,009,940	\$13,006,484
Total Costs Before City Fees				\$3,517,603	\$3,121,227	\$2,623,923	\$4,003,399	\$2,052,646	\$1,054,494	\$4,278,350	\$0	\$0	\$950,524	\$5,865,865	\$27,466,596

Form 5B Allocated Costs

City of Pleasanton

Detailed Collection Cost Proposal Information

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

RFP Response Dated March 2, 2018

Note to Proposer: Input is only required on shaded cells on this sheet.

Estimated Annual Cost of Service (July 1, 2018 - June 30, 2019)		GENERAL AND ADMINISTRATIVE	VEHICLE MAINTENANCE	CONTAINER MAINTENANCE
		12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019
Labor-Related Costs (include regular & pool personnel)				
Administrative Wages (regular/OT/Sick/Holiday/etc)		\$1,276,124		
Owner's Salaries		730,000		
Health & Welfare / Pension		731,661		
Payroll Taxes		110,235		
Other (Please List):				
Reimbursement for G&A Services \$(credit linked to Form 6)*				
Total Labor Related-Costs		\$2,848,020	\$0	\$0
Vehicle-Related Costs				
Tires & Tubes				
Parts & Supplies (fluid, oil, etc.)				
Outside Repairs				
Total Vehicle-Related Costs		\$0	\$0	\$0
Fuel Costs				
Other Costs				
Insurance		\$691,587		
Office Expense		272,637		
Utilities		77,350		
Postage & Mailing		30,091		
Dues & Subscriptions		16,018		
Repairs & Maintenance		115,509		
Outside Services		-		
Property Taxes		85,404		
Other Taxes		58,074		
Public Education and Outreach		150,000		
Advertising		15,589		
Travel Not Used		-		
Travel, Meals & Entertainment (net of non allowed expenses)		25,000		
Professional Fees (net of non routine proposal efforts)		503,708		
Bad Debt		38,443		
Performance Bond		10,000		
Donations (net of non allow contributions)		-		
Other (Please List):				
Reimbursement for Equipment usage \$(credit linked to Form 6)		(11,561)		
Other (Please List)		56,808		
Total Other Costs		\$2,134,657	\$0	\$0
Total Labor, Vehicle, Fuel, and Other Costs		\$4,982,677	\$0	\$0
Depreciation (non-route specific)				
Hybrid Vehicle Depreciation		\$3,182		
CIS (Tower)		\$15,909		
Total Depreciation		\$19,091	\$0	\$0
Lease Costs				
Facility Costs (M&M, Southfront, Kiewitt Property)		\$341,199		
Toilet & Equipment Rent		\$24,541		
Total Lease Costs		\$365,740	\$0	\$0
Total Costs to be Allocated		\$5,367,508	\$0	\$0
Labor, Vehicle, Fuel, & Other Costs Allocated Out				
Solid Waste Carts		10.47%	0.00%	0.00%
Recyclable Materials Carts		9.96%	0.00%	0.00%
Organic Materials Carts		9.97%	0.00%	0.00%
Solid Waste Bins		25.60%	0.00%	0.00%
Recyclable Materials Bins		8.39%	0.00%	0.00%
Organic Materials Bins		4.05%	0.00%	0.00%
Solid Waste Roll-Off		21.70%	0.00%	0.00%
Recyclable Materials Roll-Off		0.00%	0.00%	0.00%
C&D Debris Roll-Off		0.00%	0.00%	0.00%
Bulky Item Program		0.23%	0.00%	0.00%
Transfer Station		9.64%	0.00%	0.00%
Total Labor, Vehicle, Fuel & Other Costs Allocated Out		100.00%	0.00%	0.00%

Form 5B Allocated Costs

City of Pleasanton

Detailed Collection Cost Proposal Information

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

RFP Response Dated March 2, 2018

Note to Proposer: Input is only required on shaded cells on this sheet.

Estimated Annual Cost of Service (July 1, 2018 - June 30, 2019)		GENERAL AND ADMINISTRATIVE	VEHICLE MAINTENANCE	CONTAINER MAINTENANCE
		12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019	12-Month Period From July 1, 2018 - June 30, 2019
Depreciation Allocated Out				
Solid Waste Carts	18.75%	\$3,580	0.00%	\$0
Recyclable Materials Carts	12.08%	\$2,307	0.00%	\$0
Organic Materials Carts	12.08%	\$2,307	0.00%	\$0
Solid Waste Bins	15.42%	\$2,943	0.00%	\$0
Recyclable Materials Bins	13.75%	\$2,625	0.00%	\$0
Organic Materials Bins	7.08%	\$1,352	0.00%	\$0
Solid Waste Roll-Off	12.08%	\$2,307	0.00%	\$0
Recyclable Materials Roll-Off	0.00%	\$0	0.00%	\$0
C&D Debris Roll-Off	0.00%	\$0	0.00%	\$0
Bulky Item Program	8.75%	\$1,670	0.00%	\$0
Transfer Station	0.00%	\$0	0.00%	\$0
Total Depreciation Allocated Out	100.00%	\$19,091	0.00%	\$0
Pass Through Lease Costs Allocated Out				
Solid Waste Carts	12.49%	\$45,693	0.00%	\$0
Recyclable Materials Carts	7.12%	\$26,048	0.00%	\$0
Organic Materials Carts	10.24%	\$37,441	0.00%	\$0
Solid Waste Bins	11.55%	\$42,256	0.00%	\$0
Recyclable Materials Bins	5.22%	\$19,073	0.00%	\$0
Organic Materials Bins	2.95%	\$10,784	0.00%	\$0
Solid Waste Roll-Off	16.98%	\$62,107	0.00%	\$0
Recyclable Materials Roll-Off	0.00%	\$0	0.00%	\$0
C&D Debris Roll-Off	0.00%	\$0	0.00%	\$0
Bulky Item Program	3.84%	\$14,045	0.00%	\$0
Transfer Station	29.61%	\$108,292	0.00%	\$0
Total Lease Costs Allocated Out	100.00%	\$365,740	0.00%	\$0
Total Allocated Out		\$5,367,508	\$0	\$0

* CARI G&A support reimbursement was moved to roll up page - this reimbursement will not occur if City outsources recyclable processing. G&A expenses will not decrease if this happens because this was an arbitrary reimbursement percentage set by City and does not reflect actual expenses incurred for benefit of CARI.

Please describe allocation method used (e.g., tonnage, routes, etc.)

Labor, Vehicle, Fuel, & Other Costs Allocated out based on percentage of revenue, driver or vehicle counts and matched to TOTAL 10/27/17 5 Ops Forms Cost submission

Depreciation Allocated out based on direct assignment of new vehicles to route and existing assets to driver count and matched to 10/27/17 5 Ops Forms submission

Lease Costs Allocated out based on tonnage ratio / driver count and direct assignment for equipment rent/toilet rent and matched to 10/27/17 5 Ops Forms submission

Detailed Collection Cost Proposal Information**Proposer Name: PLEASANTON GARBAGE SERVICE, INC.****RFP Response Dated March 2, 2018****This is a stand alone item and is not included in the Costs seen in other Forms**

Estimated Annual Cost (July 1, 2018 - June 30, 2019)

MRF

Labor-Related Costs (include regular & pool personnel)

Wages - MRF Employees

\$ 834,198

Workers Compensation Insurance Premiums (included in insurance below)

Workers Compensation Claims

Health & Welfare

358,652

Pension/ Retirement Benefits

43,703

Payroll Taxes

66,736

Other (boots, gloves & ear-plugs)

Total Labor Related-Costs

\$1,303,289

Vehicle& Equipment Related Costs (do **not** include depreciation) (included below)

Tires & Tubes

Other (Please List) -

Total Vehicle & Equipment-Related Costs

\$0

Fuel Costs (included with R/M Below)

Other Costs

Insurance

129,969

Equipment Insurance

Training & Safety Programs

Uniforms

12,204

Outside Services

8,210

Supplies

Oil Collection Bags

4,285

Total Other Costs

\$154,668

Depreciation

Equipment

\$0

Other Depreciation (please list)

Total Depreciation

\$0

General & Administrative

Owners Salaries

\$39,863

Payroll Taxes

\$3,189

G&A Support

\$83,420

Utilities

\$28,372

Property Taxes

\$12,851

Professional Fees

\$116,906

Diversion Savings

\$53,532

Handling Savings

\$89,845

Other

\$582

Total G&A Costs

\$428,560

Disposal Cost - this cost is included in SW dumping Cost

Interest Expense

Related Party Expenses

R/M Equipment and Vehicles (PT&E)

\$144,817

Glass Processing

\$22,110

Other (Please List)

Total Related Party Expenses

\$166,927

Detailed Collection Cost Proposal Information**Proposer Name: PLEASANTON GARBAGE SERVICE, INC.****RFP Response Dated March 2, 2018****This is a stand alone item and is not included in the Costs seen in other Forms**

Lease Costs		
Equipment		\$4,382
Land		\$118,649
Total Lease Costs		\$123,031
Cost of Goods Sold		
Material Sales Expense (RR&R)	25%	\$243,068
Hauling		\$26,995
Total Cost of Goods Sold		\$270,063
Total Costs of Operations		\$2,446,538

Estimated Annual Revenue (July 1, 2018 - June 30, 2019)	Average Price per ton	Average Annual Tons	MRF
Material Sales - by Material Type (Please List)			
Alum Foil			
Alumunim			
Amber-Glass Scrap			
Clr/Flint-Glass Scrap			
Green-Glass Scrap			
Hdpe Colored			
Hdpe Natural			
Ldpe-Mixed Plastic Bags			
Metal			
Mixed Glass Scrap			
Mixed Paper			
News			
OCC			
Office Pack #2			
Overs			
PET			
Rigid Plastic			
Scrap Aluminum			
Tin			
Other (please list)	\$143.00	6,799	\$972,271
Total Scrap & State Revenue /Total Recovered Tons	\$ 143.00	\$6,799	\$972,271
PGS Subsidy Payment to CARI			\$1,005,624
Other Income Includes PGS Diversion/Handle Savings			\$141,847
Total Revenue			\$2,119,743

Gross Cost per Processed Ton	\$ 283.72	8,623

SUMMARY AVERAGE PER COLLECTED TON

Belt Processed Tons

Average Cost per PROCESSED ton	\$ 283.72	8,623	\$ 2,446,538
Average Revenue per PROCESSED ton	\$ (112.75)	8,623	\$ 972,271
Other Income Includes PGS Diversion/Handle Savings	\$ (16.45)	8,623	\$ 141,847
Net Total per ton	\$ 154.52		

Processed Residential Tons	7,870
Processed Commercial Tons	753
Total Belt Processed Tons	8,623

Pleasanton Garbage Service, Inc.

RFP Response Dated March 2, 2018

Rate Proposal Detail Forms 6 and 7

	Billable Units	Projected Annual Revenue	
		Current	Proposed
RESIDENTIAL CART SERVICE			
Pleasanton	19,552	\$ 9,007,731	\$ 7,809,321
County	157	80,077	80,077
Castlewood	159	89,585	89,585
Sunol	255	124,896	124,896
Total Residential	20,123	\$ 9,302,289	\$ 8,103,879

COMMERCIAL CART SERVICE			
Solid Waste	207	\$ 153,383	\$ 132,987
Recycling	694	46,691	40,484
Organics/Foodwaste	27	19,923	17,276
Total Commercial Carts	928	\$ 219,997	\$ 190,747

COMMERCIAL BIN SERVICE			
Solid Waste			
Loose	888	\$ 7,721,351	\$ 6,695,478
Compactor	28	723,853	627,693
Recycling	462	2,496,981	2,165,916
Organics / Foodwaste	159	1,149,893	997,434
Commercial Growth Adjustment		900,000	780,300
Total Commercial Bin Service	1,537	\$ 12,992,078	\$ 11,266,821

ROLL OFF SERVICE			
Solid Waste			
Loose	386	\$ 3,743,178	\$ 3,245,877
Compactor	112	1,934,628	1,677,623
Recycling	7	-	-
Organics/Foodwaste	46	363,027	314,876
Total Roll Off Service	551	\$ 6,040,833	\$ 5,238,376

TRANSFER STATION PUBLIC DUMPING	\$ 3,543,770	\$ 3,543,770

OTHER REVENUE (RENT/INTEREST/G&A SUPPORT ETC)	\$ 342,671	\$ 342,671

DECEMBER 31, 2014 RATE RESERVE REVENUE		\$ 141,709

ESTIMATED TOTAL FRANCHISE REVENUE	\$ 32,441,638	\$ 28,827,973

Adjusted Cost Requirement **\$ 28,826,144**

Difference **\$ 1,829**

Pleasanton Garbage Service, Inc.

RFP Response Dated March 2, 2018

Rate Proposal Detail Forms 6 and 7

RESIDENTIAL SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Pleasanton				-13.30%	
A35 35 Gallon Garbage Can	8,191	\$ 33.80	\$ 3,322,269.60	\$ 29.30	\$ 2,879,955.60
A351 35 Gallon Garbage Can - Back yard	9	41.44	4,475.52	37.19	4,016.52
A352 35 Gallon Garbage Can - Senior Citizen	2,193	28.73	756,058.68	24.91	655,531.56
A353 35 Gallon Garbage Can - Senior Citizen By	10	37.83	4,539.60	32.80	3,936.00
D353 35 Gallon Garbage Can - BY - Senior Citizen	7	37.83	3,177.72	32.80	2,755.20
A90 96 Gallon Garbage Can	8,238	45.48	4,495,970.88	39.43	3,897,892.08
A901 96 Gallon Garbage Can - Back yard	5	54.58	3,274.80	47.32	2,839.20
A902 96 Gallon Garbage Can - Senior Citizen	887	38.66	411,497.04	33.52	356,786.88
A903 96 Gallon Garbage Can - Senior Citizen By	7	47.76	4,011.84	41.41	3,478.44
A90D 96 Gallon Garbage Can 10% Discount	5	40.93	2,455.80	35.49	2,129.40
Total	19,552		\$ 9,007,731		\$ 7,809,321
County				NO CHANGE	
CTY35 35 Gallon Can Curb	7	40.62	3,412.08	40.62	\$ 3,412.08
CTY352 35 Gallon Curb Can - Senior Citizen	4	18.45	885.60	18.45	885.60
CTY35D 35 Gallon Can Curb	10	24.91	2,989.20	24.91	2,989.20
CTY35S 35 Gallon Can Curb - Senior Citizen	2	34.53	828.72	34.53	828.72
CTY90 96 Gallon Can	117	45.22	63,488.88	45.22	63,488.88
CTY90S 96 Gallon Can - Senior Citizen	16	38.79	7,447.68	38.79	7,447.68
CTY3SY 3-30 Gallon Can - BY - Senior Citizen	1	85.42	1,025.04	85.42	1,025.04
Total	157		\$ 80,077		\$ 80,077

Pleasanton Garbage Service, Inc.

RFP Response Dated March 2, 2018

Rate Proposal Detail Forms 6 and 7

RESIDENTIAL SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Castlewood				NO CHANGE	
171 1 Can Backyard	8	37.45	3,595.20	37.45	3,595.20
173 2 Can Backyard	1	65.27	783.24	65.27	783.24
183 3 Can Backyard	1	138.29	1,659.48	138.29	1,659.48
CW35 35 Gallon Curb	15	29.62	5,331.60	29.62	5,331.60
CW352 35 Gallon Can - Senior Citizen	7	21.95	1,843.80	21.95	1,843.80
CW353 35 Gallon Can - BY - Senior Citizen	2	29.47	707.28	29.47	707.28
CW35D 35 Gallon Can Curb	1	27.17	326.04	27.17	326.04
CW35E 35 Gallon Can Curb	2	39.88	957.12	39.88	957.12
CW35Y 36 Gallon Can Curb - Back Yard	1	37.45	449.40	37.45	449.40
CW90 96 Gallon Can Curb	90	49.62	53,589.60	49.62	53,589.60
CW901 2 Can BY - Senior Citizen	1	57.60	691.20	57.60	691.20
CW902 96 Gallon Can - Senior Citizen	13	41.94	6,542.64	41.94	6,542.64
CW902D 96 Gallon Can - Senior Citizen	1	38.01	456.12	38.01	456.12
CW9045 96 Gallon Can Curb	4	44.71	2,146.08	44.71	2,146.08
CW90Y 96 Gallon Can - Back Yard	2	65.27	1,566.48	65.27	1,566.48
CW9245 96 Gallon Can Curb	6	79.79	5,744.88	79.79	5,744.88
CW9330 96 Gallon Can Curb	1	69.62	835.44	69.62	835.44
CW9345 96 Gallon Can Curb	2	57.92	1,390.08	57.92	1,390.08
CW9Y1S 96 Gallon Can - Back Yard	1	80.78	969.36	80.78	969.36
Total	159		\$ 89,585		\$ 89,585
Sunol				NO CHANGE	
A35S 35 Gallon Garbage Can	119	30.20	43,125.60	30.20	43,125.60
A35S1 35 Gallon Garbage Can - Off Road	6	39.59	2,850.48	39.59	2,850.48
A35S2 35 Gallon Garbage Can - Senior Citizen	26	22.37	6,979.44	22.37	6,979.44
A35S3 35 Gallon Garbage Can - Off Road - Senior Citizen	3	31.76	1,143.36	31.76	1,143.36
A35SS2 35 Gallon Can Senior Citizen	1	15.40	184.80	15.40	184.80
A90S 96 Gallon Can	89	60.40	64,507.20	60.40	64,507.20
A90SS 96 Gallon Can	2	45.34	1,088.16	45.34	1,088.16
A90S2 96 Gallon Garbage Can - Senior Citizen	3	52.59	1,893.24	52.59	1,893.24
A90SD 3 Cans Curb	1	90.57	1,086.84	90.57	1,086.84
A90SE1 96 Gallon Can - Off Road - EOW	2	39.57	949.68	39.57	949.68
A90SEO 96 Gallon Can EOW	3	30.20	1,087.20	30.20	1,087.20
Total	255		\$ 124,896		\$ 124,896

Pleasanton Garbage Service, Inc.

RFP Response Dated March 2, 2018

Rate Proposal Detail Forms 6 and 7

COMMERCIAL SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Commercial Cart Service				-13.30%	
C35 35 Gallon Garbage Can	66	39.99	31,672.08	34.67	27,458.64
C90 96 Gallon Garbage Can	106	81.99	104,291.28	71.09	90,426.48
A35 35 Gallon Garbage Can	12	\$ 33.80	\$ 4,867.20	29.3	4,219.20
A90 96 Gallon Garbage Can	23	45.48	12,552.48	39.43	10,882.68
Total	207		153,383		132,987

COMMERCIAL SOLID WASTE BINS	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Loose				-13.30%	
Cu. Yards:frequency					
211 1 1	149	168.23	300,795.24	145.88	260,833.44
212 1 2	14	304.25	51,114.00	263.83	44,323.44
213 1 3	3	440.27	15,849.72	381.78	13,744.08
221 2 1	154	336.23	621,353.04	291.55	538,784.40
222 2 2	43	608.27	313,867.32	527.45	272,164.20
223 2 3	8	880.31	84,509.76	763.35	73,281.60
231 3 1	101	480.43	582,281.16	416.59	504,907.08
232 3 2	35	888.49	373,165.80	770.44	323,584.80
233 3 3	24	1,296.55	373,406.40	1,124.29	323,795.52
234 3 4	3	1,704.61	61,365.96	1,478.14	53,213.04
235 3 5	2	2,112.67	50,704.08	1,831.99	43,967.76
241 4 1	133	625.47	998,250.12	542.37	865,622.52
242 4 2	108	1,169.55	1,515,736.80	1,014.17	1,314,364.32
243 4 3	51	1,713.63	1,048,741.56	1,485.97	909,413.64
244 4 4	5	2,257.71	135,462.60	1,957.77	117,466.20
245 4 5	17	2,801.79	571,565.16	2,429.57	495,632.28
271 7 1	2	1,099.01	26,376.24	952.99	22,871.76
272 7 2	3	2,051.15	73,841.40	1,778.64	64,031.04
273 7 3	3	3,003.29	108,118.44	2,604.29	93,754.44
311 1 1 Customer owns	1	136.02	1,632.24	117.95	1,415.40
321 2 1 their own bins	3	272.04	9,793.44	235.90	8,492.40
331 3 1	3	408.06	14,690.16	353.85	12,738.60
332 3 2	6	816.12	58,760.64	707.70	50,954.40
341 4 1	13	544.08	84,876.48	471.80	73,600.80
342 4 2	3	1,088.16	39,173.76	943.60	33,969.60
343 4 3	1	1,632.24	19,586.88	1,415.40	16,984.80
400 Extra Pickup	3	-	-	-	-
216 Locking Lid	17	11.98	2,443.92	10.39	2,119.56
4041 4 1	1	613.22	7,358.64	531.66	6,379.92
410 1 Extra Pickup	1	31.39	376.68	27.22	326.64
411 1 On Call	1	31.39	376.68	27.22	326.64
420 2 Extra Pickup	2	62.78	1,506.72	54.44	1,306.56
421 2 On Call	10	62.78	7,533.60	54.44	6,532.80
430 3 Extra Pickup	8	94.17	9,040.32	81.66	7,839.36
431 3 On Call	5	94.17	5,650.20	81.66	4,899.60
440 4 Extra Pickup	4	125.56	6,026.88	108.88	5,226.24
441 4 On Call	37	125.56	55,748.64	108.88	48,342.72
445 4 MOD Bin Take Away	32	167.40	64,281.60	145.14	55,733.76
446 4 MOD Bin Extra Pickup	4	122.11	5,861.28	105.87	5,081.76
470 7 Extra Pickup	0	219.73	-	190.51	-
471 7 on call	1	219.73	2,636.76	190.51	2,286.12
480 Rental on Bin	2	14.98	359.52	12.99	311.76
702 Service Charge	2	-	-	-	-
R1B 1 Rental on 1 YD Bin	1	32.21	386.52	27.93	335.16
R2B 2 Rental on 2 YD Bin	3	64.19	2,310.84	55.65	2,003.40
R3B 3 Rental on 3 YD Bin	2	72.37	1,736.88	62.74	1,505.76
R4B 4 Rental on 4 YD Bin	13	81.39	12,696.84	70.57	11,008.92
SCCOMC Service Charge Comm	48	-	-	-	-
Total	888		\$ 7,721,351		\$ 6,695,478

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMECIAL SOLID WASTE BINS	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Compactor				-13.30%	
Cu. Yards:frequency					
502 2 Pickup	20	125.56	30,134.40	108.88	26,131.20
503 3 Pickup	26	188.34	58,762.08	163.32	50,955.84
51123 1 1/2 3	1	1,224.21	14,690.52	1,061.58	12,738.96
5021 2 1	3	544.09	19,587.24	471.81	16,985.16
5022 2 2	4	1,088.18	52,232.64	943.63	45,294.24
5023 2 3	3	1,632.27	58,761.72	1,415.44	50,955.84
5025 2 5	1	2,720.45	32,645.40	2,359.07	28,308.84
5031 3 1	2	816.14	19,587.36	707.72	16,985.28
5032 3 2	2	1,632.28	39,174.72	1,415.44	33,970.56
5033 3 3	1	2,448.42	29,381.04	2,123.16	25,477.92
5034 3 4	1	3,264.56	39,174.72	2,830.88	33,970.56
5035 3 5	1	4,080.70	48,968.40	3,538.60	42,463.20
5041 4 1	1	1,088.19	13,058.28	943.63	11,323.56
5042 4 2	4	2,176.38	104,466.24	1,887.25	90,588.00
5043 4 3	1	3,264.57	39,174.84	2,830.88	33,970.56
5044 4 4	1	4,352.76	52,233.12	3,774.51	45,294.12
5052 5 2	1	2,720.46	32,645.52	2,359.07	28,308.84
5062 6 2	1	3,264.56	39,174.72	2,830.88	33,970.56
Total	28		723,853		627,693

ROLL OFF BOX SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Loose				-13.30%	
Cu. Yards					
2000 Monthly Rental	45	321.02	173,350.80	278.32	150,292.80
2150 15	76	470.85	429,415.20	408.30	372,369.60
2200 20	136	627.80	1,024,569.60	544.40	888,460.80
2300 30	132	941.70	1,491,652.80	816.60	1,293,494.40
2400 40	37	1,255.60	557,486.40	1,088.80	483,427.20
2251 25 COD	1	784.75	9,417.00	680.50	8,166.00
3888 COD Daily Rental	2	14.98	359.52	12.99	311.76
4150 15 County	2	498.90	11,973.60	432.55	10,381.20
4200 20 County	2	613.24	14,717.76	531.68	12,760.32
701 Overweight Charges	40	62.99	30,235.20	54.61	26,212.80
Total	386		\$ 3,743,178		\$ 3,245,877

ROLL OFF BOX SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Compactor				-13.30%	
Cu. Yards					
508 8	9	502.24	54,241.92	435.52	47,036.16
510 10	5	627.80	37,668.00	544.40	32,664.00
515 15	18	941.70	203,407.20	816.60	176,385.60
516 16	1	1,004.48	12,053.76	871.04	10,452.48
520 20	23	1,255.60	346,545.60	1,088.80	300,508.80
524 24	1	1,506.72	18,080.64	1,306.56	15,678.72
525 25	12	1,569.50	226,008.00	1,361.00	195,984.00
530 30	34	1,883.40	768,427.20	1,633.20	666,345.60
536 36	1	2,260.08	27,120.96	1,959.84	23,518.08
540 40	8	2,511.20	241,075.20	2,177.60	209,049.60
Total	112		\$ 1,934,628		\$ 1,677,623

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMERCIAL RECYCLING BINS				Billable Units	CURRENT RATES		PROPOSED RATES	
					Rate	Annual Revenue	Rate	Annual Revenue
Cardboard							-13.30%	
		Cu. Yards	Frequency					
CB11	Cardboard	1	1	4	134.22	6,442.56	116.42	5,588.16
CB21	Cardboard	2	1	20	268.20	64,368.00	232.62	55,828.80
CB22	Cardboard	2	2	4	472.22	22,666.56	409.59	19,660.32
CB23	Cardboard	2	3	6	676.23	48,688.56	586.56	42,232.32
CB25	Cardboard	2	5	1	1,084.29	13,011.48	940.50	11,286.00
CB31	Cardboard	3	1	26	378.39	118,057.68	328.20	102,398.40
CB32	Cardboard	3	2	16	684.41	131,406.72	593.66	113,982.72
CB33	Cardboard	3	3	5	990.43	59,425.80	859.12	51,547.20
CB34	Cardboard	3	4	1	1,296.45	15,557.40	1,124.58	13,494.96
CB41	Cardboard	4	1	98	489.42	575,557.92	424.52	499,235.52
CB42	Cardboard	4	2	35	897.44	376,924.80	778.47	326,957.40
CB43	Cardboard	4	3	45	1,305.47	704,953.80	1,132.42	611,506.80
CB44	Cardboard	4	4	2	1,713.50	41,124.00	1,486.37	35,672.88
CB45	Cardboard	4	5	15	2,121.52	381,873.60	1,840.32	331,257.60
CB72	Cardboard	7	2	1	1,574.96	18,899.52	1,366.16	16,393.92
CB73	Cardboard	7	3	4	2,289.01	109,872.48	1,985.57	95,307.36
CB75	Cardboard	7	5	2	3,717.10	89,210.40	3,224.39	77,385.36
CBP21	Cardboard	2	1	0	268.20	-	232.62	-
CBP22	Cardboard	2	2	0	472.22	-	409.59	-
CBP23	Cardboard	2	3	0	676.23	-	586.56	-
CBP42	Cardboard	4	2	0	897.44	-	778.47	-
CBP45	Cardboard	4	5	0	2,121.52	-	1,840.32	-
CR211	Cardboard	1	1	4	134.22	6,442.56	116.42	5,588.16
CR212	Cardboard	1	2	1	236.22	2,834.64	204.91	2,458.92
CR221	Cardboard	2	1	31	268.20	99,770.40	232.62	86,534.64
CR222	Cardboard	2	2	2	472.22	11,333.28	409.59	9,830.16
CR223	Cardboard	2	3	1	676.23	8,114.76	586.56	7,038.72
CR231	Cardboard	3	1	4	378.39	18,162.72	328.20	15,753.60
CR232	Cardboard	3	2	4	684.41	32,851.68	593.66	28,495.68
CR233	Cardboard	3	3	1	990.43	11,885.16	859.12	10,309.44
CR241	Cardboard	4	1	17	489.42	99,841.68	424.52	86,602.08
CR242	Cardboard	4	2	16	897.44	172,308.48	778.47	149,466.24
CR243	Cardboard	4	3	6	1,305.47	93,993.84	1,132.42	81,534.24
CR244	Cardboard	4	4	6	1,713.50	123,372.00	1,486.37	107,018.64
CR271	Cardboard	7	1	1	860.92	10,331.04	746.75	8,961.00
CR410	Cardboard	1	Extra Pickup	1	23.54	282.48	20.42	245.04
CR440	Cardboard	4	Extra Pickup	2	94.16	2,259.84	81.68	1,960.32
ESTIMATED MIGRATION - 50% of shaded cardboard which were free					50%	(1,389,020.64)		(1,204,867.86)

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMERCIAL RECYCLING BINS					CURRENT RATES		PROPOSED RATES	
					Billable Units	Rate	Annual Revenue	Rate
Mixed								-13.30%
MR211	Mixed Recycling	1	1	14	134.22	22,548.96	116.42	19,558.56
MR212	Mixed Recycling	1	2	1	236.22	2,834.64	204.91	2,458.92
MR213	Mixed Recycling	1	3	1	338.23	4,058.76	293.40	3,520.80
MR221	Mixed Recycling	2	1	22	268.20	70,804.80	232.62	61,411.68
MR222	Mixed Recycling	2	2	6	472.22	33,999.84	409.59	29,490.48
MR231	Mixed Recycling	3	1	5	378.39	22,703.40	328.20	19,692.00
MR232	Mixed Recycling	3	2	1	684.41	8,212.92	593.66	7,123.92
MR241	Mixed Recycling	4	1	16	489.42	93,968.64	424.52	81,507.84
MR241M	Mixed Recycling	4	1	4	134.22	6,442.56	116.42	5,588.16
MR242	Mixed Recycling	4	2	9	897.44	96,923.52	778.47	84,074.76
MR245	Mixed Recycling	4	5	1	2,121.52	25,458.24	1,840.32	22,083.84
MR332	Mixed Recycling	3	2	2	684.41	16,425.84	593.66	14,247.84
MX5031	Mixed Recycling	3	1	1	816.14	9,793.68	707.72	8,492.64
Total					462	\$ 2,496,981		\$ 2,165,916

COMMERCIAL CART RECYCLING				2017	CURRENT RATES		PROPOSED RATES	
					Rate	Annual Revenue	Rate	Annual Revenue
Recycling							-13.30%	
PG64	Paper Gobbler	64 Gallon Can - monthly		127	-	-	-	-
MR96	Mixed Recycling	96 Can		477	-	-	-	-
MR961	Mixed Recycling	96 Can		89	43.03	45,956.04	37.31	39,847.08
MR962	Mixed Recycling	96 Can	by	1	61.23	734.76	53.09	637.08
Total				694		\$ 46,691		\$ 40,484

ROLL OFF BOX RECYCLING				Billable Units	CURRENT RATES		PROPOSED RATES	
					Rate	Annual Revenue	Rate	Annual Revenue
Recycling							NO CHANGE	
779	Recycling Bins			2	-	-	-	-
22008	8 Yd Glass Box			2	-	-	-	-
2206	20 clean Metal Box			2	-	-	-	-
2408	40 yard	Metal		1	-	-	-	-
Total				7		-		-

Pleasanton Garbage Service, Inc.

RFP Response Dated March 2, 2018

Rate Proposal Detail Forms 6 and 7

COMMERCIAL ORGANIC BINS			Billing Units	CURRENT RATES		PROPOSED RATES	
				Rate	Annual Revenue	Rate	Annual Revenue
Loose						-13.30%	
	Cu. Yards	Frequency					
FR211	1	1	37	134.22	59,593.68	116.42	51,690.48
FR212	1	2	5	236.22	14,173.20	204.91	12,294.60
FR221	2	1	17	268.20	54,712.80	232.62	47,454.48
FR222	2	2	12	472.22	67,999.68	409.59	58,980.96
FR231	3	1	10	378.39	45,406.80	328.20	39,384.00
FR232	3	2	15	684.41	123,193.80	593.66	106,858.80
FR233	3	3	17	990.43	202,047.72	859.12	175,260.48
FR234	3	4	7	1,296.45	108,901.80	1,124.58	94,464.72
FR241	4	1	10	489.42	58,730.40	424.52	50,942.40
FR242	4	2	15	897.44	161,539.20	778.47	140,124.60
FR243	4	3	7	1,305.47	109,659.48	1,132.42	95,123.28
FR244	4	4	7	1,713.50	143,934.00	1,486.37	124,855.08
Total			159		\$ 1,149,893		\$ 997,434

ROLL OFF ORGANIC DROP BOXES			Billing Units	CURRENT RATES		PROPOSED RATES	
				Rate	Annual Revenue	Rate	Annual Revenue
Loose						-13.30%	
	Cu. Yards	Frequency					
2155	15		3	353.14	12,713.04	306.30	11,026.80
2202	20		7	470.85	39,551.40	408.40	34,305.60
2302	30		34	706.28	288,162.24	612.60	249,940.80
2402	40		2	941.70	22,600.80	816.80	19,603.20
Total			46		\$ 363,027		\$ 314,876

COMMERCIAL ORGANICS CARTS			Billing Units	CURRENT RATES		PROPOSED RATES	
				Rate	Annual Revenue	Rate	Annual Revenue
						-13.30%	
FR961	96 Gal	1	27	61.49	19,922.76	53.32	17,275.68
Total			27		19,923		17,276

Pleasanton Garbage Service, Inc.

RFP Response Dated March 2, 2018

Rate Proposal Detail Forms 6 and 7

TRANSFER STATION RATES	Current Rates	Proposed Rates
		NO CHANGE
1. For the disposal of all types of dry garbage, trash, refuse and debris which meets the disposal requirements of the transfer station, the rates for <u>PLEASANTON RESIDENTS</u> are as follows: * MINIMUM DUMP RATE * PER YARD DUMP RATE * PER TON RATE	\$ 7.37 \$ 11.37 \$ 62.99	\$ 7.37 \$ 11.37 \$ 62.99
2. For the disposal of all types of dry garbage, trash, refuse and debris which meets the disposal requirements of the transfer station, the rates for <u>COMMERCIAL CUSTOMERS</u> and customers who are not residents of the City of Pleasanton are as follows: * CUBIC YARD CONSTRUCTION / DEMOLITION * CUBIC YARD HARD TO HANDLE (OVER 6. FT. LENGTH OR 2. FT. DIAMETER) * CUBIC YARD EXTREMELY HARD TO HANDLE * CUBIC YARD CERTIFIED LOADS * CUBIC YARD HOUSEHOLD GARBAGE * MINIMUM CASH SALE * MINIMUM CHARGE SALE * WEIGHT MASTER CERTIFICATE * PER TONNAGE FEE	\$ 35.21 \$ 53.41 \$ 70.71 N/A \$ 27.92 \$ 27.92 \$ 27.92 \$ 30.35 \$ 139.61	\$ 35.21 \$ 53.41 \$ 70.71 N/A \$ 27.92 \$ 27.92 \$ 27.92 \$ 30.35 \$ 139.61
Total Transfer Station Revenue	\$ 3,543,770	\$ 3,543,770

Form 7

Processing Cost Proposal

Proposer Name: Pleasanton Garbage Service, Inc

City of Pleasanton

RFP Response Dated March 2, 2018

\$/Ton for Rate Period One (July 1, 2018 to June 30, 2019)

	MSW Disposal (Average includes \$25 per Load fee and \$13 environmental fee per Load)	MSW Transport Related Party RR&R (Recyc Resource Recovery)	Recyclable Materials Average per collected ton Form 5C	Composting (inclusive of Transfer and disposal cost) per processed ton	Roll Off Box Sort Belt
Disposal/Processing Fee	\$22.48		\$283.72	\$28.20 *	\$42.85
\$25 Tip Fee (\$25 per Load/convert to per ton)	\$1.25				
Transport Fee (Average)		\$16.60		\$14.46	
Grinding Fee				\$17.90	
Regulatory Fees & Taxes (list separately)					
\$13 Environmental Fee (\$13 per Load/convert to per ton)	\$0.65				
Regulatory Fees & Taxes (See below) (Interpolated)	\$19.90				
Total Regulatory Fees	\$20.55	\$0.00	\$0.00	\$0.00	\$0.00
Total Processing Cost/Ton	\$44.28	\$16.60	\$283.72	\$60.56	\$42.85
(show as a negative value)					
Revenues from the Sale of Materials	\$0.00		\$ (112.75)		
Other Income Includes PGS Diversion/Handle Savings (offsetting amt in expenses)			\$ (16.45)		
Net Processing & Transport Cost/Ton*	\$44.28	\$16.60	\$154.52	\$60.56	\$42.85

* If the net is a revenue, net processing cost/ton is to show as a negative amount.

Current Regulatory Fees

Effective 1/17

* Average Greenwaste/Wood Disposal Cost per Ton

State of California - AB1220
 Alameda County LEA
 Alameda County Measure D
 Alameda County Household Haz Waste
 Alameda County WMA - AB939
 Business License
 Adm Host Community
 Open Space & Recycling
 Waste Management Program
 Transport Planning Management

\$ 1.40
 0.38
 8.23
 2.15
 4.34
 0.95
 0.38
 1.45
 0.10
 0.01
 \$ 19.39

Greenwaste Disposal Cost per Ton (ground) \$ 28.93
 Wood Disposal Cost per Ton (ground) \$ -

Pleasanton Garbage Service, Inc.
Depreciation & Replacement Schedule
RFP Response Dated March 2, 2018

From 8 Depr

Depreciation (Projected)	Notes/Units	Life	Estimated Capital Costs	Old Contract Depreciation		FISCAL YEAR ANNUAL DEPRECIATION YEARS 1 THROUGH 11										
				FYE 3/31/2018	3 Months Ended 6/30/18	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	6/30/2029
<u>Assets for Current Programs</u>																
Trucks / Trailers			\$ 1,446,725													
Furniture & Fixtures			35,541													
Leasehold Improvements			32,630													
Machinery & Equipment			142,353													
Assets Placed in Service From 4/1/17 to 10/31/17	In svc 4/1/17	11	1,657,249	150,659	37,665	\$ 150,659	\$ 150,659	\$ 150,659	\$ 150,659	\$ 150,659	\$ 150,659	\$ 150,659	\$ 150,659	\$ 150,659	\$ 112,994	
Estimated Additional Asset Additions Through 6/30/18		11	400,000			36,364	36,364	36,364	36,364	36,364	36,364	36,364	36,364	36,364	36,364	36,364
Estimated Commercial Recycling / Organics Route Expansion Roll Out																
26 Yard FEL (CNG)	2	11	937,378			85,216	85,216	85,216	85,216	85,216	85,216	85,216	85,216	85,216	85,216	85,216
Small Bins	900	11	495,000			45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Total Assets for Current Programs			\$ 3,489,627	\$ 150,659	\$ 37,665	\$ 317,239	\$ 317,239	\$ 317,239	\$ 317,239	\$ 317,239	\$ 317,239	\$ 317,239	\$ 317,239	\$ 317,239	\$ 279,574	\$ 166,580
<u>Estimated Cost of Assets Purchased for New Contract</u>																
G&A																
Hybrid Vehicle	1	11	35,000			3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182	3,182
CIS - Tower		11	175,000			15,909	15,909	15,909	15,909	15,909	15,909	15,909	15,909	15,909	15,909	15,909
Bulky Collection Item Asset Additions																
25 Yard Rearloader (CNG)	1	11	\$ 370,833			33,712	33,712	33,712	33,712	33,712	33,712	33,712	33,712	33,712	33,712	33,712
18' Flatbed (CNG)	1	11	\$ 205,874			18,716	18,716	18,716	18,716	18,716	18,716	18,716	18,716	18,716	18,716	18,716
Used Oil Program Assets																
Oil Jug Racks	8	11	\$ 14,344			1,304	1,304	1,304	1,304	1,304	1,304	1,304	1,304	1,304	1,304	1,304
Replacement Equipment																
Replacement Trucks	12	11	6,000,000			545,455	545,455	545,455	545,455	545,455	545,455	545,455	545,455	545,455	545,455	545,455
Replacement Containers		11	2,535,000			230,455	230,455	230,455	230,455	230,455	230,455	230,455	230,455	230,455	230,455	230,455
Estimated Total of Asset Acquisitions for New Contract			\$ 9,336,051	\$ -	\$ -	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732	\$ 848,732
Total			\$ 12,825,678	\$ 150,659	\$ 37,665	\$ 1,165,971	\$ 1,165,971	\$ 1,165,971	\$ 1,165,971	\$ 1,165,971	\$ 1,165,971	\$ 1,165,971	\$ 1,165,971	\$ 1,165,971	\$ 1,128,306	\$ 1,015,312

Depreciation Expense Reconciliation to Cost Forms			
Form 5A Detailed Costs Vehicle and Container Direct Depreciation			\$ 1,146,880
Form 5B - Allocated Costs			19,091
Form 5C - MRF			-
Rounding Error			(0)
Total FY 6/30/19 Depreciation Expense Reported on Cost Forms			\$ 1,165,971

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EXHIBIT G
CUSTOMER RATES APPROVED BY
THE CITY

EXHIBIT G

CUSTOMER RATES APPROVED BY THE CITY

1. CURRENT RATES

The City-approved Customer Rates for the Rate Period beginning July 1, 2022 are as follows:

**SOLID WASTE, RECYCLABLE MATERIALS, AND ORGANIC MATERIALS COLLECTION SERVICE RATES:
EFFECTIVE 7/1/2022**

SINGLE-FAMILY RESIDENTIAL RATES	Monthly Rate
<u>Cart Service</u> 35-Gallon Service For the regularly- scheduled once each week pick up of the following: - o 35-gallon cart for refuse - o 96-gallon cart for recyclable materials - o 64 or 96-gallon cart for green waste including food scraps	\$29.18
o Each additional refuse cart per week	\$29.18
<u>Cart Service</u> 96-Gallon Service For the regularly- scheduled once each week pick up of the following: - o 96-gallon cart for refuse - o 96-gallon cart for recyclable materials - o 64 or 96- gallon cart for green waste including food scraps	\$50.91
o Each additional refuse cart per week	\$50.91
<u>Back Yard Service</u> For the regularly- scheduled once each week pick up of Waste cart from the back or side yard of a single-family residential property of a customer unable to bring the cart to the curb. Carts must be within 50 feet of any gate or fence. 35-Gallon Service	\$35.47
o Each additional refuse cart per week	\$35.47
96-Gallon Service	\$61.10
o Each additional refuse cart per week	\$61.10

SINGLE-FAMILY RESIDENTIAL RATES	Monthly Rate
<u>Container Service</u> For the one-time drop-off and pick-up of a 4 cubic yard container provided by Pleasanton Garbage Service, Inc.	\$157.69
<u>Additional Services</u> ○ Extra 30-gallon bag (per bag) \$8.42 ○ Go Back Service for customer who forgot to put out carts \$12.65 ○ Same day “go back” for a second pick-up \$11.95 ○ Other than same day “go back service” \$25.00 ○ Cart Exchange/ back and forth changes \$14.08 ○ Redelivery of Cart after delinquent account is cleared \$43.38 ○ Damaged or Stolen Cart – One replacement cart in a 12 month period for Second replacement cart \$67.72	
<u>Senior Citizens Rate</u> Primary occupant must be 62 years of age or older. For the regularly-scheduled once each week pick up of the following:	
35-Gallon Service ○ 35-gallon cart for refuse ○ 96-gallon cart for recyclable materials ○ 64 or 96- gallon cart for green waste including food scraps ○ Each additional refuse cart per week	\$ 29.18 \$ 29.18
96-Gallon Service ○ 96-gallon cart for refuse ○ 96-gallon cart for recyclable materials ○ 64 or 96- gallon cart for green waste including food scraps ○ Each additional refuse cart per week	\$ 43.27 \$ 43.27

SINGLE-FAMILY RESIDENTIAL RATES	Monthly Rate
<u>Senior Citizens Rate (continued)</u> Backyard Service For the regularly- scheduled once each week pick up of Waste cart from the back or side yard of a single-family residential property of a customer unable to bring the cart to the curb. Carts must be within 50 feet of any gate or fence. 35-Gallon Service - o Each additional refuse cart per week 96-Gallon Service - o Each additional refuse cart per week	\$35.47 \$35.47 \$53.46 \$53.46

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cart Size	Frequency	Monthly Rate
Solid Waste Cart Service			
	35-gallon	1/week	\$29.18
	35-gallon	2/week	\$59.50
	35-gallon	3/week	\$92.48
	35-gallon	4/week	\$121.35
	35-gallon	5/week	\$149.94
	96-gallon	1/week	\$50.91
	96-gallon	2/week	\$103.85
	96-gallon	3/week	\$161.38
	96-gallon	4/week	\$211.53
	96-gallon	5/week	\$261.44
Each additional Solid Waste Cart per week	35-gallon	1/week	\$29.18
	96-gallon	1/week	\$50.91
COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES – All Cart Service	Cart Size	Frequency	Rate
Additional Services for Solid Waste, Mixed Recycling and Organic Carts			
Go Back Service for customer who forgot to put out carts	All	Each Cart	\$12.65
Cart Exchange/ back and forth changes	All	Each Cart	\$14.08
Redelivery of Cart after delinquent account is cleared	All	Each Cart	\$43.38
Damaged or Stolen Cart – One replacement cart in a 12 month period is provided free of charge. Second replacement cart in a 12 month period	All	Each Cart	\$67.72
Mixed Recycle or Organics dumped as trash	All	Each Cart	\$21.19

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Monthly Rate
Bin Service (Loose)			
	1	1	\$130.65
	1	2	\$266.52
	1	3	\$414.75
	1	4	\$542.89
	1	5	\$671.02
	2	1	\$261.28
	2	2	\$533.03
	2	3	\$829.28
	2	4	\$1,085.54
	2	5	\$1,341.81
	3	1	\$391.94
	3	2	\$816.47
	3	3	\$1,221.40
	3	4	\$1,605.78
	3	5	\$1,990.19
	4	1	\$522.59
	4	2	\$1,088.65
	4	3	\$1,614.29
	4	4	\$2,126.81
	4	5	\$2,639.36
	7	1	\$933.88
	7	2	\$1,944.87
	7	3	\$2,829.18
	7	4	\$3,726.13
	7	5	\$4,623.07

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Rate
Bin Service (Loose) - continued			
Extra Pickup	1	Each	\$29.57
	2	Each	\$59.15
	3	Each	\$88.71
	4	Each	\$118.28
	7	Each	\$207.00
On Call	1	Each	\$29.57
	2	Each	\$59.15
	3	Each	\$88.71
	4	Each	\$118.28
	7	Each	\$207.00
Money on Delivery Bin Take Away 3-Day Rental	4	Each	\$157.69
Money on Delivery Bin Take Away 3-Day Rental Extra Bin Pick-Up	4	Each	\$118.28

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Monthly Rate
Bin – Compactor			
	1 ½	1	\$384.41
	1 ½	2	\$768.82
	1 ½	3	\$1,153.24
	1 ½	4	\$1,537.24
	1 ½	5	\$1,922.10
	2	1	\$512.56
	2	2	\$1,025.09
	2	3	\$1,537.64
	2	4	\$2,009.88
	2	5	\$2,562.75
	3	1	\$768.83
	3	2	\$1,537.65
	3	3	\$2,306.49
	3	4	\$3,075.30
	3	5	\$3844.13

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Monthly Rate
Bin Compactor – continued			
	4	1	\$1,025.10
	4	2	\$2,050.20
	4	3	\$3,075.31
	4	4	\$4,100.42
	4	5	\$5,125.51
	5	1	\$1,522.55
	5	2	\$2,562.76
	5	3	\$3,602.97
	5	4	\$4,643.18
	5	5	\$5,683.39
	6	1	\$1,827.05
	6	2	\$3,075.30
	6	3	\$4,323.55
	6	4	\$5,571.80
	6	5	\$6,820.05

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Rate
Bin Compactor			
Extra Pickup	1 ½	Each	\$105.41
	2	Each	\$118.28
	3	Each	\$177.43
	4	Each	\$236.57
	5	Each	\$295.72
	6	Each	\$354.87
Overweight Charges (per ton)	NA	Each	\$70.49
Same Day Service	ALL	Each	\$299.02
Steam Clean Compactor Container/Box	ALL	Each	\$334.94
Hard to Handle Trash (per ton)	NA		\$66.75

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Rate
Roll Off Box (Loose) – On Call		
Monthly Rental Fee	All sizes	\$359.33
	15	\$527.03
	20	\$702.70
	30	\$1,054.07
	40	\$1,405.43
Cash on Delivery 3-Day Rental – Daily Rental Fee	All sizes	\$16.76
Cash on Delivery for 3-Day Rental	15	\$527.03
	20	\$702.70
	25	\$878.39
	30	\$1,054.07
	40	\$1,405.43
Overweight Charges (per ton)	All sizes	\$70.49

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Rate
Roll Off Box (Compactor) – On Call		
	8	\$562.17
	10	\$702.70
	15	\$1,054.07
	16	\$1,124.35
	20	\$1,405.43
	24	\$1,686.52
	25	\$1,756.78
	30	\$2,108.14
	36	\$2,529.76
	40	\$2,810.85

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Rate
Additional Services for Solid Waste			
Go Back Service	All	Each	\$136.19
Steam Clean Bin	All	Each	\$162.08
Pallet Pick Up	n/a	Each	\$12.23
Hard to Handle Trash (per ton)	n/a	n/a	\$66.75
Lock and Key for Customer to purchase from PGS	All	Each	\$11.75

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cart Size	Frequency	Monthly Rate
Mixed Recycling Cart Service			
First Cart	96- gallon	1/week	FREE
	96- gallon	2/week	\$38.18
	96- gallon	3/week	\$77.89
	96- gallon	4/week	\$121.20
	96- gallon	5/week	\$158.65
Second Cart	96- gallon	1/week	\$38.18
	96- gallon	2/week	\$77.89
	96- gallon	3/week	\$121.20
	96- gallon	4/week	\$158.65
	96- gallon	5/week	\$196.09
Back Yard Service	96- gallon	1/week	\$54.33

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cubic Yards	Frequency	Monthly Rate
Bins – Cardboard only			
	1	1	\$104.23
	1	2	\$206.92
	1	3	\$318.62
	1	4	\$416.95
	1	5	\$515.33
	2	1	\$208.42
	2	2	\$413.82
	2	3	\$637.02
	2	4	\$833.88
	2	5	\$1,030.52
	3	1	\$308.69
	3	2	\$628.94
	3	3	\$933.02
	3	4	\$1,221.28
	3	5	\$1,528.47
	4	1	\$408.93
	4	2	\$835.37
	4	3	\$1,229.79
	4	4	\$1,614.16
	4	5	\$1,998.52
	7	1	\$816.31
	7	2	\$1,493.36
	7	3	\$2,156.31
	7	4	\$2,828.95
	7	5	\$3,501.61

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cubic Yards	Frequency	Rate
Extra Pickup (same rates for Cardboard only)	1	Each	\$22.18
	2	Each	\$44.34
	3	Each	\$66.52
	4	Each	\$88.70
	7	Each	\$155.23

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cubic Yards	Frequency	Monthly Rate
Bins – Mixed Recycling Only			
	1	1	\$104.23
	1	2	\$206.92
	1	3	\$318.62
	1	4	\$416.95
	1	5	\$515.33
	2	1	\$208.42
	2	2	\$413.82
	2	3	\$637.02
	2	4	\$833.69
	2	5	\$1,030.52
	3	1	\$308.69
	3	2	\$628.94
	3	3	\$938.03
	3	4	\$1,221.28
	3	5	\$1,528.47
	4	1	\$408.93
	4	2	\$835.37
	4	3	\$1,229.79
	4	4	\$1,614.16
	4	5	\$1,998.52

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - ORGANICS	Cart Size	Frequency	Monthly Rate
Organics Cart Service			
	96-gallon	1/week	\$38.18
	96-gallon	2/week	\$77.89
	96-gallon	3/week	\$121.20
	96-gallon	4/week	\$158.65
	96-gallon	5/week	\$196.09

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - ORGANICS	Cubic Yards	Frequency	Monthly Rate
Bins (Loose)			
	1	1	\$104.23
	1	2	\$206.92
	1	3	\$318.62
	1	4	\$416.95
	1	5	\$515.33
	2	1	\$208.42
	2	2	\$413.82
	2	3	\$637.02
	2	4	\$833.69
	2	5	\$1,030.52
	3	1	\$308.69
	3	2	\$628.94
	3	3	\$940.84
	3	4	\$1,233.24
	3	5	\$1,528.47
	4	1	\$408.93
	4	2	\$835.37
	4	3	\$1,229.79
	4	4	\$1,614.16
	4	5	\$1,998.52

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - ORGANICS	Cubic Yards	Frequency	Rate
Roll Off (Loose) – On Call			
	15	Each	\$395.28
	20	Each	\$527.03
	30	Each	\$790.55
	40	Each	\$1,054.07

Large Item On Call List for Residential and Commercial Customers	Rate
Air Conditioner	\$224.38
Flocked Holiday Tree	\$36.60
Bathtub (non-metal or metal)	\$104.79
Chair-Recliner	\$91.95
Couch 6 foot or 9 foot	\$104.79
Dishwasher	\$104.79
Washer	\$104.79
Dryer	\$104.79
Freezer	\$224.38
Refrigerator	\$224.38
Stove	\$104.79
Grill	\$132.42
Toilet	\$91.95
Hide a bed	\$104.79
Mattress Full, King, Queen, Twin	\$132.42
Microwave	\$91.95
Misc. Furniture Item	\$91.95
Misc. Large Item	\$132.42
Ping Pong Table	\$132.42
CPU	\$80.00
Printer	\$80.00
Television Bigger than 25 inches	\$183.90
Television Less than 25 inches console or computer monitor	\$132.42
Water Heater 30, 40, 50, or 80 gallon and above	\$104.79
Tire no rim	\$36.00
Tire with rim - Car and Pick-Up Truck	\$45.96
Tire with rim – Large Truck	\$82.77

TRANSFER STATION		Rate
For the disposal of all types of dry garbage, trash, refuse and debris which meets the disposal requirements of the transfer station.		
Pleasanton Residents		
Minimum Dump Rate		\$8.25
Per Yard Dump Rate		\$12.73
Per Ton Rate		\$70.49
Commercial Customers and Non-Residents		
Cubic Yard Construction/Demolition		\$39.41
Cubic Yard Hard to Handle (over 6 feet in length or 3 feet in diameter)		\$59.79
Cubic Yard Extremely Hard to Handle		\$79.15
Cubic Yard Certified Loads		N/A
Cubic Yard Household Garbage		\$31.25
Minimum Cash Sale		\$31.25
Minimum Charge Sale		\$31.25
Weight Master Certificate		\$33.97
Per Tonnage Fee		\$156.28

2. RATE PERIOD ONE RATES

The City-approved Customer rates for Rate Period One, effective July 1, 2018, are as follows:

**SOLID WASTE, RECYCLABLE MATERIALS, AND ORGANIC MATERIALS COLLECTION SERVICE RATES:
EFFECTIVE 7/1/2018**

SINGLE-FAMILY RESIDENTIAL RATES	Monthly Rate
<u>Cart Service</u> 35-Gallon Service For the regularly- scheduled once each week pick up of the following: - o 35-gallon cart for refuse - o 96-gallon cart for recyclable materials - o 64 or 96-gallon cart for green waste including food scraps	\$26.06
o Each additional refuse cart per week	\$26.06
<u>Cart Service</u> 96-Gallon Service For the regularly- scheduled once each week pick up of the following: - o 96-gallon cart for refuse - o 96-gallon cart for recyclable materials - o 64 or 96- gallon cart for green waste including food scraps	\$45.48
o Each additional refuse cart per week	\$45.48
<u>Back Yard Service</u> For the regularly- scheduled once each week pick up of Waste cart from the back or side yard of a single-family residential property of a customer unable to bring the cart to the curb. Carts must be within 50 feet of any gate or fence. 35-Gallon Service	\$30.53
o Each additional refuse cart per week	\$30.53
96-Gallon Service	\$54.58
o Each additional refuse cart per week	\$54.58

SINGLE-FAMILY RESIDENTIAL RATES	Monthly Rate
<u>Container Service</u> For the one-time drop-off and pick-up of a 4 cubic yard container provided by Pleasanton Garbage Service, Inc. <u>Additional Services</u> ○ Extra 30-gallon bag (per bag) \$7.53 ○ Go Back Service for customer who forgot to put out carts \$11.30 ○ Cart Exchange/ back and forth changes \$12.58 ○ Redelivery of Cart after delinquent account is cleared \$38.75 ○ Damaged or Stolen Cart – One replacement cart in a 12 month period for Second replacement cart \$60.50 <u>Senior Citizens Rate</u> Primary occupant must be 62 years of age or older. For the regularly-scheduled once each week pick up of the following: 35-Gallon Service \$ 26.06 ○ 35-gallon cart for refuse ○ 96-gallon cart for recyclable materials ○ 64 or 96- gallon cart for green waste including food scraps ○ Each additional refuse cart per week \$ 26.06 96-Gallon Service ○ 96-gallon cart for refuse \$ 38.66 ○ 96-gallon cart for recyclable materials ○ 64 or 96- gallon cart for green waste including food scraps ○ Each additional refuse cart per week \$ 38.66	

SINGLE-FAMILY RESIDENTIAL RATES	Monthly Rate
<u>Senior Citizens Rate (continued)</u>	
Backyard Service For the regularly- scheduled once each week pick up of Waste cart from the back or side yard of a single-family residential property of a customer unable to bring the cart to the curb. Carts must be within 50 feet of any gate or fence.	
35-Gallon Service	\$30.53
o Each additional refuse cart per week	\$30.53
96-Gallon Service	\$47.76
o Each additional refuse cart per week	\$47.76

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cart Size	Frequency	Monthly Rate
Solid Waste Cart Service			
	35-gallon	1/week	\$26.06
	96-gallon	1/week	\$45.48
Each additional Solid Waste Cart per week	35-gallon	1/week	\$26.06
	96-gallon	1/week	\$45.48
COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES – All Cart Service	Cart Size	Frequency	Rate
Additional Services for Solid Waste, Mixed Recycling and Organic Carts			
Go Back Service for customer who forgot to put out carts	All	Each Cart	\$11.30
Cart Exchange/ back and forth changes	All	Each Cart	\$12.58
Redelivery of Cart after delinquent account is cleared	All	Each Cart	\$38.75

Damaged or Stolen Cart – One replacement cart in a 12 month period is provided free of charge. Second replacement cart in a 12 month period	All	Each Cart	\$60.50
Mixed Recycle or Organics dumped as trash	All	Each Cart	\$18.93

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Monthly Rate
Bin Service (Loose)			
	1	1	\$116.72
	1	2	\$238.11
	1	3	\$370.53
	1	4	\$485.01
	1	5	\$599.48
	2	1	\$233.43
	2	2	\$476.21
	2	3	\$740.87
	2	4	\$969.82
	2	5	\$1,198.77
	3	1	\$350.16
	3	2	\$729.44
	3	3	\$1,091.18
	3	4	\$1,434.60
	3	5	\$1,778.03
	4	1	\$466.88
	4	2	\$972.59
	4	3	\$1,442.19
	4	4	\$1,900.09
	4	5	\$2,357.99
	7	1	\$834.33
	7	2	\$1,737.54
	7	3	\$2,527.58
	7	4	\$3,328.90
	7	5	\$4,130.22

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Rate
Bin Service (Loose) - continued			
Extra Pickup	1	Each	\$26.42
	2	Each	\$52.84
	3	Each	\$79.25
	4	Each	\$105.67
	7	Each	\$184.93
On Call	1	Each	\$26.42
	2	Each	\$52.84
	3	Each	\$79.25
	4	Each	\$105.67
	7	Each	\$184.93
Money on Delivery Bin Take Away 3-Day Rental	4	Each	\$140.88
Money on Delivery Bin Take Away 3-Day Rental Extra Bin Pick-Up	4	Each	\$105.67

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Monthly Rate
Bin – Compactor			
	1 ½	1	\$343.43
	1 ½	2	\$686.86
	1 ½	3	\$1,030.30
	1 ½	4	\$1,373.75
	1 ½	5	\$1,717.20
	2	1	\$457.91
	2	2	\$915.81
	2	3	\$1,373.72
	2	4	\$1,795.63
	2	5	\$2,289.54
	3	1	\$686.87
	3	2	\$1,373.73
	3	3	\$2,060.60
	3	4	\$2,747.46
	3	5	\$3,434.33

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Monthly Rate
Bin Compactor – continued			
	4	1	\$915.82
	4	2	\$1,831.65
	4	3	\$2,747.47
	4	4	\$3,663.29
	4	5	\$4,579.11
	5	1	\$1,360.23
	5	2	\$2,289.55
	5	3	\$3,218.87
	5	4	\$4,148.19
	5	5	\$5,077.51
	6	1	1,632.28
	6	2	\$2,747.46
	6	3	\$3,862.64
	6	4	\$4,977.82
	6	5	\$6,093.00

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Rate
Bin Compactor			
Extra Pickup	1 ½	Each	\$94.17
	2	Each	\$105.67
	3	Each	\$158.51
	4	Each	\$211.36
	5	Each	\$264.20
	6	Each	\$317.04
Overweight Charges (per ton)	NA	Each	\$62.99
Same Day Service	ALL	Each	\$267.15
Steam Clean Compactor Container/Box	ALL	Each	\$299.24
Hard to Handle Trash (per ton)	NA		\$59.63

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Rate
Roll Off Box (Loose) – On Call		
Monthly Rental Fee	All sizes	\$321.02
	15	\$470.85
	20	\$627.80
	30	\$941.70
	40	\$1,255.60
Cash on Delivery 3-Day Rental – Daily Rental Fee	All sizes	\$14.98
Cash on Delivery for 3-Day Rental	15	\$470.85
	20	\$627.80
	25	\$784.75
	30	\$941.70
	40	\$1,255.60
Overweight Charges (per ton)	All sizes	\$62.99

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Rate
Roll Off Box (Compactor) – On Call		
	8	\$502.24
	10	\$627.80
	15	\$941.70
	16	\$1,004.48
	20	\$1,255.60
	24	\$1,506.72
	25	\$1,569.50
	30	\$1,883.40
	36	\$2,260.08
	40	\$2,511.20

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - SOLID WASTE	Cubic Yards	Frequency	Rate
Additional Services for Solid Waste			
Go Back Service	All	Each	\$121.67
Steam Clean Bin	All	Each	\$144.79
Pallet Pick Up	n/a	Each	\$10.93
Hard to Handle Trash (per ton)	n/a	n/a	\$59.63
Lock and Key for Customer to purchase from PGS	All	Each	\$10.50

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cart Size	Frequency	Monthly Rate
Mixed Recycling Cart Service			
First Cart	96- gallon	1/week	FREE
Second Cart	96- gallon	1/week	\$34.11
Back Yard Service	96- gallon	1/week	\$48.54

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cubic Yards	Frequency	Monthly Rate
Bins – Cardboard only			
	1	1	\$93.12
	1	2	\$184.87
	1	3	\$284.65
	1	4	\$372.49
	1	5	\$460.40
	2	1	\$186.20
	2	2	\$369.70
	2	3	\$569.12
	2	4	\$744.99
	2	5	\$920.66
	3	1	\$275.79
	3	2	\$561.89
	3	3	\$833.55
	3	4	\$1,091.09
	3	5	\$1,365.53
	4	1	\$365.33
	4	2	\$746.31
	4	3	\$1,098.68
	4	4	\$1,442.08
	4	5	\$1,785.47
	7	1	\$729.29
	7	2	\$1,334.16
	7	3	\$1,926.44
	7	4	\$2,527.37
	7	5	\$3,128.32

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cubic Yards	Frequency	Rate
Extra Pickup (same rates for Cardboard only)	1	Each	\$19.81
	2	Each	\$39.62
	3	Each	\$59.43
	4	Each	\$79.24
	7	Each	\$138.68

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - RECYCLING	Cubic Yards	Frequency	Monthly Rate
Bins – Mixed Recycling Only			
	1	1	\$93.12
	1	2	\$184.87
	1	3	\$284.65
	1	4	\$372.49
	1	5	\$460.40
	2	1	\$186.20
	2	2	\$369.70
	2	3	\$569.12
	2	4	\$744.82
	2	5	\$920.66
	3	1	\$275.79
	3	2	\$561.89
	3	3	\$838.03
	3	4	\$1,091.09
	3	5	\$1365.53
	4	1	\$365.33
	4	2	\$746.31
	4	3	\$1,098.68
	4	4	\$1,442.08
	4	5	\$1,785.47

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - ORGANICS	Cart Size	Frequency	Monthly Rate
Organics Cart Service			
	96-gallon	1/week	\$34.11

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - ORGANICS	Cubic Yards	Frequency	Monthly Rate
Bins (Loose)			
	1	1	\$93.12
	1	2	\$184.87
	1	3	\$284.65
	1	4	\$372.49
	1	5	\$460.40
	2	1	\$186.20
	2	2	\$369.70
	2	3	\$569.12
	2	4	\$744.82
	2	5	\$920.66
	3	1	\$275.79
	3	2	\$561.89
	3	3	\$840.54
	3	4	\$1,101.77
	3	5	\$1,365.53
	4	1	\$365.33
	4	2	\$746.31
	4	3	\$1,098.68
	4	4	\$1,442.08
	4	5	\$1,785.47

COMMERCIAL/MULTI-FAMILY RESIDENTIAL RATES - ORGANICS	Cubic Yards	Frequency	Rate
Roll Off (Loose) – On Call			
	15	Each	\$353.14
	20	Each	\$470.85
	30	Each	\$706.28
	40	Each	\$941.70

TRANSFER STATION	Rate
For the disposal of all types of dry garbage, trash, refuse and debris which meets the disposal requirements of the transfer station.	
Pleasanton Residents	
Minimum Dump Rate	\$7.37
Per Yard Dump Rate	\$11.37
Per Ton Rate	\$62.99
Commercial Customers and Non-Residents	
Cubic Yard Construction/Demolition	\$35.21
Cubic Yard Hard to Handle (over 6 feet in length or 3 feet in diameter)	\$53.41
Cubic Yard Extremely Hard to Handle	\$70.71
Cubic Yard Certified Loads	-
Cubic Yard Household Garbage	\$27.92
Minimum Cash Sale	\$27.92
Minimum Charge Sale	\$27.92
Weight Master Certificate	\$30.35
Per Tonnage Fee	\$139.61

EXHIBIT H
INDEX-BASED RATE ADJUSTMENT
MECHANISM

EXHIBIT H

INDEX-BASED RATE ADJUSTMENT MECHANISM

1. PURPOSE

The purpose of this attachment is to describe and illustrate the method by which the City will calculate the annual adjustment to Rates based on the proposed Total Costs for Rate Period One adjusted to reflect changes in various cost indices and changes to Disposal and Processing Costs based on Tonnages of materials Collected. This index-based adjustment process will be used to determine Rates for all Rate Periods beginning with Rate Period Two (July 1, 2019 through June 30, 2020) with the exception that the Rate adjustment process for Rate Period Seven shall involve a detailed review of actual costs pursuant to Section 8.2 of the Agreement and Exhibit I.

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, Disposal and Processing costs will be adjusted to reflect actual Tonnage Collected during the most-recently completed 12-month 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.

2. DEFINITIONS

In addition to the terms defined in Article 1, the following terms are defined for the purposes of Exhibit H and Exhibit I only.

- A. **“Annual Percentage Change”** means (1) the annual percentage change in any of the indices defined above calculated as described in the following paragraph.

The Annual Percentage Change in an index is calculated as the Average Index Value for the 12-month period ending in October of the then-current Rate Period minus the Average Index Value for the 12-month period ending October of the most-recently completed Rate Period and dividing the result by the Average Index Value for the 12-month period ending in October of the most recently completed Rate Period.

For example, if the City is calculating the Total Calculated Costs in January 2020 to be effective for Rate Period Three (July 2020 through June 2021), the Annual Percentage Change for the CPI-U would be calculated as follows:

$$\begin{aligned} & [(\text{Average CPI-U for November 2018 through October 2019}) \text{ minus} \\ & (\text{Average CPI-U for November 2017 through October 2018})] \text{ divided} \\ & \text{by } (\text{Average CPI-U for November 2017 through October 2018}) \end{aligned}$$

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 12-month period ending in October 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. **“Cap Carry Forward”** means the amount that City actually elects to defer (carry forward) from the coming Rate Period to the subsequent Rate Period pursuant to Section 6 of this Exhibit, which shall be included in Total Calculated Costs as an adjustment for such subsequent Rate Period.
- D. **“CPI-U”** means the Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-Hayward compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- E. **“CPI-W”** means the Consumer Price Index, Urban Wage Earners and Clerical Workers, all items, not seasonally adjusted San Francisco-Oakland-Hayward, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- F. **“Fuel Index”** means the Producer Price Index-Commodities for #2 Diesel Fuel, not seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics,

AND

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>). Example: the June 2017 CNG Fuel Pricing Index is \$1.139 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, based on the relative amounts of diesel fuel and CNG used for the preceding twelve (12) calendar months for which such information is available as of the relevant date.

- 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. **“Net Construction and Demolition Debris Processing Costs”** means cost of Processing Construction and Demolition Debris less revenue earned from sale of Construction and Demolition Debris.
- I. **“Net Organic Materials Processing Costs”** means cost of Processing Organic Materials less revenues earned from sale of Compost Product.
- K. **“Net Recyclables Processing Costs”** means Recyclables Processing costs less Commodity Revenue from Recyclables.

- L. “Potential Cap Carry Forward”** means the amount of Total Calculated Costs for the coming Rate period that City may elect to defer (carry forward) to the subsequent Rate Period, which is calculated as provided in Section 6 of this Exhibit.
- M. “Total Calculated Costs”** means the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Calculated Costs amount does 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, Total Proposal Costs for Rate Period One shall be used for the calculations.

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

TABLE 1

	CPI-U	CPI-W	Fuel Index	MVI
Description	Consumer Price Index - All Urban Consumers	Consumer Price Index – Urban Wage Earners and Clerical Workers	Producer Price Index – Commodities for #2 Diesel Fuel AND 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	CUUSS49BSA0	CWUSS49BSA0	WPU057303 AND G-NGV1	CUUR0000SETD
Adjusted	Not seasonally adjusted	Not seasonally adjusted	Not seasonally adjusted AND N/A	Not seasonally adjusted
Group	San Francisco-Oakland-Hayward	San Francisco-Oakland-Hayward	Fuels and Related Products and Power AND N/A	U.S. city average
Item	All items	All items	#2 Diesel fuel AND N/A	Motor vehicle maintenance and repair
Base Period	1982-84=100	1982-84=100	1982 = 100 AND N/A	1982-84=100
Periodicity	Bi-monthly	Bi-monthly	Monthly	Monthly

3. ADJUSTMENT OF TOTAL CALCULATED COSTS

The cost categories of the main components of Total Calculated Costs are presented in detail in Exhibit F. Adjustments to these components shall be calculated as follows:

A. Total Annual Cost of Operations

- Labor-Related Costs.** The Labor-Related Costs component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-

W. Labor-Related Costs includes all wage and benefit costs for all employees, including union employees, administrative employees, officers and stockholders of Contractor.

For example, in Rate Period Two when calculating the Labor-Related Costs for Rate Period Three, the Labor-Related Costs of Rate Period Two will be multiplied by one plus the Annual Percentage change in the CPI-W.

2. **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.
3. **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.
4. **Direct Depreciation.** Direct Depreciation is \$1,165,971 per year for Rate Periods One through Ten is not annually adjusted, and shall be zero in any subsequent Rate Periods unless Parties mutually agree to a different amount.
5. **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 A.1 through A.4 above.

- B. Profit.** Profit for the coming Rate Period will be calculated by dividing the Total Annual Cost of Operations for the coming Rate Period (the value calculated in Section 3.A of this Exhibit) by an operating ratio (.90) and subtracting from the result the Total Annual Cost of Operations for the coming year. The Total Annual Cost of Operations shall not include any costs for the following (1) Any mark-up or profit related to Transfer Station Labor Costs paid to M&M Land Company, LLC, (2) truck repair costs paid to Pleasanton Truck & Equipment Repairs, (3) hauling, grinding, material sales marketing costs paid to Recycling and Resource Recovery Systems, LLC; (4) Recyclable Material Processing cost paid to City Automatic Recycling, Inc.; (5) CNG Fuel costs paid to Amador Valley Industries, LLC ; (6) land lease costs paid to M&M Land Company, LLC; (7) land lease costs paid to Southfront LLC; (8) Disposal costs paid to Waste Management; (9) Organic Materials Processing costs paid to Waste Management; and, (10) hauling costs paid to Tiger Lines.

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

C. Pass-Through Costs

1. **Vehicle Maintenance and Repair.** The Vehicle Maintenance and Repair Cost per vehicle for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index then multiplied by the total number of Collection vehicles in use (including all route vehicles and spares) for services provided under this Agreement.
2. **Transfer and Transport Costs.** The Transfer and Transport Cost per Ton for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U then

multiplied by the total Tons of Discarded Materials Collected for the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Discarded Materials shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.

3. **Disposal Costs.** The average of the Disposal Cost per Ton (which includes per-Ton Disposal fees, per-Ton environmental fees, and per-Ton government fees) for the then-current Rate Period, and the Disposal Cost per-Ton for the coming Rate Period is multiplied by the total Tons of Solid Waste Disposed in the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the average total Tons of Solid Waste Disposed shall be calculated as the average of the Tonnage Disposed in July, August, September, and October 2018 multiplied by 12.
4. **Net Recyclables Processing Costs.** The Net Recyclables Processing Cost per Ton is multiplied by one plus the Annual Percentage Change in the CPI-U and then multiplied by the total Tons of Recyclable Materials Collected for the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Recyclable Materials shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.
5. **Net Construction and Demolition Debris Processing Costs.** The Net Construction and Demolition Debris Processing Cost per Ton for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U and then multiplied by the total Tons of Construction and Demolition Debris Collected for the most-recently completed twelve-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Construction and Demolition Debris shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.
6. **Net Organic Materials Processing Costs.** The Net Organic Materials Processing Cost per Ton for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U then multiplied by the total Tons of Organic Materials Collected for the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Organic Materials shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.
7. **Interest Expense.** Interest Expense is \$593,723 in Rate Period One through Eleven, is not annually adjusted, and shall be zero in any subsequent Rate Period unless Parties mutually agree to a different amount.
8. **Lease Costs.** Lease Costs are \$365,740 in Rate Period One, annually adjusted by multiplying the Lease Costs for the then-current Rate Period by one plus the Annual Percentage Change in the CPI-U.
9. **Landfill Maintenance and Closure Costs.** Landfill Maintenance and Closure Costs for each Rate Period shall mean the amount to which Contractor is entitled for the prior Rate Period pursuant to the terms of that certain "Agreement Approving an Expenditure of Funds to Close Former Landfill between the City and the Contractor" dated October 7, 1986 and attached as

Exhibit O (the “Landfill Closure Agreement 1986”). Notwithstanding any other provision in the Agreement or any other Exhibit thereto, the Landfill Closure Agreement 1986 shall remain in effect in accordance with its terms during and after termination or expiration of the Agreement.

10. **Total Pass-Through Costs.** Total Pass-Through Costs for the coming Rate Period are the sum of the costs calculated in subsections C.1) through C.9 above.
- D. Total Calculated Costs before City Fees.** The Total Calculated Costs before City Fees shall be the sum of the Total Annual Cost of Operations, Profit, and Total Pass-Through Costs for the coming Rate Period.
- E. City Fees**
1. **Franchise Fee.** Franchise Fees, which shall equal three and a half percent (3.5%) of Gross Rate Revenues and Transfer Station Revenues, shall be calculated as follows: $3.5 \times (\text{Total Calculated Costs before City Fees plus the sum of other City Fees specified in Sections 3.E.2 through 3.E.4 of this Exhibit})$ and other adjustments, if any, pursuant to Section 3.F of this Exhibit).
 2. **Vehicle Impact Mitigation Fee.** Vehicle Impact Mitigation Fees shall equal the total Vehicle Impact Mitigation Fees 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. **Rate Review, Performance and Other Review Fees.** Rate Review, Performance Review and other similar fees shall equal an amount agreed upon by the City and the Contractor for payment of the City’s costs, including consulting and legal fees, associated with contract management and other activities related to this Agreement. Such costs shall be determined and the actual costs for the coming Rate Period shall be added and any costs included in the prior Rate Period shall be subtracted from the total Rate Review and Performance Review Fees paid to the City, unless otherwise directed by the City.
 4. **Total City Fees.** The Total City Fees for the coming Rate Period shall equal costs calculated in subsections E.1 through E.4 above.
- 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 Contractor obtains grant funds or subsidies from the a separate government or non-profit agency, the annual amount of funds Contractor received or is forecasted to receive will be reflected as an adjustment. In such case, the adjustment would be a reduction to the Total Calculated Costs to reduce the Rates since Contractor’s has secured funds from other sources to cover a portion of the 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 Pass-Through Costs, Total City Fees, and Other Adjustments (if applicable) for the coming Rate Period.

4. 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.

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. The adjustment to each Rate shall be rounded to the nearest cent.

6. POSSIBLE CARRY FORWARD OF RATE ADJUSTMENTS ABOVE SIX PERCENT (6%)

If Rates for the coming Rate Period (expressed in dollars) exceed Rates for the current Rate Period by more than six percent (6%), calculated as provided below, then City may elect to defer (carry forward) the excess to the subsequent Rate Period in accordance with this Section.

The City's deferral right shall apply only to increases in Rates resulting from application of the methodology set forth in this Exhibit H.

Total Calculated Costs for a given Rate Period, adjusted as necessary to comply with the foregoing requirements, shall be referred to herein as "Adjusted Total Calculated Costs." Adjusted Total Calculated Costs for a given Rate Period includes any Cap Carry Forward from the previous Rate Period.

In each of its applications to establish Rates, Contractor shall include its calculation of: (A) Adjusted Total Calculated Costs for the coming Rate Period, (B) Adjusted Total Calculated Costs for the current Rate Period, (C) the difference between the two (calculation: $C = A - B$), and (D) the amount, if any, by which such difference exceeds six percent (6%) of Adjusted Total Calculated Costs for the current Rate Period (calculation: $D = C - (B \times 0.06)$) (the "Potential Cap Carry Forward"). If the calculation of the Potential Cap Carry Forward results in a negative value, the Potential Cap Carry Forward shall equal zero.

The City may elect to carry forward any amount provided that the amount is less than or equal to the Potential Cap Carry Forward. If City elects to defer some or all of the Potential Cap Carry Forward, then:

- A. Adjusted Total Calculated Costs for the coming Rate Period shall be deemed reduced by such amount; and,
- B. Adjusted Total Calculated Costs for the subsequent Rate Period shall be increased by such amount (which shall be the "Cap Carry Forward" in the Rate adjustment process for such subsequent Rate Period).

City shall not defer any amounts in the final Rate Period of the Term. All amounts that were carried forward shall be reflected in the Cost-Based Rate Adjustment for Rate Period Seven (subject to the provisions of Exhibit I), so that no Cap Carry Forward is calculated or applied for recovery beyond the final Rate Period of the Term.

If the amount of the Potential Cap Carry Forward is greater than ten percent (10%) of Adjusted Total Calculated Costs for the current Rate Period, the Parties shall meet and confer to discuss the City's plan

to reduce the amount of the Cap Carry Forward with the goal of eliminating the Cap Carry Forward in the coming Rate Periods.

7. EXAMPLE

The following example (Table 2) illustrates the index-based adjustment method for determining Rates for Rate Period Two. The dollar amounts shown are hypothetical amounts for Total Calculated Costs for Rate Period One (July 1, 2018 through June 30, 2019) and the adjustment factors are based on assumed changes in the various indices between the average index values for the 12 months ending October 2017 and for the 12 months ending October 2018.

Assumptions for Example Adjustment to Contractor's Compensation:

- Then-current Rate Period = Rate Period One (July 1, 2018 through June 30, 2019)
- Coming Rate Period = Rate Period Two (July 1, 2019 through June 30, 2020)
- Vehicle Maintenance & Repair Cost per Vehicle for then-current Rate Period = \$75,747 per Vehicle
- Vehicle DMV for then-current Rate Period = \$1,433 per Vehicle
- Transfer and Transport Cost per Ton for then-current Rate Period = \$16.60 per Ton
- Net Recyclables Processing Revenues per Ton for the then-current Rate Period = \$108.63 per Ton
- Net Organic Materials Processing Costs per Ton for the then-current Rate Period = \$60.56 per Ton
- Net C&D Processing cost per Ton for the then-current Rate Period = \$42.85 per Ton
- Solid Waste Disposal Cost per Ton for the coming Rate Period = \$46.00 per Ton
- Tonnages for the most-recently completed 12-month period ending October 31:
 - Solid Waste – 95,235 Tons
 - Recyclable Materials – 12,266 Tons
 - Organic Materials – 24,423 Tons
 - Construction and Demolition Debris – 4,081 Tons
- Number of Collection vehicles in use = 34
- Annual Percentage Change in the CPI-U = 0.035
- Annual Percentage Change in the CPI-W = 0.031
- Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = 0.018
- Annual Percentage Change in the Fuel Index Diesel= 0.124
- Annual Percentage Change in the Fuel Index CNG= 0.434

TABLE 2

Example Calculation of Total Calculated Costs for Rate Period Two

	Rate Period One	Adjustment Index	Adjustment Factor	Rate Period Two
Per Unit Cost and Fee Adjustments	FY 6/30/19			FY 6/30/20
Vehicle Maintenance & Repair Cost per Vehicle	\$ 75,747	MVI	1.018	\$ 77,110
Vehicle DMV	\$ 1,433	MVI	1.018	\$ 1,459
Transfer and Transport per Ton	\$ 16.60	CPI-U	1.035	\$ 17.19
Recyclable Materials Processing Tip Fee per Ton	\$ 108.63	CPI-U	1.035	\$ 112.43
Organic Materials Processing Tip Fee per Ton	\$ 60.56	CPI-U	1.035	\$ 62.68
C&D Processing Tip Fee per Ton	\$ 42.85	CPI-U	1.035	\$ 44.35
Solid Waste Disposal Tip Fee per Ton	\$ 44.28	Ton Factor	EXAMPLE	\$ 46.00
Annual Cost of Operations				
Labor-related costs	8,954,120	CPI-W	1.031	9,231,698
Fuel Costs Diesel	423,069	Fuel-D	1.124	475,530
Vehicle DMV	48,727	Unit Cost x #vehicles	34	49,604
Other Costs	2,422,213	CPI-U	1.035	2,506,991
Direct Depreciation	1,165,971	N.A.		1,165,971
Total Annual Cost of Operations	13,014,100			13,429,793
90% Operating Ratio Profit	1,446,011			1,492,199
Pass Through Costs				
Vehicle Maintenance & Repair Costs	2,575,393	Unit Cost x #vehicles	34	2,621,750
Other Intercompany Maintenance	418,934	MVI	1.018	426,475
Transfer and Transport	1,581,309	Tip fee x tons	95,235	1,637,083
Recyclable Materials Processing Cost	1,332,419	Tip fee x tons	12,266	1,379,066
Organic Materials Processing Cost	1,478,988	Tip fee x tons	24,423	1,530,834
Roll Off Belt (C&D) Processing Cost	174,870	Tip fee x tons	4,081	180,991
Solid Waste Disposal Cost	4,216,993	Tip fee x tons	95,235	4,380,793
Fuel Costs CNG	269,550	Fuel-CNG	1.434	386,535
Interest Expense	593,723	N.A.		593,723
Lease costs	365,740	CPI-U	1.035	378,541
Total Pass-Through Costs	13,007,919			13,515,790
Total Calculated Costs before City Fees	27,468,030			28,437,783
City Fees / Payments				
4.0% Franchise Fee	1,133,671	N.A.		1,173,334
Performance Review	-	Insert actual fee for rate period		60,000
AB939/AB341 Fee	-	Insert actual fee for rate period		-
Vehicle Impact Mitigation Fee	-	Insert actual fee for rate period		-
Illegal Dumping Fee	-	Insert actual fee for rate period		-
GHG/Carbon Emissions Fee	-	Insert actual fee for rate period		-
Reimbursement for City Review	80,000	Insert actual fee for rate period		-
Total City Fees / Payments	1,213,671			1,233,334
Other Adjustments				
Landfill Maintenance / Closure	132,882	Insert actual prior period cost		140,000
Rental Income	(18,600)	N.A.		(18,600)
G&A Support Revenue from CARI	(83,420)	N.A.		(83,420)
Interest Income	(179)	N.A.		(179)
Cardboard Recycling Revenue from RRR	(177,420)	N.A.		(177,420)
State Curbside Collection Revenue	(51,491)	N.A.		(51,491)
Total Other Adjustments	(198,228)			(191,110)
Other Post December 31, 2014 Rate Reserve Activity				
0.50% Franchise Fee funded by Rate Reserve Credit	(141,709)			(146,667)
Other Total Rate Reserve Activity	(141,709)			(146,667)
Total Calculated Costs	28,341,763			29,333,339
Rate Adjustment Factor				3.50%

Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Two

Rate Adjustment Factor = $\$29,333,339 / \$28,341,763 = 1.035$

35-gallon Single-Family Rate for Rate Period Two = $\$29.30 \times 1.035 = \$30.33$, which shall be effective July 1, 2019.

8. OTHER

If an index described in Section 2 of this Exhibit is discontinued, the successor index with which it is replaced will be used for subsequent calculations. If no successor index is identified by the Bureau of Labor Statistics, the index published by the Bureau which is most comparable will be used.

EXHIBIT I
COST-BASED RATE ADJUSTMENT
MECHANISM

EXHIBIT I

COST-BASED RATE ADJUSTMENT MECHANISM

1. PURPOSE

The City shall use the cost-based Rate adjustment method described in this Exhibit to determine Rates for Rate Period Seven in accordance with Section 8.2 of the Agreement.

The cost-based Rate 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 forecast the Total Calculated Costs for the coming Rate Period. The lesser of 6% or the difference (measured as a percentage) between the forecasted Total Calculated Costs for the coming Rate Period and the Gross Rate Revenues of the most-recently completed 12-month period (adjusted to reflect the most recent Rate adjustment) shall be 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 costs, the number of Customers, and the Service Level of Customers.

2. DEFINITIONS

In addition to the terms defined in Article 1, all defined terms presented in Section 2 of Exhibit H are applicable to this Exhibit I.

3. FORECASTING TOTAL CALCULATED COSTS

The Total Calculated Costs 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 Total Annual Cost of Operations.** Contractor's financial statement, books, and records shall be reviewed to determine Contractor's Actual 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. Forecasted labor-related costs
 - b. Forecasted fuel costs
 - c. Forecasted other costs (as defined in Exhibit F)
 - d. Forecasted direct depreciation costs
2. **Calculate Allowable Costs.** Contractor shall calculate Allowable Total Annual Cost of Operations for the most-recently completed Rate Period by adjusting Actual Total Annual Cost of Operations for the most-recently completed Rate Period (determined in accordance with Section 3.A.1 of this Exhibit) to deduct non-allowable costs. The

Allowable Total Annual Cost of Operations shall be reported in the cost categories identified in Section 3.A.1 of this Exhibit. Non-allowable costs which shall be deducted from actual costs include the following:

- a. Labor and equipment costs for personnel and vehicles that are not specified in Exhibit F or otherwise approved in writing by the City.
 - b. Payments to directors and/or owners of Contractor unless paid as reasonable compensation for services actually rendered.
 - c. Travel expenses and entertainment (above \$25,000 annually in total) expenses, unless authorized in advance by the City.
 - d. Payments to repair damage to property of third parties or the City for which Contractor is legally liable.
 - e. Fines for penalties of any nature.
 - f. Liquidated Damages assessed under this Agreement.
 - g. Federal or State income taxes.
 - h. Charitable or political donations.
 - i. Depreciation or interest expense for Collection vehicles, Containers, other equipment, offices and other facilities if such items are leased as specified in Exhibit F or otherwise approved in writing by the City.
 - j. Attorney's fees and other expenses incurred by Contractor in any court proceeding in which the City and Contractor are adverse Parties, unless Contractor is the prevailing Party in such proceeding.
 - 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.
 - m. Payments to Related Party Entities for products or services in excess of the Rates identified in this Agreement.
 - n. Goodwill.
 - o. Unreasonable profit sharing distributions.
 - p. Depreciation and interest expenses in excess of that specified in Exhibit F including costs for replacement of Containers because the useful life of such Containers was less than anticipated, except as otherwise approved in writing by the City.
 - q. Bad debt write-offs in excess of 0.5% of annual Gross Rate Revenues.
3. **Forecasted Total Annual Cost of Operations.** Forecasted Total Annual Cost of Operations for the coming Rate Period shall be calculated based on allowed Total Cost of Operations for the most-recently completed Rate Period determined in accordance with Section 3.A.2 of this Exhibit. The forecasts shall be performed in the following manner:

- a. Forecasted labor-related costs shall be calculated for coming Rate Period by multiplying (i) the allowed labor-related costs for most-recently completed Rate Period by 1 plus the Annual Percentage Change in CPI-W, and (ii) multiplying the result of step one by 1 plus the Annual Percentage Change in CPI-W.
- b. Forecasted fuel costs shall be calculated for the coming Rate Period by (i) multiplying the Allowed fuel costs for the most-recently completed Rate Period by 1 plus the Annual Percentage Change in the Fuel Index, and (ii) multiplying the result of step one by one plus the same percentage changed used in step one.
- c. Forecasted 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 by 1 plus the Annual Percentage Change in CPI-U.
- d. Forecasted direct depreciation expense shall be \$1,165,971 for Rate Period Seven, which is the amount specified in Exhibit F for vehicles, Containers, and facilities or otherwise approved in writing by the City.
- e. Forecasted Total Annual Cost of Operations for coming Rate Period shall equal the sum of the following costs, which shall have been calculated in accordance with procedures in this Section:
 - (1) Forecasted labor-related costs
 - (2) Forecasted fuel costs
 - (3) Forecasted other costs
 - (4) Forecasted direct depreciation expense

- B. Forecasted Profit.** Contractor shall be entitled to Profit on Forecasted Total Annual Cost of Operations. Profit for the coming Rate Period will be calculated by dividing the Total Annual Cost of Operations for the coming Rate Period (the value calculated in Section 3.A.3.e of this Exhibit) by an operating ratio (0.90) 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. Forecasted Pass-Through Costs.** Pass-Through Costs for the coming Rate Period shall be forecasted in the following manner:
1. **Forecasted Vehicle Maintenance and Repair Cost.** Forecasted Vehicle Maintenance and Repair Cost = (Vehicle Maintenance and Repair Costs per

Collection vehicle for the then-current Rate Period) x (1 + Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index) x (total number of Collection vehicles in use for services under this Agreement).

2. **Forecasted Transfer and Transport Cost.** Forecasted Transfer and Transport cost = (Transfer and Transport Costs per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Discarded Materials Collected for the most-recently completed 12-month period).
3. **Forecasted Disposal Cost.** The average of the Disposal Cost per Ton (which includes per-Ton Disposal fees, per-Ton environmental fees, and per-Ton government fees) for the then-current Rate Period and the Disposal Cost per Ton for the coming Rate Period is multiplied by the total Tons of Solid Waste Disposed in the most-recently completed 12-month period.
4. **Forecasted Net Recyclables Processing Cost.** Forecasted Net Recyclables Processing cost = (Net Recyclables Processing Costs per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Recyclable Materials Collected for the most-recently completed 12-month period).
5. **Forecasted Net Organic Materials Processing Cost.** Forecasted Net Organic Materials Processing cost = (Net Organic Materials Processing cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Organic Materials Collected for the most-recently completed 12-month period).
6. **Forecasted Net Construction and Demolition Debris Processing Cost.** Forecasted Net Construction and Demolition Debris Processing cost = (Net Construction and Demolition Debris Processing cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Construction and Demolition Debris Collected for the most-recently completed 12-month period).
7. **Interest Expense.** Interest Expense is \$593,723 for Rate Period Seven.
8. **Lease Costs.** Lease Costs for Rate Period Seven will be determined by by (i) multiplying the allowed Lease 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 by 1 plus the Annual Percentage Change in CPI-U.
9. **Landfill Maintenance and Closure Costs.** Landfill Maintenance and Closure Costs for Rate Period 7 shall mean the amount to which Contractor is entitled for Rate Period Six pursuant to the terms of the "Agreement Approving an Expenditure of Funds to Close Former Landfill between the City and the Contractor" dated October 7, 1986 and attached as Exhibit O.

10. **Total Forecasted Pass-Through Costs.** Total Forecasted Pass-Through Costs for the coming Rate Period are the sum of the amounts in subsections C.1 through C.9 above.
- D. Forecasted Total Calculated Costs before City Fees.** The Forecasted Total Calculated Costs before City fees shall be the sum of the Forecasted Total Annual Cost of Operations, Forecasted Profit, and Forecasted Total Pass-Through Costs for the coming Rate Period.
- E. Forecasted City Fees.** The Forecasted City Fees shall be calculated in the manner described in Section 3.E of Exhibit H.
- F. Other Adjustments.** As described in Section 3.F of Exhibit H, other adjustments may be included during the Term of the Agreement.
- G. Forecasted Total Calculated Costs.** The Total Calculated Costs for the coming Rate Period shall equal the sum of the Forecasted Total Cost of Operations, Forecasted Profit, Forecasted Pass-Through Costs, Forecasted City Fees, and Other Adjustments (if applicable) for the coming Rate Period determined in accordance with Section 3 of this Exhibit.

4. RATE ADJUSTMENT FACTOR

The Rate Adjustment Factor shall equal the Forecasted Total Calculated Costs for the coming Rate Period divided by the Gross Rate Revenues for the most-recently completed 12-month period ending October 31 (adjusted to reflect the most-recent Rate adjustment), which shall be rounded to the nearest thousandth, or 6%, whichever is less. The adjustment to Gross Rate Revenues shall be calculated by (1) multiplying the Gross Rate Revenues for November through June by the Rate Adjustment Factor used to determine Rates for the then-current Rate Period, and (2) adding Gross Rate Revenues for July to October to the amount determined in Step 1.

Contractor shall not be entitled to any additional adjustment in Rates to account for Gross Rate Revenues being lower than actual or estimated costs in prior Rate Periods (i.e. no revenue reconciliation or “true-ups”).

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 J
SECRETARY'S CERTIFICATION

EXHIBIT J

SECRETARY'S CERTIFICATION

The undersigned, being the Secretary of Pleasanton Garbage Service, Inc., ("the Contractor"), does hereby certify that the following resolution was adopted by the Board of Directors of the Contractor and that such resolution has not been amended, modified or rescinded and is in full force and effect as of the date hereof: Action By Written Consent of Directors Dated February 1, 2018.

RESOLVED, that Gina Cardera be, and hereby is, authorized to sign this Agreement and execute by and on behalf of the Contractor any and all agreements, instruments, documents or papers, as they may deem appropriate or necessary, pertaining to or relating to the Agreement between the City of Pleasanton and Pleasanton Garbage Service, Inc., and that any such action taken to date is hereby ratified and approved.

Dated: _____

Signature

Title

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EXHIBIT K
CONTRACTOR'S PERFORMANCE
BOND

EXHIBIT K

CONTRACTOR'S PERFORMANCE BOND

Annual Form

Bond No. _____

KNOW ALL BY THESE PRESENTS, That we Pleasanton Garbage Service, Inc., as Principal, and _____, of _____, authorized to do business in the State of California as Surety, are held and firmly bound unto the City of Pleasanton, as Obligee, in the maximum penal sum of One Million Dollars (\$1,000,000), lawful money of the United States of America, for which payment well and truly to be made we bind ourselves, our heirs, executors and assigns, jointly and severally, firmly by this Bond.

WHEREAS, the Principal has entered, or is about to enter, into a written agreement with the Obligee to perform in accordance with the terms and conditions of the Agreement for Solid Waste, Recyclable Materials, and Organic Materials Services (hereinafter referred to as the Contract), said Contract is hereby referred to and made a part hereof;

NOW, THEREFORE, the condition of this obligation is such that if the above-named Principal, its successors and assigns, shall well and truly perform its obligations as set forth in the above mentioned Contract, then this Bond shall be void; otherwise to remain in full force and effect pursuant to its terms.

Notwithstanding anything to the contrary in the Contract, the Bond is subject to the following express conditions:

1. Whereas, the Obligee has agreed to accept this Bond, this Bond shall be effective for the definite period of one year to _____. The Bond may be extended, at the sole option of the Surety, by continuation certificate for additional periods from the expiry date hereof. However, neither: (a) the Surety's decision not to issue a continuation certificate, nor (b) the failure or inability of the Principal to file a replacement bond or other security in the event the Surety exercises its right to not renew this Bond, shall itself constitute a loss to the Obligee recoverable under this Bond or any extension thereof.
2. The above referenced Contract has a term ending June 30, 2029. Regardless of the number of years this Bond is in force or the number of continuation certificates issued, this Bond shall not be extended beyond _____, unless earlier nonrenewed pursuant to paragraph 1 above.
3. No claim, action, suit or proceeding, except as hereinafter set forth, shall be had or maintained against the Surety on this instrument unless such claim, action, suit or proceeding is brought or instituted upon the Surety within one year from termination or expiration of the bond term.
4. Regardless of the number of years this Bond is in force or the number of continuation certificates issued, the liability of the Surety shall not be cumulative in amounts from period to period and shall in no event exceed the amount set forth above, or as amended by rider.

5. Any notice, demand, certification or request for payment, made under this Bond shall be made in writing to the Surety at the address specified below. Any demand or request for payment must be made prior to the expiry date of this Bond.

Surety Address: *Attn: Bond Claim*

6. If any conflict or inconsistency exists between the Surety's obligations or undertakings as described in this Bond and as described in the underlying Contract, then the terms of this Bond shall prevail.

SIGNED, SEALED AND DATED this ____ day of _____, _____

By: _____ [Principal]

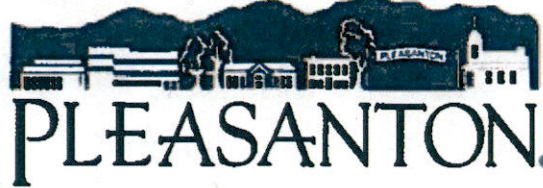
By: _____ [Surety]

EXHIBIT L
FACILITY PERMITS

EXHIBIT L FACILITY PERMITS

Attached are Contractor's permits submitted for Exhibit L, as of the Commencement Date:

1. City of Pleasanton CUP
2. Current Solid Waste Facility Permit
 - a. Email from Evan Edgar stating where we are in the review process
3. Storm Water Permit
4. Bay Area Air Quality Management District
 - a. Permit that expired on Oct 1, 2017 that shows both the Landfill and the Transfer Station
 - b. Permit that is current just for the Landfill going forward (Transfer Station only going forward is in process)
 - c. Letter from EBA explaining the current process (the info was delivered to BAAQMD on Feb 20, 2018)
5. Bay Area Air Quality Management District (gasoline operation)



December 8, 2017

Peter MacDonald
Law Office of Peter MacDonald
400 Main Street, Suite 210
Pleasanton, CA 94566

Subject: Finding of General Conformance of Conditional Use Permit (UP-91-10) for the Pleasanton Garbage Service located at 3110 Busch Road

Dear Mr. MacDonald:

The City of Pleasanton Planning Division has reviewed your request for determination on the activities listed below currently taking place at the Pleasanton Garbage Service facility located at 3110 Busch Road:

- Processing and recycling of commercial and/or residential food waste;
- Processing and recycling construction and demolition waste;
- Processing and recycling green waste; and
- Processing and recycling wood waste.

Based on the list of activities and uses submitted, the Planning Manager finds the above-mentioned activities and uses are consistent with those authorized under Conditional Use Permit No. UP-91-10 and are consistent with the previous findings made on the application. Therefore, these uses are found to be in general conformance with all approved entitlements for the site and authorized under the Pleasanton Garbage Service Conditional Use Permit.

Any modifications to the approved Conditional Use Permit require separate City review and action. Depending on the scope of the modifications, they may require review and action by the Planning Commission.

If you have any questions concerning this approval, please contact Jennifer Hagen, Associate Planner, at (925) 931-5607, or via email at: jhagen@cityofpleasantonca.gov.

Sincerely,

Melinda M. Denis
Interim Planning Manager

COMMUNITY DEVELOPMENT
www.cityofpleasantonca.gov

P. O. BOX 520 · 200 Old Bernal Avenue
Pleasanton, CA 94566-0802

Planning (925) 931-5600 Fax: 931-5483	Building & Safety (925) 931-5300 Fax: 931-5478	Code Enforcement (925) 931-5620 Fax: 931-5478	Permit Center (925) 931-5630 Fax: 931-5478	Traffic Engineering (925) 931-5677 Fax: 931-5487

EXHIBIT A
Resolution No. PC-92-59
Conditions of Approval

Case UP-91-10

1. Definition of Uses and Performance Standards

This use permit shall allow the uses listed below to be operated at the approximately 7-acre site (Assessor's Parcel Numbers 946-1250-37, 946-1250-38, 946-1250-39) covered by this use permit. Use of the site shall be primarily for waste transfer station operations, the recycling processing and collection facilities (primary uses), with ancillary uses allowed so long as they are incidental to and not in conflict with the primary uses. All uses shall be operated as described in the attached "Exhibit A" (dated "Received November 1, 1991" and "Received June 24, 1992"), on file with the Planning Department, except as modified by these conditions.

Prior to the issuance of on-site improvement permits, as required herein, the applicant shall submit a revised site plan for review and approval by the Planning Director which indicates adequate on-site parking for employees. All employee and customer parking spaces shall be located on a paved surface, shall be striped, marked, etc., according to Municipal Code requirements. At least one parking space for each employee on the maximum shift shall be provided.

A. Waste transfer station, including: administrative offices; parking and storage of transfer station trucks; fuel station for transfer station trucks; truck-washing facilities; hauling of wastes onto and off of the site; waste compaction and waste sorting operations; and other operations directly related to waste transfer operations (CUP).

1. The maximum average daily tonnage permitted to be handled at the transfer station is 720, the capacity of the transfer station.
2. In accordance with the applicant's franchise agreement with the City, the applicant (City Automatic Recycling, Inc.) shall file regular reports with the City Manager's office indicating the average daily tonnage for each month of the quarter. This report shall indicate also the characterization of the unsorted waste stream, and the tonnage and percentage of recyclable and salvageable materials.

3. If, in any two consecutive quarters, average daily tonnage exceeds 720, the applicant shall apply for a new use permit to expand the facility. Upon approval or conditional approval of the use permit, the applicant then shall apply for all applicable solid waste permits, air pollution control permits and water quality control permits, as prescribed by the State Government Code in effect at the time.
4. The transfer station shall be maintained and operated according to all County, State and local agency rules and regulations governing such a facility. All such permits shall be obtained and maintained effective during the operation of this use permit. Violation of these regulations will be considered a violation of the use permit. The City shall be notified immediately should any required permit lapse or should the applicant be found by such agency to be in violation of any permit requirement.
5. All transfer station facilities shall be maintained in a dust-free, odor-free and orderly manner, to the greatest extent possible given the nature of the use. Loose trash, unbaled or uncontained recyclables, overflowing storage bins, improper storage of hazardous materials shall be considered a violation of the use permit performance standards.
6. Any proposed expansion or intensification of the transfer station operations shall be submitted to the Planning Director for review. The Planning Director shall determine whether such proposed intensification or expansion is within the limits of transfer station activities as permitted by this use permit. Should the Director determine that the expansion or intensification of the use is not covered by this permit, a new use permit shall be required. The Director may refer the matter to the Planning Commission for review. Any expansion or intensification of use also shall receive review and approval by responsible local, State and federal agencies.
7. The use permit for the waste transfer station shall be reviewed by the Planning Director every two years to ensure compliance with the conditions of approval of the permit. Should the Planning Director find that the conditions of approval have not been observed, or that continuing non-compliance with conditions has become a problem, the Director may refer review of the use permit to the Planning Commission.

B. Recycling processing facility (small and large), including: administrative offices; use of a conveyor belt and picking station for sorting of recyclable materials; crushing, compacting and baling of recyclable materials; storage of recyclable materials; transporting recyclable materials off-site; and other operations directly related to the processing of recyclable materials (CUP).

1. The applicant (City Automatic Recycling, Inc.) shall file a quarterly report with the City Manager's office and the Planning Department, indicating the average daily tonnage of recyclable materials handled by the facility. This report shall indicate also the characterization of the materials.
2. All recyclable materials shall be baled, or stored in appropriate containers. When necessary or convenient (such as for the temporary storage of batteries), said containers shall be water tight. Recyclable materials not stored within an enclosed structure or container shall be removed from the site at least once a week.
3. Baled recyclable materials, unsuitable for storage in a container, and storage containers for recyclable materials shall be located on a sealed, dust-free surface (to the satisfaction of the City Engineer) and not located in a designated travel lane or parking area. The applicant shall submit to the Planning Director for review and approval, a site plan indicating the proposed location of storage bins and storage areas of recyclable materials.
4. The recycling processing facility shall be maintained and operated according to all County, State and local agency rules and regulations governing such facility. All such permits shall be obtained and maintained effective during the operation of this use permit. Violation of these regulations will be considered a violation of the use permit. The City shall be notified immediately should any required permit lapse or should the applicant be found by such agency to be in violation of any permit requirement.
5. All processing facilities, including the Materials Recovery Facility (MRF), shall be maintained in a dust-free, odor-free and orderly manner, to the greatest extent possible given the nature of the use. Unbaled or uncontained recyclables, overflowing storage bins, or improperly located storage areas shall be considered a violation of the use permit performance standards.

6. Any proposed revisions to the recycling processing facility, including the addition of awnings over the MRF, shall be subject to the review and approval of the Planning Director, who may refer the matter to the Planning Commission for decision.
- C. Recycling collection facility (large), including: administrative office; a "buy-back" center; storage of recyclable materials; and other operations directly related to the collection of recyclable materials (CUP).
1. The collection facility shall meet all State requirements for recycling buy-back centers, and the applicant shall secure a State permit for said use which shall be maintained effective during the operation of this use permit. The recycling collection facility shall be maintained and operated according to all County, State and local agency rules and regulations governing such facility. Violation of these regulations will be considered a violation of the use permit. The City shall be notified immediately should any required permit lapse or should the applicant be found by such agency to be in violation of any permit requirement.
 2. The applicant shall submit a revised site plan for the review and approval of the Planning Director, showing the location of the buy-back center, location of buy-back center storage bins, parking and turn-around areas for buy-back customers. Said parking and turn-around areas shall be located so as not to interfere or impede on-site circulation patterns and designated travel lanes. No stacking of vehicles shall be permitted in designated travel lanes or parking areas not designated for the buy-back center.
 3. All buy-back recyclables shall be stored, when appropriate, in watertight containers, located on a sealed, dust-free surface to the satisfaction of the City Engineer. No "open" storage of buy-back recyclables shall be permitted: buy-back recyclables shall not be permitted to accumulate uncontained. Containers should be emptied at least once weekly, or as necessary to avoid overflow.
- D. Wood chipping operation (only as part of recycling activities), including: sorting of wood materials for chipping purposes storage of pre-processed wood products; storage of processed wood products; shipping of processed wood off-site (CUP).

1. The area devoted to wood-chipping operations shall not exceed one acre without further review by the Planning Director. If deemed necessary, the Planning Director may refer the requested expansion to the Planning Commission for review.
2. Wood products to be processed, and wood products already processed, shall be stored within a designated, fenced area and shall be located away from other operations, particularly the buy-back center. The applicant shall submit a revised site plan for review and approval by the Planning Director, indicating the area designated for wood-chipping, and indicating storage areas of wood material and the location of the wood chipper machinery. In addition, the applicant shall submit a statement indicating the type and size of machinery used in the chipping process.
3. Processed/chipped wood products shall be hauled off-site at least once weekly.
4. Wood storage areas shall be maintained so that they do not create a fire hazard, odor, vector control, health, safety or nuisance problem. Storage of wood products outside of the designated area shall not be permitted.
5. Wood chipping operations shall take place only during the hours of operation of the recycling processing facility.

E. Tire sales and service, including: sales and service office incidental to the use; installation of tires, tire balancing and wheel alignment in conjunction with sale of tires, but not including overnight or multiple-night storage of passenger vehicles.

1. The applicant shall submit a revised site plan for review and approval by the Planning Director indicating the proposed location of the building housing the tire sales and service operation. Said site plan shall include designated employee and customer parking, service and storage areas sufficient to allow operation of the facility and its use by the public in a safe and orderly manner which does not interfere with the use of the site as a waste transfer station, recycling collection facility or recycling processing facility.

2. All equipment, materials and products shall be stored within a building. Storage of used or worn tires may be stored within a designated storage container, and located outside of the building. All office-type activities related to the service shall be performed within a building. Tire service may be performed only in designated service areas.
3. No passenger vehicles may be stored overnight. A maximum of five trucks may be stored overnight, or for multiple days or nights, in designated parking areas only.

F. Truck and heavy equipment repair, including: repair shop office incidental to the use; welding; body work and engine repair; and outdoor storage as necessary, but not including the storage of inoperable vehicles for greater than 45 days; and not including body or engine repair as part of a truck or equipment salvaging operation separate from the repair service.

1. The applicant shall submit a revised site plan for review and approval of the Planning Director, indicating designated outdoor storage areas, service areas, parking and vehicle storage areas. Said site plan shall include designated employee and customer parking, service and storage areas sufficient to allow operation of the facility and its use by the public in a safe and orderly manner which does not interfere with the use of the site as a waste transfer station, recycling collection facility or recycling processing facility.
2. All equipment, materials and products suitable for storage within a building shall be stored in a building. Storage of used or replaced parts may be stored within a designated storage container located outside of the building, to the satisfaction of the City Fire Marshall. Large equipment unsuitable for storage in a building may be stored outside, but only in areas so-designated and improved with a sealed, dust-free surface to the satisfaction of the City Engineer. Equipment stored outdoors shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
3. All office-type activities related to the repair service shall be performed within a building. Repair services may be performed only in designated service areas.

4. A maximum number of ten trucks or heavy equipment vehicles may be stored overnight, or for multiple days or nights up to 45 days, and shall be stored indoors or in designated parking areas only.

G. Street-sweeping operations, including: administrative office incidental to the use; outdoor storage of sweeper trucks on-site; dumping of street-cleaning water into on-site tanks and any other operations directly related to a street-sweeping service.

1. The applicant shall submit a revised site plan for review and approval of the Planning Director, indicating the exact area of the site where street-sweeping trucks and equipment shall be stored. Said site plan shall include designated employee parking, storage and access areas sufficient to allow operation of the street-sweeping service in a safe and orderly manner.
2. Storage of trucks and equipment shall be on sealed, dust-free surfaces only, to the satisfaction of the City Engineer, shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
3. A maximum number of 20 vehicles for this use shall be stored on-site at any one time, area permitting.

H. Septic/holding tank pumping service, including: administrative office incidental to the use; outdoor storage of trucks and other uses related directly to the use.

1. The applicant shall submit a revised site plan for the review and approval of the Planning Director, indicating the exact area of the site pumping trucks and equipment shall be stored. Said site plan shall include designated employee parking, storage and access areas sufficient to allow operation of the pumping service in a safe and orderly manner.
2. Storage of trucks and equipment shall be on sealed, dust-free surfaces to the satisfaction of the City Engineer, shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
3. A maximum number of 10 vehicles for this use shall be stored on-site at any one time, area permitting.

I. Storage and rental of storage sheds, containers, and portable toilets, including: administrative office incidental to the use; outdoor storage of storage sheds, containers and portable toilets on-site; pumping out contents of portable toilets, as necessary.

1. The applicant shall submit a revised site plan for the review and approval of the Planning Director, showing the location and exact size of the storage areas for the rental storage sheds and portable toilets, including a loading area. Said site plan shall indicate that storage and access areas are sufficient to allow operation of the storage and rental service in a safe and orderly manner.
2. Storage and loading areas shall be on sealed, dust-free surfaces to the satisfaction of the City Engineer, shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
3. A maximum area of 6,500 square feet may be dedicated to storage of portable toilets, and a maximum area of 4,800 square feet may be dedicated to the storage of rental sheds, area permitting.

2. Any proposed expansion or intensification of any of the uses listed above shall be submitted to the Planning Director for review. The Planning Director shall determine whether such proposed intensification or expansion is within the limits of the activities as listed above, and within the bounds of the use permits as conditioned. Should the Director determine that the expansion or intensification of the use is not covered, the Director may refer the matter to the Planning Commission for review, and possible application for a new use permit. Expansion or intensification of the use without review shall be considered a violation of the conditions of approval of this case.

3. No new uses shall be permitted on the site without review by the Planning Department. Uses allowed by the zoning district which are incidental to and/or ancillary to the waste transfer station, recycling collection facility and recycling processing facility (i.e., primary uses) may be approved by the Planning Director subject to the review and approval of a site plan showing the location of the use, required employee or customer parking areas, storage and service areas and access. If the Planning Director finds such use to be compatible with the primary uses, the Planning Director may allow such use, subject to reasonable conditions as may be required to ensure the public health, safety and welfare.

4. No ancillary use on the site shall have a right to occupy the site continuously. Upon bi-annual review of the use permit, the City shall determine whether all uses are being operated in accordance with all conditions of approval and performance standards. If a use has expanded beyond the limits set by the use permit, the applicant shall apply for a new use permit. If the applicant applies for a use permit to expand the transfer station/recycling activities, the City reserves the right to require termination of any and all ancillary uses on-site, if necessary, to accommodate the expanded transfer station and recycling facility.
5. The applicant and/or other tenants shall obtain all building and other applicable City permits for the project prior to the commencement of construction, and prior to any future construction/improvement on the site.
6. Fire/Hazardous Materials Safety
 - A. The applicant shall submit to the City's Fire Department for review and approval, a Fire Prevention and Emergency Plan, within ninety (90) days of approval of this use permit. Said Plan shall include, but not be limited to: on-site fire prevention measures; locations of all fire extinguishers, on-site hydrants, emergency shut-off valves, flammable materials, etc.; and shall describe in full fire prevention standards to which the site and all its operations shall be subject, and all fire emergency procedures, including employee training measures.

At least one copy of said Plan shall be kept on-file with the City's Fire Marshall, at least one copy shall be kept on-site, and at least one copy shall be filed (when required) with each and any local or State agency responsible for monitoring or permitting any activities on site. The Plan shall be subject to annual review, and shall be revised as necessary. The applicant shall provide the City's Planning Department with a statement of the Plan's annual review. Should the City's Fire Marshall, or any responsible agency, determine that the Plan is inadequate, or that on-site fire prevention measures are insufficient, the applicant shall have ninety (90) days to remedy the problem before the use permit is subject to review by the Planning Commission.

- B. The applicant shall submit to the City's Fire Department, for its review and approval, a Hazardous Materials Management Plan within ninety (90) days of approval of this use permit. Said Plan shall include, but not be limited to: a list of all hazardous materials used on-site; location of hazardous materials storage area; treatment of hazardous materials found in refuse; shipment of hazardous materials to appropriate disposal areas; and shall describe in full hazardous materials handling and storage standards to which the site and all its operations shall be subject, procedures for a hazardous materials emergency, and employee training in recognizing and treating hazardous materials.

At least one copy of said Plan shall be kept on-file with the City's Fire Marshall, at least one copy shall be kept on-site and at least one copy shall be filed (when required) with each and any local or State agency responsible for monitoring or permitting any activities on site. The Plan shall be subject to annual review, and shall be revised as necessary. The applicant shall provide the City's Planning Department with a statement of the Plan's annual review. Should the City's Fire Department, or any responsible agency, determine that the Plan is inadequate, or that on-site hazardous material handling and storage measures are insufficient, the applicant shall have ninety (90) days to remedy the problem before the use permit is subject to review by the Planning Commission.

- C. The entire site shall be maintained in accordance with standards identified in the Hazardous Materials Plan and Fire Prevention/Emergency Plan, and in accordance with all State-required standards for storage and maintenance of hazardous and/or flammable materials, and all required standards for fire prevention and emergency response for operations monitored and/or permitted by responsible State or local agencies.
- D. All compressed gas cylinders shall be chained, to the satisfaction of the City's Hazardous Materials Specialist.
- E. All areas in which oil, chemicals, or other debris have accumulated shall be cleaned properly and all waste disposed of accordingly, to the satisfaction of the City's Fire Department.
- F. Waste oil storage areas must be completely encircled by a containment berm, coated with a "liquid-tite" seal. All waste oil storage bins shall be properly identified with hazardous waste accumulation labels or markings. Storage bins containing used oil filters shall be covered and marked. No accumulation of waste oil or oil filters shall be permitted to occur outside of properly constructed waste storage areas.

- G. The Emergency Fuel Shutoffs for the fueling island shall be adequately identified and marked as such. Additionally, no materials, equipment, storage sheds, etc. shall be placed to obscure a direct view of the fuel island from the Emergency Fuel Shutoffs.
- H. The audible alarm of the fuel tank monitor system shall be operable at all times and shall not be silenced.
- I. Any container which is employed for storing hazardous wastes culled from the transfer station picking operation shall contain spill clean-up kits for spilled materials, and any container employed for storage of batteries shall have a secondary containment for the batteries stored inside.
- J. Quarterly inspections (at a minimum) of the site shall be performed by the City's Hazardous Materials Specialist, and a written report of observed violations shall be submitted to the applicant and to the Planning Director. The applicant shall have fifteen (15) days from the date of the letter to remedy any and all listed violations. Should further inspection indicate that violations have not been remedied, the applicant shall be served a Notice of Violation, and shall have fifteen (15) days to remedy all violations, at which time the Planning Department shall schedule the use permit for review by the Planning Commission.
- K. The applicant shall ensure that the above conditions are adhered to within thirty (30) days of approval of the use permit, and are adhered to on a continual basis.

7. Site Traffic/Circulation Improvements

- *A. The applicant shall submit an updated on-site circulation plan with striping and signing indicated to the satisfaction of the City Engineer to eliminate any confusion while entering or exiting all driveways. All lane lines shall be white, center lines shall be yellow, and turning arrows shall be painted white. All driveways and lanes reserved solely for transfer station vehicles shall be so-indicated.
- *B. The applicant shall construct to the satisfaction of the City Engineer, a stacking/deceleration lane on Busch Road from the most westerly driveway approximately 200 feet westward. This stacking/deceleration lane shall be located within the existing Busch Road right-of-way. Improvement plans for said lane shall be submitted to the City Engineer for review and approval within ninety (90) days and construction shall be completed within 12 months of the date of approval of this use permit.

- C. As the owner of a benefitting property, the applicant shall pay for a pro-rata share of the improvement of Busch Road. The pro-rata share of each benefitting property shall be determined by the acreage of each property. The applicant may enter into a deferred improvement agreement which shall run with the property and shall be recorded against the property.

8. Storm Water Run-Off/Dust Control

- A. The applicant shall comply with the City's requirements for collection and channelization of on-site storm water run-off. This includes, but is not limited to: treatment of all surfaces to prevent percolation of storm water run-off, the installation of on-site drainage facilities, such as roof leaders and catch basins which include oil separators, etc.

The applicant shall apply for and receive a site improvement plan permit prior to installing any new paving, other impervious surfaces, and/or storm drainage system. Prior to approval of any on-site improvement plan and if any additional portions of the site are to be paved, the applicant shall submit a soils report to the Building Inspection Department indicating that the site has been tested for soil contamination and that all remedial measures have been performed to address any such soil contamination.

- B. As the owner of a benefitting property, the applicant shall pay for a pro-rata share of the storm drain system improvement along Busch Road, future Kamp Drive and Martin Avenue to the Arroyo Del Valle. The pro-rata share of each benefitting property shall be determined by the acreage of each property, multiplied by the run-off factor of the use. The applicant may enter into a deferred improvement agreement which shall run with the property and shall be recorded against the property. Said agreement shall allow the applicant the right to protest the allocation of its pro-rata share.
- C. The applicant shall provide for dust control from the site to the satisfaction of the City Engineer. Such measures may include, but not be limited to: paving all surfaces, a regular watering program for unpaved surfaces, or enclosing areas which generate airborne particulates, in accordance with all UBC and UFC requirements.
- D. The applicant shall provide for dust control for the wood-chipping operation to the satisfaction of the City Engineer. Said measures may include, but not be limited to: watering of the wood-chipping area, stored wood or stored wood chips; paving the surface on which the wood-chipping operation occurs; or enclosing the wood-chipping operation in accordance with all UBC and UFC requirements.

*9. Sanitary Sewer

- A. The applicant shall extend the sanitary sewer from its present terminus in front of the westerly gate of the City's Operation Service Center (OSC) along Kamp Drive and along Busch Road to the easterly side of the project frontage. The applicant may enter into a reimbursement agreement with the City to request pro-rata reimbursement from other benefitting properties. Improvement plans for the sanitary sewer extension shall be submitted to the City Engineer for review and approval within 120 days of the approval of this use permit. Construction of and connection to the sanitary sewer line shall be completed within 12 months of the date of approval of this use permit. The applicant shall pay all required fees as determined by the estimated flow rate of the site.
- B. The applicant shall pay a pro-rata share of the Mohr-Martin Sanitary Sewer (approximately \$130 per DUE). Said pro-rata share shall be paid at the time on-site improvement permits are issued.
- C. The applicant shall pay a pro-rata share of the East-Amador Relief Sewer (approximately \$300 per DUE). Said pro-rata share shall be paid at the time on-site improvement permits are issued.

* 10. Building Code Compliance

The applicant shall meet and confer with the City Building Official to arrange for a thorough inspection of the property to include the electrical, mechanical, plumbing and handicapped requirements, as well as a complete and detailed code analysis of the buildings on-site, at his expense. If determined necessary by the City Building Official, the applicant shall hire, at his expense, a licensed architect or civil engineer to conduct an inspection of the site. This inspection shall occur within thirty (30) days of the date of approval of this use permit.

Within ten (10) working days of the site inspection, the inspector shall submit to the City Building Official for review and approval, a letter indicating all code deficiencies/violations at the site. Within sixty (60) days of the date of the letter, the applicant shall submit to the Building Department, for review and approval, plans which rectify all Code deficiencies.

Completion of all necessary repairs/improvements shall be completed in a reasonable time, as determined by the Building Official. Until such repairs/improvements are completed, the Building Official may require interim improvements and/or disallow particular uses within buildings not meeting Code requirements as may be necessary to protect the public health, safety and welfare.

Once brought into compliance, the site shall be maintained and/or operated and used in a manner meeting all UBC and UFC requirements.

11. Business Licenses Required

The applicant shall apply for a business license for each business establishments and business operations not specifically identified on current business licenses. If an operation is identified as an "auxiliary" or "ancillary" operation of one which operates under a current business license, the "auxiliary" or "ancillary" operation shall be clearly identified and described on a revised business license, subject to review and approval of the Business License Coordinator and the Planning Director. Said revision shall be made within thirty (30) days of approval of this use permit.

12. Within ninety (90) days of approval of this use permit, the applicant shall submit to the County Solid Waste Management Board an Employee Safety Program, subject to that Board's review and approval. A copy of the approved Plan shall be submitted to the Planning Department for the file.

13. This project shall be subject to the Standard Conditions of Development, attached hereto and made part of this case by reference, except Conditions Nos. 5, 6, 8, 9, 10, 11, 12, 13, 14, 22, 25, 26, 28, 36, 37, 49, 50, 51, 54.

{end}

STANDARD CONDITIONS OF DEVELOPMENT

1. That the street number(s) of the building(s) be posted so as to be easily seen from the street at all times, day and night. Street numbers shall be clearly displayed on all rear doors when a building has more than one tenant.
2. That all ducts, meters, air conditioning equipment, and any other mechanical equipment, whether on the structure, on the ground, or elsewhere, be effectively screened from view with materials architecturally compatible with the main structure.
3. That all mechanical equipment be constructed in such a manner that noise emanating from it will not be perceptible at or beyond the property plane of the subject property in a normal environment for that zoning district.
4. That all lighting be constructed in such a manner that glare is directed away from surrounding properties and rights-of-way.
5. That all trash and refuse be contained completely within enclosures architecturally compatible with the main structure.
6. That all trees used in landscaping be a minimum of 15 gallons in size and all shrubs a minimum of 5 gallons.
7. That if signing for the development is desired, a comprehensive signing program shall be submitted to the City for consideration under separate application.
8. That 6" vertical concrete curbs be installed between all paved and landscaped areas.
9. That all parking spaces be striped and provided with wheel stops unless they are fronted by concrete curbs, in which case sufficient areas shall be provided beyond the ends of all parking spaces to accommodate the overhang of automobiles.
10. That all utilities required to serve the development shall be installed underground.

11. That the applicant enter into an agreement with the City, approved by the City Attorney, which guarantees that all landscaping included in this project will be maintained at all times in a healthful, attractive and weedfree manner. Said agreement shall run with the land for the duration of the existence of the structures located on the subject property.
12. That all dwelling units in the development be constructed to meet the latest P.G.&E. Energy Conservation Home Standards.
13. That the following water conserving plumbing fixtures be installed: a) low flush water closets; b) shower flow control heads; c) aerators in interior faucets; and d) insulation of hot water lines.
14. That the applicant be aware that design review approval lapses within one year unless a building permit is issued and construction has commenced and is diligently pursued toward completion or an extension has been requested from the City.
15. That the developer acknowledges that the City of Pleasanton does not guarantee the availability of sufficient sewer capacity to serve this development by the approval of this case, and that the developer agrees and acknowledges that building permit approval may be withheld if sewer capacity is found by the City not to be available.
16. That the location of any pad mounted transformers shall be subject to approval by the Planning Division prior to issuance of a building permit. Generally speaking such transformers shall not be located between any street and the front of a building.
17. That all buildings and/or structures must comply with all codes and ordinances in effect at the time required permits are issued by the Building Division.
18. That the development shall meet all requirements of the Pleasanton Fire Code.
19. That the site be kept free of fire hazards from the start of construction to final inspection and that the Fire Department emergency number be provided adjacent to all telephones on the site.
20. That the project shall meet all requirements of the Pleasanton Security Code and the developer shall provide plans as specified by the Crime Prevention Bureau of the Pleasanton Police Department.

21. That if required by the Police Department, the building(s) shall be equipped with an alarm system, the type to be approved by the Police Department and that this system shall be installed prior to final building inspection.
22. That a final landscape plan be submitted to the Planning Division for approval prior to issuance of a building permit.
23. That the colors of the building(s) be submitted to the Planning Division for approval prior to the issuance of a building permit.
24. That the developer pay any and all fees that the property may be subject to.
25. That only modular newspaper dispensers accommodating more than one newspaper shall be allowed outside of buildings within the development; the design of these dispensers shall be approved by the Planning Division.
26. That the developer submit a building permit survey and a site development plan in accordance with the provisions of Chapter 18.68 of the Municipal Code of the City of Pleasanton, and that these plans be approved by the City Engineer prior to the issuance of a building permit. That the site development plan include all required information to design and construct site, grading, paving, drainage and utilities. Specific items to be indicated on the site development plan necessary to construct the improvements are to be in accordance with the City of Pleasanton Private Development Design Guidelines and Standard Details adopted April 15, 1986.
27. That the paving sections for the on-site parking and drive areas be designed on the basis of an R-Value test and a traffic index to carry the anticipated traffic loads. This design shall be subject to the approval of the City Engineer. The minimum paving section shall be 2" A.C. on 6" of A.B. The minimum A.C. pavement slope shall be 1%. For pavement slopes of less than 1% the surface runoff shall be carried in a concrete gutter to an acceptable point of discharge. The minimum slope for concrete gutter shall be 0.5%.
28. That the developer install street frontage improvements per ordinance and to the satisfaction of the City Engineer. These improvements may include, but are not necessarily limited to, grading, curb and gutter, sidewalk, paving, storm drain, sanitary sewer, water facilities, street lighting, underground utilities, traffic control devices, landscaping, and automatic irrigation systems.

29. That the property owner enter into an agreement with the City whereby he agrees to construct or finance the construction of street improvements adjacent to the site to the extent required by the Subdivision Ordinance at such time in the future as this is deemed necessary by the City Engineer. Said improvements may include, but are not necessarily limited to grading, curb and gutter, sidewalk, paving, street lighting, street trees, street monuments, underground utilities, storm drain facilities, sanitary sewer facilities, tree removal, traffic control devices, landscaping and automatic irrigation systems. This agreement shall be executed and approved by the City Council prior to the issuance of a building permit. The property owner/developer shall deposit a bond with the City to ensure future completion of the required improvements. This bond shall be in a standard form approved by the City Attorney and shall be in an amount satisfactory to the City Engineer. The City Engineer may accept or may require a cash payment in-lieu of bonding where circumstances warrant.
30. That the developer submit a refundable cash bond for hazard and erosion control prior to issuance of a building permit. The amount of this bond will be determined by the City Engineer.
31. That a sanitary sewer sampling manhole be provided on the sanitary sewer lateral from each building, unless otherwise waived by the City Engineer.
32. That prior to issuance of a building permit, the developer shall pay the applicable Zone 7 and City connection fees and water meter cost for any water meters (irrigation meters) not directly related to a building permit.
33. That the developer dedicate to the City for a street right-of-way purposes those parcels of land intended to be public streets.
34. That the developer grant an easement to the City over those parcels shown as public service easements (P.S.E.) and which are approved by the City Engineer or other parcels which may be designated by the City Engineer.
35. That approval of the design for the line, grade, and structural sections for the streets serving this development be withheld pending final engineering design and review by the City Engineer.
36. That vertical P.C.C. curbs and gutters be constructed within this development unless otherwise approved by the City Engineer and that the curb and gutter be poured monolithically with the sidewalk when the sidewalk is adjacent.

37. That all existing wells, septic tanks or holding tanks on the site be properly sealed, filled and abandoned prior to the start of grading operations unless Zone 7 retains specific wells for observation wells, or special approval is obtained from the City Engineer for temporary use of an existing well for construction water. Any wells designated for abandonment or any wells, encountered during construction, are to be destroyed in accordance with a permit obtained from Zone 7 by calling (415) 443-9300.
38. That the haul route for all materials to and from this development be approved by the City Engineer prior to the start of any construction.
39. That the developer submit an erosion and sedimentation control plan or procedure as part of the improvement plans prior to the final approval of the development.
40. That the developer submit a dust control plan or procedure as part of the improvement plans prior to the final approval of the development.
41. That storm drainage swales, gutters, inlets, outfalls, and channels not within the area of a dedicated public street or public service easement approved by the City Engineer be privately maintained by the property owners or through an association approved by the City.
42. That approval of the water supply and distribution system be withheld pending final design and until the developer has demonstrated to the satisfaction of the City Engineer that the proposed system meets both the immediate and long-range requirements for supplying water in this area.
43. That the developer comply with any and all applicable requirements of the cross-connections control and backflow prevention device programs required by the California Administrative Code, Title 17.
44. That approval for the number, type and location of fire hydrants be withheld pending final design, review by the Fire Marshal, and final review by the City Engineer.
45. That approval of the sanitary sewer system be withheld pending final design and until the developer has demonstrated to the satisfaction of the City Engineer that the proposed system is adequate, connects to an approved point of discharge, and meets both the immediate and long-range requirements of the sanitary system in this and all tributary areas.

46. That if a sanitary sewer lift station is installed for use by the development and if it is accepted by the City for maintenance and operation, an agreement shall be completed between the City and the developer prior to the approval of the development to the effect that the developer will provide a maintenance and operation fund for a minimum ten year period.
47. That approval of the storm drainage system be withheld pending final design and until the developer has demonstrated to the satisfaction of the City Engineer that the system is adequate, connects to an approved point of discharge, meets any and all applicable requirements of the Alameda County Flood Control District - Zone 7, meets any and all applicable requirements of the Federal Emergency Management Flood Hazard Program, and meets the immediate and long-range requirements of this development and all upstream areas intended to be drained through this development.
48. That electric power distribution, gas distribution, communication service, and any required alarm systems be installed underground in a joint utility trench unless otherwise specifically approved by the City Engineer.
49. That the developer be responsible for the installation of the street lighting system serving the development. The street lights shall be 70 watt, high pressure sodium vapor units mounted on galvanized steel poles with poured in place bases, on the LS-1C schedule per City requirements and P.G.&E. standard details unless otherwise specifically approved. Approval for the number, location, and type of electroliers shall be withheld pending final design and review by the City Engineer.
50. That this development provide a safe and effective circulation system for bicycles and pedestrians. These facilities shall be designed and installed to the satisfaction of the City Engineer and shall be separated from vehicular traffic whenever possible.
51. That the developer submit detailed landscape and irrigation plans as part of the improvement plans. These plans should include, where applicable, a street tree planting plan and landscape plans for medians, buffer strips, and any right-of-way landscape areas. The irrigation plan shall provide for automatic controls.
52. That any damage to street improvements now existing or done during construction on the subject property be repaired to the satisfaction of the City Engineer at full expense to the developer. This shall include slurry seal, overlay, or street reconstruction if deemed warranted by the City Engineer.

53. That the developer's contractor(s) obtain an encroachment permit from the City Engineer prior to the start of construction.
54. That the developer install street trees as required per ordinance.
55. That all access roads and driveways on the site are hereby declared fire lanes and must be maintained and accessible at all times. Curbs must be painted red and "No Parking" signs provided to the City Standards.
56. That the developer shall include within the project design and fully screened location for a future satellite dish antenna satisfactory to the Planning Director and/or provide underground cable facilities to serve all users of the site.

stcond.ph

From: Gina <gmcstamp@aol.com>

To: gina <gina@pleasantongarbage.com>

Subject: Fwd: PGS SWFP Active Permit

Date: Thu, Jan 18, 2018 10:55 am

Attachments: Appendix Bz) Existing SWFP.pdf (1109K), image001.jpg (23K)

From: Evan Edgar <evan@edgarinc.org>

To: Gina <gmcstamp@aol.com>

Cc: Neil Edgar <neil@edgarinc.org>

Sent: Tue, Jan 16, 2018 10:31 am

Subject: PGS SWFP Active Permit

Gina:

Solid Waste Facility Permit (SWFP) 01-AA-0003 for PGS Transfer Station was concurred with by the state agency, CalRecycle, on June 17, 2003 and issued on June 24, 2003. The SWFP is active.

A copy of the SWFP is attached. Every 5 years, the SWFP is reviewed by CalRecycle which has been underway since January 27, 2016 when the Permit Review due date occurred. The operator needs to update the operational documents, the Transfer/Processing Report, to reflect current conditions.

The Alameda County Office of Solid Waste Management, acting as the Local Enforcement Agency, for CalRecycle, is reviewing the Transfer/Processing Report. Upon completion and acceptance of the Transfer/Processing Report, the SWFP cover page will be update to reflect the next 5 year SWFP Review due date which would occur sometime in 2021, as the SWFP remains active.

I am the Permit Engineer for PGS and my office is the liaison with the Alameda County Office of Solid Waste Management on the 5 year SWFP Review.



Evan W.R. Edgar

Principal

Edgar & Associates, Inc.

1822 21st Street

Sacramento, CA 95811

916-739-1200 (office)

916-444-5345 (mobile)

Gina

SOLID WASTE FACILITY PERMIT

Facility Number:

01-AA-0003**1. Name and Street Address of Facility:**

Pleasanton Garbage Service Transfer
Station & Recycling Center
3110 Busch Road
Pleasanton, CA 94566

2. Name and Mailing Address of Operator:

Pleasanton Garbage Service Transfer Station &
Recycling Center
3110 Busch Road
Pleasanton, CA 94566

3. Name and Mailing Address of Owner:

Pleasanton Garbage Service Transfer
Station & Recycling Center
3110 Busch Road
Pleasanton, CA 94566

4. Specifications:**a. Permitted Operations:** ☐ Solid Waste Disposal Site☒ Transfer/Processing Facility (MRF)☐ Composting Facility☐ Transformation Facility☐ Other: _____**b. Permitted Hours of Operation:** Receipt of Refuse/Waste: Company Vehicles begin at 4:00am to 4:00pm Monday thru Friday and 8:00am to 4:00pm on weekends. Public access is from 8:00am to 4:00pm, 7 days a week.

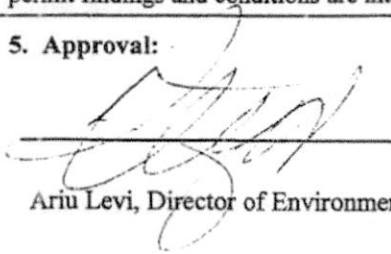
Ancillary Operations/Facility Operating Hours: 4:00am to 10:30pm Monday thru Friday and 8:00am to 4:00pm on weekends. Site is closed on the following holidays: Christmas Day, New Year's Day, Thanksgiving, Memorial Day, Labor Day, President's Day, and 4th of July.

c. Permitted Maximum Tonnage: 720 Tons per Day**d. Permitted Traffic Volume:** Not Specified Vehicles per Day**e. Key Design Parameters (Detailed parameters are shown on site plans bearing EA and CalRecycle validations):**

	Total	Disposal	Transfer/Processing	Composting	Transformation
Permitted Area (in acres)	7.602 acres		7.602 acres		
Design Capacity (cu.yds)					
Max. Elevation (Ft. MSL)					
Max. Depth (Ft. MSL)					
Estimated Closure Year					

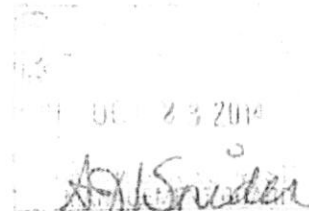
Upon a significant change in design or operation from that described herein, this permit is subject to revocation or suspension. The attached permit findings and conditions are integral parts of this permit and supersede the conditions of any previously issued solid waste facility permit.

5. Approval:


Ariu Levi, Director of Environmental Health

6. Enforcement Agency Name and Address:

Alameda County
Office of Solid Waste Management
1131 Harbor Bay Parkway, #200
Alameda, CA 94502
(510) 567-6790 Fax (510) 337-9234


JUN 17 2003

7. Date Received by CalRecycle:

APR 22 2003

8. CalRecycle Concurrence Date:

JUN 17 2003

9. Permit Issued Date:

JUN 24 2003

10. Permit Review Due Date:

JAN 27 2018

11. Owner/Operator Transfer Date:

SOLID WASTE FACILITY PERMIT

Facility Number:

01-AA-0003

12. Legal Description of Facility:

The legal description of this facility is contained on page 3 and figure 1 of the Transfer/Processing Report dated January 16, 2003.

13. Findings:

- a. This permit is consistent with the Countywide Integrated Waste Management Plan by the Alameda County Waste Management Authority, adopted August 27, 1997, which was approved by the CIWMB on April 24, 1996. The location of the facility is identified in the Non-Disposal Facility Element, pursuant to Public Resources Code (PRC), Section 50001(a).
- b. The Alameda County Waste Management Authority grants exemption from the Countywide Integrated Waste Management Plan of Conformance for this Solid Waste Facility Permit Revision, Letter dated November 26, 2002.
- c. This permit is consistent with the standards adopted by the CIWMB, pursuant to PRC 44010.
- d. The design and operation of the facility is consistent with the State Minimum Standards for Solid Waste Handling and Disposal as determined by the enforcement agency, pursuant to PRC 44009.
- e. The City of Pleasanton Fire Department has determined that the facility is in conformance with applicable fire standards, pursuant to PRC, 44151.
- f. The City of Pleasanton determined that the project for this SWFP revision to be categorically exempt, letter dated July 19, 2002. Previous CEQA documentation in August 1992 continues to apply and the Conditional Use Permit UP-91-10 issued by the City of Pleasanton on July 8, 1992 is still valid and appropriate for the site.
- g. The Conditional Use Permit UP-91-10 also approves additional ancillary operations that include Recycling activities, Wood and Green Material Chipping, Tires Sales and Service, Truck and Heavy Equipment Repair, Street Sweeping, Septic/Holding Tank Pumping Service, Storage and Rental of Storage Sheds, Containers and Portable Toilets.

14. Prohibitions

The permittee is prohibited from accepting the following wastes:

Hazardous, radioactive, medical (as defined in Chapter 6.1, Division 20 of the Health and Safety Code), liquid, designated, or other wastes requiring special treatment or handling, except as identified in the Transfer/Processing Report and approved amendments thereto and as approved by the enforcement agency and other federal, state, and local agencies.

15. The following documents also describe and/or restrict the operation of this facility:

Transfer/Processing Report Amendments	Jan. 16, 2003	Preliminary Closure and Postclosure Maintenance Plan	N/A
Waste Discharge Requirements Order No.	N/A	Closure Financial Assurance Documentation	N/A
APCD Permit to Operate Plant #2451	Oct. 1, 2003	Operating Liability Certification	N/A
City of Pleasanton Fire Department	June 14, 2002	Land Use and/or Conditional Use Permit (UP-91-10)	July 8, 1992
Conformance Finding Exemption	Nov. 26, 2002	Negative Declaration (CEQA)	August, 1992
Conformance Finding	July 22, 1992	Categorical Exemption	Oct. 4, 2001

SOLID WASTE FACILITY PERMIT

Facility Number:

01-AA-0003

16. Self Monitoring Plan

The owner/operator shall submit the results of all self monitoring programs to the Enforcement Agency within 30 days of the end of the reporting period (for example, 1st quarter = January - March, the report is due by April 30, etc.. Information required on an annual basis shall be submitted with the 4th quarter monitoring report, unless otherwise stated.)

Program	Reporting Frequency
a. The types and quantities (in tons) of waste, including separated or commingled recyclables, entering the facility per day.	Quarterly
b. The number and types of vehicles using the facility per day.	Quarterly
c. Results of the hazardous waste load checking program, including the quantities and types of hazardous wastes, medical wastes or otherwise prohibited wastes found in the waste stream and the disposition of these materials.	Quarterly
d. Copies of all written complaints regarding this facility and the operator's actions taken to resolve these complaints.	Quarterly
e. The type and quantities (in tons) of material, including waste, recovered recyclables, etc., that are transferred from the facility per day.	Quarterly
f. Documentation for all self-monitoring programs that are described in the facility Transfer and Processing Report.	provide upon request by the LEA
g. Results of the hazardous waste load checking program, including the quantities and types of hazardous wastes, medical waste or other wise prohibited waste found in the waste stream and the disposition of these materials.	provide upon request by the LEA
h. Employee training log to include: list of employees, dates of training, course description, training provider, etc...	provide upon request by the LEA

SOLID WASTE FACILITY PERMIT

Facility Number:

01-AA-0003

17. Enforcement Agency (EA) Conditions

- a. The operator shall comply with all State Minimum Standards for solid waste handling and disposal as specified in Title 14, California Code of Regulations.
- b. The operator shall maintain a log of special/unusual occurrences. This log shall include, but is not limited to, fires, explosions, the discharge and disposition of hazardous or unpermitted wastes, and significant injuries, accidents or property damage. Each log entry shall be accompanied by a summary of any actions taken by the operator to mitigate the occurrence. The log shall be available to site personnel and the EA at all times.
- c. Additional information concerning the design and operation of the facility shall be furnished upon request and within the time frame specified by the EA.
- d. The maximum permitted daily tonnage for this facility is 720 tons per day, and shall not receive more than this amount without a revision of this permit.
- e. This permit is subject to review by the EA and may be suspended, revoked, or revised at any time for sufficient cause.
- f. The EA reserves the right to suspend or modify waste receiving and handling operations when deemed necessary due to an emergency, a potential health hazard, or the creation of a public nuisance.
- g. Any change that would cause the design or operation of the facility not to conform to the terms and conditions of this permit is prohibited. Such a change may be considered a significant change, requiring a permit revision. In no case shall the operator implement any change without first submitting a written notice of the proposed change, in the form of an RFI amendment, to the EA at least 150 days in advance of the change.
- h. A copy of this permit shall be maintained at the facility.
- i. Stored recyclables shall neither interfere with facility operations nor cause public health hazard or nuisance. The EA reserves the authority reduce the maximum storage time of recyclables as necessary to protect public health and minimize odors, litter, vectors, or other nuisances.
- j. The operator shall operate the facility in compliance with the terms and conditions of this permit and the documents described in section 15 of this permit.
- k. The operator must provide additional dust control measures upon request of the LEA, if such measures, as provided in the Transfer Processing report are found to be inadequate to minimize the creation of dust and nuisances.
- l. The operator shall comply with all of the requirements of all applicable laws pertaining to employee health and safety.



State Water Resources Control Board
NOTICE OF INTENT
GENERAL PERMIT TO DISCHARGE STORM WATER
ASSOCIATED WITH INDUSTRIAL ACTIVITY (WQ ORDER No. 2014-0057-DWQ)
(Excluding Construction Activities)



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

WDID:

Status: Submitted to Water Board

Operator Information

Type: Private Business

Name: Pleasanton Garbage Service Inc

Contact Name: Eric Lauritsen

Address: PO Box 399

Title:

Address 2: 3110 Busch Road

Phone Number: 925-846-2042

City/State/Zip: Pleasanton CA 94566

Email Address: eric@pleasantongarbage.com

Federal Tax ID:

Facility Information

Level:

Contact Name: Eric Lauritsen

Title:

Site Name: Pleasanton Garbage Service Inc

Address: PO Box 399 3110 Busch Road

City/State/Zip: Pleasanton CA 94566

Site Phone #: 925-846-2042

County: Alameda

Email Address: eric@pleasantongarbage.com

Latitude: 37.67537 Longitude: -121.85377

Site Size: 300000 Sq.Feet

Industrial Area Exposed to Storm Water: 120000 Sq.Feet

Percent of Site Impervious (Including Rooftops): 75 %

SIC Code Information

1. 5093 Scrap and Waste Materials

2.

3.

Additional Information

Receiving Water: arroyo las positas

Flow: Indirectly

Storm Drain System:

Compliance Group:

RWQCB Jurisdiction: Region 2 - San Francisco Bay

Phone: 510-622-2300

Email: r2_stormwater@waterboards.ca.gov

Certification

Name: Eric Lauritsen

Date: November 13, 2015

Title: Operations Manager

Attachments Meta Data Information:

Attachment ID	File Name	File Description	File Hash	File Size	Date Attached	Attachment Type
1447697	PGS Swppp	SWPPP	2e13c5be50e433e e42cd91f25c607c7f 71b46dc6f36b7e4a b6a453928f6d	1517057	2015-07-01 18:00:44.0	SWPPP
1447698	PGS swppp	SWPPP	4ade3a15ff3cb475 142c6537bda6b99 d5d9ddc4d552b67 377b57be53db5a	469638	2015-07-01 18:00:45.0	Facility/Site Map

09/22/16

A2451


**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

 939 ELLIS STREET
 SAN FRANCISCO, CALIFORNIA 94109
 (415) 771-6000

PERMIT TO OPERATE

Plant# 2451

Page: 1

Expires: OCT 1, 2017

This document does not permit the holder to violate any District regulation or other law.

Pleasanton Garbage Service, Inc
 P O Box 399
 Pleasanton, CA 94566

Location: 2512 Vineyard Avenue
 Pleasanton, CA 94566

S#	DESCRIPTION	[Schedule]	PAID
1	CHEM> Landfill with gas collection system, Multi-material Landfill with Gas Recovery Wells (12) Abated by: A2 Flare Emissions at: P2 Stack	[K]	2215
3	Solvent cleaning, 55 gal/yr net solvent, 70 deg F Cold Cleaner	[exempt]	0
4	MISC-HDLG> Material handling, Solid waste - other/not spec Conveyors Abated by: A4 Water Spray System	[F]	404
5	Spraygun, Air atomized, 0 gal/yr solvent, 0 gal/yr clean-up Paint Spray Operation	[E]	485
6	MISC-HDLG> Material handling, Solid waste - other/not spec Stockpiles Abated by: A6 Water Spray System	[F]	404

4 Permitted Sources, Exempt Source

*** See attached Permit Conditions ***

The operating parameters described above are based on information supplied by permit holder and may differ from the limits set forth in the attached conditions of the Permit to Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of District regulations subject to enforcement action.

09/22/16

A2451



**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

**PERMIT
TO OPERATE**

Plant# 2451

Page: 2

Expires: OCT 1, 2017

This document does not permit the holder to violate any District regulation or other law.

*** PERMIT CONDITIONS ***

=====

Source# 1 subject to Condition ID# 17986

09/22/16

A2451



**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

**PERMIT
TO OPERATE**

Plant# 2451

Page: 3

Expires: OCT 1, 2017

This document does not permit the holder to violate any District regulation or other law.

*** PERMIT CONDITIONS ***

=====

COND# 17986 applies to S# 1

1. Under no circumstance shall raw landfill gas be vented to the atmosphere unabated. The landfill gas shall always be abated by the flare (A-2).
[Basis: Plant Cumulative Increase]
2. The flare shall be equipped with automatic shutdown capability to prevent landfill gas venting to the atmosphere. [Basis: Plant Cumulative Increase]

~~~~~ END OF CONDITIONS ~~~~~



| S#          | Source Description                    | Annual Average lbs/day |      |     |     |    |
|-------------|---------------------------------------|------------------------|------|-----|-----|----|
|             |                                       | PART                   | ORG  | NOx | SO2 | CO |
| 1           | Landfill with Gas Recovery Wells (12) | -                      | 4.04 | .01 | -   | -  |
| 3           | Cold Cleaner                          | -                      | .95  | -   | -   | -  |
| 4           | Conveyors                             | 1.99                   | -    | -   | -   | -  |
| 5           | Paint Spray Operation                 | -                      | -    | -   | -   | -  |
| 6           | Stockpiles                            | 1.51                   | -    | -   | -   | -  |
| A2          | Landfill Gas Flare                    | -                      | -    | -   | -   | -  |
| T O T A L S |                                       | 3.5                    | 4.99 | .01 |     |    |

\*\* PLANT TOTALS FOR EACH EMITTED TOXIC POLLUTANT \*\*

| Pollutant Name            | Emissions lbs/day |
|---------------------------|-------------------|
| Benzene                   | .01               |
| Hexane                    | .04               |
| Methyl ethyl ketone (MEK) | .04               |
| Perchloroethylene         | .05               |
| Toluene                   | .27               |
| Trichloroethylene         | .03               |
| Xylene                    | .10               |
| Ethylbenzene              | .04               |
| Methylene chloride        | .09               |
| Vinyl chloride            | .03               |
| Hydrogen Sulfide (H2S)    | .09               |



BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT**PERMIT  
TO OPERATE**

This document does not permit the holder to violate any BAAQMD regulation or any other law.

PERMIT EXPIRATION DATE

OCT 1, 2018

Plant# 2451

Pleasanton Garbage Service, Inc  
P O Box 399  
Pleasanton, CA 94566Location: 2512 Vineyard Avenue  
Pleasanton, CA 94566

| S# | DESCRIPTION                                                                                                                                         | [Schedule] | PAID |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------|------|
| 1  | CHEM> Landfill with gas collection system, Multi-material<br>Landfill with Gas Recovery Wells (12)<br>Abated by: A2 Flare<br>Emissions at: P2 Stack | [K]        | 2414 |
| A2 | Industrial Flare - Other (not refinery), 5705K BTU/hr max<br>Landfill Gas Flare<br>Emissions at: P2 Stack                                           | [exempt]   | 0    |

~~~~~  
1 Permitted Source, 1 Exempt Source

*** See attached Permit Conditions ***

The operating parameters described above are based on information supplied by permit holder and may differ from the limits set forth in the attached conditions of the Permit to Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of District regulations subject to enforcement action.

BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**PERMIT
TO OPERATE**

This document does not permit the holder to violate any BAAQMD regulation or any other law.

PERMIT EXPIRATION DATE

OCT 1, 2018

Plant# 2451

*** PERMIT CONDITIONS ***

=====

Source# Subject to Condition Numbers

1 17986

The operating parameters described above are based on information supplied by permit holder and may differ from the limits set forth in the attached conditions of the Permit to Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of District regulations subject to enforcement action.



BAY AREA AIR QUALITY
MANAGEMENT DISTRICT

**PERMIT
TO OPERATE**

This document does not permit the holder to violate any BAAQMD regulation or any other law.

PERMIT EXPIRATION DATE

OCT 1, 2018

Plant# 2451

*** PERMIT CONDITIONS ***

=====

COND# 17986 applies to S# 1

1. Under no circumstance shall raw landfill gas be vented to the atmosphere unabated. The landfill gas shall always be abated by the flare (A-2).
[Basis: Plant Cumulative Increase]
2. The flare shall be equipped with automatic shutdown capability to prevent landfill gas venting to the atmosphere. [Basis: Plant Cumulative Increase]

~~~~~ END OF CONDITIONS ~~~~~



| S#          | Source Description                    | Annual Average lbs/day |      |      |     |      |
|-------------|---------------------------------------|------------------------|------|------|-----|------|
|             |                                       | PART                   | ORG  | NOx  | SO2 | CO   |
| 1           | Landfill with Gas Recovery Wells (12) | -                      | 4.04 | .02  | -   | -    |
| A2          | Landfill Gas Flare                    | .14                    | .13  | 1.7  | .55 | 8.89 |
| T O T A L S |                                       | .14                    | 4.17 | 1.71 | .55 | 8.89 |

\*\* PLANT TOTALS FOR EACH EMITTED TOXIC POLLUTANT \*\*

| Pollutant Name            | Emissions lbs/day |
|---------------------------|-------------------|
| Benzene                   | .01               |
| Hexane                    | .04               |
| Methyl ethyl ketone (MEK) | .04               |
| Perchloroethylene         | .05               |
| Toluene                   | .28               |
| Trichloroethylene         | .03               |
| Xylene                    | .10               |
| Ethylbenzene              | .04               |
| Methylene chloride        | .09               |
| Vinyl chloride            | .04               |
| Hydrogen Sulfide (H2S)    | .09               |



January 18, 2018

Mr. Eric Lauritsen  
Pleasanton Garbage Service, Inc.  
P.O. Box 399  
Pleasanton, CA 94566

**RE: BAAQMD Permit to Operate  
Pleasanton Garbage Service Waste Transfer Station/Recycling Center  
3110 Busch Road, Pleasanton, California**

Dear Mr. Lauritsen:

In response to your inquiring regarding the Permit to Operate (PTO) for the Pleasanton Garbage Service Waste Transfer Station/Recycling Center (Transfer Station), EBA Engineering and Ramboll Environ are in the process of updating the permit at the request of the Bay Area Air Quality Management District (BAAQMD). This request was prompted by the BAAQMD's desire to modify the existing PTO that currently combines the Transfer Station and the Old Pleasanton Landfill. The updated PTO for the Transfer Station will encompass operations associated with the Transfer Station property, including the Transfer Station, construction materials recycling station, wood stockpile, food/green waste stockpile, construction and debris stockpile, grinder, and the gasoline, diesel, propane, and natural gas fueling stations.

If you should have any questions, please do not hesitate to contact our office at (707) 544-0784.

Sincerely,  
**EBA ENGINEERING**

A handwritten signature in blue ink, appearing to read "Mike Delmanowski", is written over a light blue horizontal line.

Mike Delmanowski, C.E.G., C.Hg.  
Senior Hydrogeologist





This document does not permit the holder to violate any BAAQMD regulation or any other law.

PERMIT EXPIRATION DATE  
**August 01, 2018**



**Owner Mailing Contact:**

Pleasanton Garbage Service  
PO Box 399  
Pleasanton, CA 94566-0399  
Attn: Eric Lauritsen



**Facility ID:** 107767

Pleasanton Garbage Service, Inc  
3110 Busch Rd  
Pleasanton, CA 94566-8430

**Owning Entity:**

Eric Lauritsen



**DEVICES**

This document serves as your Permit to Operate the following:

**S1 Permitted**

GDF

Gasoline Dispensing Operation

**Tank Information:**

2000 Gallon Underground Tank w/ Gasoline - unleaded

Phase I Vapor Recovery Type: Phil-Tite (VR-101)

Phase II Vapor Recovery Type: EMCO WHEATON/VST EVR Phase II with Veeder Root Vapor Polisher (VR-203)

**Nozzle Information:**

1 Gasoline - Single Product

The operating parameters described above are based on information supplied by the permit holder and may differ from the limits set forth in the attached conditions of this Permit To Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of BAAQMD and is subject to enforcement action.



**PERMIT CONDITIONS**

The devices described in this document are subject to the following permit conditions:

**S1** Subject to Condition #: **18680, 24298, 24302**

**Condition #: 24302 S1**

Pursuant to BAAQMD Toxic Section Policy, this facility's annual gasoline throughput shall not exceed 60,000 gallons in any consecutive 12 month period.

**Condition #: 24298 S1**

1. The VST EVR Phase II Vapor Recovery System with the Veeder-Root Vapor Polisher without ISD, including all associated underground plumbing, shall be installed, operated, and maintained in accordance with the most recent revision of the California Air Resources Board





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PERMIT EXPIRATION DATE  
August 01, 2018

- (CARB) Executive Order (E.O.). VR-203. Section 41954(f) of the California Health and Safety Code prohibits the sale, offering for sale, or installation of any vapor control system unless the system has been certified by the state board.
2. The owner/operator of the facility shall maintain records in accordance with the following requirements. Records shall be maintained on site and made available for inspection for a period of 24 months from the date the record is made.
    - a. Monthly throughput of gasoline pumped, summarized on an annual basis
  3. All applicable components shall be maintained to be leak free and vapor tight. Leak Free, as per BAAQMD (District) Regulation 8-7-203, is a liquid leak of no greater than three drops per minute. Vapor Tight, as per District Regulation 8-7-206, is a leak of less than 100 percent of the lower explosive limit on a combustible gas detector measured at a distance of 1 inch from the source or absence of a leak as determined by the District Manual of Procedures, Volume IV, ST-30 or CARB Method TP-201.3.
  4. The VST EVR Phase II system with the Veeder-Root Vapor Polisher without ISD shall be capable of demonstrating on-going compliance with the vapor integrity requirements of CARB Executive Order E.O. VR-203. The owner or operator shall conduct and pass the following tests at least once in each consecutive 12-month period following successful completion of start-up testing. Tests shall be conducted and evaluated using the below referenced test methods and standards.
    - a. Static Pressure Performance Test - TP-201.3
    - b. Dynamic Back Pressure Test - TP-201.4 (7/3/02) in accordance with the condition listed in item 1 of the Vapor Collection Section of E.O. VR-203, Exhibit 2. The dynamic back pressure shall not exceed 0.35" WC @ 60CFH and 0.62" WC @ 80 CFH
    - c. Liquid Removal Test - E.O. VR-203, Exhibit 5, Option 1 (Only test hoses containing more than 25 ml liquid)
    - d. Vapor Pressure Sensor Verification Test - E.O. VR-203, Exhibit 8,
    - e. Veeder-Root Vapor Polisher Operability Test. E.O.VR-203, Exhibit 11
    - f. Veeder-Root Vapor Polisher Emissions Test - E.O.VR-203, Exhibit 12
  5. The applicant shall notify Source Test by email at [gdfnotice@baaqmd.gov](mailto:gdfnotice@baaqmd.gov) or by FAX at (510) 758-3087, at least 48 hours prior to any testing required for permitting. Test results for all performance tests shall be submitted in a District-approved format within thirty (30) days of testing. Start-up tests results submitted to the District must include the application number and the GDF number. (For annual test results submitted to the District, enter "Annual" in lieu of the application number.) Test results may be submitted by email ([gdfresults@baaqmd.gov](mailto:gdfresults@baaqmd.gov)), FAX (510-758-3087) or mail to the District's main office.
  6. The maximum length of the coaxial hose assembly, including breakaway, swivels, and whip hoses, shall be fifteen (15) feet..





This document does not permit the holder to violate any BAAQMD regulation or any other law.

PERMIT EXPIRATION DATE  
August 01, 2018

7. The dispensing rate shall not exceed ten (10.0) gallons per minute (gpm), nor be less than six (6.0) gpm with the nozzle trigger at the highest setting. Compliance with this condition shall be verified using the applicable provisions of E. O. VR-203, Ex. 5. Flow limiters may not be used.
8. The TLS console controlling the Veeder-Root Vapor Polisher shall be equipped with a printer and have an open RS232 port that is accessible to District staff during operating hours.
9. Except when necessary for testing and maintenance, the Veeder-Root Vapor Polisher shall be on and in automatic vapor processor mode with the inlet valve in the open position per E.O. VR-203, Ex. 2. The handle shall not be removed for any reason.
10. The station shall maintain OSHA-approved access to the Veeder-Root Vapor Polisher. This access should be provided immediately upon request by District personnel
11. Security tags shall be installed and maintained on the Veeder-Root Vapor Polisher. A Veeder-Root Vapor Polisher Operability Test and a Veeder-Root Vapor Polisher Emissions Test shall be performed after the replacement of any damaged or missing tags using the above referenced test methods and subject to the above notification and reporting requirements.
12. Each storage tank vent pipe shall be equipped with a CARB certified pressure/vacuum relief valve as required by the applicable Phase I E.O.. Vents pipes may be manifolded to reduce the number of relief valves needed. No relief valve shall be installed on the Veeder-Root Vapor Polisher outlet.

**Condition #: 18680 S1**

1. The Phil-Tite EVR Phase I Vapor Recovery System, including all associated plumbing and components, shall be operated and maintained in accordance with the most recent version of California Air Resources Board (CARB) Executive Order VR-102. Section 41954(f) of the California Health and Safety Code prohibits the sale, offering for sale, or installation of any vapor control system unless the system has been certified by the state.
2. The owner or operator shall conduct and pass a Rotatable Adaptor Torque Test (CARB Test Procedure TP201.1B) and either a Drop Tube/Drain Valve Assembly Leak Test TP201.1C or, if operating drop tube overflow prevention devices ("flapper valves"), a Drop Tube Overflow Prevention Device and Spill Container Drain Leak Test (TP201.1D) at least once in each 36-month period. Measured leak rates of each component shall not exceed the levels specified in VR-102. A Static Pressure Performance Test, in accordance with CARB procedure TP-201.3 or the applicable equivalent District test procedure (ST-30) at least once in each 12-month period. If the tank size is 500 gallons or less, the test shall be performed on an empty tank. The applicant shall notify Source Test by email at [gdfnotice@baaqmd.gov](mailto:gdfnotice@baaqmd.gov) or by FAX at (510) 758-3087, at least 48 hours prior to any testing required for permitting. Test results for all performance tests shall be submitted within thirty (30) days of testing. Start-up tests results submitted to the District must include the application number and the GDF number. (For annual test results submitted to the District, enter "Annual" in lieu of the application number.) Test results may be submitted by email ([gdfresults@baaqmd.gov](mailto:gdfresults@baaqmd.gov)), FAX (510-758-3087) or mail to the District's main office.

**END OF CONDITIONS**



**IMPLIED CONDITIONS**





This document does not permit the holder to violate any BAAQMD regulation or any other law.

**PERMIT EXPIRATION DATE  
August 01, 2018**

Unless your specific permit conditions state otherwise, the throughputs, fuel and material consumptions, capacities and hours of operation described in your permit application will be considered maximum allowable limits.

A new permit will be required before any increase in parameters, such as throughputs, fuel and material consumption, capacities, and hours of operation, or change in materials, equipment or permit conditions may be made.



#### RIGHT OF ACCESS

In accordance with Regulation 1-440, BAAQMD shall be granted the right of access to any premises on which an air pollution source is located for the purposes of:

- a) The inspection of the source,
- b) The sampling of materials used at the source,
- c) The conduct of an emission source test, and
- d) The inspection of any records required by BAAQMD rule or permit condition



#### REGULATORY COMPLIANCE

This Permit To Operate does not authorize violations of the rules and regulations of BAAQMD (may be viewed at [www.baaqmd.gov](http://www.baaqmd.gov)), California or Federal law. Compliance with conditions in this permit does not mean that the permit holder is currently in compliance with BAAQMD Rules and Regulations. It is the responsibility of the permit holder to have knowledge of and be in compliance with all BAAQMD rules and regulations.

**END OF DOCUMENT**



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**EXHIBIT M**  
**CONTRACT MANAGEMENT**  
**CHECKLIST**



## EXHIBIT M

### CONTRACT MANAGEMENT CHECKLIST

*This Exhibit M is provided for informational purposes only, and does not excuse the Parties from compliance with any provision of the Agreement not identified herein. If discrepancies between this Exhibit and the Agreement arise, the provisions of the Agreement shall prevail.*

| Date Due   | Frequency           | Type             | Description                                                                                                                                                                     | Responsible Party | Section                  |
|------------|---------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------|
| 1-Jul-2018 | Commencement Date   | Implementation   | Contractor to submit contingency plan to City                                                                                                                                   | Contractor        | 5.19                     |
| 1-Jul-2018 | Commencement Date   | Implementation   | Contractor to submit marketing plan for all Recyclable Materials Collected in the City to City for approval before Commencement Date                                            | Both Parties      | 5.13.2.D                 |
| 1-Jul-2018 | Commencement Date   | Implementation   | Contractor to submit marketing plan for all Organic Materials Collected in the City to City for approval before Commencement Date                                               | Both Parties      | 5.13.3.E                 |
| As-Needed  | As-Needed           | Implementation   | Contractor to obtain the City's written approval of Container (e.g. Carts, personal Recycling bins, Food Scrap pails, internal Organics bins) specifications before acquisition | Both Parties      | 5.16, 5.4.2.H<br>5.4.1.C |
| As-Needed  | As-Needed           | Implementation   | City to provide public education guidance and templates to Contractor (StopWaste.Org has samples)                                                                               | City              | 5.17.3                   |
| TBD        | Agreement Execution | Implementation   | Contractor to provide performance bond                                                                                                                                          | Contractor        | 9.6                      |
| TBD        | TBD                 | Implementation   | Contractor to submit Multi-Family PRB order to City for approval prior to submission to manufacturer                                                                            | Both Parties      | 5.3.3                    |
| TBD        | TBD                 | Implementation   | Contractor to submit kitchen pail order to City for approval prior to submission to manufacturer                                                                                | Both Parties      | 5.4.1.C                  |
| TBD        | TBD                 | Implementation   | Contractor to submit order for internal Organics bins (for indoor use by Customers) to City for approval prior to submission to manufacturer                                    | Both Parties      | 5.4.2.H                  |
| TBD        | TBD                 | Implementation   | Contractor to provide reporting templates/formats to City for approval                                                                                                          | Both Parties      | 6.3.1                    |
| TBD        | TBD                 | Implementation   | Contractor to provide City with emergency contact persons                                                                                                                       | Contractor        | 6.8.3                    |
| TBD        | Agreement Execution | Implementation   | Contractor to provide insurance certificates to City                                                                                                                            | Contractor        | 9.5.8                    |
| 1-Dec-2023 | Rate Period Seven   | Rate Application | Contractor to submit Rate application for Rate Period 7 cost-based review                                                                                                       | Contractor        | 8.3.A.2                  |

| Date Due           | Frequency    | Type                | Description                                                                                                                                                                   | Responsible Party | Section                                         |
|--------------------|--------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------------------|
| Annually - Apr 1   | Annually     | Rate Application    | Contractor to submit Rate application April 1 (excluding Rate application for Rate Period 7, which shall be due December 1 of the prior Rate Period)                          | Contractor        | 8.3                                             |
| Annually           | Annually     | On-going Compliance | Contractor to submit annual reports per Section 6.3.4                                                                                                                         | Contractor        | 6.3.4                                           |
| Annually - Dec 1   | Annually     | On-going Compliance | City to specify Christmas tree Drop Box site                                                                                                                                  | City              | 5.4.3.B                                         |
| Annually - July 1  | Annually     | On-going Compliance | Contractor to provide performance bond renewal                                                                                                                                | Contractor        | 9.6                                             |
| Annually - July 1  | Annually     | On-going Compliance | City to approve Rates by July 1                                                                                                                                               | City              | 8.3.C                                           |
| Annually - July 15 | Annually     | On-going Compliance | Contractor to submit list of Commercial Customers to audit in the coming Rate Period                                                                                          | Contractor        | 5.17.6                                          |
| Annually - May 15  | Annually     | On-going Compliance | Contractor to provide City with copy of Customer Rate adjustment notice 45 days prior to Rate adjustment                                                                      | Contractor        | 8.6                                             |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to notify Residential Generators of scheduled drop-off events through a Billing insert no later than fourteen (14) days prior to the scheduled event date          | Contractor        | 5.9                                             |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to publish notice of scheduled drop-off events in no fewer than two (2) local news publications no later than fourteen (14) days prior to the scheduled event date | Contractor        | 5.9                                             |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to submit annual reports to CalRecycle and StopWaste 45 prior to due dates (for each respective report and agency)                                                 | Contractor        | 6.4                                             |
| Annually - TBD     | Annually     | On-going Compliance | City to review and approve Contractor's public education plan                                                                                                                 | City              | 5.17.2                                          |
| Annually - TBD     | Annually     | On-going Compliance | City to approve event list and event public education needs                                                                                                                   | City              | 5.17.2                                          |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to work with the City to annually survey City facilities to determine appropriateness of Service Levels                                                            | Both Parties      | 5.5.1                                           |
| As-Needed          | Upon Request | On-going Compliance | Contractor to provide City with copies of permits and/or notices of violation of permits for the Approved Facilities                                                          | Contractor        | 5.13.1.B,<br>5.13.2.B,<br>5.13.3.B,<br>5.13.4.B |
| As-Needed          | Upon Request | On-going Compliance | Contractor to provide City with documentation demonstrating the availability of Processing and/or Disposal capacity at the Approved Facilities                                | Contractor        | 5.13.1.B,<br>5.13.2.B,<br>5.13.3.B,<br>5.13.4.B |
| As-Needed          | As-Needed    | On-going Compliance | Contractor to provide two-week notice to Customers regarding holiday schedule changes                                                                                         | Contractor        | 5.14.5                                          |

| Date Due        | Frequency         | Type                   | Description                                                                                                                                                             | Responsible Party | Section            |
|-----------------|-------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|
| As-Needed       | Upon Request      | On-going Compliance    | City may request Contractor to prepare four (4) multi-lingual public education documents annually and distribute to specified types of Customers                        | Contractor        | 5.17.3             |
| As-Needed       | Upon Request      | On-going Compliance    | Contractor to submit service complaint log to City, upon request                                                                                                        | Contractor        | 6.8.3              |
| As-Needed       | As-Needed         | On-going Compliance    | Contractor to provide insurance renewal certificates to City                                                                                                            | Contractor        | 9.5.8              |
| Monthly         | Monthly           | On-going Compliance    | Contractor to pay City fees, including Franchise Fees                                                                                                                   | Contractor        | 7.6                |
| Monthly         | Monthly           | On-going Compliance    | Contractor to submit monthly reports per Section 6.3.2                                                                                                                  | Contractor        | 6.3.2              |
| Quarterly       | Quarterly         | On-going Compliance    | Contractor to submit route audit results to City                                                                                                                        | Contractor        | 6.14.3.D           |
| Quarterly       | Quarterly         | On-going Compliance    | Contractor to submit quarterly reports per Section 6.3.3                                                                                                                | Contractor        | 6.3.3              |
| 1-Jun-2018      | Commencement Date | Performance Monitoring | Contractor to provide two-year schedule for performing route audits                                                                                                     | Contractor        | 6.14.3             |
| Annually        | Upon Request      | Performance Monitoring | City may conduct up to three performance reviews during the Agreement Term                                                                                              | City              | 6.14.1             |
| Annually        | Upon Request      | Performance Monitoring | Contractor to cooperate with, provide data in response to, and reimburse the City for up to two performance reviews during the Agreement Term                           | Contractor        | 6.14.1             |
| Annually        | Upon Request      | Performance Monitoring | City may conduct up to three audits of Contractor's Billings during the Agreement Term (City intends to conduct audits in Rate Periods Three, Five, and Seven)          | City              | 6.14.2             |
| Annually        | Upon Request      | Performance Monitoring | Contractor to cooperate with, provide data in response to, and to reimburse City for up to three Billings audits during the Agreement Term (if audit requested by City) | Contractor        | 6.14.2             |
| Annually - TBD  | Annually          | Performance Monitoring | Contractor to conduct route and Service Level audit, and perform all related reporting activities                                                                       | Contractor        | 6.14.3             |
| As-Needed       | Upon Request      | Performance Monitoring | City may request list of Recyclable Materials, and Organic Materials brokers and buyers                                                                                 | City              | 5.13.2.D, 5.13.3.E |
| Quarterly - TBD | Quarterly         | Performance Monitoring | Contractor to verify compliance with Approved Facility permits                                                                                                          | Contractor        | 5.13.6             |
| Quarterly - TBD | Quarterly         | Performance Monitoring | Contractor to contact Approved Facilities to verify compliance with Applicable Law                                                                                      | Contractor        | 5.13.6             |
| 1-Jan-2029      | End of Term       | Term                   | Contractor to provide route lists and detailed account and Billing information to City or successor                                                                     | Contractor        | 4.4, 12.8          |
| 1-Jan-2029      | End of Term       | Term                   | City to provide letter to Contractor notifying whether extension in Term of Agreement will be approved 180 days before end of Term                                      | City              | 3.4                |



| Date Due   | Frequency   | Type | Description                                                                                                    | Responsible Party | Section |
|------------|-------------|------|----------------------------------------------------------------------------------------------------------------|-------------------|---------|
| 1-Jan-2029 | End of Term | Term | If City chooses to extend Term, Parties to meet and discuss Collection vehicle needs and related costs, if any | Both Parties      | 3.4     |

**EXHIBIT N**  
**RESERVED**



**EXHIBIT O**  
**LANDFILL CLOSURE AGREEMENT**  
**1986**



RECORDING REQUESTED BY:  
CHICAGO TITLE COMPANY  
RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:

City Clerk  
City of Pleasanton  
P.O. Box 520  
Pleasanton, CA 94566-0802



2005353323 08/18/2005 08:30 AM  
OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE: 31.00



9 PGS

678353

2005 35 3323

**SECOND AMENDMENT TO AGREEMENT APPROVING AN EXPENDITURE  
OF FUNDS TO CLOSE FORMER LANDFILL**

This Second Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill is entered into this 10th day of August 2005 by the City of Pleasanton ("City") and Pleasanton Garbage Service Inc. ("PGS").

**RECITALS**

A. PGS owns property located at 2152 Vineyard Avenue, Pleasanton, which is a portion of Lot 8 and Lot 15 of the Map entitled "Map of the Property of J.A. Rose," Book 7 of Maps, Page 50 at the Alameda County Records ("Landfill Site").

B. The Landfill Site was previously used for the disposal of solid waste under a franchise with the City. The landfill operations at the Landfill Site ceased in 1976 but ongoing work has been necessary to monitor and respond to landfill gas and leachate associated with the prior landfill operations.

C. On October 7, 1986, the City and PGS entered into an Agreement Approving an Expenditure of Funds to Close Former Landfill that was recorded with the Alameda County Recorder's Office on February 3, 1987 as Series No. 87-031791 (the "Agreement") to address the costs of closing the Landfill Site.

D. Pursuant to Section 5 of the Agreement, if the Landfill Site was sold or developed, the money received from the sale was to be allocated first to PGS for its cost of the land valued at \$77,876, then second to PGS to offset future rate increases in an amount equal to the expenditures necessary for closure efforts, and third to be split equally between the City for the benefit of the ratepayers and PGS as a return on its investment in the land.

E. PGS has divided the Landfill Site into Parcel 1 (approximately 20.42 acres south of Vineyard Avenue) and Parcel 2 (approximately 1.37 acres north of Vineyard Avenue) pursuant to Parcel Map 8626.

F. PGS has conveyed Parcel 2 to Mardel LLC in exchange for Lot 15 of Tract 7160 recorded August 10, 2004 in Book 277 of Maps at Pages 62-72. As part of that exchange, PGS has incurred certain costs, *e.g.*, Vineyard Avenue Corridor Specific Plan fees, a *pro rata* share of the infrastructure costs for Tract 7160, a payoff of a deed of trust that was on Lot 15, subdivision fees for Parcel Map 8626, the *pro rata* share of the sanitary sewer to serve Parcel 2 of Parcel Map 8626, and engineering and related fees in connection with the preparation of Parcel Map 8626. Those costs total three hundred seventy five thousand seven hundred fifty six dollars and eighty five cents (\$375,756.85).

G. The City has released Parcel 2 of Parcel Map 8626 from the Agreement.

Now, therefore, the parties agree as follows:

1. Lot 15 of Tract 7160 Subject to the Agreement. City and PGS agree that Lot 15 of Tract 7160 recorded August 10, 2004 in Book 277 of Maps at Pages 62-72, Alameda County Records, is subject to the Agreement and shall be considered part of the Landfill Site as defined in the Agreement, subject to paragraphs 2 and 3 of this Second Amendment

2. Allocation of Proceeds of Sale of Lot 15 if Unimproved. If PGS sells Lot 15 to a *bona fide* purchaser and at the time Lot 15 is not improved, the money received from the sale of the land shall be allocated: a) first to PGS for its cost of the land valued at three thousand three hundred forty dollars (\$3,440.00); b) second to the City's Landfill Litigation Rate Reserve Fund (for the benefit of the ratepayers) and to PGS (to the extent PGS has expended its own funds) for the costs referenced in Recital F, above; and c) the remaining balance, if any, to be shared equally by the City (for the benefit of the ratepayers) and PGS as a return on its investment in the land. As to subparagraph b), the amount allocated to the Landfill Litigation Reserve Fund shall be reduced to the extent those costs have already been recovered from the ratepayers at the time the sale proceeds are received. In addition as to subparagraph b), the sale proceeds to be allocated between the Landfill Litigation Reserve Fund and PGS (if such is applicable), regardless of whether such proceeds exceed the costs referenced in Recital F, shall be on a *pro rata* basis. Closing costs (*e.g.*, transfer taxes, escrow fees, etc.) shall be prorated between the parties as provided in the previous sentence.

3. Profit Sharing Associated with Improvements on Lot 15 of Tract 7160. If PGS with its own funds constructs, or causes to be constructed, a residential home on Lot 15 of generally similar size and quality as other residential homes within Tract 7160, the parties anticipate that the value of Lot 15, as improved, will be enhanced. If Lot 15, as improved, is sold to a *bona fide* purchaser, the parties will retain a mutually agreed upon appraiser to determine what the value of Lot 15 would have been without the residential home. The value of Lot 15 without the residential home as determined by the appraiser will be used to allocate the proceeds of the sale of Lot 15 as provided in paragraph 2. PGS will retain the difference, if any, between the sale price to the *bona fide* purchaser and value of the Lot 15 without the residential home as determined by the appraiser. Closing costs (*e.g.*, transfer taxes, escrow fees, etc.) shall be prorated between the parties based on the ratio of the value of the land (as determined by the appraiser) to the sale price of the property.

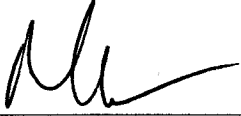


4. Termination of Agreement as to Lot 15. The Agreement, as amended, may be terminated of record as to Lot 15 once the provisions of paragraph 2 or paragraph 3 have been satisfied.

5. Other Terms Remain in Effect. All other terms and conditions of the Agreement, as previously amended, shall remain in full force and effect.

In witness whereof, authorized representatives of the parties have executed this Second Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill as of the date and year first above written.

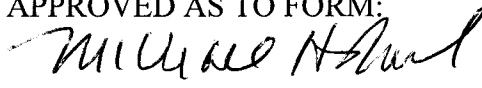
**CITY OF PLEASANTON**

By:   
Nelson Fialho, City Manager

ATTEST:

By:   
Karen Gonzales, Deputy City Clerk

APPROVED AS TO FORM:

  
Michael H. Roush, City Attorney

**PLEASANTON GARBAGE SERVICE INC.**

By: 

Printed Name: Robert Molinaro

Title: Pres.

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

~~[signatures to be notarized]~~

(aj:mydocs\agrmnts\05\2<sup>nd</sup> amend landfill)

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Alameda } ss.

On 08-10-05, before me, Karen D. Gonzales, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared Nelson Fialho  
Name(s) of Signer(s)

☒ personally known to me

☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

Karen D. Gonzales  
Signature of Notary Public

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

### Description of Attached Document

Title or Type of Document: Second Amendment to Agreement Approving AN  
Expenditure of Funds to Close Former Landfill  
Document Date: 08-10-05 Number of Pages: 3

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: Nelson Fialho

- ☒ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

Signer's Name: \_\_\_\_\_

- ☐ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of

Alameda

SS.

On

08-10-05

before me,

Karen D. Gonzales, Notary Public

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally

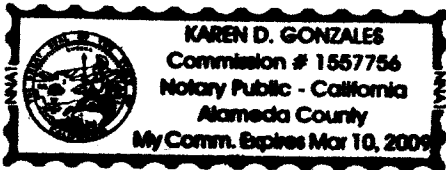
appeared

Michael Roush

Name(s) of Signer(s)

☒ personally known to me

☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Place Notary Seal Above

Karen D. Gonzales  
Signature of Notary Public

## OPTIONAL

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### Description of Attached Document

Title or Type of Document:

Second Amendment to Agreement Approving  
AN EXPENDITURE OF FUNDS TO CLOSE FORMER LANDFILL

Document Date:

08-10-05

Number of Pages:

3

Signer(s) Other Than Named Above:

### Capacity(ies) Claimed by Signer(s)

Signer's Name:

Michael Roush

☒ Individual

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other:

Signer Is Representing:

Signer's Name:

☐ Individual

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other:

Signer Is Representing:

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

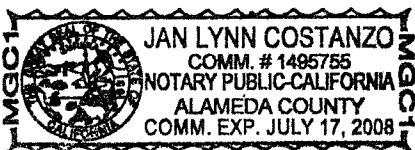
State of California

County of Alameda

On 8-11-05 before me, JAN LYNN COSTANZO  
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Robert J. Molinaro  
NAME(S) OF SIGNER(S)

☐ personally known to me - **OR** - ☒ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

*[Signature]*

SIGNATURE OF NOTARY

## OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

### CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL  
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED  
☐ GENERAL  
☐ ATTORNEY-IN-FACT  
☐ TRUSTEE(S)  
☐ GUARDIAN/CONSERVATOR  
☐ OTHER: \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
NAME OF PERSON(S) OR ENTITY(IES)

### DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: 

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

# ILLEGIBLE NOTARY SEAL DECLARATION

GOVERNMENT CODE 27361.7

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: \_\_\_\_\_

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Jan Lynn Costanzo

Commission number: 1495755

Notary Public State: California

Notary Public County: Alameda

My commission expires: July 17, 2008

Signature of Declarant: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Ross Kennedy", is written over a horizontal line.

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005



RECORDING REQUESTED BY:  
CHICAGO TITLE COMPANY

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:

City Clerk  
City of Pleasanton  
P.O. Box 520  
Pleasanton, CA 94566-0802



2005353314

08/18/2005 08:30 AM

OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE: 28.00



8 PGS

678353

2005353314

**FIRST AMENDMENT TO AGREEMENT APPROVING AN EXPENDITURE OF  
FUNDS TO CLOSE FORMER LANDFILL**

This First Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill is entered into this 10th day of August 2005 by the City of Pleasanton ("City") and Pleasanton Garbage Service, Inc. ("PGS").

**RECITALS**

A. PGS owns and operated a landfill for the disposal of solid waste under a franchise with the City, which was located at 2152 Vineyard Avenue, Pleasanton, which is a portion of Lot 8 and Lot 15 of the Map entitled "Map of the Property of J.A. Rose," Book 7 of Maps, Page 50 at the Alameda County Records ("Landfill Site").

B. On October 7, 1986, the City and PGS entered into an Agreement Approving an Expenditure of Funds to Close Former Landfill that was recorded with the Alameda County Recorder's Office on February 3, 1987 as Series No. 87-031791 ("Agreement") to address the costs of closing the Landfill Site.

C. Pursuant to Section 5 of the Agreement, if the Landfill Site was sold or developed, the money received from the sale was to be allocated first to PGS for its cost of the land valued at \$77,876, then second to PGS to offset future rate increases in an amount equal to the expenditures necessary for closure efforts, and third to be split equally between the City for the benefit of the ratepayers and PGS as a return on its investment in the land.

D. PGS now desires to divide the Landfill Site into Parcel 1 (approximately 20.42 acres south of Vineyard Avenue) and Parcel 2 (approximately 1.37 acres north of Vineyard Avenue) pursuant to proposed Parcel Map 8626.

E. PGS also desires to convey Parcel 2 to Mardel LLC in exchange for Lot 15 of Tract 7160 recorded August 10, 2004 in Book 277 of Maps at Pages 62-72 and has requested that Parcel 2 be released from the Agreement.

F. The City agrees to release Parcel 2 of Parcel Map 8626 from the Agreement if a further amendment to the Agreement is recorded against and made applicable to Lot 15 of Tract 7160 after PGS takes title to Lot 15 and PGS is agreeable to that condition.

Now, therefore, the parties agree as follows:

1. Release of Parcel 2 from the Agreement. City and PGS hereby terminate the Agreement as to Parcel 2 of Parcel Map 8626 recorded on Aug. 18 2005 in Book 284 of Maps at Pages 5-6, Alameda County Records.
2. Parcel 1 Remains Subject to the Agreement. City and PGS agree that Parcel 1 of Parcel Map 8626 recorded on Aug. 18 2005 in Book 284 of Maps at Pages 5-6, Alameda County Records remains subject to the Agreement.
3. Other Terms Remain in Effect. All other terms and conditions of the Agreement shall remain in full force and effect.

In witness whereof, authorized representatives of the parties have executed this First Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill as of the date and year first above written.

**CITY OF PLEASANTON**

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

Nelson Fialho, City Manager

ATTEST:

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

Karen Gonzales, Deputy City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael H. Roush, City Attorney

**PLEASANTON GARBAGE SERVICE INC.**

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

Printed Name: Robert Molinaro

Title: PRES.

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

~~[signatures to be notarized]~~

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of

Alameda

SS.

On

08-10-05

Date

before me,

Karen D. Gonzales, Notary Public

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally

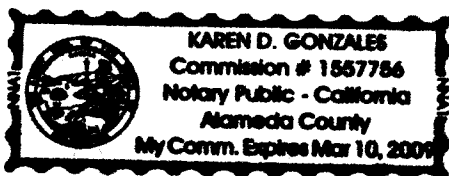
appeared

Nelson Fialho

Name(s) of Signer(s)

☒ personally known to me

☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Place Notary Seal Above

Karen D. Gonzales  
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

## Description of Attached Document

Title or Type of Document:

First Amendment to Agreement

Document Date:

08-10-05

Number of Pages:

2

Signer(s) Other Than Named Above:

## Capacity(ies) Claimed by Signer(s)

Signer's Name:

Nelson Fialho

☒ Individual

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER

Top of thumb here

Signer's Name:

☐ Individual

☐ Corporate Officer — Title(s):

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER

Top of thumb here

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

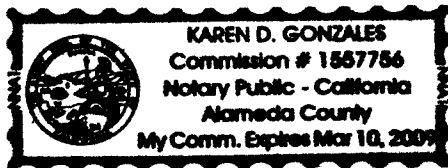
State of California

County of Alameda } ss.

On 08-10-05, before me, Karen D. Gonzales, Notary Public,  
personally appeared Michael Roush,  
Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
Name(s) of Signer(s)

☒ personally known to me

☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal

Place Notary Seal Above

Karen D. Gonzales  
Signature of Notary Public

## OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

### Description of Attached Document

Title or Type of Document: FIRST Amendment to Agreement Approving An expenditure of FUNDS TO CLOSE Former Landfill  
Document Date: 08-10-05 Number of Pages: 2

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: Michael Roush

- ☒ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

Signer's Name: \_\_\_\_\_

- ☐ Individual  
☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Attorney in Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNER  
Top of thumb here

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

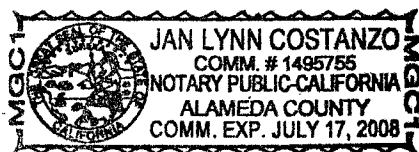
State of California

County of Alameda

On 8-11-05 before me, JAN LYNN COSTANZO,  
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Robert J. Molinaro,  
NAME(S) OF SIGNER(S)

☐ personally known to me - OR - ☒ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

*[Signature]*

SIGNATURE OF NOTARY

## OPTIONAL

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### CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL  
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED  
☐ GENERAL  
☐ ATTORNEY-IN-FACT  
☐ TRUSTEE(S)  
☐ GUARDIAN/CONSERVATOR  
☐ OTHER: \_\_\_\_\_

SIGNER IS REPRESENTING:  
NAME OF PERSON(S) OR ENTITY(IES)

### DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

# ILLEGIBLE NOTARY SEAL DECLARATION

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Ross Kennedy", is written over a horizontal line.

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: 

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005



# ILLEGIBLE NOTARY SEAL DECLARATION

GOVERNMENT CODE 27361.7

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Jan Lynn Costanzo

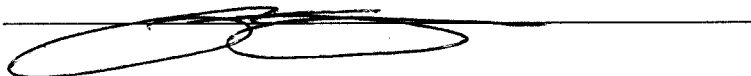
Commission number: 1495755

Notary Public State: California

Notary Public County: Alameda

My commission expires: July 17, 2008

Signature of Declarant: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Ross Kennedy", is written over a horizontal line.

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

WHEN RECORDED, MAIL TO:  
City Attorney  
P. O. Box 520  
Pleasanton, CA 94566

21-031791

AGREEMENT APPROVING AN EXPENDITURE OF FUNDS  
TO CLOSE FORMER LANDFILL

013

THIS AGREEMENT is made and entered into this 7th day of ~~September~~ <sup>October</sup>, 1986, by and between PLEASANTON GARBAGE SERVICE, INC., a California corporation (hereinafter referred to as "PGS") and the CITY OF PLEASANTON, a municipal corporation (hereinafter referred to as "CITY"). PGS and CITY agree as set forth below:

RECITALS

A. CITY pursuant to Article 9, Chapter 2, Title IV of the Ordinance Code has established an exclusive franchise for the collection of refuse in the CITY.

B. PGS previously operated a landfill for the disposal of solid waste for CITY in accordance with said franchise agreement.

C. PGS purchased the landfill site for \$77,876.00 in approximately 1969 and has never expensed the cost of the site in the rates charged for services.

D. CITY's sole relationship to the landfill site is as franchisor to PGS; the CITY does not have any real property interest in the landfill site and the landfill site is not within the city limits of Pleasanton.

E. Said landfill reached its capacity and PGS has taken steps to properly close and cease operation of the landfill.

F. Said landfill is subject to Closure Order Number 78-60 issued by the Regional Water Quality Control Board, San Francisco Bay Region, July 18, 1978.

G. Said Order 78-60 requires that the migration of methane gas be controlled as necessary to prevent the creation of any nuisance and that the existing sub-surface storm drain be removed.

H. CITY, by Resolution 81-36, Section 2(h) provided that:

Should the actual expenses necessary to properly close off the former Vineyard Avenue dump site be less than the \$100,000 projection, the unspent moneys shall be placed into the rate reserve. Should, however, said expense exceed \$100,000, the additional expense may be recovered in future rate increase.

I. Funds equal to Eighty-six Thousand One Hundred Nineteen and No/100 Dollars (\$86,119.00) have been expended on closure of the landfill site by PGS as of March 31, 1986, identified in Exhibit A attached to this agreement.

J. The costs to properly close the landfill will exceed the \$100,000.00 set aside by Resolution 81-36.

K. PGS is seeking authorization to expend said funds to be recovered out of a future rate increase.

NOW, THEREFORE, PGS and CITY agree and approve as follows:

1. PGS may expend funds in further closure efforts including the installation of a storm drain system and a methane gas control system as set forth in the July 8, 1986 letter from Brown & Caldwell, attached hereto as Exhibit C. The actual cost of these closure efforts in excess of the allotted \$100,000 shall be recoverable out of future rate increases. The presently contemplated expenditures are estimated as \$25,000 for PGS share of the storm drain line and \$122,000 to \$167,000 for the boundary control system.

2. PGS costs pursuant to the Gas Migration Mitigation Agreement between PGS and Ralph Martin and Marilyn Mecium (attached as Exhibit C) shall be recoverable in future rate increases, provided however, that if the mitigation involves a land purchase as permitted by Article VII of that Agreement, then the recoverable cost shall be reduced by the net resale value of the land. Between the time of a land purchase as referenced in Article VII and the time of resale of that land, the land purchase payments shall be a chargeable expense of the landfill closure. Upon resale, the amounts so charged shall be credited to the account for costs related to closure of the landfill site.

3. PGS shall consult with CITY concerning any future expenditures for studies, monitoring or other purposes in closure of the landfill. Any expenditures for closure of the landfill greater than \$10,000.00 shall be approved by the City Manager in order to be recoverable from the rate base. The City Manager shall not unreasonably withhold such approval.

4. PGS covenants to achieve and maintain compliance with standards established by the state and federal government regarding closure of the landfill site. The CITY will approve a transfer of the landfill site if legally adequate assurances are presented to the CITY that the transferee will have the obligation and resources to comply with state and federal requirements.

5. Should the landfill be sold and/or developed, any moneys received after costs of sale shall be allocated first to reimburse PGS for its cost of the land which value is \$77,876.00. Second, to be retained by PGS or the then current franchisee to offset future rate increases in an amount equal to the expenditures necessary for closure efforts. Third, any remaining residual moneys shall be split equally between the City for the benefit of the ratepayers and PGS as a return on its investment in the land.

6. If PGS ceases to be the city's franchisee, costs of the landfill closure including ongoing monitoring shall remain the responsibility of PGS provided, however, the City shall require that the subsequent franchisor shall reimburse ongoing costs of landfill closure to PGS from then existing garbage rates.

In the alternative, at the time of termination of the PGS franchise, City shall have the option to purchase the landfill site at the then appraised value minus the accumulated costs of the landfill closure, provided however, the City's option price shall not be less than Seventy-seven Thousand Eight Hundred Seventy-six and No/100 Dollars (\$77,876.00).

7. In the event of litigation to enforce this agreement, the prevailing party shall be entitled to reasonable attorney's fees.

8. This agreement shall be recorded in the Office of the County Recorder of Alameda County.

9. This agreement shall become effective immediately upon its execution.

PLEASANTON GARBAGE SERVICE, INC.

By Robert J. Molinaro  
Robert J. Molinaro, President

CITY OF PLEASANTON

By Frank C. Brandes, Jr.  
Frank C. Brandes, Jr., Mayor

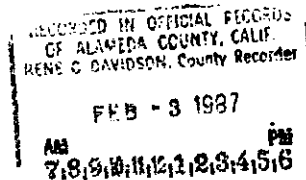
ATTEST

James R. Walker  
James R. Walker, City Clerk

APPROVED AS TO FORM:

Peter O. MacDonald  
Peter O. MacDonald, City Attorney

ATTACH ACKNOWLEDGEMENTS



DN

TO 440 C  
(Corporation)

(11)

STATE OF CALIFORNIA  
COUNTY OF Alameda } ss.

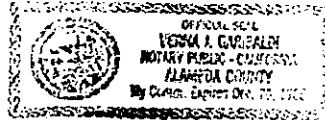
On December 5, 1986, before me, the undersigned, a Notary Public in and for said State, personally appeared ROBERT J. MOLINARO

known to me to be the President, XXX

~~XXXXX~~ of the corporation that executed the within instrument, known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature Verna J. Garibaldi

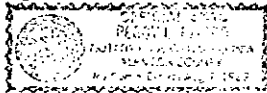


Verna J. Garibaldi  
Name (Typed or Printed)

(Date area for official notarial seal)

STATE OF CALIFORNIA )  
COUNTY OF ALAMEDA ) ss

On this 7th day of October, 1986, before me the undersigned, personally appeared FRANK C. BRANDES, JR., known to me to be the Mayor of the City of Pleasanton, and known to me to be the person who executed the within instrument on behalf of said public corporation, and acknowledged to me that such public corporation executed the same.



Frank C. Brandes, Jr.  
Notary Public

PLEASANTON GARBAGE SERVICE, INC.  
 DUMP SITE FRANCHISE RATE RESERVE ACTIVITY  
 FOR THE SIX YEAR PERIOD  
 FROM APRIL 1, 1980 TO MARCH 31, 1986

#-031791

|                                    |      |         |           |
|------------------------------------|------|---------|-----------|
| ADDITIONS TO RESERVE               |      | \$      | 100,000   |
| EXPENDITURES CHARGEABLE TO RESERVE |      |         |           |
| DRILLING                           | \$ ( | 5,138)  |           |
| ENGINEERING                        |      |         |           |
| BROWN & CALDWELL                   | (    | 17,647) |           |
| OTHER                              | (    | 9,381)  |           |
| LANDFILL                           |      |         |           |
| DePAOLI                            | (    | 37,954) |           |
| OTHER                              | (    | 200)    |           |
| PROFESSIONAL-LEGAL                 | (    | 14,085) |           |
| MISCEL-REPAIRS, TESTS, ETC.        | (    | 1,654)  | ( 86,119) |
|                                    |      |         | -----     |
| RESERVE BALANCE MARCH 31, 1986     | \$   | 13,681  | =====     |

EXHIBIT A

BROWN AND CALDWELL



CONSULTING ENGINEERS

July 8, 1986

Mr. Martin W. Inderbitzen  
Cale, Seibel, Inderbitzen  
62 West Neal Street  
Pleasanton, California 94566

11-19-2646-01/1

Subject: Methane Gas Control at  
the Pleasanton Garbage  
Service Landfill

Dear Mr. Inderbitzen:

The gas migration control system proposed in our May 9, 1986 letter consists of one extraction well located in the vicinity of borehole M-4 near the property line. The gas extraction well is connected to the vacuum pump via a header pipe. The vacuum pump discharges to either a flare or the atmosphere. The need for a flare will be determined by the regulatory agencies.

It is assumed the blower will be in an enclosed building adjacent to the flare (if required) and that these facilities are located in a flat and easily accessible portion of the site. Existing monitoring probes will be used to determine the radius of influence of the one extraction well. If methane concentrations do not drop in the monitoring probes, a second extraction well may have to be added on the Martin property to further reduce methane gas concentrations. The second extraction well will be tied into the existing header pipe and vacuum pump. Specific design requirements (for example, flare, type and size of blower and pipe, etcetera) are determined during the conceptual design phase. The design can be completed in approximately 8 weeks after authorization to proceed. Construction and system startup should take approximately 8 to 10 weeks after selection of a contractor.

The one well system proposed is intended to control further offsite gas migration and to potentially eliminate problems with gas that has already migrated offsite. The system is not intended to provide all the necessary protection for any future development on the landfill itself.

EXHIBIT B



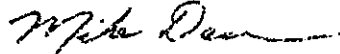
87-031791

Mr. Martin W. Inderbitzen  
July 8, 1986  
Page two

I hope this answers your questions and we look forward to  
starting design of this system.

Very truly yours,

BROWN AND CALDWELL



Michael J. Dean  
Project Manager

MJD:mr

cc: Mr. Larry Theisen, Brown and Caldwell

BROWN AND CALDWELL

200 NORTH THIRD STREET SUITE 100 PHOENIX, AZ 85004 (602) 233-2521

GAS MIGRATION MITIGATION AGREEMENT

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 1986, by and between PLEASANTON GARBAGE SERVICE, INC., a California corporation (hereafter referred to as "PGS"), and RALPH MARTIN and MARILYN E. LOGAN MOCIUN (hereinafter referred to as "OWNERS"). PGS and OWNERS agree as set forth below:

ARTICLE I

PURPOSE AND INTENT

1.01 PGS owns real property at 2512 Vineyard Avenue, Alameda County, California, more specifically identified in Exhibit A attached hereto and incorporated herein by reference. Said real property was formerly used as a landfill by PGS in connection with its franchise agreement to dispose of municipal waste for CITY. (Said real property is hereafter referred to as "LANDFILL").

1.02 OWNERS own real property adjacent to landfill at 2753 Crollin Road, Pleasanton, California, more specifically identified in Exhibit B attached hereto and incorporated herein by reference. (Said real property is hereafter referred to as "OWNERS' PROPERTY").

1.03 Methane gas is produced by the municipal waste placed in the LANDFILL. Methane gas has migrated and continues

EXHIBIT C

Gas Migration Mitigation Agreement  
September 5, 1986  
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to migrate from the LANDFILL onto OWNERS' PROPERTY in concentrations which are required to be mitigated under current local, state and federal guidelines.

1.04 It is the intent of the parties that PGS shall prevent the methane gas generated in the LANDFILL from migrating across the boundary of the OWNERS' PROPERTY by the installation of a boundary control system. It is further the intent of the parties that PGS shall cause as much of the methane gas that has migrated from the LANDFILL onto OWNERS' PROPERTY to be removed as soon as possible, and the methane gas be reduced to concentrations specified by local, state and federal regulations as expeditiously as possible.

1.05 PGS, through its consultant, has made an evaluation of the methane gas migration across the boundary of the LANDFILL onto OWNERS' PROPERTY.

1.06 PGS's consultant has recommended installation of a boundary control system in a report attached as Exhibit C and incorporated by reference herein (hereafter referred to as "CONSULTANT'S RECOMMENDATION").

1.07 The consultant's estimate for the installation, start-up, monitoring and operation of a boundary control system as outlined in Exhibit C is \$122,500.00 to \$167,500.00.

1.08 It is the intent of PGS and OWNERS to enter into this agreement to install and maintain the proposed boundary control system, at no cost to the OWNERS, to prevent further migration of methane gas onto OWNERS' PROPERTY and to reduce any methane gas on OWNERS' PROPERTY originating in the LANDFILL to concentrations specified by local, state and federal regulations as expeditiously as possible and to remove as much of the remaining methane gas as is reasonably possible.

1.09 Pursuant to Resolution 81-36 of the City Council of the City of Pleasanton the costs to install and maintain the boundary control system described herein are recoverable costs out of future garbage rates which CITY acknowledges by separate agreement.

#### ARTICLE II

##### DEFINITIONS

The following terms shall be used as follows in this Agreement:

2.01 PGS. Pleasanton Garbage Service, Inc. The franchisee of the City of Pleasanton for collection and disposal of municipal waste and owner of the LANDFILL.

2.02 CITY. City of Pleasanton. A general law city of the State of California in Alameda County.

Gas Migration Mitigation Agreement  
September 5, 1986  
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2.03 OWNERS. Ralph A. Martin of 2751 Crellin Road, Pleasanton, California 94566, and Marilyn E. Logan McCion of 13864 Wheeler Acres Road, Grass Valley, California 95949, and their successors and assigns.

2.04 CONSULTANTS. Brown and Caldwell, consulting engineers, 1501 North Broadway, Walnut Creek, California.

2.05 SYSTEM. Boundary Control System recommended by CONSULTANT in its February 26, 1985 report as modified by its July 8, 1986 letter.

2.06 LANDFILL. PGS's property described in Exhibit A to this Agreement.

2.07 OWNERS' PROPERTY. OWNERS' property described in Exhibit B to this Agreement.

2.08 LOTS. The parcels to be created by the approval and recordation of a final subdivision map OWNERS' PROPERTY.

2.09 EXHIBITS. The following exhibits are attached hereto and incorporated by reference herein:

- Exhibit A Property description of LANDFILL.
- B Property description of OWNERS' PROPERTY.
- C Reports by CONSULTANT dated 2/26/85 and 7/8/86.
- D Performance Schedule.
- E Map of OWNERS' PROPERTY.
- F Right of Entry Agreement.
- G Close order #78-60.
- H Resolution 81-36-City of Pleasanton.

Gas Migration Mitigation Agreement  
September 5, 1986  
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### ARTICLE III

#### TERM

3.01 The term of this Agreement shall commence on September \_\_, 1986, and continue until (1) methane gas is no longer being generated on the LANDFILL by municipal waste in significant amounts and (2) methane gas already generated no longer remains on or under the LANDFILL site or the OWNERS' PROPERTY in significant amounts.

3.02 At such time as PGS believes that both conditions set forth in Section 3.01 exist and a consultant acceptable to the CITY determines that both conditions exist, PGS may send a termination notice to the CITY and OWNERS with a copy of the report setting forth the consultant's determination. If the OWNERS disagree with the determination of the consultant, the CITY shall serve as or appoint an arbitrator to determine if the termination is proper. The cost of arbitration shall be paid by PGS.

### ARTICLE IV

#### PRIMARY MITIGATION MEASURES BY PGS

4.01 Pursuant to Order No. 7P-60 issued by the Regional Water Quality Control Board for the San Francisco Bay Region, PGS has been ordered to comply with certain specifications in connection with the closure of LANDFILL. Such specifications include the requirement to install methane gas

Gas Migration Mitigation Agreement  
September 5, 1986  
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monitoring wells and the requirement that the migration of methane gas from the LANDFILL shall be controlled as necessary to prevent the creation of any nuisance. PGS agrees to take all actions necessary to prevent the creation of a nuisance on OWNERS' PROPERTY.

4.02 CONSULTANT has recommended installation of a boundary control system (the "SYSTEM") in its report. (See Exhibit C).

4.03 PGS agrees to install and maintain the SYSTEM and monitor methane gas in accordance with the requirements of its closure order No. 78-50.

PGS shall monitor the wells on the OWNERS' PROPERTY and the LANDFILL to assure that said system will reduce the levels of methane gas consistent with standards set forth in Article VI.

4.04 PGS agrees to install the SYSTEM in accordance with the Performance Schedule set forth in Section 5.01, below.

4.05 If monitoring of the SYSTEM reveals that the standards for performance set forth in Article VI, below are not met, PGS agrees to have a consultant acceptable to the CITY determine what additional mitigation measures are necessary to meet the standards.

4.06 PGS agrees to undertake the additional mitigations recommended by the consultant except as provided in Article VII.



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September 8, 1986  
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## ARTICLE V

### PERFORMANCE SCHEDULE

5.01 PGS shall install or cause to be installed the SYSTEM described in Exhibit C on the schedule attached as Exhibit D.

5.02 If the Standards of Performance required by Article VI are not met, but no emergency situation is in existence, PGS shall comply with the following schedule:

- (a) Employ a consultant acceptable to the City to determine necessary additional measures within 30 days of discovery of violation.
- (b) Consultant to report to CITY, PGS and OWNER within 45 days of employment by PGS.
- (c) PGS shall undertake the additional mitigation measures recommended by the consultant in its report or required by the City within 30 days of delivery of the report to CITY.

5.03 If at any time the concentrations of methane gas on OWNERS' PROPERTY create a safety hazard to people or property, PGS shall immediately take whatever steps are necessary to eliminate the danger and then shall follow the provisions of Section 5.02.

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#### ARTICLE VI

##### PERFORMANCE STANDARDS

6.01 Methane gas levels shall not exceed the strictest of the standards established by local, state or federal governments or this Agreement on the LANDFILL or on OWNERS' PROPERTY.

6.02 Methane gas levels shall not exceed concentrations of 1.25 percent on any proposed building site on OWNER'S PROPERTY as identified on the attached Exhibit E or any other building site subsequently identified on OWNERS' PROPERTY, provided PGS is notified of the new site.

6.03 Methane gas levels shall not exceed concentrations of 5 percent on OWNER'S PROPERTY other than identified building sites.

6.04 Methane gas levels shall not exceed concentrations of 5 percent at the boundary of the LANDFILL and OWNER'S PROPERTY.

#### ARTICLE VII

##### ALTERNATE PERFORMANCE

7.01 If the SYSTEM described in Exhibit C has not reduced the levels of methane gas to the concentrations required by Article VI after three months of continuous operation (but not later than April 15, 1987) or in the CONSULTANT'S determination reasonable progress has not been

made in the reduction of methane gas levels, PGS shall cause the CONSULTANT to determine what additional mitigations are necessary to meet said standards pursuant to Articles IV and V. CONSULTANT shall provide to PGS and OWNER an estimate of the cost of such additional mitigation measures by May 15, 1987.

If PGS is delayed at any time in the installation of the system described in Exhibit C by any act or neglect of OWNER or by any employee of OWNER or by any separate contractor employed by OWNER or by changes ordered in the work by state, federal or local regulations or by labor disputes, fire, unusual delay in transportation, adverse weather conditions not reasonably anticipatable, unavoidable causes beyond PGS's control or by delay authorized by OWNER or by any other cause which the OWNER and PGS determine may justify the delay, then the performance standards set forth in Articles IV and V shall be extended for such reasonable times as the CONSULTANT may determine.

7.02 If the cost of the mitigation measures as estimated by CONSULTANT in accordance with Section 7.01 exceeds the value of the lots affected by methane gas migration PGS may elect to purchase those lots for the value specified in Section 7.03 below. PGS shall notify OWNERS of its election to purchase a lot or lots within 30 days of CONSULTANT'S estimate but not later than June 15, 1987. PGS shall pay OWNERS the price(s) set forth in Section 7.03 on the following terms:

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- (a) Down payment: 20% to be paid by July 1, 1987.
- (b) Balance evidenced by unsecured note bearing interest of 10% per year or the same interest rate as that being paid by the OWNERS on OWNERS' loan on OWNERS' PROPERTY whichever is greater.
- (c) Monthly payment: 1/12 the annual interest by the 1st day of each month.
- (d) Balance due: July 1, 1988, or 5 days prior to the date on which OWNERS pay off the loans on OWNERS' PROPERTY, whichever is earlier.

PROVIDED, HOWEVER, PGS shall not be required to purchase the lot or lots affected by methane gas migration until the Department of Real Estate ("DRE") has issued a White Report on the subdivision proposed on the OWNERS' PROPERTY, permitting the sale of lots to the public, unless the cause of the delay is the presence of methane gas on OWNERS' PROPERTY from the LANDFILL. If the DRE White Report is issued after June 15, 1987, PGS shall have 30 days to make the down payment required by subsection (a) above and one year and one month from the issuance of the Report to pay the balance required by subsection (d) above or 5 days prior to date on which OWNERS pay off the loans on OWNERS' PROPERTY, whichever is earlier. OWNERS shall continue to improve the lot or lots being purchased by PGS by grading, installing streets and utilities so that a building permit for construction of a home would be available but for the gas migration on the property.

7.03 The purchase prices for purposes of Section 7.02 for lots shown on Exhibit E shall be:

Lot #18 \$175,000

Lot #19 \$175,000

7.04 If PGS elects not to purchase the lot or lots affected, PGS shall promptly cause the additional mitigation measures to be installed at PGS's sole expense.

#### ARTICLE VIII

##### RIGHT OF ENTRY AGREEMENT

8.01 OWNERS shall execute the Right of Entry Agreement attached hereto as Exhibit F.

8.02 OWNERS shall cause the purchasers of lots 10, 11, 18 and 19 to be notified of the Right of Entry Agreement.

#### ARTICLE IX

##### FUTURE DEVELOPMENT OF LAND FILL

9.01 OWNER understands and acknowledges that future development of LANDFILL property owned by PGS is likely to occur.

#### ARTICLE X

##### SUCCESSORS IN INTEREST

10.01 This Agreement shall run with the land and be binding on and inure to the benefit of the successors in interest and assigns of PGS and the heirs, successors in interest and assigns of OWNERS.

Gas Migration Mitigation Agreement  
September 5, 1986  
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Agreement upon sale of OWNER'S PROPERTY or any portion thereof,  
to their successor(s) in interest.

OWNERS

By Ralph A. Martin

By Marilyn E. Logan Mociun

PLEASANTON GARBAGE SERVICE, INC.  
A California Corporation

By Robert Molinaro  
Robert Molinaro

Attachments  
Exhibits A-F