Exhibit A:
Definitions

For purposes of this Agreement, unless a different meaning is clearly required, the following words and phrases shall have the following meanings respectively ascribed to them by this Exhibit and shall be capitalized throughout this Agreement: *{Proposers: It is possible some definitions will need to be modified to reflect approval by the StopWaste Board of its model SB 1383 ordinance.}*

**“AB 1826”** means the Assembly Bill approved by the Governor of the State of California on September 28, 2014, which added Chapter 12.9 (commencing with Section 42649.8) to Part 3 of Division 30 of the Public Resources Code, relating to Solid Waste, as amended, supplemented, superseded, and replaced from time to time.

**“AB 341”** means the Assembly Bill approved by the Governor of the State of California on October 5, 2011, which amended Sections 41730, 41731, 41734, 41735, 41736, 41800, 42926, 44004, and 50001 of, and added Sections 40004, 41734.5, and 41780.01 and Chapter 12.8 (commencing with Section 42649) to Part 3 of Division 30 of, and added and repealed Section 41780.02 of, the Public Resources Code, relating to Solid Waste, as amended, supplemented, superseded and replaced from time to time.

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(Division 30 of the California Public Resources Code), also commonly referred to as "AB 939," as amended, supplemented, superseded, and replaced from time to time.

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

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

**“Alternative Daily Cover**” or **“ADC”** means Disposal Facility cover material, other than Compostable Material and at least six (6) inches of earthen material, placed on the surface of the active face of the refuse fill area at the end of each operating day to control vectors, fires, odors, blowing litter, and scavenging, as defined in 20690 of Title 27 of the California Code of Regulations.

**“Alternative Intermediate Cover”** or **“AIC”** has the same meaning as in 27 CCR Section 20700 of Title 27 of the California Code of Regulations.

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

**“Applicable Law”** means all Federal, State, County, and local laws, regulations, rules, orders, judgments, degrees, permits, approvals, or other requirement of any governmental agency having jurisdiction over the Collection, Transportation, and Processing of Recyclable Materials, Organic Materials, and Solid Waste that are in force on the Effective Date and as may be enacted, issued or amended during the Term of this Agreement. Applicable Law includes, but is in no way limited to, AB 939, AB 341, AB 1826, and SB 1383.

**“Approved Facility”** means the facility designated and approved by the City for the receipt, Processing, and Transfer of the Discarded Materials Collected under the terms of this Agreement. As of the Effective Date, the Davis Street Transfer Station, owned and operated by Waste Management of Alameda County is the Approved Facility.

**“Approved Organic Materials Processing Facility”** means the facility designated and approved by the City for the receipt, Processing, and Transfer of the Organic Materials Collected under the terms of this Agreement. As of the Effective Date, the Davis Street Transfer Station, owned and operated by Waste Management of Alameda County is the Approved Organic Materials Processing Facility.

**“Approved Recyclable Materials Processing Facility”** means the facility designated and approved by the City for the receipt, Processing, and Transfer of the Recyclable Materials Collected under the terms of this Agreement. As of the Effective Date, the Davis Street Transfer Station, owned and operated by Waste Management of Alameda County is the Approved Recyclable Materials Processing Facility.

**“Approved Solid Waste Facility”** means the facility designated and approved by the City for the receipt, Processing, and Transfer of the Solid Waste Collected under the terms of this Agreement. As of the Effective Date, the Davis Street Transfer Station, owned and operated by Waste Management of Alameda County is the Approved Solid Waste Facility.

**“Back-Haul”** means generating and transporting Organic Waste to a destination owned and operated by the Generator using the Generator’s own employees and equipment, or as otherwise defined in 14 CCR Section 18982(a)(66)(A).

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

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

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

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

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

**“Cart”** means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 10, 20, 32, 64, or 96 gallons (or similar volumes).

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

**“City Contract Manager”** means the City Manager, or their designee, who is responsible for the administrative management of this Agreement.

**“Change in Law”** means any of the following events or conditions that has a material and adverse effect on the performance by either Party or any Subcontractor of its respective obligations under this Agreement (except for payment obligations), as defined monetarily in Section 5.8, or on the activities of any Approved Facility in connection with this Agreement:

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

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

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

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

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

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

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

**“Commercial or Commercial Business”** means a non-Residential Premises including a firm, partnership, proprietorship, joint- stock company, corporation, or association, where business activity is conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing and industrial operations, but excluding businesses conducted upon Residential property which are permitted under applicable zoning regulations and are not the primary use of the property, whether for-profit or nonprofit, strip mall, or industrial facility, or as otherwise defined in 14 CCR Section 18982(a)(6), with the exception that Multi-Family is excluded from the definition of Commercial Business for the purposes of this Agreement.

**“Commercial Edible Food Generators”** means a Tier One Commercial Edible Food Generators and Tier Two Commercial Edible Food Generators, or as otherwise defined in 14 CCR Section 18982(a)(7). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators, or as otherwise specified by 14 CCR Section 18982(a)(7).

**“Community Composting”** means any activity that composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and Compost on-site at any one time does not exceed 100 cubic yards and 750 square feet, as specified in 14 CCR Section 6 17855(a)(4); or as otherwise defined in 14 CCR Section 18982(a)(8).

**“Compactor”** means a mechanical apparatus that compresses materials together with the Container that holds the compressed materials or the Container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include one (1) to seven (7) cubic yard Bin Compactors serviced by front-end loader Collection vehicles and six (6) to fifty (50) cubic yard Drop Box Compactors serviced by roll-off Collection vehicles. Contractor shall support Customers in locating options for purchase or lease of Compactors through an outside vendor(s).

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

**“Compostable Plastics” or “Compostable Plastic”** means plastic materials that meet the ASTM D6400 standard for Compostability. Compostable Plastic shall be a subset of Organic Materials, if directed by the City.

**“Composting or Compost** (or any variation thereof)**”** has the same meaning as in 14 CCR Section 17896.2(a)(4), which stated, as of the Effective Date of this Agreement, that “Compost” means the product resulting from the controlled biological decomposition of organic Solid Wastes that are Source Separated from the municipal Solid Waste stream, or which are separated at a centralized facility.

**“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, and meets the Compost procurement requirements described in 14 CCR Section 18993.1(f).

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

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

**“Contamination Charge Notice”** means a form developed by Contractor and approved by the City Contract Manager to be provided to Customers, at Contractor’s cost, in accordance with Section 4.13.C.

**“Contractor”** means *[Insert proposer name]* organized and operating under the laws of the State through its officers, directors, employees, agents, companies, Affiliates, subsidiaries, and Subcontractors.

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

**“Contractor’s Proposal”** means the proposal submitted to City by Contractor on *[Insert date]* for provision of Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris Collection services and certain supplemental written materials, which are included as Exhibit G to this Agreement and are incorporated by reference.

**“County”** means the County of Alameda, California.

**“Courtesy Collection”** means a Collection service provided by Contractor, as described in Section 4.10.3.C.

**“Courtesy Collection Notice”** means a form developed by Contractor and approved by the City Contract Manager to be provided at Contractor’s cost to Generators, in accordance with Sections 5.4.B and/or 4.13, as applicable to the cause of the courtesy Collection.

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

A. Convictions**.** The approval of a plea of nolo contendere or the entry against Contractor or any of its employees of a criminal conviction or a permanent mandatory or prohibitory injunction from a court, municipality, or regulatory agency of competent jurisdiction, based, in the case of any of Contractor’s employees, on acts taken in his or her official capacity on behalf of Contractor with respect to:

1. Fraud or criminal offense in connection with obtaining, attempting to obtain, procuring or performing a public or private agreement; or

2. Bribery or attempting to bribe a public officer or employee of a local, State, or Federal agency; or

3. Embezzlement, extortion, racketeering, false claims, false statements, forgery, falsification or destruction of records, obstruction of justice, knowingly receiving stolen property, theft, or misprision (failure to disclose) of a felony; or

4. Unlawful Disposal of Hazardous Waste or Designated Waste the occurrence of which Contractor knew or should have known; or

5. Violation of antitrust laws, including laws relating to price-fixing, bid-rigging and sales and market allocation, and of unfair and anti-competitive trade practices laws, including with respect to inflation of Solid Waste Collection, Transportation, Processing fees, or Disposal Fees; or

6. Violation of securities laws; or

7. Felonies or misdemeanors involving moral turpitude.

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

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

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

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

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

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

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

**“Divert or Diversion (or any variation thereof)”** means to prevent Discarded Materials from Disposal at landfill or transformation facilities, (including facilities using incineration, pyrolysis, distillation, gasification, or biological conversion methods) through Source Reduction, reuse, Recycling, Composting, anaerobic digestion or other method of Processing, in accordance with the provisions of AB 939 and SB 1383. Diversion is a broad concept that is to be inclusive of material handling and Processing changes that may occur over the Term including, but not limited to, changes in standard industry practice or implementation of innovative (but not necessarily fully proven) techniques or technology that reduce Disposal risk, decrease costs and/or are for other reasons deemed desirable by the City.

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

**“Dwelling Unit”** means any individual living unit in a Single-Family dwelling, Multi-Family dwelling, structure or building, mobile home, or motor home located on a permanent site intended for, or capable of being utilized for, Residential living other than a Hotel or Motel.

**“Edible Food”** means food intended for human consumption. 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 Food Recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code. If the definition in 14 CCR Section 18982(a)(18) for Edible Food differs from this definition, the definition in 14 CCR Section 18982(a)(18) shall apply to this Agreement.

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

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

**“Excluded Materials**” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, biomedical, infectious, biohazardous, and toxic substances or material, waste that Contractor reasonably believes would, as a result of or upon Disposal, be a violation of local, State or Federal law, regulation or ordinance, including land use restrictions or conditions, waste that cannot be Disposed of in Class III landfills, waste that in Contractor’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Contractor or City to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code. Excluded Materials does not include Used Motor Oil and Filters, or Household Batteries when properly placed for Collection by Customer as set forth in this Agreement.

**“Federal”** means belonging to or pertaining to the Federal government of the United States.

**“Food Recovery”** means actions to collect and distribute food for human consumption which otherwise would be Disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).

**“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:

1. A food bank as defined in Section 113783 of the Health and Safety Code;

2. A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; and,

3. 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.

**“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).

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

**“Food-Soiled Paper”** means pre- and post-consumer compostable paper material that has come in contact with food or liquid, such as, but not limited to, compostable paper plates, paper coffee cups, coffee filters, napkins, pizza boxes, and milk cartons. Food-Soiled Paper is a subset of Food Waste.

**“Food Waste”** means Source Separated Food Scraps and Food-Soiled Paper. Food Waste is a subset of Organic Materials.

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

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

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

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

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

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

**“Holidays”** are defined as New Year’s Day, Thanksgiving Day, and Christmas Day.

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

**“Household Hazardous Waste”** or **“HHW”** means Hazardous Waste generated at Residential Premises within the City. HHW includes: paint, stain, varnish, thinner, adhesives, auto products such as old fuel, Used Motor Oil and Filter, batteries, fluorescent bulbs, tubes, cleaners and sprays, pesticides, fertilizers and other garden products, needles, syringes, and [lancets](http://www.mrwmd.org/pdf/MWSHARPSINFO0908.pdf).

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

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

**“Large Event”** means an event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being used for an event. If the definition in 14 CCR Section 18982(a)(38) differs from this definition, the definition in 14 CCR Section 18982(a)(38) shall apply to this Agreement.

**“Large Venue”** means a permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of operation of the venue facility. For purposes of 14 CCR, Division 7, Chapter 12 and this Agreement, a venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of 14 CCR, Division 7, Chapter 12 and this Agreement, a site under common Ownership or control that includes more than one Large Venue that is contiguous with other Large Venues in the site, is a single Large Venue. If the definition in 14 CCR Section 18982(a)(39) differs from this definition, the definition in 14 CCR Section 18982(a)(39) shall apply to this Agreement.

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

“**Low Income Resident”** means a Residential Customer who can demonstrate that their household qualifies as a very-low-income household under the City Municipal Code Section 20.08.020, which is defined as a household whose gross income is no greater than fifty (50%) of the median income as establish for Alameda County by the U.S. Department of Housing and Community Development. *(Proposers: Definition will be modified if necessary to reflect final agreed-upon low income eligibility criteria.}*

**“Move-in Kit”** refers to a pre-prepared and standardized collection of useful items to be given by property managers or Owners of Multi-Family Premises to new Multi-Family tenants upon move-in to a Multi-Family Dwelling Unit. At a minimum, Move-in Kits shall include a Multi-Family Recycling guide, a notice describing Alameda County’s Mandatory Recycling Ordinance, or subsequent Organic Materials Reduction and Recycling Ordinance if it supersedes the Mandatory Recycling Ordinance, an In-Home Recycling Container and kitchen pail, if requested by the property manager or Owner, and stickers or refrigerator-magnets that clearly define the accepted and prohibited materials in the Recycling program. Contractor shall make In-Home Recycling Containers and kitchen pails available to Multi-Family property managers and Owners upon request at Contractor’s office.

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

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

A. Meets or exceeds the physical contamination, maximum metal concentration, and pathogen density standards for land applications specified in 14 CCR Section 17852(a)(24.5)(A)(1) through (3).

B. Was produced at one or more of the following types of Facilities:

1 A Compostable material handling operation or facility as defined in 14 CCR Section 17852(a)(12), that is permitted or authorized under Division 7 of Title 14 of the CCR, other than a chipping and grinding operation or facility as defined in 14 CCR Section 17852(a)(10);

2. A Transfer/Processing Facility or Transfer/Processing operation as defined in 14 CCR Section 17402(a)(30) and (31), respectively, that is permitted or authorized under 14 CCR, Division 7, Chapter 12; or,

3. A Solid Waste landfill as defined in PRC Section 40195.1 that is permitted under 27 CCR, Division 2.

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

**“Multi-Family Dwelling Unit”** means an individual Residential unit of a Multi-Family complex.

**“Non-Collection Notice”** means a form developed by Contractor and provided to Customers at Contractor’s cost in accordance with Section 5.3.B.

**“Occupant”** means the Person who occupies a Premises.

**“Organic Materials”** means Yard Trimmings, Food Waste, and Clean Wood, individually or collectively. As of the Effective Date, Organic Materials do not include Compostable Plastic products; however, if requested by the City during the Term of the Agreement, Contractor shall Collect Compostable Plastics with the Organic Materials. No Discarded Material shall be Organic Materials, however, unless it is separated from Recyclable Material and Solid Waste.The Parties agree that materials may be added to or subtracted from the list of Organic Materials from time to time by mutual consent. Contractor shall not add or subtract materials to or from this list without approval from the City Contract Manager, and such approval shall not be unreasonably withheld. Organic Materials are a subset of Organic Waste.

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

**“Owner”** means the Person(s) holding legal title to real property and/or any improvements thereon and shall include the Person(s) listed on the latest equalized assessment roll of the County Assessor, or as otherwise defined in 14 CCR Section 18982(a)(57).

**“Paper Garden Bags”** means a paper bag approved by City and provided by the Contractor which may be purchased by Residents for the Collection of Organic Materials overages.

**“Party or Parties”** refers to the City and Contractor, individually or together.

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

**“Post-Collection Services Agreement”** means the “Processing, Transfer, and Disposal Service Agreement” between the City of Albany and Waste Management of Alameda County, Inc. effective November 1, 2011.

**“Post-Collection Services Contractor”** means Waste Management of Alameda County, Inc. who is under contract to the City of Albany as provided in the Processing and Disposal Agreement.

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

**“Processing”** means the controlled separation, recovery, volume reduction, conversion, or Recycling of Solid Waste including, but not limited to, organized, manual, automated, or mechanical sorting, the use of vehicles for spreading of waste for the purpose of recovery, and/or includes the use of conveyor belts, sorting lines, or volume reduction equipment, or as otherwise defined in 14 CCR Section 17402(a)(20).

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

**“Prohibited Container Contaminants”** means (i) Discarded Materials placed in the Recyclable Materials Container that are not identified as acceptable Recyclable Materials for the City’s Recyclable Materials Container; (ii) Discarded Materials placed in the Organic Materials Container that are not identified as acceptable Organic Materials for the City’s Organic Materials Container; (iii) Discarded Materials placed in the Solid Waste Container that are acceptable Recyclable Materials and/or Organic Materials to be placed in City’s Organic Materials Container and/or Recyclable Materials Container; and (iv) Excluded Materials placed in any Container.

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

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

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

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

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

**“Rate Period”** means a twelve (12) month period, commencing May 1 and concluding April 30, with the exception that Rate Period One shall begin on the Commencement Date, and end April 30, 2024 (i.e., thirteen-month period).

**“Recyclable Materials”** means those Discarded Materials that: the Generators set out in Recyclable Materials Containers for Collection for the purpose of Recycling by the Contractor and that exclude Excluded Materials. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Organic Materials, and Solid Waste. Recyclable Materials shall include, at a minimum, newspaper (including inserts, coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines, junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, phone books, grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and other similar food boxes); chipboard; corrugated Cardboard; paper milk cartons; glass bottles and jars (including brown, clear, and green glass bottles and jars); aluminum (including beverage containers, foil, food containers, small pieces of scrap metal); small pieces of scrap metal weighing less than ten (10) pounds and fitting into the Recyclable Materials Collection Container; steel, tin or bi-metal cans; plastic containers (no. 1 to 7); aseptic beverage boxes. In addition, Recyclable Materials Collected from Residential Premises shall include empty steel paint cans (formerly used for latex paint); contained inside of a plastic bag); dry cell household batteries when placed on the Recycling Cart in a sealed heavy-duty plastic bag and aerosol cans. Contractor shall not add or subtract materials to or from this list without approval from the City Contract Manager.

**“Recycle or Recycling (or any variation thereof)**” means the process of sorting, cleansing, treating, and reconstituting, at a Recyclable Materials Processing Facility, materials that would otherwise be Disposed of at a landfill for the purpose of returning such materials to the economy in the form of raw materials for new, reused, or reconstituted products. Recycling includes Processes deemed to constitute a reduction of landfill Disposal pursuant to 14 CCR, Division 7, Chapter 12, Article 2. Recycling does not include gasification or transformation as defined in Public Resources Code Section 40201.

**“Related-Party Entity”** (whether capitalized or not) means any Affiliate which has financial transactions with Contractor pertaining to this Agreement. For the purposes of this Agreement, Related-Party Entities shall include, but are not limited to \_\_\_\_\_\_\_\_\_\_\_\_\_. *{Proposers: Specify as applicable.}*

**“Residential”** shall mean 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.

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

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

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

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

**“SB 1383 Regulations or SB 1383 Regulatory”** means to the Short-Lived Climate Pollutants (SLCP): Organic Waste Reductions regulations developed by CalRecycle and adopted in 2020 that created Chapter 12 of 14 CCR, Division 7 and amended portions of regulations of 14 CCR and 27 CCR., as they may be amended.

**“Self-Hauler or Self-Haul”** means a Person who hauls Solid Waste, Organic Waste, Recyclable Materials, or recovered material they have generated to another Person, or as otherwise defined in 14 CCR Section 18982(a)(66). Self-Hauler also includes a Person who Back-Hauls waste

**“Senior Resident”** refers to a head of a Residential household who is 62 years of age or older.

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

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

**“Single-Family**” means of, from, or pertaining to any Residential Premises with less than five (5) units; notwithstanding any contrary definition in the City’s Municipal Code, any detached or attached house or residence designed or used for occupancy by one or two families, provided that Collection service can feasibly be and is provided to such Premises as an independent unit.

**“Solid Waste”** means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated hereunder. Excluded from the definition of Solid Waste are Excluded Materials, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container not Source Separated from Solid Waste at the site of generation.

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

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

**“State”** means the State of California.

**“Subcontractor”** means a Person who has entered into a contract, express or implied, with Contractor for the performance of an act that is necessary for Contractor’s fulfillment of its obligations for providing service under this Agreement. Notwithstanding any other provision in this Agreement, vendors providing materials, supplies, or professional services to Contractor, and subcontractor and Approved Facilities that are not owned or operated by Affiliates of Contractor, shall not be considered Subcontractors for any purpose under this Agreement (except as explicitly provided in Section 3.3 of this Agreement). As of Effective Date, Subcontractors are listed in Exhibit G4.

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

**“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:

1. Supermarket.

2. Grocery Store with a total facility size equal to or greater than 10,000 square feet.

3. Food Service Provider.

4. Food Distributor.

5. Wholesale Food Vendor.

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

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

1. Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.

2. Hotel with an on-site food facility and 200 or more rooms.

3. Health facility with an on-site food facility and 100 or more beds.

4. Large Venue.

5. Large Event.

6. A State agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.

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

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

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

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

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

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

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

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

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

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

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Exhibit B:
Direct Services

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

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

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

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

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Exhibit B1:
Single-Family Residential Service

### 1. Recyclable Materials Collection

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

**Containers:** Carts

**Container Sizes:** 32-, 64-, and 96-gallons (or comparable sizes approved by the City). Standard Container size is 32-gallon. 64--gallon or 96-gallon service shall be made available for no additional charge, upon request by Customer.

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

**Service Location:** Curbside. Non-curbside Collection available for free for those physically unable to use curbside service, or at an additional charge as described in Exhibit B.1.7

**Acceptable Materials:** Recyclable Materials

**Prohibited Materials:** Solid Waste, Organic Materials, C&D, Excluded Materials

**Additional Service:** For Single-Family Customers requesting Recyclable Materials Containers beyond one (1), Contractor shall provide the additional Recyclable Materials Carts at Rates approved by the City.

 *{Note to Proposers: The following paragraph will be modified or removed based on the City’s selection and/or negotiation of alternative services.}*

 Contractor shall allow Single-Family Customers to place flattened Cardboard (pieces no larger than 4’ x 4’) adjacent to the Recyclable Materials Cart on their regularly scheduled Collection day at no additional charge to the Customer.

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

Contractor shall Collect compact fluorescent light bulbs contained in bags that seal to prevent vapor leakage provided by Contractor or obtained by Customer from City and placed on top of the Recycling Cart as part of Recyclable Materials Collection service. Contractor shall make provision for Customers to request bags that seal to prevent vapor leakage by phone or electronically through Contractor’s website. Contractor shall also provide bags that seal to prevent vapor leakage to City for distribution at City offices.

**Other Requirements:**

If the Contractor observes Prohibited Container Contaminants in a Recyclable Materials Container, Contractor shall Collect the materials and leave the applicable Courtesy Collection Notice or Contamination Charge Notice, in accordance with Section 4.13 of this Agreement.

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

### 2. Organic Materials Collection

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

**Containers:** Carts

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

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

**Service Location:** Curbside Non-curbside collection available for free for those physically unable to use curbside service, or at an additional charge as described in Exhibit B.1.7.

**Acceptable Materials:** Organic Materials (including Yard Trimmings, Food Scraps, and Compostable Paper)

**Prohibited Materials:** Recyclable Materials, Solid Waste, C&D, Excluded Materials, Compostable Plastic (unless otherwise directed by City, in which case the Contractor shall Collect Compostable Plastic materials)

**Additional Service:** For Single-Family Customers requesting Organic Materials Containers beyond one (1), Contractor shall provide the additional Organic Materials Carts to Single-Family Customers upon request and may charge at Rates approved by the City.

 Single-Family Customers may purchase Paper Garden Bags for additional Organic Materials Collection service. Contractor shall make Paper Garden Bags readily available to Single-Family Customers through the mail, at Contractor’s office at \_\_\_\_\_\_\_\_\_, and/or at City offices. The Contractor shall maintain a sufficient inventory of Paper Garden Bags to accommodate Collection of additional Organic Materials. There will be no additional charge for the collection of Paper Garden Bags beyond the purchase of the bag.

**Other Requirements:**

Contractor shall purchase and distribute small kitchen pails designed to contain Food Scraps prior to placement in the Customer’s Organic Materials Cart to Single Family Customers upon request by Customer and as directed by the City.

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

If Contractor observes Prohibited Container Contaminants in an Organic Materials Container, Contractor shall Collect the materials and leave the applicable Courtesy Collection Notice or Contamination Charge Notice, in accordance with Section 4.13 of this Agreement.

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

### 3. Solid Waste Collection

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

**Containers:** Carts

**Container Sizes:** 10- (for existing Customers), 20-, 32-, 64-, and 96-gallons (or comparable sizes approved by the City)
as requested by Customer, or customer purchased additional Solid Waste Collection bags.

*{Note to Proposer: Container sizes may be modified based on the selected Contractor’s proposal.}*

**Service Frequency:** One (1) time per week on the same day as Recyclable Materials and Organic Materials Collection service.

**Service Location:** Curbside. Non-curbside collection available for free for those physically unable or at an additional charge.

**Acceptable Materials:** Solid Waste

**Prohibited Materials:** Recyclable Materials, Organic Materials, C&D, and Excluded Materials

**Additional Service:** Contractor shall provide additional Solid Waste Carts to Single-Family Customers upon request and may charge the appropriate Rate approved by the City.

 Single-Family Customers may purchase additional Solid Waste Collection bags for additional Solid Waste Collection service. Contractor shall make additional Solid Waste Collection bags readily available to Single-Family Customers through the mail, at Contractor’s office at \_\_\_\_\_\_\_, and/or at City offices. The Contractor shall maintain a sufficient inventory of additional Solid Waste Collection bags to accommodate Collection of additional Solid Waste. There will be no additional charge for the collection of additional Solid Waste Collection bags beyond the purchase of the bag.

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

At the Effective Date of this Agreement, the City notes there are Customers in the City with 10-gallon Solid Waste Cart Collection service. Contractor shall continue to service and charge such Customers the Rates for 10-gallon Cart Collection service, but may replace the 10-gallon Cart with a 20-gallon Cart, if overages occur, if the Cart is replaced, or if Solid Waste is found in the Recyclable Materials Cart or Organic Materials Cart greater than three times in a single quarter. Any changes to the account holder name or Service Level for these 10-gallon Customers shall eliminate the 10-gallon Collection service option.

### 4. Used Oil and Filter Collection

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

**Containers:** Used Oil Recovery Kit

*{Note to Proposer: Kit Container sizes and/or types may be modified based on the selected Contractor’s proposal.}*

**Container Sizes:** One (1)-gallon translucent plastic containers with screw-on tops jugs, and 6-mil plastic sealable bags

**Service Frequency:** Up to one (1) time per week and up to three (3) gallons per Single Family Customer per week of Used Motor Oil and/or used cooking oil on the same day as Solid Waste Collection service.

**Service Location:** Curbside

**Acceptable Materials:** Used Motor Oil and Filter and used cooking oil.

**Prohibited Materials:** Recyclable Materials, Organic Materials, Solid Waste, C&D, and Excluded Materials

**Additional Service:** Not applicable

**Other Requirements:** Contractor shall provide a Used Oil Recovery Kit to a Customer upon Customer’s request within three (3) Business Days of such request. Upon Collection of Used Motor Oil and Filter from a Customer, Contractor shall leave a clean and empty Used Oil Recovery Kit adjacent to the Recyclable Materials Cart.

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

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

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

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

### 5. Bulky Item Collection

One (1) time per calendar year, Contractor shall Collect Bulky Items, Reusable Materials, and other materials described herein from Single-Family Customers. The Bulky Item Collection service shall be at no additional cost to the Customers.

**Containers:** Not applicable

**Service Level:** Up to three (3) cubic yards of Reusable Materials, Recyclable Materials, Yard Trimmings, and Solid Waste; and, up to three (3) Bulky Items of which one (1) may be an E-Waste Item

**Service Frequency:** One (1) time per year per Single-Family Customer

**Service Location:** Curbside, in front of each individual Premises, or other location on or adjacent to Customer’s Premises, as arranged by Customer and Contractor, to reduce safety concerns of Collecting Bulky Items along busy streets.

**Acceptable Materials:** Appliances (maximum of two (2) per Customer), Reusable Materials, Bulky Items, Source Separated Recyclable Materials, Source Separated Yard Trimmings, clean unfinished wood, Solid Waste, tires (four (4) per household; removed from rims) and E-Waste

**Prohibited Materials:** Food Scraps, Hazardous Materials, liquids or sludge, rocks, cement, dirt, bundled wood exceeding five (5) feet in length or wood that is painted or stained, abandoned automobiles, automobile batteries, commercial tires, Excluded Materials, Infectious Waste, or any single item (e.g., large auto parts, etc.) that exceeds one hundred fifty (75) lbs. in weight, excluding Appliances (unless Customer has paid an additional fee for service).

**Additional Service:** Contractor shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rate approved by the City for such additional material Collected.

Contractor shall Collect Yard Trimmings separately from acceptable materials described in this Section**.** Upon Customer Request, Contractor shall provide separate on-call Collection Service for Yard Trimmings. Contractor shall Collect up to six (6) 32-gallon Carts, or the equivalent volume of Paper Garden Bags, of Yard Trimmings per scheduled on-call Yard Trimmings Collection service. Contractor shall Transport Yard Trimmings to the Approved Facility(ies).

The Contractor shall also provide additional on-call Curbside clean-up Collection service to Customers requesting such service. The first three hundred (300) additional on-call Collections requested and provided each calendar year shall be provided at no charge to the Customer. Once the Contractor has provided three hundred (300) additional Collections at no change in any calendar year, Contractor shall have the right to charge customers for all remaining on-call Collections s provided during that calendar year in accordance with the Rates in Exhibit 1. On-call curbside Collections shall be scheduled within five (5) days of the request for service.

Contractor shall not Dispose of materials Collected through the Bulky Item Collection program unless the materials cannot be Diverted. Contractor shall Process and Dispose of Bulky Items and Reusable Materials Collected from Customers in accordance with the following hierarchy: (1) Reuse as is (where energy efficiency is not compromised); (2) disassemble for reuse or Recycling; (3) Recycle; and if none of the other options are practicable, (4) Dispose.

**Other Requirements:**  Contractor shall design the Bulky Item Collection program to include the participation of re-use vendor(s) to accept donated clothes or other reusable items and to Recycle or Divert as much of the material as possible. Mattresses shall be delivered to a recycler such as St. Vincent de Paul Society of Lane County in Oakland, California. Disposal of materials shall be the Contractor’s last option.

Appliances and E-Scrap Items shall be reused, Recycled, or Disposed by Contractor in accordance with requirements of Applicable Law and in accordance with the State Department of Toxic Substance Controls regulations. In the event Contractor Collects Appliances that contain freon, Contractor shall handle such Appliances in a manner that the Appliances are not subject to regulation as Hazardous Waste under applicable state and federal laws or regulations.

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

### 6. Holiday Tree Collection

Annually, Contractor shall Collect holiday trees from all Single-Family Customers at the Customer’s Curbside. Contractor’s Collection of holiday trees shall commence the first Monday in January and end on the last regularly scheduled Organic Materials Collection day of January for each specific Route. Holiday trees shall be collected on the Customer’s regular collection day. On-call clean-up services, pursuant to Exhibit B.1 Section 5, may be suspended or limited by Contractor during the first two full weeks in January to allow Contractor’s clean-up equipment and crews to perform holiday tree Collection; however, under no circumstances shall Contractor suspend the Abandoned Waste Collection services required by Section 4.5 and Exhibit B4 during holiday tree Collection.

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

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

### 7. Alternative Service Location for Disabled Single-Family Customers

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

### 8. Debris Boxes and Compactors

Contractor shall allow for a Single-Family Customer to use a Debris Box or Compactor for Solid Waste Collection to meet the Customer’s needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from ten (10) to fifty (50) cubic yards. Contractor shall offer the Customer the option to purchase or lease Compactors through either the Contractor or an Outside vendor. Contractor shall ensure that Debris Boxes or Compactors containing putrescible materials are Collected at least one (1) time per week.

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Exhibit B2:
Multi-Family Residential Services

### 1. Recyclable Materials Collection

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

**Containers:** Carts, Bins

**Container Sizes:** 32-, 64-, and 96-gallon (or comparable size Carts approved by the City); and,
1-, 1.5-, 2-, 3-, 4-, 5-, 6-, 7, and 8-cubic yard Bins. As requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every five (5) Dwelling Units.

**Service Frequency:** Up to five (5) times per week, as scheduled by Customer, but not less than one (1) time per week.

**Service Location:** Curbside or other location agreed upon by Customer and Contractor. City approved charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection vehicle can access from a paved surface. Containers shall be shared by Occupants and centralized.

**Acceptable Materials:** Recyclable Materials

**Prohibited Materials:** Organic Materials, Solid Waste, C&D, Excluded Materials

**Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to five (5) days per week total service.

**Other Requirements:** If City acquires In-Home Recycling Containers for in-apartment use,Contractor shall distribute them to Multi-Family Customers as directed by City.

Contractor shall accept Household Batteries in the Recyclable Materials program, provided that those batteries have been collected by the property manager in a centrally located collection Container, and subsequently packaged in a sealed, clear plastic bag and placed in mutually determined collection location for Collection. The Customer must notify the Contractor in advance according to Contractor’s standard procedures before setting out Household Batteries (such procedures subject to approval by the City Contract Manager).

 Contractor shall make contact with each and every Multi-Family Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Recyclable Materials Containers to each and every Multi-Family Customer at the same time that the Contractor delivers Solid Waste Containers.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and service Containers and may charge City approved Rates for such service.

 Contractor shall work closely with the property managers and/or Owners of Multi-Family complexes in City with one hundred (100) or more dwelling units to develop a Recyclable Materials Collection program at these Multi-Family complexes. The contractor shall provide more frequent Collection service (up to five (5) times per week), compactors for on-going use at the Multi-Family complex to densify the Recyclable Materials, or other equipment or services.

 Multi-Family Premises to receive Multi-Family services if co-located or attached to Commercial Premises.

 If the Contractor observes Prohibited Container Contaminants in a Recyclable Materials Container, Contractor shall Collect the materials and leave the applicable Courtesy Collection Notice or Contamination Charge Notice, in accordance with Section 4.13 of this Agreement.

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

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

 *{Note to Proposer: Final language regarding Move-In Kits and Move-Out Kits to Multi-Family properties will be modified as needed to reflect City selection of services. .}*

### 2. Organic Materials Collection

Contractor shall Collect Organic Materials in Contractor-provided Carts not less than one (1) time per week from Multi-Family Customers and Transport all Organic Materials to the Approved Facility for Processing. Contractor shall provide service at the frequency requested by Customers, up to the maximum service frequency. Contractor shall allow for a Multi-Family Premises to use Cart(s) or Bin(s) for Recyclable Materials and Organic Materials Collection which are shared by the Occupants of the Multi-Family Premises.

**Containers:** Carts, Bins

**Container Sizes:** 32-, 64-, and 96-gallon (or comparable size Carts approved by the City), and 1-, 1.5-, 2-, 3-, 4-, 5-, 6-, 7-, and 8-cubic yard Bins, as requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every five (5) Dwelling Units.

**Service Frequency:** Up to five (5) times per week but not less than one (1) time per week (as requested by Customer).

**Service Location:** Curbside or other location agreed upon by Contractor and Customer. City approved charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection vehicle can access from a paved surface. Containers shall be shared by Occupants and centralized.

**Acceptable Materials:** Organic Materials (including Yard Trimmings, Food Scraps, and Compostable Paper)

**Prohibited Materials:** Recyclable Materials, Solid Waste, C&D, Excluded Materials, Compostable Plastics (unless otherwise directed by City, in which case the Contractor shall Collect Compostable Plastic materials)

**Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to five (5) days per week total service.

**Other Requirements:** *{Note to Proposer: The following paragraph may be modified or removed based on selection and/or negotiation of alternative services with selected Contractor.}*

Upon the Commencement Date,Contractor shall distribute small kitchen pails designed to contain Food Scraps prior to placement in the Customer’s Organic Materials Cart to all Multi-Family Customers, as directed by the City. Contractor shall be responsible for the cost to purchase kitchen pails.

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

 Contractor shall make contact with each and every Multi-Family Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.  Contractor shall deliver Organic materials Containers to each and every Multi-Family Customer at the same time that the Contractor delivers Solid Waste Containers.

 Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers and may charge City approved Rates for such service.

 If the Contractor observes Prohibited Container Contaminants an Organic Materials Container, Contractor shall Collect the materials and leave the applicable Courtesy Collection Notice or Contamination Charge Notice, in accordance with Section 4.13 of this Agreement..

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

### 3. Solid Waste Collection

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

**Containers:** Carts, Bins

**Container Sizes:** 32, 64-, and 96-gallon Carts (or comparable size Carts approved by the City); 1-, 1.5-, 2-, 3-, 4-, 5-, 6-, 7, and 8-cubic yard Bins, as requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every five (5) Dwelling Units.

**Service Frequency:** Up to five (5) times per week but not less than one (1) time per week (as requested by Customer, Saturday service requires three (3) service days during the week Monday through Friday)

**Service Location:** Curbside or other location agreed up by Contractor and Customer. City approved charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection vehicle can access from a paved surface. Containers may be shared by Occupants and centralized.

**Acceptable Materials:** Solid Waste

**Prohibited Materials:** Recyclable Materials, Organic Materials, C&D, and Excluded Materials

**Additional Service:** Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks ups can be scheduled equating to up to five (5) days per week total service.

Multi-Family Customers may purchase additional Solid Waste Collection bags Contractor shall make additional Solid Waste Collection bags readily available to Multi-Family Customers through the mail, at Contractor’s office at\_\_\_\_\_\_\_, and/or at City offices. The Contractor shall maintain a sufficient inventory of additional Solid Waste Collection bags to accommodate Collection of additional Solid Waste. There will be no additional charge for the collection of the additional Solid Waste Collection bags beyond the purchase of the bag.

**Other Requirements:** Multi-Family Premises may use Cart(s) or Bin(s) for Solid Waste Collection which are shared by the Occupants of the Multi-Family Premises.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, and/or perform other services as reasonably necessary to access and service Bins, and may charge the City-approved Rates for such services.

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

### 4. Used Oil and Filter Collection

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

**Containers:** Used Oil Recovery Kit

**Container Sizes:** *{Note to Proposer: Kit Container sizes and/or types may be modified based on the selected Contractor’s proposal.}*

One (1)-gallon translucent plastic containers with screw-on tops jugs, and 6-mil plastic sealable bags

**Service Frequency:** Up to three (3) gallons per Multi-Family unit per week of Used Motor Oil and/or used cooking oil on the same day as Solid Waste Collection service.

**Service Location:** Curbside, or adjacent to Customer’s Recyclable Materials Container if approved by property Owner or manager, or other service location mutually agreed upon by Customer and Contractor, up to three (3) Used Oil Recovery Kits per week.

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

**Prohibited Materials:** Recyclable Materials, Organic Materials, Solid Waste, C&D, and Excluded Materials

**Additional Service:** Not applicable

**Other Requirements:** Contractor shall provide one-gallon translucent plastic containers with screw-on tops for Used Motor Oil and used cooking oil, and 6-mil plastic sealable bags for Used Oil Filters upon Customer’s request within three (3) Business Days of such request.

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

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

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

 Contractor may refuse to Collect Used Motor Oil and Filter if it is not contained in an approved Used Oil Recovery Kit, provided that Contractor leaves a Non-Collection Notice in accordance with Section 5.3.B of this Agreement. Contractor may refuse to Collect a Used Oil Recovery Kit which contains liquid other than Used Motor Oil or cooking oil, provided that Contractor leaves a Non-Collection Notice in accordance with 5.3.B of this Agreement.

### 5. Bulky Item Collection

Contractor shall Collect Bulky Items, Reusable Materials, and other materials described herein from Multi-Family Customers, and shall Transport all Collected materials to the appropriate Approved Facility for reuse, Processing, or Disposal. Each Multi-Family Premises shall be entitled to a total number of service instances, at no charge, equal to two (2) per year per Dwelling Unit (e.g., a Multi-Family Premises with ten (10) Dwelling Units is entitled to a total of twenty (20) total Collection requests per year for the Premises at no charge, regardless of which Dwelling Unit receives the service).

During the first two complete calendar weeks of January each year, Contractor may offer limited Collection of Bulky Items, Reusable Materials, and other materials while offering Holiday Tree Collection Service, if needed; but, under no circumstances shall the Contractor cease Collection service for Abandoned Waste in accordance with Section 4.5 and Exhibit B4.

**Containers:** Not applicable

**Service Level:** Per Multi-Family Unit: Up to three (3) cubic yards of Reusable Materials, Recyclable Materials, Yard Trimmings, and Solid Waste; and, up to three (3) Bulky Items of which one (1) may be an E-Waste Item

**Service Frequency:** Collection provided two-times per year per Dwelling Unit on an on-call basis.

 Additional on-call service upon Customer or Occupant request at Rates approved by the City

**Service Location:** Curbside or from designated location at the Multi-Family Premises mutually agreed upon between Contractor and the property Owner or manager.

Contractor shall provideon-Premises service at no additional cost for Multi-Family Customers with five (5) or more Dwelling Units.

**Acceptable Materials:** Appliances (maximum of two (2) per Dwelling Unit), Reusable Materials, Bulky Items, Source Separated Recyclable Materials, Source Separated Yard Trimmings, clean unfinished wood, Solid Waste, tires (four (4) per Dwelling Unit; removed from rims) and E-Waste

**Prohibited Materials:** Food Scraps, Hazardous Materials, liquids or sludge, rocks, cement, dirt, bundled wood exceeding five (5) feet in length or wood that is painted or stained, abandoned automobiles, automobile batteries, commercial tires, Excluded Materials, Infectious Waste, or any single item (e.g., large auto parts, etc.) that exceeds one hundred fifty (75) lbs. in weight, excluding Appliances (unless Customer has paid an additional fee for service).

**Additional Service:** Contractor shall Collect additional Acceptable Materials (as described herein) that exceed the required Service Level (as requested by Customer) and may charge the appropriate Rate approved by the City for such additional material Collected.

The Contractor shall also provide on-call Bulky Item Collection services to Multi-Family Customers requesting more than the total number of service instances for which the Multi-Family Premises is entitled pursuant to this Section and may charge Customers Rates provided such Rates comply with City-established Rates.

**Other Requirements:** Contractor shall design the Bulky Item Collection program to include the participation of re-use vendor(s) to accept donated clothes or other reusable items and to Recycle or Divert as much of the material as possible. Mattresses shall be delivered to a recycler such as St. Vincent de Paul Society of Lane County in Oakland, California. Disposal of materials shall be the Contractor’s last option.

Appliances and E-Scrap Items shall be reused, Recycled or Disposed by Contractor in accordance with requirements of Applicable Law and in accordance with the State Department of Toxic Substance Controls regulations. In the event Contractor Collects Appliances that contain freon, Contractor shall handle such Appliances in a manner that the Appliances are not subject to regulation as Hazardous Waste under applicable state and federal laws or regulations.

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

### 6. Holiday Tree Collection

Annually, Contractor shall Collect holiday trees from all Multi-Family Customers at the Customer’s Curbside or in a Debris Box. Contractor’s Collection of holiday trees shall commence the first Monday in January and end on the last regularly scheduled Organic Materials Collection day of January for each specific Route. Holiday trees shall be collected on the Customer’s regular collection day.

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

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

### 7 Debris Boxes and Compactors

Contractor shall allow for a Multi-Family Customer to use a Debris Box or Compactor for Solid Waste Collection to meet the Customer’s needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from ten (10) to fifty (50) cubic yards. Contractor shall offer the Customer the option to purchase or lease Compactors through either the Contractor or an Outside vendor. Contractor shall ensure that Debris Boxes or Compactors containing putrescible materials are Collected at least one (1) time per week.

Exhibit B3:
Commercial Services

### 1. Recyclable Materials Collection

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

**Containers:** Carts, Bins

**Container Sizes:** 32-, 64-, and 96-gallon Carts (or comparable size Carts approved by the City);
1-, 1.5-, 2-, 3-, 4-, 5-, 6-, 7, and 8-cubic yard Bins, as requested by Customer.

 For centralized service, Contractor to provide no less than ninety-six (96) gallons of Container capacity for every four (4) Commercial Premises with shared service.

**Service Frequency:** Up to six (6) times per week but not less than one (1) time per week (as requested by Customer).

**Service Location:** Curbside or location agreed upon by Contractor and Customer at the Commercial Premises. City-approved charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection vehicle can access from a paved surface.

**Acceptable Materials:** Recyclable Materials

**Prohibited Materials:** Organic Materials, Solid Waste, C&D, Excluded Materials

**Additional Service:** Contractor shall provide additional Recyclable Materials Collection capacity over ninety-six (96) gallons to Commercial Customers upon request, and may charge the appropriate Rate approved by the City. Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.

**Other Requirements:** Contractor shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Recyclable Materials Containers to each and every Commercial Customer at the same time that the Contractor delivers Solid Waste Containers, unless that Commercial Customer is exempted from Recyclable Materials services by the City, or has demonstrated to the City that it is Diverting Recyclable Materials through subscription with another City-approved hauler, or other City-approved method.

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers, and may charge the City-approved Rate for such service.

 If the Contractor observes Prohibited Container Contaminants in a Recyclable Materials Container, Contractor shall Collect the materials and leave the applicable Courtesy Collection Notice or Contamination Charge Notice, in accordance with Section 4.13 of this Agreement.

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

 Upon Customer request, Contractor shall provide Commercial Customers with containers for internal containment of Recyclable Materials (“Slim Jims”), in accordance with Section 5.6 of this Agreement.

### 2. Organic Materials Collection

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

**Containers:** Carts, Bins

**Container Sizes:** 32-, 64-, and 96-gallon (or comparable size Carts approved by the City);
1-, 1.5-, 2-, 3-, 4-, 5-, 6-, 7-, and 8-cubic yard Bins, as requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity to Commercial Premises and no less than ninety-six (96) gallons of Container capacity for every four (4) Commercial Premises with shared service.

**Service Frequency:** Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week Monday through Friday).

**Service Location:** Curbside or location agreed upon by Contractor and Customer at the Commercial Premises. City-approved charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection vehicle can access from a paved surface.

**Acceptable Materials:** Organic Materials (including Yard Trimmings, Food Scraps, and Compostable Paper)

**Prohibited Materials:** Recyclable Materials, Solid Waste, C&D, Excluded Materials, Compostable Plastics (unless otherwise directed by City, in which case the Contractor shall Collect Compostable Plastic materials)

**Additional Service:** Contractor shall provide additional Organic Materials Collection capacity to Commercial Customers upon request and may charge the appropriate Rate approved by the City. Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day, will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.

Contractor shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency. Contractor shall deliver Organic Materials Containers to each and every Commercial Customer at the same time that the Contractor delivers Solid Waste Containers, unless that Commercial Customer is exempted from Organic Materials services by the City, or has demonstrated to the City that it is Diverting Organic Materials through subscription with another City-approved hauler, or other City-approved method.

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

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers, and may charge the City-approved Rate for such service.

If the Contractor observes Prohibited Container Contaminants in an Organic Materials Container, Contractor shall Collect the materials and leave the applicable Courtesy Collection Notice or Contamination Charge Notice, in accordance with Section 4.13 of this Agreement.

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

Upon Customer request, Contractor shall provide Commercial Customers with containers for internal containment of Organic Materials (“Slim Jims”), in accordance with Section 5.6 of this Agreement.

### 3. Solid Waste Collection

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

**Containers:** Carts, Bins.

**Container Sizes:** 32-, 64-, and 96-gallon Carts (or comparable size Carts approved by the City);
1-, 1.5-, 2-, 3-, 4-, 5-, 6-, 7, and 8-cubic yard Bins, as requested by Customer. Contractor to provide no less than ninety-six (96) gallons of Container capacity for every four (4) Commercial Premises for shared service.

**Service Frequency:** Up to six (6) times per week but not less than one (1) time per week (as requested by Customer), Saturday service requires three (3) service days during the week Monday through Friday).

**Service Location:** Curbside or location agreed upon by Contractor and Customer at the Commercial Premises. City-approved charges may apply if the service location is greater than twenty-five (25) feet from the nearest point that a Collection vehicle can access from a paved surface.

**Acceptable Materials:** Solid Waste

**Prohibited Materials:** Recyclable Materials, Organic Materials, C&D, Excluded Materials

**Additional Service:** Contractor shall provide additional Solid Waste Collection capacity to Commercial Customers upon request and may charge the appropriate Rate approved by the City. Special pick-ups requested by a Customer, on days other than their regularly scheduled Collection day will be available at an approved additional charge. Such additional picks-ups can be scheduled equating to up to six (6) days per week total service.

 Contractor shall make contact with each and every Commercial Customer in advance of the Commencement Date to determine appropriate Container sizes and service frequency.

 **Other Requirements:**

Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers, and may charge the City-approved Rate for such service.

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

### 4. Debris Boxes and Compactors

Contractor shall allow for a Commercial Customer to use a Debris Box or Compactor for Solid Waste Collection to meet the Customer’s needs. In such case, Contractor shall provide Customer with a choice of Container capacities ranging from ten (10) to fifty (50) cubic yards. Contractor shall offer the Customer the option to purchase or lease Compactors through either the Contractor or an Outside vendor. Contractor shall ensure that Debris Boxes or Compactors containing putrescible materials are Collected at least one (1) time per week.

### 5. Commercial Container Sharing

*{Note to Proposer: This section will be modified as needed in response to negotiations.}*

In special circumstances, for Customers with significant space limitations and upon approval by the City Contract Manager and the Contractor, the Contractor shall permit Commercial Customers to share Discarded Materials service with other geographically proximate Commercial Customers. Such shared service shall be performed, and billed, as if it were being provided to a single Customer, with the exception that Contractor shall require all Customers sharing a single service account to identify a “Primary Responsible Party” which will serve as the singular point of contact for communication and billing from Contractor and the City, along with a list of all addresses with which the Primary Responsible Party will share service.

### 6. Construction & Demolition Material Collection

A. **General**. Contractor shall Collect C&D from Customers that directly subscribe to its Collection services. Contractor shall charge Customers for C&D Collection services at City-approved Rates.

B. **Acceptable Material**. Contractor may Collect C&D from construction, remodeling, repair, or demolition operations. C&D may be Source-Separated mixed materials or Source Separated individual materials (e.g., wood-only or metal-only loads). C&D may contain only de minimis amounts of Solid Waste generated at the C&D Collection Sites.

C. **Transport and Processing**. Contractor shall Deliver C&D to the Approved Facility.

D. **Container Types and Collection Frequency**. Contractor shall offer Customers various size Drop Boxes for Collection of C&D, subject to review and approval by the City Contract Manager. C&D Containers shall conform to all requirements of Section 5.6 of this Agreement. After the Drop Box has been delivered, Contractor shall provide requested Collection of C&D materials within two (2) Working Days of a Customer request.

E. **Education Information**. Contractor shall provide Customers with City-approved educational information on best practices for C&D Recycling and Reuse and proper separation of materials for Collection as described in Section 4.8. As directed by the City, Contractor shall label or install signs on Bins and Drop Boxes identifying allowable and non-allowable materials for Collection in the C&D Containers. Signs shall be a minimum size of one (1) foot by two (2) feet and lettering on signs shall be a minimum of three (3) inches high. Signs shall be affixed to the front and both sides of each Bin and Drop Box.

F. **Record Keeping and Reporting**. Contractor shall submit C&D Tonnage information and other data pursuant to Exhibit D of the Agreement.

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Exhibit B4:
 City Services

### 1. Commercial Customer Services to City Facilities

Contractor will provide and collect a maximum of twenty (20) Debris Box hauls at no charge to the City. The Contractor shall not be obligated to Collect Construction and Demolition Debris generated from Public Works Projects at no charge to the City. Contractor shall Collect Recyclable Materials, Organic Materials, and Solid Waste, from City facilities in the same manner as those services are provided to Commercial Customers. Contractor shall provide service to all existing City facilities identified in Exhibit B5 as well as any future City facilities established after the Commencement Date, and the cost of providing such service shall be an allowable cost of business, included in the adjustment of Rates as described in Exhibit E. Collection shall occur at least once per week or more frequently as requested by the City. Contractor shall provide these services at no additional direct cost to the City. Contractor shall provide and maintain Collection Containers for the City’s use. Contractor shall work with the City to ensure that each City facility (including but not limited to public spaces such as parks) receives service that adequately meets the generation needs at that facility Contractor shall ensure that all City facility Service Levels are reviewed and updated every three (3) years during the Term. Contractor shall Collect, empty, and return Drop Boxes within twenty-four (24) hours by the following Working Day of City request. In the event that the Contractor separately contracts to provide service to public schools within the City, such service shall not be governed by the terms of this Agreement, provided however, that Contractor may commingle Recyclable Materials, Organic Materials, and Solid Waste Collected from schools with other Recyclable Materials, Organic Materials and Solid Waste Collected in the City. If such materials are commingled as described in this Section, vehicle-related and Processing and Disposal costs associated with Contractor’s Collection service to schools within the City shall be an allowable cost of business, included in the adjustment of Rates as described in Exhibit E. The Contractor shall not recover the cost of Containers or labor associated with provision of service to public schools through this Agreement. Contractor’s revenue from providing services to public schools shall not be included in Gross Receipts.

### 2. Public Litter Module Service

Contractor shall provide Collection, Transportation, and Processing or Disposal service to all Public Litter Modules in place or placed by the City on sidewalks, at bus stops, in parks and other City properties as set forth in Exhibit B5 during the Term of this Agreement. Frequency of Collection may be designated by the City, not to exceed six (6) times per week per Public Litter Module. In the event that Public Litter Modules are designed and able to separately contain Source Separated Recyclable Materials and/or Source Separated Organic Materials, Contractor shall Process such materials in accordance with Sections 4.1 and 4.2 of the Agreement, and shall not commingle such materials with Solid Waste.

### 3. On-Call Clean Up Service

In addition to the services to be provided in accordance with Section 1 of this Exhibit B4, and as described in Section 4.5 of the Agreement, Contractor shall provide Collection and Transportation service for on-call clean-up service requests upon City request. At the City’s sole option, the City may direct the Contractor to provide such clean-up capacity in the form of temporary Drop Box service for community events, creek vegetation removal, large clean-up events at locations throughout the City, City Facility Bulky Item Collection, Abandoned Waste Collection, or any other arrangement deemed appropriate by the City Contract Manager. The Parties acknowledge that the intent of this program is not to support the ongoing, regular Collection needs associated with new developments in the City, but rather to support the City through targeted, short-term, clean-up events or Collection service.

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

### 4. Emergency Services

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

### 5. Compost Give-Away Events

Contractor shall support the City as requested by providing staffing at two (2) City-arranged public Compost give-away events per Agreement Year . Contractor shall provide at least one (1) attendant for at least six (6) hours per event.

### 6. News Media Relations

Contractor shall notify the City Contract Manager by e-mail of all requests for news media interviews related to the Collection Services program within twenty-four (24) hours of Contractor’s receipt of the request. Before responding to any inquiries involving controversial issues or any issues likely to affect participation or Customer perception of services, Contractor will discuss Contractor’s proposed response with the Contract Administrator.

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

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

### 7. Waste Generation, Characterization, and Pilot Studies

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

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

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Exhibit B5:
 City Facility Service Levels, Locations, and Special Events

### 1. Special Events

Contractor shall provide Recyclable Materials, Organic Materials, and Solid Waste services for up to twelve (12) special event days, examples of which are listed below, per Rate Period at no cost to the event or City. Special event services include:

**A. Event Collection Stations.** Contractor shall provide and set-up an adequate number and type of event Collection stations for Collection of Recyclable Materials, Organic Materials, and Solid Waste at City-sponsored special events. Contractor shall cooperate with the recovery of Edible Food from special events in accordance with Section 4.6 and 14 CCR Chapter 12 Section 18991.3. Contractor acknowledged that efforts to recovery Edible Food at special events may be conducted by others; and, Contractor agrees not to interfere with such activities.

**B. Collection Station Monitors.** Upon request, Contractor shall provide up to six (6) Collection station monitors who shall be present for the duration of each special event. Contractor shall require Collection station monitors to monitor event Collection stations and educate event attendees and vendors about what materials are acceptable in each Collection station Cart. The City shall be responsible for Transporting materials contained in event Collection stations to Drop Boxes, which will subsequently be Collected by the Contractor. Station monitors will also sort materials both at the Collection stations and at the Drop Boxes to ensure that they are properly separated.

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

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

**E. Reporting.** Within ten (10) Business Days following the end of the event (unless otherwise requested by City on an event-by-event basis), Contractor shall submit a report to the City Contract Manager and event organizer. The report should include, at a minimum: the number of event Collection stations deployed at the event, the number of Collection station monitors, the Tonnage of each material type (i.e., Recyclable Materials, Organic Materials, and Solid Waste) Collected, a description of the public education provided at the event, and any suggestions Contractor proposes for the next event.

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

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

|  |  |
| --- | --- |
| **Special Event** | **# of Days** |
| Earth Day Beach Cleanup (April) | 1 |
| Compost Giveaway and Park Cleanup (May) | 1 |
| HHW Drop-Off Events (June, October) | 2 |
| July 4th Event | 1 |
| Music in the Park (September) | 4 |
| Solano Stroll (September) | 1 |
| Dinner with Albany (September) | 1 |
| Coastal Cleanup Day (September) | 1 |
| Two other events at the request of the City | 2 |

### 2. List of City Facilities

Contractor will Collect Recyclable Materials, Organic Materials, and Solid Waste from City facilities (including parks) in the same manner as those services are provided to Commercial Customers. Contractor shall provide service to all City facilities, present and future, at no additional cost to the City. However, such costs shall be allowable during cost-based Rate adjustments pursuant to Exhibit E2. Contractor shall provide special event services pursuant to Section 4.6 of the Agreement. Listed below are the current and planned City facilities and to receive Collection services:

Contractor shall provide Solid Waste, Recyclable Materials, and Organic Materials Collection services to the City’s public facilities, parks, public litter cans, and public Recycling and Organics cans as listed below. The City may, at any time, modify the service requirements to increase the volume Collected or the frequency of Collection, and add locations serviced. The City anticipates adding Collection from approximately ten (10) bus stops in the near future.

| **Location Name** | **Address** | **Solid Waste** | **Recycling** | **Organics** |
| --- | --- | --- | --- | --- |
| Memorial Park | 1325 Portland Ave, Albany, CA 94706 | 2 x 96 gallon carts, 2 x per week | 2 x 96 gallon carts, 1 x per week | 6 x 96 gallon carts, 1 x per week |
| Terrace Park | 1548 Terrace St, Albany, CA 94706 | 2 x 96 gallon carts, 2 x per week | 2 x 96 gallon, 1 x per week | 2 x 96 gallon, 1 x per week |
| Ocean View Park/Teen Center | 900 Buchanan St, Albany, CA 94706 | 2 x 96 gallon carts, 2 x per week | 4 x 96 gallon, 1 x per week | 1 x 64 gallon cart, 2 x per week |
| Albany Preschool | ? |  |  |  |
| Litter Cans on Solano Ave and San Pablo Ave |  | 3 x per week | 3 x per week | 3 x per week |
| Litter Cans at Albany Waterfront |  | 3 x per week  | 3 x per week  | 3 x per week  |
| Litter Cans on Ohlone Greenway |  | 3 x per week | 3 x per week | 3 x per week |
| Litter Cans at Albany Hill Park |  | 3 x per week | 3 x per week | 3 x per week |
| City of Albany Library | 1247 Marin Ave, Albany, CA 94706 | 1 x 96 gallon, 1 x per week |  | 1 x 96 gallon, 1 x per week |
| City of Albany Community Center | 1249 Marin Ave, Albany, CA 94706 | 2 x 64 gallon, 4 x per week | 5 x 64 gallon, 3 x per week | 2 x 64 gallon, 3 x per week |
| City Hall/Police Department/Fire Station  | 1000 San Pablo Ave, Albany CA 94706 | 4 x 64 gallon, 3 x per week | 4 x 64 gallon, 3 x per week | 4 x 64 gallon, 3 x per week |
| City of Albany Senior Center | 846 Masonic Ave, Albany, CA 94706 | 4 x 64 gallon, 3 x per week  |  |  |
| Corporation Yard on Cleveland Avenue (Public Works) |  |  |  |  |

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Exhibit C:
 Public Education and Outreach Requirements

### 1. General Administration

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

A. Within ninety (90) days of the Effective Date, Contractor shall provide a Transition Outreach Plan for City Contract Manager review and approval. Such Transition Outreach Plan shall indicate Contractor’s strategy for providing targeted Customer education and outreach highlighting any changes from the services provided under the previous franchise agreement.

B. Prior to the Commencement Date and by April 1 of each following year during the Term of this Agreement, Contractor shall develop and submit an annual public education plan to promote the programs performed by Contractor under this Agreement. Each public education plan shall be consistent with and clearly identify actions designed to support the City’s Climate Action and Adaptation Plan, as this document may be amended from time to time. Each public education plan shall specify the target audience for services provided, include upcoming promotions for ongoing and known special events, identify program objectives, individual tasks, each public education material to be developed or updated, opportunities for expanded partnerships, a timeline for implementation, and an itemized description of how Contractor’s annual public education budget (described in Section 3 of this Exhibit C) will be spent. The City Contract Manager shall be permitted to provide input on each annual public education plan, and the plan shall not be finalized or implemented without approval of the City Contract Manager. Each plan’s implementation success shall be measured according to the deadlines identified and products developed. Contractor shall meet with the City Contract Manager to present and discuss the plan, review the prior year’s activities (including sponsorships and services provided to City-sponsored events) and determine whether community activities and the provision of services to the City reflect the needs of City staff and the City Council. City Contract Manager shall be allowed up to thirty (30) calendar days after receipt to review and request modifications. The City Contract Manager may request, and Contractor shall not unreasonably deny, modifications to be completed prior to approving the plan. Contractor shall have up to fifteen (15) Business Days to revise the plan in response to any requested changes by the City Contract Manager. Any further delays may result in Liquidated Damages for failure to perform education and outreach activities as identified in Exhibit F. Each Business Day that the plan is late shall count as a single event/activity.

C. Upon request from the City Contract Manager, City Contract Manager and Contractor’s Contract Manager (or their respective designees) shall meet up to one (1) time per month to discuss services, outreach, and educational campaigns and request changes or adaptations to the annual public education plan.

D. Contractor shall distribute instructional information, public education, and promotion materials in advance of, and following, commencement of services. This shall entail, at a minimum, distributing program literature to all Customers at the commencement of the Agreement as well as to any new Customer during the Agreement Term. Contractor shall use multiple media sources including print, radio television, electronic/ social media, and events to notify Customers of the change in their service provider and to highlight new program offerings. Transition and ongoing sector-specific collateral materials shall be developed and distributed. Contractor shall submit all draft public education materials to City Contract Manager for review and approval.

E. When developing outreach, educational, and promotional materials, Contractor shall work with the City to understand goals and objectives, ensure coordinated messaging, then begin drafting the content and developing a graphic mock-up. All outreach and educational materials shall be thematically branded with consistent color, graphics, font, look and feel; produced in English, Spanish, Chinese, and Korean (or other languages as the City may direct throughout the Term of the Agreement in response to shifting demographics in the City); and photo-oriented to appeal to varied language and literacy levels. Materials shall also be made available in digital form and shall be printed double-sided on 100% Recycled and Recyclable paper. Prior to finalizing any collateral materials, and no fewer than four (4) weeks prior to the deadline for distribution, the draft shall be provided to the City for a final review. The draft shall then be sent for printing and distribution.

F. All City facilities shall receive any and all public education and outreach materials and services provided to the Commercial sector. Contractor shall provide all printed public education materials to City offices and facilities to have available for the public that visits those facilities and shall replenish the materials as requested by the City Contract Manager.

G. Contractor shall develop and utilize Non-Collection Notices, Courtesy Collection Notices, and Contamination Charge Notices in clear instances of Customer non-compliance, in accordance with Sections 4.13 and 5.3. Contractor shall develop and maintain a system of keeping records of and following up with Customers who receive such notices during Collection of materials, and report this information in accordance with Exhibit D.

H. Contractor shall develop a website specific to its operations in the City, with a section specific to City programs and Customers, that will be used to post educational materials for download, highlight program successes and provide Diversion statistics. Website shall be reviewed and updated at least once per quarter, or more frequently as directed by City. City may require the Contractor to post information about other City programs, including but not limited to Edible Food Recovery.

I. Contractor shall annually, upon City approval, prepare and distribute to all Generators information in accordance with the requirements of 14 CCR Chapter 12 Article 4. Minimum content requirements include:

1. Information on the Generator’s requirements to properly separate Discarded Materials and place such materials in appropriate Containers pursuant to this Agreement, SB 1383 Regulations, and all other Applicable Laws.

2. Information on methods for prevention of Recyclable Materials and Organic Materials generation; managing Organic Materials on Generator’s Premises through composting or other Disposal reduction activities allowed under 14 CCR Sections 18983.1 and 18983.2; sending Organic Materials to Community Composting operations; and any other local requirements regarding Discarded Materials.

3. Information regarding the methane reduction benefits of reducing the Disposal of Organic Materials, and the method(s) that the CONTRACTOR uses to recover Organic Materials.

4. Information regarding how to recover Recyclable Materials, Organic Materials, and a list of haulers approved by the City.

5. Information related to the public health and safety and environmental impacts associated with the Disposal of Organic Materials.

6. Upon City direction, information regarding programs for donation of Edible Food.

7. Upon City direction, information to Commercial Customers about the City’s Edible Food Recovery Collection program; Tier One Commercial Edible Food Generators and Tier Two Edible Food Generators requirements specified in 14 CCR, Division 7, Chapter 12, Article 10; Food Recovery Organizations and Food Recovery Services operating within the City, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and, information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste.

8. Information regarding Self-Hauling requirements.

9. Any other Federal, State, or local requirements to properly separate Discarded Materials or other necessary actions by Generators, including applicable requirements of the City Code, AB 341, AB 1826, and SB 1383 and corresponding regulations.

J. Contractor shall annually provide Property Owners and Commercial Business Owners with public education materials for their distribution to all employees, contractors, tenants, and Customers of the properties and businesses. The Contractor’s public education materials shall include, at a minimum, information about Organic Materials recovery requirements and proper sorting of Discarded Materials and shall reflect content requirements described above. Contractor shall provide the following materials for this purpose: *insert materials* (such as, but not limited to, welcome packets, flyers, and signs).

A Commercial Business or Multi-Family Property Owner may request these materials more frequently than the standard annual provision if needed to comply with the requirement of 14 CCR Section 18984.10 for Commercial Businesses and Multi-Family Property Owners to provide educational information to new tenants and employees before or within fourteen (14) days of occupation of the Premises. In this case, the Commercial Business or Multi-Family Property Owner may request delivery of materials by contacting the Contractor’s customer service department.

K. Upon City request, Contractor shall perform the education and outreach related to Edible Food Recovery required under SB 1383, subject to the provisions of Section 8.3 of this Agreement. Such outreach shall, at a minimum, include: (1) developing and maintaining a list of Food Recovery Organizations and Food Recovery Services in the City, and working with the City Contract Manager to ensure such list is available to be posted on the City’s website; and, (2) providing annual notification to Customers regarding the City’s Edible Food Recovery programs, options for Edible Food Recovery in the City, and Commercial Edible Food Generator (as defined by SB 1383) responsibilities regarding Edible Food Recovery under SB 1383, and (3) providing information about the actions Commercial Edible Food Generators can take to prevent the creation of Food Waste. In addition, Contractor shall coordinate and cooperate with StopWaste and/or the City Contract Manager in identifying all Commercial Edible Food Generators within the City and determining which such Generators have arrangements with Edible Food Recovery organizations or services.

L. In addition to the public education, outreach, and technical assistance activities and collateral described in this Exhibit C, Contractor shall promote environmental sustainability among the City’s K-12 school students.

### 2. Public Education and Outreach Team

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

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

B. Prepare proposals and presentations to City entities and/or departments;

C. Participate and represent Contractor in community activities;

D. Oversee Customer satisfaction of all program services, as described in Exhibit B to the Agreement;

E. Coordinate and produce the annual education and outreach plan required by Section 1 of this Exhibit C to the Agreement;

F. Coordinate implementation of the annual public education plan;

G. Perform annual visits to identify the service needs of every Customer, other than Single-Family Customers, by conducting “Diversion opportunity assessments” of Customer locations and facilities;

H. Manage follow-up Diversion opportunity assessments for businesses to conduct a more comprehensive investigation and educational process after the initial review;

I. Provide all Customers with appropriate educational information necessary to make informed, environmentally-forward decisions relative to waste reduction, reuse, and Diversion activities.

J. Maximize the opportunity for initial and sustained program success by seeking to identify a "champion" (ideally a senior manager) at each Commercial and Multi-Family Customer who will serve as a primary contact and advocate for Diversion programs within the Customer’s organization;

K. Assist in planning service needs for special events and large venues with a focus on reducing the Disposal of materials resulting from such events or venues; and,

L. Create and distribute reports as required under this Agreement and/or requested by City Contract Manager.

### 3. Annual Budget

In addition to staffing expenses, Contractor shall spend, for the public education and outreach services described in this Exhibit C, no less than one hundred twenty-five thousand dollars ($125,000) in Rate Period One. The Rate Period One budget shall be adjusted annually thereafter by the same percentage used to adjust Rates pursuant to Exhibit E. Annually, Contractor shall provide to the City Contract Manager for review and approval a detailed description of how such budget will be spent as part of the annual public education plan to be developed in accordance with Section 1 of this Exhibit C. At the conclusion of each Rate Period, any unused funds shall be transferred to the City. Contractor shall be prohibited from expending such funds without the prior written approval of the City Contract Manager. Any expenditures not approved by the City in advance shall neither be counted in Contractor’s annual public education and outreach budget, nor be recovered through Rates.

### 4. Sector-Specific Activities

The following tables present the public education and outreach activities to be performed by Contractor each Rate Period as minimum requirements under this Agreement, as proposed by Contractor in Contractor’s Proposal. Each Customer Type faces unique Discarded Materials management opportunities and challenges; therefore, Contractor shall develop targeted, sector-specific educational materials and perform outreach activities as described for each Customer Type. Between the Effective Date and the Commencement Date Contractor and the City Contract Manager shall meet and confer to develop an enhanced public education and outreach plan which shall focus on achieving the Diversion targets established in Section 5.11 of the Agreement. Such enhanced public education and outreach plan will be added to this Exhibit C upon approval by the City. *{Proposer: Final public education and outreach plan to be included below.}*

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Exhibit D:
 Reporting Requirements

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

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

### 1. Monthly Report Content

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

**A. Tonnage Report**

1. Tonnage delivered to the Approved Facility by Customer Type and material type, subtotaling and clearly identifying those Tons that are Diverted and those that are Disposed.

2. Units of Used Oil, Used Oil Filters, E-Waste, U-Waste, and Bulky Items Collected by Customer Type.

3. Bulky Items and Reusable Materials Tonnage Marketed and Tonnage Disposed from non-Divertible materials and Processing Residue.

4. Monthly Diversion rate by Customer Type and in aggregate for all Customer Types under this Agreement, based on the calculation methodology described in Section 5.11.

5. The Tons of Discarded Materials removed from illegal Disposal sites.

**B. Contamination Monitoring Report**

1. The number of Contractor Route reviews conducted in the reporting month, if any, pursuant to Section 4.13 of this Agreement.

2. Description of the Contractor’s process for determining contamination.

3. A record of each inspection and contamination incident that occurred in the month, if any, which shall include, at a minimum: name of Customer; address of Customer; date the contaminated Container was observed; staff who conducted the inspection; total number of violations found and a description of what action was taken for each; copies of all notices, and enforcement orders issued or taken against Generator with Prohibited Container Contaminants; any photographic documentation or supporting evidence; and, documentation of the total number of Containers with contents Disposed of due to observation of Prohibited Container Contaminants.

4. A list of all Customers charged an increased Solid Waste Rate or assessed contamination fees, pursuant to Section 4.13 of this Agreement, reported separately by Single-Family, Multi-Family, and Commercial Customers and including the Customer name, Customer address, and reason for the assessment of the contamination fee or increased Solid Waste Rate, and the total number of instances contamination fees or increased Solid Waste Rate charges assessed in the month, the total dollar amount of fees collected or additional Rates charged in the month; and, any other information reasonably requested by the City Contract Manager or specified in contamination monitoring provisions of this Agreement.

5. A list of Customers with chronic contamination, defined as four (4) or more instances of observed Prohibited Container Contaminants within a calendar year, including the Generator’s name and address; the total number of contamination instances observed year-to-date; and, the actions taken by the Contractor to address the situation, reduce contamination, and improve Customer compliance.

**C. General Non-Collection and Courtesy Collection**

1. Number of events of Discarded Materials being tagged for non-Collection in accordance with Section 5.3, summarized by the reason for tagging ( Improper set-out, Hazardous Waste, etc.). Each event shall include the date of issuance of the Non-Collection Notice, Customer name, and service address.

2. Number of courtesy Collections summarized by the reason for leaving a Courtesy Collection Notice in accordance with Section 5.3 (Improper set-out, Hazardous Waste, etc.). Courtesy Collection Notices related to Prohibited Container Contaminants shall be reported as specified in Exhibit D.1.B.

3. List of Customers for which Contractor has performed a courtesy Collection, including the Customer address, and material type for which the courtesy Collection was performed.

**D. Compliance Monitoring and Complaints**

1. Copies of all Customer SB 1383 non-compliance incident investigation reports submitted to the City, which shall include at a minimum: the Complaint as received; name and contract information of the customer reporter, if the incident is not submitted anonymously; identity of the alleged violator, if known; description of the alleged violation, including location(s) and all other relevant factors known to the incident reporter; identity of any witnesses, if known; date the Contractor investigated the Complaint; documentation of the findings of the investigation; and, any photographic evidence collected during the investigation..

**E. Education Program**

1. The monthly status of activities identified in the annual public education plan described in Exhibit C, including copies of education and outreach materials provided during the month and a list of to whom the information was sent, and the date it was sent. Include the dates and content of posted social media posts, e-mail communications, or other electronic messages.

2. For any mass distribution through mailings or bill inserts that occurred in the month, the Contractor shall maintain a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.

**F. Customer Report**

1. Number of Customers by Customer Type.

2. Number of Containers at each Service Level by Customer Type and materials type. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Drop Box and Compactor service by Customer Type. Report should calculate the average volume of service received per: Single-Family Dwelling Unit (separately identifying Dwelling Units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; Commercial Customer; and, Drop-Box Customer.

3. Number of Bulky Item/Reusable Materials Collection events by Customer Type.

**F. Service Exemptions**

1. Number of Customers subscribing to each City approved service exemption by Customer Type.

2. The number of Generator waiver reverifications performed by the Contractor pursuant to Section 4.12 of this Agreement in the month, if any, including a copy of documentation for each reverification inspection, which shall include, at a minimum: Customer’s name, address, and Generator type; the type of waiver being verified; any photographic or other evidence collected during the inspection; and the resulting recommended conclusion by the Contractor regarding the validity of the waiver. The Contractor shall provide a summary of recommendations to the City of all waivers which the Contractor concludes to no longer be warranted.

### 2. Quarterly Report Content

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

**A. Revenue Report**

Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement as required by Section 7.9.

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

**B. City Services Report**

1. City facility Diversion rate report (i.e., volume of service by Service Type received by each City Facility and the percentage of the total Service Levels that are for Diversion services relative to the total).

2. Summary report on the programs offered to City as described in Exhibit B4 and Exhibit B5 focused on when each service was provided and any issues/concerns identified.

**C. Customer Service Report**

1. Number of Customer calls listed separately by Complaints and inquiries (where inquiries include requests for Recycling information, Rate information, etc.). For Complaints, list the number of calls separately by category (e.g., missed pickups, scheduled cleanups, billing concerns, damage claims, SB 1383 non-compliance, etc.).

2. Number of missed or incomplete Collections reported in total, and per one thousand (1,000) Service Opportunities in the City, presented in a graph format, which compares total missed Collections in the City during the current report period to total missed Collections in the City in past reporting periods.

3. Number of new service requests for each Customer Type and program.

4. Number of hits and unique visitors to the Contractor’s website.

**D. Education and Outreach Report**

1. Provide a status report of Contractor’s actual activities completed and budget expended compared to the annual public education plan and budget. For each completed item, document the results including what date the activity was performed, how many Customers were targeted or participated, and what methods were used to accomplish the task, if different from the plan.

2. Summarize the Diversion opportunity assessments provided to Customers (reporting Multi-Family separate from Commercial) by identifying the number of Diversion opportunity assessments conducted each month in the most-recently completed quarter, and contact information including address, contact names, telephone number of Persons contacted, number of Dwelling Units (for Multi-Family), and the Recyclable Materials, Organic Materials, and Solid Waste Service Level for each complex. Include any Service Level changes resulting from such visits.

3. Dates, times, and group names of meetings and events attended.

4. Provide dates, times, and names of school where presentations were performed.

**E. Bulky Items and Holiday Tree Services**

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

**F. Pilot and New Programs Report**

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

### 2. Annual Report Content

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

**A. Summary Assessment**

Provide a summary assessment of the programs performed under this Agreement from Contractor's perspective relative to the financial and physical status of the program. The physical status assessment shall reflect how well the program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and objectives of this Agreement, particularly the Contractor’s Diversion goals and compliance with regulatory requirements, such as SB 1383. Provide recommendations and plans to improve. Highlight significant accomplishments and problems. Results shall be compared to other similar size communities served by the Contactor in the State.

**B. Collection Report**

Contractor shall provide a summary of Collection and Transportation operations, including:

1. The total Tonnage of Discarded Materials, listed separately by Discarded Material type, removed by Contractor from illegal Disposal sites as part of an abatement activity, listing each Collection event separately by date, location, and Tonnage Collected.

2. Number of Containers at each Service Level by Customer Type and program. Summarizing the total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Drop Box and Compactor service by Customer Type. Report should calculate the average volume of service received per: Single-Family Dwelling Unit (separately identifying Dwelling Units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; and, Commercial Customer.

3. A record of all compliance agreements for quarantined Organic Waste that are Disposed of, including the name of Generator, date issued, location of final Disposition, and the amount of quarantined Organic Waste that was required to be Disposed at a landfill.

4. If the Contractor is granted a waiver to use an alternative Processing Facility in the event of an unforeseen closure or emergency, in accordance with Sections 4.1.C and 4.2.C of the Agreement, Contractor shall include the following documents and information:

a. The number of days the Processing Facility emergency waiver was in effect;

b. Copies of any notifications sent to the City pursuant to Sections 4.1 and 4.2 of the Agreement;

c. Documentation setting forth the date of issuance of the waiver, the timeframe for the waiver; and,

d. A record of the Tons of Recyclable Materials and/or Organic Materials redirected to an alternative Facility or Disposed as a result of the waiver, recorded by Collection vehicle or Transfer vehicle number/load, date, and weight.

**C. Vehicle Inventory**

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

**D. Regulatory Compliance**

Provide a narrative description of the status of the Contractor’s programs related to compliance with SB 1383 Regulations or other relevant regulations specified by the City Contract Manager. Describe any challenges or opportunities for program improvement identified in the calendar year.

**E. Public Education and Outreach**

Contractor shall provide a summary of all education and outreach material provided to Customers or Generators including:

1. A record of the date and to whom the information was disseminated or direct contact made in the form of a list that includes: the Generator’s or Customer’s name or account name, the type of education or outreach received; the distribution date, and the method of distribution.
2. A copy of electronic media, including the dates posted of: social media posts, e-mail communications, or other electronic messages.
3. For any mass distribution through mailings or bill inserts, the Contractor shall maintain a record of the date, a copy of the information distributed, and the type and number of accounts that received the information

**F. Compliance Monitoring and Enforcement**

Contractor shall provide a summary compliance monitoring and enforcement actions, including:

1. A summary of the total number of SB 1383 Regulatory non-compliance incidents that were received and investigated, and the number of Notices of Violations issued based on the investigation of reported incidents.

2. The total number of Hauler Route reviews conducted pursuant to Section 4.13 of the Agreement.

3. A copy of written and/or electronic records and documentation for all audits, studies, compliance reviews, and all other inspections conducted pursuant to Section 4.13 and 4.14 of the Agreement.

4. The number of Commercial Businesses that were included in a compliance review performed by the Contractor, and the number of violations found and corrected through compliance reviews, including a list with each Generator’s name or account name, address, and Generator type.

5. The total number of Notices of Violation issues, categorized by type of Generator.

6. The number of violations that were resolved, categorized by type of Generator.

7. Copies of all Notices of Violation and educational materials issued to non-compliant Generators.

8. The number of Construction and Demolition Debris removal activities conducted in compliance with Section 4.4 and 14 CCR Section 18989.1.

### 4. Other Reports

**A. Upon Incident Reporting.** The City reserves the right to request additional reports or documents in the case of unforeseen events or additional requirements imposed upon the City. Contractor shall provide the requested reports, documents, or information within ten (10) Business Days upon receipt of the request or within a timeframe determined by the City Contract Manager, which shall not to exceed ten (10) days.

**B. Customized Reports.** The City reserves the right to request Contractor to prepare and provide customized reports from records Contractor is required to maintain; or require a specified format or submission system, such as the use of a web-based software platform.

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Exhibit E:
 Rate Adjustment Methodology

### 1. General

Subject to the terms herein, the City shall adjust all Rates on an annual basis. Contractor shall submit its application for a Rate adjustment to the City Contract Manager on or before February 1 of each Rate Period where Rates shall be adjusted using the index-based methodology described in Exhibit E1. Contractor shall submit its application on or before January 1 for any Rate Period where Rates shall be adjusted using the cost-based methodology described in Exhibit E2. Contractor’s Rate application shall document all calculations and include all supporting schedules, documentation of City provided per-Ton charge for Disposal and Processing at the Approved Facility(ies), and any other documentation or evidence determined by the City Contract Manager to be reasonably necessary to ensure that the calculation of Rate adjustments has been performed in strict conformance to the requirements of this Exhibit E. The Contractor’s Processing and Disposal Costs shall be paid to the Post Collections Services Contractor, as calculated using the City-provided per-Ton rates for the Approved Facilities for each material type and the total Tons of material provided by the Contractor, further detailed in Exhibit E1 and E2.

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

### 2. Definitions

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

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

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

For example, if the Contractor is calculating the Total Calculated Costs in January 2025 to be effective for Rate Period Three (May 2025 through April 2026), the Annual Percentage Change for the CPI-U would be calculated as follows:

[ (Average CPI-U for January 2024 through December 2024) minus (Average CPI-U for January 2023 through

December 2023) ] divided by (Average CPI-U for January 2023 through December 2023)

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

B. “**Average Index Value**” means the sum of the monthly index values during the most recently available 12-month period divided by 12 (in the case of indices published monthly) or the sum of the bi-monthly index values divided by 6 (in the case of indices published bi-monthly).

C. “**CPI-U**” means the Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-Hayward Metropolitan Area compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.

D. “Processing and **Disposal Costs**” means the separate, and in combination, costs of Processing and Disposing of Discarded Materials at the Approved Facility, calculated as the per-Ton fee multiplied by the total Tons of material.

E. “**ECI**” means the Employment Cost Index, Total Compensation, Private Industry, Service-Providing Industries, seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.

F. “**Fuel Index**” means the per-therm price for Core Natural Gas Service for Compression on customer’s Premises, Schedule G-NGV1, compiled and published by the Pacific Gas and Electric Company Analysis and Rate Department and reported monthly in its “*Gas RateFinder*” publication (http://www.pge.com/tariffs/GRF.SHTML). The January 2018 Fuel Index is $0.70874 per therm, which reflects the sum of the customer charge, procurement charge, Transportation charge, and public purpose program (PPP) charge for natural gas service for compression on customer’s Premises as reported by Pacific Gas and Electric Company.

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

H. “**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.

I. “**Total Calculated Costs**” means the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Calculated Costs do not reflect or in any way guarantee the Gross Rate Revenues that are to be generated by Rates or retained by the Contractor. Note that for determining Rates for Rate Period Two, the annual Proposed costs for Rate Period One (May 1, 2023 to April 30, 2024) shall be used for the calculations.

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

TABLE 1\*

|  | CPI-U | Fuel Index | Motor Vehicle Maintenance and Repair | ECI |
| --- | --- | --- | --- | --- |
| Description | Consumer Price Index - All Urban Consumers | Core Natural Gas for Compression at Customer’s Premises for Motor Vehicles | Consumer Price Index – All Urban Consumers, Motor Vehicle Maintenance and Repair | Employment Cost Index - Total Compensation for Private Industry Workers in Service-Providing Industries. |
| Series ID | CUURS49BSA0 | G-NGV1 | CUUR0000SETD | CIS201S000000000I |
| Adjusted | Not seasonally adjusted | N/A  | Not seasonally adjusted | Seasonally adjusted |
| Area | San Francisco-Oakland-Hayward | N/A  | U.S. City average | N/A |
| Item | All items | N/A | Motor vehicle maintenance and repair | Total Compensation |
| Base Period | 1982-84=100 | N/A | 1982-84=100 | Dec 2005 = 100 |
| Periodicity | Bi-monthly | Monthly | Monthly | Quarterly |

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

### 3. Cost of Rate Adjustment process

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

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Exhibit E1:
 Index-Based Rate Adjustment Methodology

### 1. General

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

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

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

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

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

### 2. Adjustment of Total Calculated Costs

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

**A. Total Annual Cost of Operations**

1. **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 ECI.

 For example, in Rate Period Two when calculating the Labor-Related Costs for Rate Period Three, the Labor-Related Costs of Rate Period Two shall be multiplied by one plus the Annual Percentage change in the ECI

2. **Vehicle-Related Costs (excluding Fuel)**. The Vehicle-Related Costs component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index.

3. **Fuel Costs**. The Fuel Cost component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Fuel Index.

4. **Other Costs**. The Other Costs component of the Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.

5. **Direct Depreciation**. Direct Depreciation is $\_\_\_\_\_\_\_ per year for Rate Periods Two through Ten and is not annually adjusted. This adjusted depreciation amount shall remain fixed for Rate Periods Two through Ten. If the Agreement is extended beyond Rate Period Ten, direct depreciation shall be zero in any subsequent Rate Periods unless Parties mutually agree to a different amount.

6. **Allocated Costs (Labor, Vehicle, Fuel, and Other Costs)**. Except as provided in A.1. above, the Allocated Costs (Labor, Vehicle, Fuel, and Other Costs) component for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.

7. **Allocated Depreciation and Start-Up Costs**. The Allocated Depreciation and Start-Up Costs shall be $\_\_\_\_\_\_ per year for Rate Period Two through Ten, and are not annually adjusted. These costs shall be zero for all subsequent Rate Periods unless Parties mutually agree to a different amount.

8**. Total Annual Cost of Operations**. The Total Annual Cost of Operations for the coming Rate Period equals the sum of the costs calculated in subsections (1) through (7) above.

**B. Profit**

*{Note to Proposer: Fill in your proposed operating ratio. This ratio may be negotiated with the City.}*

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

|  |  |  |  |
| --- | --- | --- | --- |
| Profit = | Total Annual Cost of Operations \_\_\_for Coming Rate Period\_\_\_Operating Ratio | − | Total Annual Cost of Operations for Coming Rate Period |

**C. Costs Excluded from the Calculation of Profit**

1. **Recyclable Materials Processing Costs.** The Recyclable Materials Processing Costs shall be calculated as follows:

 Recyclable Materials Processing Costs = Per-Ton Recyclable Materials Processing fee at the Approved Facility for the coming Rate Period x (Total Tons of Recyclable Materials Collected for the most-recently completed 12-month period).

 In the establishment of Rates for Rate Period 2, due to the lack of Tonnage data for a 12-month period, the Tonnage of Recyclable Materials included in Contractor’s Proposal shall be used in place of the Total Tons of Recyclable Materials Collected for the most-recently completed 12-month period.

 Additionally, during the establishment of Rates for Rate Period 2, Contractor shall perform a reconciliation of the Recyclable Materials Processing Costs for Rate Period 1 due to the misaligned Commencement Date and Post-Collections Services Agreement. The reconciliation shall be included in the Rate Period 2 Total Calculated Costs as an Other Adjustment. The reconciliation shall be performed as follows:

 Recyclable Materials Processing Costs Reconciliation= (Rate Period 1 Recyclable Materials Processing Fee at the Approved Facility - Recyclable Materials Processing Fee per Exhibit G1) x Tonnage of Recyclable Materials included in the Contractor’s Proposal. For example, assuming:

1. Rate Period 1 Recyclable Materials Processing Fee at the Approved Facility = $42.00
2. Recyclable Materials Processing Fee per Exhibit G1 = $41.57
3. Tonnage of Recyclable Materials included in the Contractor’s Proposal = 2,700

Recyclable Materials Processing Costs Reconciliation = ($42.00 - $41.57) X 2,700 = $1,161

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

Organic Materials Processing Costs = Per-Ton Organic Materials Processing fee at the Approved Facility for the coming Rate Period x (Total Tons of Organic Materials Collected for the most-recently completed 12-month period).

In the establishment of Rates for Rate Period 2, due to the lack of Tonnage data for a 12-month period, the Tonnage of Organic Materials included in Contractor’s Proposal shall be used in place of the Total Tons of Organic Materials Collected for the most-recently completed 12-month period.

 Additionally, during the establishment of Rates for Rate Period 2, Contractor shall perform a reconciliation of the Organic Materials Processing Costs for Rate Period 1 due to the misaligned Commencement Date and Post-Collections Services Agreement. The reconciliation shall be included in the Rate Period 2 Total Calculated Costs as an Other Adjustment. The reconciliation shall be performed as follows:

 Organic Materials Processing Costs Reconciliation= (Rate Period 1 Organic Materials Processing Fee at the Approved Facility - Organic Materials Processing Fee per Exhibit G1) x Tonnage of Organic Materials included in the Contractor’s Proposal.

 For example, assuming:

1. Rate Period 1 Organic Materials Processing Fee at the Approved Facility = $99.00
2. Organic Materials Processing Fee per Exhibit G1 = $98.53
3. Tonnage of Organic Materials included in the Contractor’s Proposal = 2,700

Organic Materials Processing Costs Reconciliation = ($99.00 - $98.53) X 2,700 = $1,265.563. **Reusable Materials Processing Costs.** The Reusable Materials Processing Cost shall be calculated as follows:

Reusable Materials Processing Costs = Per-Ton Reusable Materials Processing fee at the Approved Facility for the coming Rate Period x (Total Tons of Reusable Materials Collected for the most-recently completed 12-month period).

In the establishment of Rates for Rate Period 2, due to the lack of Tonnage data for a 12-month period, the Tonnage of Reusable Materials included in Contractor’s Proposal shall be used in place of the Total Tons of Reusable Materials Collected for the most-recently completed 12-month period.

 Additionally, during the establishment of Rates for Rate Period 2, Contractor shall perform a reconciliation of the Reusable Materials Processing Costs for Rate Period 1 due to the misaligned Commencement Date and Post-Collections Services Agreement. The reconciliation shall be included in the Rate Period 2 Total Calculated Costs as an Other Adjustment. The reconciliation shall be performed as follows:

 Reusable Materials Processing Costs Reconciliation= (Rate Period 1 Reusable Materials Processing Fee at the Approved Facility - Reusable Materials Processing Fee per Exhibit G1) x Tonnage of Reusable Materials included in the Contractor’s Proposal.

 For example, assuming:

1. Rate Period 1 Reusable Materials Processing Fee at the Approved Facility = $10.00
2. Reusable Materials Processing Fee per Exhibit G1 = $8.00
3. Tonnage of Reusable Materials included in the Contractor’s Proposal = 700

Reusable Materials Processing Costs Reconciliation = ($10.00 - $8.00) X 700 = $1,400.00

**4. Construction and Demolition Debris Costs**. The Construction and Demolition Debris Costs shall be calculated as follows:

Construction and Demolition Debris Processing Costs = Per-Ton Construction and Demolition Processing fee at the Approved Facility for the coming Rate Period x (Total Tons of Construction and Demolition Debris Collected for the most-recently completed 12-month period).

In the establishment of Rates for Rate Period 2, due to the lack of Tonnage data for a 12-month period, the Tonnage of Construction and Demolition Debris included in Contractor’s Proposal shall be used in place of the Total Tons of Construction and Demolition Debris Collected for the most-recently completed 12-month period.

 Additionally, during the establishment of Rates for Rate Period 2, Contractor shall perform a reconciliation of the Construction and Demolition Materials Processing Costs for Rate Period 1 due to the relative alignment of the Commencement Date and the Post-Collection Services Agreement. The reconciliation shall be included in the Rate Period 2 Total Calculated Costs as an Other Adjustment. The reconciliation shall be performed as follows:

 Construction and Demolition Materials Processing Costs Reconciliation= (Rate Period 1 C&D Materials Processing Fee at the Approved Facility – C&D Materials Processing Fee per Exhibit G1) x Tonnage of C&D Materials included in the Contractor’s Proposal.

 For example, assuming:

1. Rate Period 1 C&D Materials Processing Fee at the Approved Facility = $107.00
2. C&D Materials Processing Fee per Exhibit G1 = $103.83
3. Tonnage of C&D Materials included in the Contractor’s Proposal = 500

C&D Materials Processing Costs Reconciliation = ($107.00 - $103.83) X 500 = $1,583.08

5. **Disposal Costs**. The Disposal Costs shall be calculated as follows:

Disposal Costs = Per-Ton Disposal fee at the Approved Facility for the coming Rate Period x (Total Tons of Solid Waste Collected for the most-recently completed 12-month period).

In the establishment of Rates for Rate Period 2, due to the lack of Tonnage data for a 12-month period, the Tonnage of Solid Waste included in Contractor’s Proposal shall be used in place of the Total Tons of Solid Waste Collected for the most-recently completed 12-month period.

 Additionally, during the establishment of Rates for Rate Period 2, Contractor shall perform a reconciliation of the Solid Waste Disposal Costs for Rate Period 1 due to the relative alignment of the Commencement Date and the Post-Collection Services Agreement. The reconciliation shall be included in the Rate Period 2 Total Calculated Costs as an Other Adjustment. The reconciliation shall be performed as follows:

 Solid Waste Disposal Costs Reconciliation= (Rate Period 1 Solid Waste Disposal Fee at the Approved Facility – Solid Waste Disposal Fee per Exhibit G1) x Tonnage of Solid Waste included in the Contractor’s Proposal.

 For example, assuming:

1. Rate Period 1 Solid Waste Disposal Fee at the Approved Facility = $108.00
2. Solid Waste Disposal Fee per Exhibit G1 = $104.50
3. Tonnage of Solid Waste included in the Contractor’s Proposal = 4,500

Solid Waste Disposal Costs Reconciliation = ($108.00 - $104.50) X 4,500 = $15,750

6. **Interest Expense**. The Interest Expense amount is $\_\_\_\_\_\_ in Rate Period Two through Ten, is not annually adjusted, and shall be zero (0) in any subsequent Rate Period unless Parties mutually agree to a different amount.

7. **Direct Lease Costs**. The Direct Lease Costs amount is $\_\_\_\_\_ in Rate Period Two through Ten, is not annually adjusted, and shall be zero (0) in any subsequent Rate Period unless Parties mutually agree to a different amount.

8. **Allocated Lease Costs**. The Allocated Lease Costs amount is $\_\_\_\_ for Rate Period Two through Ten (including interest costs for Allocated General and Administrative of $\_\_\_\_, Allocated Vehicle Maintenance costs of $\_\_\_\_, and Allocated Container Maintenance of $\_\_\_\_) is not annually adjusted and shall remain unadjusted in any subsequent Rate Period unless Parties mutually agree to a different amount.

9. **Total Costs Excluded from the Calculation of Profit**. Total Costs Excluded from the Calculation of Profit for the coming Rate Period are the sum of the amounts in subsections (1) through (8) above.

**D. Total Calculated Costs before City Reimbursements**

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

**E. City Reimbursements**

1. **Administrative Reimbursement.** The Administrative reimbursement for the coming Rate Period shall equal one percent (1%) of Gross Receipts for the coming Rate Period.

2. **AB 939/SB 1383 Reimbursement.** The AB 939/SB 1383 payment for the coming Rate Period shall equal the total AB 939/SB 1383 Fee paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.

2. **Vehicle Impact Mitigation Reimbursement.** The Vehicle Impact Mitigation Reimbursement for the coming Rate Period shall equal the total Vehicle Impact Mitigation Reimbursement 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. **Street Sweeping Reimbursement** The Street Sweeping Reimbursement for the coming Rate Period shall equal the total Street Sweeping Reimbursement paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.

4. **Storm Water Reimbursement.** The Storm Water Reimbursement for the coming Rate Period shall equal the total Storm Water Reimbursement paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.

5. **Total City Reimbursements.** The Total City Reimbursements for the coming Rate Period shall equal costs calculated in subsection (1) through (4) above; provided, however, that any adjustment in any such fee, whether pursuant to the relevant index or as the result of the decision of City, shall be an allowable cost of business, excluded from the calculation of profit, and reflected in the Total City Reimbursements.

**F. Other Adjustments**

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

**G. Total Calculated Costs**

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

### 3. Rate Adjustment Factor

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

### 4. Adjustment of Rates

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

### 5. Examples

The following examples illustrates the index-based adjustment method for determining Rates for Rate Period Three. The dollar amounts shown are hypothetical amounts for Total Calculated Costs for Rate Period Two (May 1, 2024 through April 30, 2025) and the Rate Adjustment Factors are based on assumed changes in the various indices between the Average Index Values for the twelve (12) months ending December 2024 and for the twelve (12) months ending December 2023. Example A depicts a standard index-based adjustment, wherein the calculated Total Annual Cost of Operations increased greater than zero percent (0%) and less than five percent (5%) over the prior Rate Period. Example B depicts an index-based adjustment wherein the calculated Total Annual Cost of Operations resulted in a decrease from the prior Rate Period.

**A. EXAMPLE A**

1. Assumptions for Example Adjustment to Contractor’s Compensation:

a. Most-Recently Completed Rate Period = Rate Period One (April 1, 2023 through April 30, 2024)

b. Then-current Rate Period = Rate Period Two (May 1, 2024 through April 30, 2025)

c. Coming Rate Period = Rate Period Three (May 1, 2025 through April 30, 2026)

d. Recyclable Materials Processing Costs per Ton for the coming Rate Period= $42.41 per Ton

e. Organic Materials Processing Costs per Ton for the coming Rate Period = $100.51 per Ton

f. Reusable Materials Processing Costs per Ton for the coming Rate Period = $0.00 per Ton

g. Construction and Demolition Debris Processing Costs per Ton for the coming Rate Period = $105.92 per Ton

h. Disposal cost for the coming Rate Period = $105.46 per Ton

i. Annual Percentage Change in the ECI = 0.045

j. Annual Percentage Change in the CPI-U = 0.040

k. Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = 0.031

l. Annual Percentage Change in the Fuel Index = 0.075

m. Tonnages for the most-recently completed 12-month period:

* Recyclable Materials – 3,800 Tons
* Organic Materials – 2,500 Tons
* Construction and Demolition Debris – 200 Tons
* Solid Waste – 4,500 Tons
* Bulky Items and Reusable Materials – 0 Tons

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

Example A Calculation of Total Calculated Costs for Rate Period Three



2. Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Three

a. Rate Adjustment Factor = $6,368,138 / $6,127,525 = 1.039

b. 20-gallon Single-Family Rate for Rate Period Three = $22.62 x 1.039 = $23.50, which shall be effective May 1, 2025.

**B. EXAMPLE B**

1. Assumptions for Example Adjustment to Contractor’s Compensation:

a. Most-Recently Completed Rate Period = Rate Period One (April 1, 2023 through April 30, 2024)

b. Then-current Rate Period = Rate Period Two (May 1, 2024 through April 30, 2025)

c. Coming Rate Period = Rate Period Three (May 1, 2025 through April 30, 2026)

d. Recyclable Materials Processing Costs per Ton for the coming Rate Period= $42.41 per Ton

e. Organic Materials Processing Costs per Ton for the coming Rate Period = $100.51 per Ton

f. Reusable Materials Processing Costs per Ton for the coming Rate Period = $0.00 per Ton

g. Construction and Demolition Debris Processing Costs per Ton for the coming Rate Period = $105.92 per Ton

h. Disposal cost for the coming Rate Period = $105.46 per Ton

i. Annual Percentage Change in the ECI = - 0.045

j. Annual Percentage Change in the CPI-U = - 0.040

k. Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = 0.031

l. Annual Percentage Change in the Fuel Index = 0.075

m. Tonnages for the most-recently completed 12-month period:

* Recyclable Materials – 3,800 Tons
* Organic Materials – 2,500 Tons
* Construction and Demolition Debris – 200 Tons
* Solid Waste – 4,500 Tons
* Bulky Items and Reusable Materials – 0 Tons

TABLE 2

Example B Calculation of Total Calculated Costs for Rate Period Three



2. Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Three

a. Total Calculated Costs = $5,964,034 < $6,127,525; Adjusted Total Calculated Costs = $6,127,525 (Total Calculated Costs from prior Rate Period)

b. Rate Adjustment Factor = $6,127,525 / $6,127,525= 1.00

c. 20-gallon Single-Family Rate for Rate Period Three = $22.62 x 1.00= $22.62, which shall be effective May 1, 2025 (i.e., NO RATE ADJUSTMENT).

d. Subsequent Rate Period Adjustment. $6,127,525- $5,964,034 = $163,491 cost savings to be applied as an “Other Adjustment” in the subsequent Rate Period adjustment calculations as an offset to Contractor’s Total Calculated Costs.

### 6. Other

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

Exhibit E2:
 Cost-Based Rate Adjustment Methodology

### 1. General

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

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

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

**A. Contractor’s Rate Application**

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

**1. Financial Statements.**  Within one hundred twenty (120) calendar days after the close of the Contractor’s fiscal year (June 30), Contractor shall deliver to the City one (1) hard copy of the reviewed (or audited) consolidated financial statements of Contractor for the preceding fiscal year. Financial statements shall include a supplemental combining schedule showing Contractor's results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement separate from others included in such financial statements. The financial statements and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied and fairly reflecting the results of operation and Contractor’s financial condition. Annual financial statements shall be reviewed (or audited), in accordance with Generally Accepted Auditing Standards (GAAS) by a Certified Public Accountant (CPA) licensed (in good standing) to practice public accounting in the State as determined by the State Department of Consumer Affairs Board of Accountancy, and that the CPA’s opinion on Contractor's annual financial statements shall be unqualified, and shall contain the CPA’s conclusions regarding the Contractor’s accounting policies and procedures, internal controls, and operating policies. The CPA shall perform an evaluation and, if necessary, shall cite recommendations for improvement.

**2. Financial Statement Reconciliation.** Contractor shall provide a schedule which clearly and accurately ties the amounts shown in Contractor’s Rate application to Contractor’s financial statements.Such schedule shall include any and all allocation factors and methodologies used to report cost and operating information for services provided to the City under this Agreement separately from Contractor obligations related to other public or private entities. Such statement of reconciliation shall include:

a. General explanation of the various allocation methodologies used for each Rate application lineitem.

b. Specific examples of each type of allocation used showing how an entry is reported in the general ledger and ties to the Rateapplication.

c. Statement indicating whether there have been any changes in allocation methods used since the last Rate application. If any allocation methods have changed clearly identify thosechanges.

**3. Operational Information.**

a. Routes by Line of Business:

i. Number of Routes per day.

ii. Types of vehicles.

iii. Crew size per Route.

iv. Number of full time equivalent (FTE) Routes.

v. Number of accounts and cubic yards scheduled per Route.

vi. Total Route hours per Line of Business per year.

vii. Average cost per Route.

b. Personnel:

i. Organizational chart.

ii. Job classifications and number of employees (e.g., administrative, Customer service representatives, drivers, supervisors, educational staff).

iii. Wages by job classification.

iv. Number of FTE positions for each job classification.

v. Number of hours per job classification per year.

c. Productivity Statistics:

i. Average Number of accounts per Route per day by Line of Business.

ii. Average number of setouts per Route per day by Line of Business.

iii. Average Tons per Route per day by vehicle type (i.e., side-loader, front-loader, roll-off).

iv. Average cubic yards of Collection scheduled per Route.

d. Vehicles:

i. List of Collection vehicles including year purchased and mileage.

ii. Average age of mobile equipment with oldest and newest.

e. Operational Changes:

i. Number of Routes.

ii. Staffing.

iii. Supervision.

iv. Collection services.

**4. Variance Analysis.** Provide the following variance analysis for each Line of Business. For any variances greater than five percent (5%) annually, Contractor shall provide sufficient rationale to support variance:

a. Variance analysis comparing current Rate Period to each of the prior Rate Periods of Agreement.

b. Variance analysis comparing current Rate Period to each of the future projected Rate Periods.

**5. Projections. Provide the following projection data:**

a. Provide support for the basis for projected Gross Receipts and line item expenses, clearly indicate the supporting calculations and assumptions.

b. Provide support for the most-recent twelve (12) months of Tonnage data for Rate Period ending June. Clearly indicate the supporting calculations and assumptions.

### 2. Forecasting Total Contractor’s Compensation

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

**A. Forecasting Total Annual Cost of Operations**

**1. Determine Actual Allowable Total Annual Cost of Operations.** Contractor's financial statements, books, and records shall be reviewed to determine Contractor's “Actual Allowable Total Annual Cost of Operations” for the most-recently completed Rate Period to perform all the services in the manner required by this Agreement for each of the following cost categories:

a. Actual labor-related costs

b. Actual vehicle-related costs (excluding fuel and depreciation)

c. Actual fuel costs

d. Actual other costs (as defined on Form 6E of Exhibit G1)

e. Direct depreciation costs (in the amount specified in Exhibit E1)

f. Actual allocated costs (labor, vehicle, general and administrative, and other costs)

g. Actual allocated costs (depreciation and start-up) (in the amount stated in Exhibit E1)

**2. Non-Allowable Costs.** The following list of non-allowable costs shall be deducted from the Contractor’s actual costs when determining the Actual Allowable Total Annual Cost of Operations.

a. Labor, equipment, fuel, and start-up costs for personnel, vehicles, and facilities that are not specified in the proposal forms contained in Exhibit G1 and/or which cannot be demonstrated to have been incurred as part of the performance of services under this Agreement, including, without limitation, as the result of growth in the number of customers and/or the levels and/or types of services provided.

b. Payments to directors and/or owners of Contractor unless the amount paid is reasonable compensation for services actually rendered. Reasonableness shall be determined based on available market pricing for similar services and shall be in the reasonable discretion of the City.

c. Travel expenses and entertainment (above five thousand dollars ($5,000) annually in total) expenses, unless authorized in advance by the City.

d. Payments to repair damage to public or private property for which Contractor is legally liable.

e. Fines or penalties of any nature.

f. Liquidated Damages assessed under this Agreement.

g. Federal or State income taxes.

h. Cash donations or value of in-kind services provided to charitable, political, youth, civic, or other community organizations unless such donation has been previously approved in writing as an allowable expense by the City Contract Manager.

i. Depreciation or interest expense for Collection vehicles, Containers, other equipment, offices and other facilities if such items are leased as specified in Exhibit G1.

j. Attorney's fees and other expenses incurred by Contractor in any court proceeding in which the City and Contractor are adverse Parties.

k. Attorney's fees and other expenses incurred by Contractor arising from any act or omission in violation of this Agreement.

l. Attorneys' fees and other expenses incurred by Contractor in any court proceeding in which Contractor's own negligence, violation of law or regulation, or wrong doing are in issue and occasion, in whole or in part, the attorneys' fees and expenses claimed; and attorneys' fees and expenses incurred by Contractor in a court proceeding in which the legal theory or statute providing a basis of liability against Contractor also provides for separate potential liability for the City derived from the action of its citizens or Rate payers (such as in a CERCLA lawsuit) unless the Contractor is found not liable in such claims and such claims arise from acts or occurrences within the Term of the Agreement.

m. Payments to Related-Party Entities for products or services, in excess of the market value for those products or services, provided that the City may use information available to it to verify market pricing for similar products and services.

n. Goodwill.

o. Unreasonable profit-sharing distributions.

p. Replacement costs for Containers that need to be replaced because the useful life of such Container was less than the Term.

q. Administrative costs greater than the administrative costs presented in Contractor’s Proposal (Exhibit G1) adjusted annually by one plus the Annual Percentage Change in the CPI-U.

r. Bad debt write-offs in excess of two percent (2%) of annual Rate revenues.

**3. Forecast Total Annual Cost of Operations.** Forecasted Total Annual Cost of Operations for the coming Rate Period shall be calculated based on Actual Allowed Total Cost of Operations for the most-recently completed Rate Period determined in accordance with Sections 2.A.1 and 2.A.2 above. The forecasts shall be performed in the following manner:

**a. Forecasted labor-related costs** shall be calculated for the coming Rate Period by the lesser of:

(i) multiplying the allowed labor-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the ECI, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the ECI; OR,

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 ECI.

**b. Forecasted vehicle-related costs** (excluding fuel and depreciation costs) shall be calculated for the coming Rate Period by (i) multiplying the allowed vehicle-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index.

**c. Forecasted fuel costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed fuel costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in the Fuel Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the Fuel Index.

**d. Forecasted other costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed other-related costs, both direct and allocated, for the most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the CPI-U.

**e. Forecasted direct depreciation expense** shall be the amount specified in in Section 2.A.5 of Exhibit E1. Direct depreciation expense is a fixed cost and is not subject to inflation.

**f.** **Forecasted allocated labor-related, vehicle-related, general and administrative, and other costs** shall be calculated for the coming Rate Period by (i) multiplying the allowed other-related costs for most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in CPI-U (except in each case as provided in 3.a. above).

**g. Forecasted allocated depreciation and start-up expense** shall be the amount specified in Section 2.A.7 of Exhibit E1.

**h. Forecasted Total Annual Cost of Operations** for the coming Rate Period shall equal the sum of the following costs, which shall have been calculated in accordance with the procedures in this Exhibit E2:

i. Forecasted labor-related costs

ii. Forecasted vehicle-related costs (excluding fuel and depreciation costs)

iii. Forecasted fuel costs

iv. Forecasted other costs

v. Forecasted direct depreciation expense

vi. Forecasted allocated labor-related, vehicle-related, general and administrative, and other costs

vii. Forecasted allocated costs for depreciation and start-up

**B. Forecast Profit**

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

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

For example:

1. Assuming an operating ratio of 92%

2. Assuming a Forecasted Total Annual Cost of Operations of $1,000,000

3. Profit = ($1,000,000 / 0.92) – $1,000,000 = $86,956.52

**C. Forecast Costs Excluded from the Calculation of Profit**

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

**1. Forecasted Recyclable Materials Processing Costs** shall be calculated in the manner described in Section 2.C.1 of Exhibit E1.

**2. Forecasted Organic Materials Processing Costs** shall be calculated in the manner described in Section 2.C.2 of Exhibit E1.

**3. Forecasted Reusable Materials Processing Costs** shall be calculated in the manner described in Section 2.C.3 of Exhibit E1.

**4. Forecasting Construction and Demolition Debris Processing Costs** shall be calculated in the manner described in Section 2.C.4 of Exhibit E1.

**5. Forecasted Disposal Costs** shall be calculated in the manner described in Section 2.C.5 of Exhibit E1.

**6. Forecasted Interest Expense.** Interest Expense shall be calculated in the manner described in Section 2.C.6 of Exhibit E1.

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

**8. Forecasted Allocated Lease Costs.** Allocated Lease Costs shall be calculated in the manner described in Section 2.C.8 of Exhibit E1.

**D. Forecast City Reimbursements**

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

### 3. Projected Gross Rate Revenue

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

### 4. Rate Adjustment Factor

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

### 5. Adjustment of Rates

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

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Exhibit F:
 Performance Standards and Liquidated Damages

The City wishes to establish standards of performance under the Agreement in each of the “Performance Areas” listed below. The City Contract Manager may monitor Contractor’s performance in each of those areas based on the “Overall Performance Indicator” listed below for each area. In the event that Contractor fails to meet the performance standard established for any “Overall Performance Indicator,” the City Contract Manager may review Contractor’s performance relative to the “Specific Performance Measures” within that performance area. In the event that the City Contract Manager determines that Contractor has failed to meet the performance standard established for any “Specific Performance Measure,” the City may in its sole discretion assess Liquidated Damages pursuant to Section 10.6 of the Agreement. Liquidated Damages, if assessed, shall only be assessed for the number of events, days, or other measure in excess of the acceptable performance level.

### Defined Terms

Exhibit F relies on the terms “Complaint,” “Service Opportunity,” and “Total Service Opportunities,” as defined in Exhibit A.

### 1. Performance Area No. 1: Service Quality and Reliability

Overall Performance Indicator: Contractor’s service quality and reliability shall be considered acceptable by the City if the total number of calls and emails (including, without limitation: Complaints, inquiries, billing questions, service requests, and compliments) received by Contractor from Customers served under this Agreement does not exceed one (1) per one thousand (1,000) Total Service Opportunities in any calendar quarter. If the number exceeds this level, the City may in its sole discretion assess Liquidated Damages for the specific performance measures identified in the following table.

| **Specific Performance Measure** | **Definition** | **Acceptable Performance Level** | **Liquidated Damage Amount** |
| --- | --- | --- | --- |
| Missed Collections | Each Service Opportunity where Contractor fails to Collect a Container from a Customer who properly placed said Container for Collection.  | Less than one (1) per one thousand (1,000) Service Opportunities | $50/Event |
| Failure to Correct Missed Collections | Each “Missed Collection” as defined above that is not Collected pursuant to Section 4.10.3.B. | Less than (1) per one hundred (100) missed Collections | $50/Event |
| Failure to Return Container to Location of Setout  | Failure to properly return empty Carts or Bins to the Collection location, or to place Carts upright. | Less than (1) per one thousand (1,000) Service Opportunities | $50/Event |
| Failure to Clean-Up Spillage | Pursuant to Section 5.4.C, each failure by Contractor to clean up: (1) any items or materials spilled during the Collection of a Container; (2) any fluids spilled or leaked from a Container or Collection vehicle prior to leaving the Collection location; or, failure by Contractor to notify the City within two (2) hours of an observed spill. | Less than one (1) per one thousand (1,000) Service Opportunities | $100/Event |
| Damage to Property | Each event of damage to either public or private property as a result of Collection activity, including without limitation Curbs, sidewalks, landscapes, Container enclosures and gates, signs, light fixtures, and overhead wires and cables. | Less than one (1) per one thousand (1,000) Service Opportunities | $250/Event |
| Excessive Noise  | Each Complaint received that is related to noise during Collection activity. | Less than one (1) per one thousand (1,000) Service Opportunities | $250/Event |
| Discourteous Behavior | Each Complaint received that is related to the discourteous behavior of Contractor’s employees. | Less than one (1) per one thousand (1,000) Service Opportunities | $250/Event |
| Inaccurate Billing | Each Complaint received where Contractor billed a Customer in error. Inaccurate billing may include, but is not limited to: (i) either over- or under-charging of the Customer relative to the approved maximum Rates for services; (ii) charging the Customer a Rate that is not the same as other Customers with the same Service Level; (iii) charging a Customer for an increased Service Level prior to providing the service; and, (iv) not charging a Customer for reduced Service Level within seven (7) days of the date Customer requested the change, regardless of whether or not Contractor delivers the appropriate Containers or modifies the Service Level within that timeframe. | Less than one (1) per one thousand (1,000) bills issued | $100/Event |
| Unauthorized Hours of Operation | Each occurrence of Contractor Collecting from Customers during unauthorized hours. | Less than one (1) per one thousand (1,000) Service Opportunities | $250/Event |

### 2. Performance Area No. 2: Customer Service

Overall Performance Indicator: The level of Customer service provided by Contractor shall be considered acceptable if the total number of Complaints received by the City regarding Contractor does not exceed one (1) per one thousand (1,000) Total Service Opportunities in any calendar quarter. If the number exceeds this level, the City may in its sole discretion assess Liquidated Damages for the specific performance measures identified in the following table.

| **Specific Performance Measure** | **Definition** | **Acceptable Performance Level** | **Liquidated Damage Amount** |
| --- | --- | --- | --- |
| Failure to Commence Service | Any failure by Contractor to deliver a Container and begin providing Collection to a Customer, at the Service Level requested by said Customer, within seven (7) calendar days of receiving such request. This may include a new Customer receiving new service or an existing Customer requesting a change in or addition to existing Service Levels. This may also include delivering Used Oil Recovery Kits to Customers upon request. | Less than one (1) per one hundred (100) service requests | $50/Event |
| Failure to Replace Container or Remove Graffiti | Any failure by Contractor to replace or repair a damaged Container within seven (7) calendar days of receiving such a request from a Customer, or any failure by Contractor to remove graffiti from Containers within two (2) Working Days following identification by Contractor or notice by the City or Customer if such graffiti includes any written or pictorial obscenities, and otherwise within five (5) Business Days. | No acceptable failure level | $100/Event |
| Failure to Resolve Complaint | Any failure by Contractor to resolve or remedy a Complaint within seven (7) calendar days of receiving such Complaint. | Less than one (1) per one hundred (100) Complaints | $250/Event |
| Failure to Answer Phones; Respond to Emails | Any failure by Contractor during normal business hours to answer a Customer telephone call within four rings, or to respond to a Customer email. A call is not considered to be answered if the Customer does not speak with a live operator. A call is considered to be answered if the Customer hangs-up or abandons the call following a hold time of less than three (3) minutes. | Less than one (1) per one thousand (1,000) calls received under this AgreementLess than one (1) per one thousand (1,000) emails received under this Agreement | $50/Event |
| Excessive Call Center Hold Time | Each occurrence of a call being placed “on hold” for more than two (2) minutes. | Less than one (1) per one thousand (1,000) calls received under this Agreement | $50/Event |

### 3. Performance Area No. 3: Outreach

Overall Performance Indicator: Contractor’s performance shall be considered acceptable if service meets the requirements of Section 4.8, Exhibit C, and the following table.

| **Specific Performance Measure** | **Definition** | **Acceptable Performance Level** | **Liquidated Damage Amount** |
| --- | --- | --- | --- |
| Failure to Perform Public Outreach Activities | Each failure by Contractor to develop, produce, and distribute a public outreach document or perform a community outreach activity in the form and manner required under Exhibit C to this Agreement. | No acceptable failure level | $500/Document or Activity |
| Failure to Provide Targeted Technical Assistance | Each individual failure to provide targeted technical assistance to a Commercial or Multi-Family Customer, or to a City facility in the manner required under Exhibit C to this Agreement.  | No acceptable failure level | $50/Customer |
| Delay in Annual Outreach Plan | Failure to submit the initial annual outreach plan by the Commencement Date or November 1, or to submit a revised plan within 15 Business Days after receiving the City Contract Manager’s comments, as required by Exhibit C, Section 1.A.  | No acceptable failure level | $250/Day |

### 4. Performance Area No. 4: Diversion

Overall Performance Indicator: Contractor’s Diversion performance, as specified in Section 5.11, shall be considered acceptable if the Minimum Diversion Rate is equal to or above that shown in Figure 5.11 for the applicable Rate Year. The City may assess Liquidated Damages for the specific performance measures identified in the following table.

| **Specific Performance Measure** | **Definition** | **Acceptable Performance Level** | **Liquidated Damage Amount** |
| --- | --- | --- | --- |
|  |  |  |  |
| Failure to Achieve annual Minimum Diversion Rate | Failure to meet Minimum Diversion Rate percentage as specified in Section 5.11 for any Rate Year. | No acceptable failure level | $5,000 for each percentage point by which Contractor fails to meet the Minimum Diversion Rate |

### 5. Performance Area No. 5: Facilities

Overall Performance Indicator: Contractor’s performance relative to facilities shall be considered acceptable when one hundred percent (100%) of all material types Collected by Contractor shall be Delivered to the appropriate Approved and/or Designated Facility(ies) as required under Sections 4.1, 4.2, and 4.3 of this Agreement. If Contractor fails to meet this level of performance, the City may assess Liquidated Damages for the specific performance measures identified in the following table.

| **Specific Performance Measure** | **Definition** | **Acceptable Performance Level** | **Liquidated Damage Amount** |
| --- | --- | --- | --- |
| Delivery to Non-Approved Facility | Each individual occurrence of delivering materials to a facility other than the Approved Facility designated for each material type under Sections 4.1, 4.2, and 4.3 of this Agreement. | No acceptable failure level | $100/Ton |
| Disposal of Material Targeted for Diversion | Each individual occurrence of Disposal rather than Processing of Recyclable Materials, Organic Materials, or C&D set out for Collection by the Customer, unless the contamination level in the Container exceeds the acceptable contamination level specified in this Agreement. | No acceptable failure level | $500/Ton |
| Mixing Material Types During Collection | Each individual Container that is Collected by Contractor in a vehicle intended or designated for the purpose of Collecting a different material type (e.g., Recyclable Materials Collected in Solid Waste vehicle, Solid Waste Collected in Organic Materials vehicle, etc.). This item does not apply to collection in a Solid Waste vehicle of Containers with a contamination level that exceeds the acceptable contamination level specified in this Agreement.  | No acceptable failure level | $100/Container |

### 6. Performance Area No. 6: Reporting

Overall Performance Indicator: Contractor’s reporting shall be considered acceptable if Reports required under Exhibit D and record requests allowed under Article 6 to this Agreement are received, complete, and accurate within seven (7) calendar days after the date due or date requested. If Contractor fails to meet this level of performance, the City may in its sole discretion assess Liquidated Damages for the specific performance measures identified in the following table.

| **Specific Performance Measure** | **Definition** | **Acceptable Performance Level** | **Liquidated Damage Amount** |
| --- | --- | --- | --- |
| Late Report | Each occurrence of a report, as required under Exhibit D to this Agreement, being submitted after the due date. Reports shall be considered late until they are submitted in a complete and accurate format.  | Less than seven (7) calendar days after report due date | $250/Day |
| Failure to Maintain or Provide Access to Records | Each occurrence of the City Contract Manager requesting information required to be maintained by Contractor where Contractor fails to provide such information. | Less than seven (7) calendar days after due date | $500/Event |
| Misleading/ Inaccurate Reporting | Each occurrence of Contractor providing materially or intentionally misleading or inaccurate information or reporting to the City under or in regard to this Agreement. Typographical, cell reference, mathematical, and/or logic errors shall not be considered legitimate excuses from this requirement, nor shall ignorance. | No acceptable failure level | $500/Event |

### 7. Performance Area No. 7: SB 1383

| **Item** | **Specific Performance Measure** | **Definition** | **Acceptable Performance Level** | **Liquidated Damage Amount** |
| --- | --- | --- | --- | --- |
| 1. | Failure to Provide Recyclable Material and Organic Material Collection Services to every Customer | For each occurrence of failing to provide Customers with the three- Container system, including Recyclable Material and Organic Materials. This item shall not apply to missed pickups, which is covered under Performance Area No. 1. | No acceptable failure level | $500/Customer |
| 2. | Failure to Conduct Route reviews and contamination monitoring | Failure to conduct Route reviews as required by Section 4.13.A of this Agreement. | No acceptable failure level | $150/Route review |
| 3. | Failure to Issue contamination notices, if permitted by City | Failure to issue contamination notices as required by Section 4.13.B of this Agreement.  | No acceptable failure level | $500/Route/Day |
| 4. | Commingling with Non-City Materials | Commingling of materials Collected inside and outside the City during Collection, except as provided in Section 5.4.E. | No acceptable failure level | $1,000/Event |
| 5. | Failure to Comply with Container Labeling and Colors | For each occurrence of Contractor’s failure to comply with Container labeling and color requirements pursuant to Section 5.6 of this Agreement, and not corrected within two (2) Business Days of notice by City. | No acceptable failure level | $50 / Container / occurrence  |
| 6. | Failure to Conduct Compliance Tasks | For each failure to conduct any compliance review, or cooperate in conducting waste evaluations pursuant to Sections 4.13 and 4.14, and/or failure to conduct any other SB 1383-related inspection required by this Agreement. | No acceptable failure level | $250 / occurrence. |
| 7. | Failure to Conduct Follow-Up Inspections  | For each failure to conduct an SB 1383 noncompliance complaint investigation as required by Section 4.14.C of this Agreement. | No acceptable failure level | $250 / occurrence.  |

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

**Contractor City**

Initial Here:\_\_\_\_\_\_\_\_\_ Initial Here: \_\_\_\_\_\_\_\_\_

Exhibit G:
 Contractor’s Proposal

Exhibit G1:
Cost Basis for Proposal

Exhibit G2:
 Initial Rates for Collection Services

Exhibit G3:
 Implementation Plan and Schedule

Exhibit G4:
 Approved Subcontractors

In accordance with Section 3.3 of the Agreement, the City has approved the following Subcontractors to manage the specified services and otherwise assist the Contractor in the performance of the requirements of this Agreement.

|  |  |
| --- | --- |
| **Approved Facility or Subcontractor** | **Services** |
|   |  |
|   |  |
|   |  |

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Exhibit H:
 Performance Bond

Exhibit I:
 Environmentally Preferable Purchasing Policy