

RESOLUTION NO. 18-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON APPROVING THE AGREEMENT WITH PLEASANTON GARBAGE SERVICE, INC. FOR SOLID WASTE, RECYCLABLE MATERIALS, AND ORGANIC MATERIALS SERVICES

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

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

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

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

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

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

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

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

WHEREAS, the City and Contractor have mutually agreed to extend and restate the agreement between the City and Contractor dated May 16, 1989, as subsequently amended on October 16, 1990, and October 13, 1995, by entering into this Agreement.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE, AND ORDER THE FOLLOWING:

SECTION 1: The City Council approves the Agreement between the City of Pleasanton and Pleasanton Garbage Service, Inc. for Solid Waste, Recyclable Materials and Organic Materials Collection Services, a copy of which is attached hereto as Exhibit A, to commence on July 1, 2018 and expire on June 30, 2029.

SECTION 2: Authorizes the Mayor to execute the above described agreement, attached as Exhibit A.

SECTION 3: This resolution shall become effective immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on March 20, 2018.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the 20th day of March 2018, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

Karen Diaz, City Clerk

APPROVED AS TO FORM:

Daniel Sodergren, City Attorney

AGREEMENT

**BETWEEN
THE CITY OF PLEASANTON**

AND

PLEASANTON GARBAGE SERVICE, INC.

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

JULY 1, 2018 THROUGH JUNE 30, 2029

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Table of Contents

RECITALS 1

ARTICLE 1. DEFINITIONS..... 3

ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF THE CONTRACTOR..... 19

 2.1 Corporate Status..... 19

 2.2 Corporate Authorization 19

 2.3 Agreement Will Not Cause Breach 19

 2.4 No Litigation..... 19

 2.5 No Adverse Judicial Decisions 19

 2.6 No Legal Prohibition 20

 2.7 Contractors Statements 20

 2.8 Contractors Investigation 20

 2.9 Ability to Perform 20

ARTICLE 3. TERM OF AGREEMENT 21

 3.1 Effective Date and Commencement Date 21

 3.2 Conditions to Effectiveness of Agreement..... 21

 3.3 Term 22

 3.4 Option to Extend Term..... 22

ARTICLE 4. SCOPE OF AGREEMENT 23

 4.1 Scope of Agreement 23

 4.2 Limitations to Scope 24

 4.3 City-Directed Changes..... 25

 4.4 Transition to Next Contractor at End of Agreement..... 28

 4.5 City Free to Negotiate with Third Parties 28

ARTICLE 5. COLLECTION SERVICES..... 29

 5.1 General 29

 5.2 Solid Waste Collection Services 29

 5.3 Recyclable Materials Collection Services 33

 5.4 Organic Materials Collection Services 35

 5.5 City Facilities and Events Collection 38

 5.6 Provision of Service to Schools 39

 5.7 Construction and Demolition Debris Collection 39

 5.8 Abandoned Waste Collection 40

 5.9 Transfer Station Drop-Off Service 40

 5.10 E-Waste and U-Waste Collection 41

 5.11 Hazardous Waste 41

 5.12 Transportation of Collected Materials 42

 5.13 Disposal and Processing of Collected Materials..... 43

 5.14 Collection Standards..... 54

 5.15 Vehicles 57

5.16 Containers 59

5.17 Public Education and Technical Assistance 62

5.18 Personnel..... 65

5.19 Contingency Plan..... 67

5.20 Implementation of New Services 67

5.21 Corporation Yard, Transfer Station and Other Facility Requirements 67

5.22 Minimum Diversion Requirement..... 68

ARTICLE 6. OTHER RELATED SERVICES AND STANDARDS 69

6.1 Billing 69

6.2 Records 70

6.3 Reports 73

6.4 Annual Reports Required by Law 81

6.5 Meet and Confer with City 82

6.6 City Contract Manager..... 82

6.7 Inspection by City 83

6.8 Customer Service Program 83

6.9 Service Complaints..... 85

6.10 Title to Solid Waste..... 85

6.11 Non-Discrimination 86

6.12 Report of Accumulation of Solid Waste; Unauthorized Dumping..... 86

6.13 Administration of Service Exemption Programs 86

6.14 Performance Review and Audits 86

6.15 Provision of Emergency Services 88

6.16 Assistance to City with Code and Plan Reviews 88

ARTICLE 7. CITY FEES..... 89

7.1 Franchise Fee..... 89

7.2 Vehicle Impact Mitigation Fee..... 89

7.3 Rate Review Fee 89

7.4 Procurement Reimbursement..... 89

7.5 Other Fees..... 90

7.6 Procedures for Monthly Submittal of Fees..... 90

7.7 Adjustment to Fees..... 90

ARTICLE 8. CONTRACTOR'S COMPENSATION 91

8.1 Overview..... 91

8.2 Rate-Setting Process..... 91

8.3 Rate Application Process..... 92

8.4 Special Rate Reviews 93

8.5 Rates for Changes in Scope..... 97

8.6 Notice of Rate Adjustments 97

ARTICLE 9. INDEMNITY, INSURANCE, BOND..... 98

9.1 Hazardous Substance Indemnification 98

9.2 AB 939 Indemnification 98

9.3 Proposition 218 Indemnification..... 99

9.4 Measure D Indemnification 99

9.5 Insurance..... 99

9.6 Performance Bond..... 103

ARTICLE 10. CITY'S RIGHT TO PERFORM SERVICE	104
10.1 General	104
10.2 Duration of City's Possession	105
ARTICLE 11. DEFAULT AND REMEDIES	106
11.1 Events of Default	106
11.2 Contractor Rights to Remedy Default	107
11.3 City's Remedies in the Event of Default	107
11.4 Possession of Property upon Termination or Suspension	108
11.5 City's Remedies Cumulative; Specific Performance	109
11.6 Liquidated Damages	109
11.7 Excuse from Performance	110
11.8 Right to Demand Assurances of Performance	111
ARTICLE 12. OTHER AGREEMENTS OF THE PARTIES.....	112
12.1 Relationship of Parties	112
12.2 Compliance with Law	112
12.3 Governing Law.....	112
12.4 Jurisdiction.....	112
12.5 Assignment.....	112
12.6 Subcontracting.....	115
12.7 Binding on Successors	115
12.8 Transition to Next Contractor	115
12.9 Parties in Interest.....	116
12.10 Waiver.....	116
12.11 Contractor's Investigation	116
12.12 Notice.....	116
12.13 Representatives of the Parties	117
12.14 City Free to Negotiate with Third Parties	117
12.15 Statements and Supplemental Information.....	118
12.16 Criminal Activity of Contractor	118
12.17 Material Change Notification Process.....	120
ARTICLE 13. MISCELLANEOUS AGREEMENTS	121
13.1 Entire Agreement.....	121
13.2 Section Headings.....	121
13.3 References to Laws	121
13.4 Interpretation.....	121
13.5 Amendment	121
13.6 Severability	121
13.7 Counterparts	121
13.8 Exhibits	121

List of Exhibits

- A. City Service Locations
- B. Public Education Plan
- C. Implementation Plan
- D. Cart Specifications
- E. Schedule of Performance Adjustments (Liquidated Damages)
- F. Contractor's Total Proposed Costs for Rate Period One
- G. Customer Rates Approved by the City
- H. Index-Based Rate Adjustment Mechanism
- I. Cost-Based Rate Adjustment Mechanism
- J. Secretary's Certification
- K. Contractor's Performance Bond
- L. Facility Permits
- M. Contract Management Checklist
- N. Target Food Scraps Customers
- O. Landfill Closure Agreement 1986

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

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

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THIS AGREEMENT is made and entered into as of the ____ day of _____, 2018, by and between the City of Pleasanton (hereinafter "the City") and Pleasanton Garbage Service, Inc. (hereinafter referred to as the "Contractor" or "PGS").

13

RECITALS

14

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

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

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

29
30

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

31
32
33

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

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

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

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

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

52 **WHEREAS;** the City and Contractor have mutually agreed to extend and restate the agreement between
53 the City and Contractor dated May 16, 1989, as subsequently amended on October 16, 1990, and October
54 13, 1995, by entering into this Agreement.

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

57

ARTICLE 1. DEFINITIONS

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

60 **1.1 AB 341**

61 "AB 341" means the California Jobs and Recycling Act of 2011 (Chapter 476, Statutes of 2011 [Chesbro, AB
62 341]), also commonly referred to as "AB 341", as amended, supplemented, superseded, and replaced
63 from time to time.

64 **1.2 AB 939**

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

67 **1.3 AB 1826**

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

71 **1.4 Affiliate**

72 "Affiliate" means all businesses (including corporations, limited and general partnerships and sole
73 proprietorships) which provide services, facilities or products related to services under this Agreement
74 and which are directly or indirectly related to Contractor by virtue of direct or indirect Ownership interest
75 or common management. They shall be deemed to be "Affiliated with" Contractor and included within
76 the term "Affiliates" as used herein. An Affiliate shall include: (i) a business in which Contractor has a
77 direct or indirect Ownership interest, (ii) a business, which has a direct or indirect Ownership interest in
78 Contractor and/or (iii) a business, which is also Owned, controlled or managed by any business or
79 individual which has a direct or indirect Ownership interest in Contractor. For the purposes of this
80 definition, "Ownership" means ownership as defined in the constructive ownership provisions of Section
81 318(a) of the Internal Revenue Code of 1986, as in effect on the date here, provided that ten percent
82 (10%) shall be substituted for fifty percent (50%) in Section 318(a)(2)(C) and in Section 318(a)(3)(C)
83 thereof; and Section 318(a)(5)(C) shall be disregarded. For purposes of determining ownership under this
84 paragraph and constructive or indirect ownership under Section 318(a), ownership interest of less than
85 ten percent (10%) shall be disregarded and percentage interests shall be determined on the basis of the
86 percentage of voting interest of value which the ownership interest represents.

87 **1.5 Agreement**

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

91 **1.6 Alternative Daily Cover**

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

95 **1.7 Appliance**

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

99 **1.8 Applicable Law**

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

105 **1.9 Approved Construction and Demolition Debris (C&D) Processing Site**

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

109 **1.10 Approved Disposal Site**

110 "Approved Disposal Site" means the Vasco Road Landfill at 4001 N. Vasco Road in Livermore, California,
111 which was selected by Contractor, and approved by the City Manager or their designee.

112 **1.11 Approved Facilities**

113 "Approved Facilities" means the Approved C&D Processing Site, Approved Transfer Site, Approved
114 Disposal Site, Approved Organic Materials Processing Site, and/or the Approved Recyclable Materials
115 Processing Site, individually or collectively.

116 **1.12 Approved Organic Materials Processing Site**

117 "Approved Organic Materials Processing Site" means the Recology Blossom Valley Organics Composting
118 Facility at 3909 Gaffery Road in Vernalis, California, which was selected by Contractor, and approved by
119 the City Manager or their designee.

120 **1.13 Approved Transfer Site**

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

123 **1.14 Approved Recyclable Materials Processing Site**

124 "Approved Recyclable Materials Processing Site" means the Pleasanton Transfer Station and Material
125 Recovery Facility at 3110 Busch Road in Pleasanton, California, which was selected by Contractor, and
126 approved by the City Manager or their designee.

127 **1.15 Billings**

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

132 **1.16 Bin(s)**

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

135 **1.17 Bin Service**

136 "Bin Service" means service provided to Customers for Solid Waste, Recyclable Materials, or Organic
137 Materials Collection using Bins as defined in Section 1.16. Bin Service may be used by Commercial
138 Premises, Multi-Family Premises, or Single-Family Premises generating large volumes of Solid Waste,
139 Recyclable Materials, or Organic Materials.

140 **1.18 Bulky Item**

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

145 **1.19 Business Days**

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

147 **1.20 Cart(s)**

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

151 **1.21 Cart Service**

152 "**Cart Service**" means Collection services provided to Customers using Carts as defined in Section 1.20.
153 Cart Service may be used by Single-Family Premises, Multi-Family Premises, or Small Commercial
154 Generators.

155 **1.22 Change in Law**

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

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

167 **1.23 City**

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

171 **1.24 City Contract Manager**

172 "**City Contract Manager**" means the City Manager or their designee.

173 **1.25 Collection (or variation thereof)**

174 "**Collection**" means the removal and Transportation of Solid Waste from the place where it was generated
175 to a Disposal Site and/or the removal and Transportation of Recyclable Materials, Organic Materials, and
176 other Salvageable Materials from the place where such materials were generated to a Processing Site.

177 **1.26 Commencement Date**

178 "**Commencement Date**" means the date specified in Section 3.1 when Collection, Transportation,
179 Processing, and Disposal services required by this Agreement shall be provided.

180 **1.27 Commercial**

181 "**Commercial**" means of, from or pertaining to non-Residential Premises where business activity is
182 conducted, including, but not limited to, wholesale and retail sales and operations, services,

183 manufacturing and industrial operations, but excluding businesses conducted upon Residential property
184 which are permitted under applicable zoning regulations and are not the primary use of the property.

185 **1.28 Compactor**

186 "**Compactor**" means a mechanical apparatus that compresses materials. Compactors include two (2) to
187 four (4) cubic yard Bin compactors serviced by front-end loader Collection trucks and six (6) to fifty (50)
188 cubic yard Drop Boxes serviced by roll-off Collection trucks.

189 **1.29 Complaint**

190 "**Complaint**" means written or orally communicated statements made by members of the public, Owners
191 or Occupants of properties served by Contractor, or officers, employees or agents of City alleging non-
192 performance or deficiencies in performance of Contractor's duties and obligations under this Agreement,
193 or otherwise alleging a violation by Contractor of the provisions of this Agreement.

194 **1.30 Compost (or Composting)**

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

198 **1.31 Compost Product**

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

202 **1.32 Construction and Demolition Debris (or C&D)**

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

207 **1.33 Container**

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

210 **1.34 Contractor**

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

214 **1.35 Contractor's Compensation**

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

218 **1.36 Contractor's Proposal**

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

222 **1.37 Curb or Curbside**

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

229 **1.38 Customer**

230 "**Customer**" means the Person to whom Contactor submits billing invoices and from whom Contractor
231 collects payment for Collection services provided to a Premises. The Customer may be the Occupant or
232 Owner of the Premises provided that the Owner of the Premises shall be responsible for payment of
233 Collection services if an Occupant of a Premises, which is identified as the Customer of Owner's Premises,
234 fails to make such payment.

235 **1.39 Delivery**

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

238 **1.40 Designated Waste**

239 "**Designated Waste**" means non-Hazardous Waste which may pose special Disposal problems because of
240 its potential to contaminate the environment and which may be Disposed of only in Class II Disposal Sites
241 or Class III Disposal Sites pursuant to a variance issued by the California Department of Health Services.
242 Designated Waste consists of those substances classified as Designated Waste by the State of California,
243 in California Water Code 13173.

244 **1.41 Discarded Material**

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

248 **1.42 Disposal**

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

251 **1.43 Disposal Site(s)**

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

253 **1.44 Diversion or Divert**

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

256 **1.45 Diversion Rate**

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

260 **1.46 Drop Box**

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

266 **1.47 Drop Box Service**

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

271 **1.48 Effective Date**

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

275 **1.49 E-Waste**

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

282 **1.50 Food Scraps**

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

288 **1.51 Franchise Fee**

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

292 **1.52 Generator**

293 "Generator" means any Person as defined by Section 40170 of the Public Resources Code, whose act or
294 process produces Solid Waste, Recyclable Materials, or Organic Materials as defined in the Public
295 Resources Code, or whose act first causes Solid Waste to become subject to regulation.

296 **1.53 Gross Rate Revenue**

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

299 **1.54 Hazardous Substance**

300 "Hazardous Substance" means any of the following: (a) any substances defined, regulated or listed
301 (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic
302 waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the
303 environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and
304 Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation
305 Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv)
306 the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8,
307 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and (vii) California Water Code §13050; (b)
308 any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts
309 currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material,
310 chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable

311 federal, State or local environmental laws currently existing or hereinafter enacted, including, without
312 limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel
313 products, and by-products.

314 **1.55 Hazardous Waste**

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

321 **1.56 Holidays**

322 "**Holidays**" means New Year's Day, and Christmas Day for the purposes of planning the Collection
323 schedule.

324 **1.57 Household Hazardous Waste**

325 "**Household Hazardous Waste**" means Hazardous Waste generated at Residential Premises within the
326 City.

327 **1.58 Infectious Waste**

328 "**Infectious Waste**" means medical or biomedical waste generated at hospitals, public or private medical
329 clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries,
330 veterinary facilities, and other similar establishments that are identified in Health and Safety Code Section
331 25117.5.

332 **1.59 Litter**

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

335 **1.60 Liquidated Damages**

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

338 **1.61 Multi-Family**

339 "**Multi-Family**" means any Residential complex, other than a Single-Family Premises, used for Residential
340 purposes, which has centralized Solid Waste and Recyclable Materials Collection service for all Residential
341 units in the building and may be billed as one address.

342 **1.62 Nonputrescible Waste**

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

344 **1.63 Occupant**

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

348 **1.64 Organic Materials or Organics**

349 "Organic Materials" or "Organics" means any combination of Food Scraps and Yard Trimmings.

350 **1.65 Organic Materials Processing Site**

351 "Organic Materials Processing Site" means any plant, facility, or site used for the Processing and
352 Composting of Organic Materials for the purpose of making Compost, mulch, or other marketable
353 material.

354 **1.66 Owner**

355 "Owner" means the Person holding legal title to the land or building.

356 **1.67 Party or Parties**

357 "Party or Parties" means the City and Contractor, individually or together.

358 **1.68 Person**

359 "Person" means an individual, firm, limited liability company, association, partnership, political
360 subdivision, government agency, municipality, industry, public or private corporation, or any other entity
361 whatsoever.

362 **1.69 Premises**

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

365 **1.70 Processing**

366 "Processing or Process (or any variation thereof)" means to prepare, treat, or convert through some
367 special method, including, but not limited to, baling, crushing, shredding, chipping, grinding, extracting,
368 mechanical or hand classification and any other method of handling Recyclable Materials, Organic
369 Materials, and C&D by the Contractor at the Approved Facility(ies).

370 **1.71 Processing Site**

371 "Processing Site" means any plant or site used for the purpose of sorting, cleansing, treating, or
372 reconstituting Salvageable Material for the purpose of making such material available for reuse. Activities
373 that may be undertaken at a Processing Facility include, but are not limited to, Processing Organic
374 Materials and Recyclable Materials.

375 **1.72 Putrescible Waste**

376 "Putrescible Waste" means Solid Wastes originated from living organisms and their metabolic waste
377 products, which contains naturally produced organic compounds and which are biologically
378 decomposable by microbial and fungal action into the constituent compounds of water, carbon dioxide
379 and other simpler organic compounds.

380 **1.73 Rate**

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

385 **1.74 Rate Period**

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

387 **1.75 Rate Review and Performance Review Fee**

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

391 **1.76 Recyclable Materials (also "Recyclables")**

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

399 **1.77 Recycling**

400 "Recycling" means the process of sorting, cleansing, treating, and reconstituting Recyclable Materials at
401 a Processing Site and returning such materials to the economic mainstream in the form of raw materials

402 for new, reused, or reconstituted products. Recycling does not include Transformation as defined in the
403 Public Resources Code Section 40201.

404 **1.78 Related Party Entity**

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

410 **1.79 Residential**

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

414 **1.80 Residential Premises**

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

418 **1.81 Residue or Residual (or any variation thereof)**

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

422 **1.82 Reuse Vendor**

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

426 **1.83 SB 1383**

427 "**SB 1383**" means the Short-Lived Climate Pollutants Act of 2016 (an act to add Sections 39730.5, 39730.6,
428 39730.7, and 39730.8 to the Health and Safety Code, and to add Chapter 13.1 [commencing with Section
429 42652] to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions), also
430 commonly referred to as "SB 1383," as amended, supplemented, superseded, and replaced from time to
431 time.

432 **1.84 Salvageable Material**

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

436 **1.85 Service Level**

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

439 **1.86 Service Type**

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

444 **1.87 Single-Family**

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

450 **1.88 Small Commercial Generator**

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

453 **1.89 Solid Waste**

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

- 460 A. Salvageable Materials set out for Collection in a Container, which is specifically designated for
461 Recyclable Materials or Organic Materials;
- 462 B. Hazardous Waste;
- 463 C. Radioactive waste;

464 D. Infectious Waste provided that Infectious Waste, whether treated or untreated, is not Disposed of
465 at a Solid Waste facility; and,

466 E. Abandoned automobiles.

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

469 **1.90 Source Separated**

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

472 **1.91 State**

473 "State" means the State of California.

474 **1.92 Subcontractor**

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

484 **1.93 Term**

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

486 **1.94 Ton (or Tonnage)**

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

489 **1.95 Transfer**

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

492 **1.96 Transfer Station**

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

495 **1.97 Transfer Station Revenue**

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

499 **1.98 Transformed**

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

502 **1.99 Transportation**

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

504 **1.100 Unacceptable Spillage**

505 "Unacceptable Spillage" means any Solid Waste, Recyclable Materials, or Organic Materials spilled or left
506 at an established Collection site by Contractor after Collection, with the exception that small particles of
507 grass clippings, leaves, and other small Yard Trimmings will not be considered Unacceptable Spillage.

508 **1.101 Uncontrollable Circumstance(s)**

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

517 **1.102 Used Motor Oil and Filter**

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

520 **1.103 Used Oil Recovery Kit**

521 "Used Oil Recovery Kit" means a kit containing: one (1) reusable plastic jug of at least one (1) gallon
522 capacity with a watertight screw-on top to contain used motor oil; one (1) plastic disposable resealable
523 bag of sufficient capacity to accommodate one (1) used motor oil filter; and, a flyer, brochure, or other

524 informational media approved by the City intended to educate Customers about the Used Motor Oil and
525 Filter Collection program and the benefits resulting from the proper handling of Used Motor Oil and
526 Filters. The Used Oil Recovery Kit is to be provided to Customers by Contractor to recover Used Motor Oil
527 and Filters from Single-Family and Multi-Family residents.

528 **1.104 U-Waste**

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

532 **1.105 Yard Trimmings**

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

538

**ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF THE
CONTRACTOR**

539

2.1 Corporate Status

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

2.2 Corporate Authorization

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

2.3 Agreement Will Not Cause Breach

552 To the best of Contractor's knowledge, after reasonable investigation, the execution or delivery of this
553 Agreement or the performance of this Agreement by Contractor of its obligations hereunder does not
554 conflict with, violate, or result in breach of: (i) any Applicable Law; or (ii) any term or condition of any
555 judgment, order or decree of any court, administrative agency or other governmental authority, or any
556 Agreement or instrument to which Contractor is a party or by which Contractor or any of its properties or
557 assets are bound, or constitutes a default thereunder.
558

2.4 No Litigation

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

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

2.5 No Adverse Judicial Decisions

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

571 2.5 No Legal Prohibition

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

575 2.7 Contractors Statements

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

580 2.3 Contractors Investigation

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

585 2.9 Ability to Perform

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

594

ARTICLE 3. TERM OF AGREEMENT

595 3.1 Effective Date and Commencement Date

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

599 The Commencement Date of this Agreement shall be July 1, 2018, and shall be the date Contractor
600 commences to provide Collection, Transportation, and Processing services and all other obligations
601 described by this Agreement. During the time between the Effective Date and Commencement Date,
602 Contractor shall perform any and all activities necessary to prepare itself to start Collection,
603 Transportation, and Processing services required by this Agreement on the Commencement Date.

604 3.2 Conditions to Effectiveness of Agreement

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

608 3.2.1 Accuracy of Representations

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

611 3.2.2 Absence of Litigation

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

614 3.2.3 Furnishings of Insurance and Bond

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

618 3.2.4 Secretary's Certification

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

621 3.3 Term

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

625 3.4 Option to Extend Term

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

635 If the City chooses to extend the Agreement, the Parties shall meet and confer to discuss Collection vehicle
636 needs and related costs, if any. The equipment replacement plans presented on Contractor's depreciation
637 schedule (Exhibit F) in Contractor's proposed costs shall serve as the basis for negotiations. The extension
638 to the Agreement may be approved if the Parties agree on how the incremental increase in depreciation
639 and interest expenses above those existing prior to the extension of the Agreement, shall be treated
640 during the extension period. Should the Parties fail to reach agreement, the matter shall be submitted to
641 binding arbitration.

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

644

ARTICLE 4. SCOPE OF AGREEMENT

645 4.1 Scope of Agreement

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

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

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

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

679 M. Complying with Applicable Law.

680 N. Providing reports in a timely manner with details as requested by the City pursuant to Sections 6.3,
681 6.4, and 6.5.

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

686 4.2 Limitations to Scope

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

694 A. **Self-Hauled Materials.** A Commercial business Owner or Resident may Dispose of Solid Waste,
695 Recyclable Materials, Organic Materials, and Construction and Demolition Debris generated in or
696 on their own Premises with their own vehicle;

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

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

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

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

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

- 714 G. **Hazardous Waste and Designated Waste.** Hazardous Waste and Designated Waste regardless of
715 its source; and,
- 716 H. **Materials Generated by Public School, County, and Federal Facilities.** Materials generated by
717 public schools, county, and federal facilities located in the City provided that the Generator has
718 arranged services with other Persons or has arranged services with the Contractor through a
719 separate agreement.
- 720 I. **Temporary Drop Box Collection after Rate Period One.** In the event that Contractor fails to achieve
721 the minimum C&D Diversion Rate from residents and businesses where it is the arranger for these
722 services required by Section 5.7 in Rate Period One or should the Contractor fail to perform its
723 obligations as part of a developer's plan where it is not the sole provider of C&D Collection and
724 Diversion services, then, the Contractor shall be subject to Liquidated Damages as described in
725 Section 11.6 of this Agreement.

726 Contractor acknowledges and agrees that the City may permit other Persons besides the Contractor to
727 Collect any and all types of materials excluded from the scope of this Franchise, as set forth above, without
728 seeking or obtaining approval of Contractor. If Contractor can produce evidence that other Persons are
729 servicing Collection Containers or are Collecting and Transporting Solid Waste, Recyclable Materials,
730 and/or Organic Materials in a manner that is not consistent with the City's Municipal Code or the exclusive
731 rights granted to Contractor hereunder, it shall report the location, the name and phone number of the
732 Person or company to the City along with Contractor's evidence of the violation of the exclusiveness of
733 this Franchise. The receipt of this information does not obligate the City to take any action, provided
734 however that Contractor shall have the right to seek judicial or other lawful relief for violations of its
735 exclusive rights under this Agreement.

736 The City shall not be responsible for any lost profits or losses claimed by Contractor to arise out of
737 limitations of the scope of the Agreement set forth herein. In such an event, it shall be the responsibility
738 of Contractor to minimize the financial impact to other services being provided as much as possible.

739 4.3 City-Directed Changes

- 740 A. **Types of Changes.** City may, by written notice, direct Contractor to perform additional services or
741 modify existing services; provided, however, that in no case shall City terminate services provided
742 by Contractor hereunder and grant any other Person the right to provide such services, unless
743 specifically provided for in Section 4.3.B below. For example, and without limitation, the City may
744 request the following:
- 745 1. Collection of certain materials, which were originally Solid Waste, but during the Term can, in
746 the reasonable opinion of the City, be economically Diverted from Disposal;
 - 747 2. Inclusion of new Diversion programs;
 - 748 3. Expansion of public education activities;
 - 749 4. Elimination of programs;
 - 750 5. Modification of the manner in which Contractor performs existing services;
 - 751 6. Performance of pilot programs;

- 752 7. Implementation of innovative services, which may entail new Collection methods, targeted
- 753 routing, different kinds of services, different types of Collection vehicles or Collection
- 754 Containers, and/or new requirements for Generators;
- 755 8. Transportation of materials to an Approved Disposal Site, Approved Organic Materials
- 756 Processing Site, or Approved Recyclable Materials Processing Site other than that specified
- 757 on the Effective Date;
- 758 9. Purchase of new Collection vehicles, Containers, or other equipment if the Agreement is
- 759 extended beyond the initial Term; and,
- 760 10. Implementation of other program or service adjustments as may be determined by the City.

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

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

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

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

- 789 C. **Adjustment to Contractor's Compensation.** If the City directs a change in scope or change in one
790 or more Approved Facility, Contractor may be entitled to an adjustment in its compensation in
791 accordance with Section 8.5.
- 792 D. **Implementation of New Services.** The Contractor's implementation of the new services,
793 modification to existing service, or change in the Approved Disposal Site, Approved Recyclable
794 Materials Processing Site, or Approved Organic Materials Processing Site shall occur in a timely,
795 smooth, and seamless manner such that Customers and/or Generators do not experience
796 disruption in Collection services. Contactor shall be responsible for managing the implementation
797 of new or modified Collection services or change in the Approved Disposal Site, Approved Recyclable
798 Materials Processing Site, or Approved Organic Materials Processing Site and other related services
799 and shall do so in accordance with an implementation plan that has been approved by the City.
- 800 E. **Monitoring and Evaluation of Changes in Scope.** At the City's request, the Contractor shall meet
801 with the City to describe the progress of implementing the change in scope. If applicable, and
802 requested by the City, the Contractor shall document the results of the new or modified services on
803 a monthly basis, including, at a minimum, the Tonnage Diverted by material type, the end use or
804 processor of the Diverted materials, the cost per Ton for Transporting and Processing each type of
805 material, and other such information requested by the City that is necessary to evaluate the
806 performance of each program change.
- 807 At each status meeting, the City and Contractor shall have the opportunity to revise the program or
808 services based on mutually agreed upon terms in accordance with provisions of this Section. The
809 City shall have the right to terminate a program if, in its sole discretion, the Contractor is not
810 achieving the program goals and objectives in a cost-effective manner. Before such termination,
811 the City shall meet and confer with the Contractor for a period not to exceed ninety (90) calendar
812 days to resolve the City's concerns ("meet and confer period"). Thereafter, the City may utilize a
813 third party to perform these services if the City reasonably believes the third party can improve
814 Contractor's performance and/or cost. Notwithstanding these changes, Contractor shall continue
815 the program during the "meet and confer period" and, thereafter, until the third party takes over
816 the program.
- 817 F. **Changes Related to Existing Regulations.** The Parties acknowledge that as of March 20, 2018,
818 legislation, including, but not limited to, SB 1383, exists which has been passed by the State but has
819 not been fully implemented within the State. The Parties agree that as the appropriate regulatory
820 bodies continue to develop implementation strategies and requirements regarding such existing
821 legislation, the Parties will meet and confer as requested by Contractor or the City Contract
822 Manager or their designee to discuss how such legislation may impact the services provided under
823 this Agreement. Prior to such meet and confer period, Contractor agrees to minimize actions (such
824 as replacement of Collection vehicles) that may be affected by such legislation. Notwithstanding the
825 foregoing, the Parties agree that changes to this Agreement resulting from legislation which has
826 been passed, but for which rules and regulations have not been promulgated prior to March 20,
827 2018, shall be considered changes resulting from a Change in Law once such rules are promulgated.

828 4.4 Transition to Next Contractor at End of Agreement

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

838 4.5 City Free to Negotiate with Third Parties

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

846

ARTICLE 5. COLLECTION SERVICES

847 5.1 General

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

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

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

862 5.2 Solid Waste Collection Services**863 5.2.1 Single-Family Solid Waste Collection Service**

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

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

876 5.2.2 Single-Family On-Call Bulky Item and Clean-Up Service

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

Franchise Agreement with Pleasanton Garbage Service

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

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

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

895 Contractor may reject: Liquids or sludges; materials which exceed five (5) feet in length and are not
896 bundled; painted or stained wood; automotive batteries; used motor oil; pesticides; Construction
897 and Demolition Debris; Hazardous Waste; Infectious Waste; or, tires exceeding four (4) per clean-
898 up event. Contractor may reject a single item that weights more than seventy-five (75) pounds
899 (excluding Bulky Items) unless Customer has paid an additional fee for service at the City-approved
900 Rate on the Rate Schedule in Exhibit G. Contractor may also reject un-Containerized materials,
901 materials that are not bundled, or other items that exceed the Collection abilities as determined by
902 the Contractor and approved by the City.

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

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

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

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

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

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

929 **5.2.3 Multi-Family Solid Waste Collection Service**

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

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

937 **5.2.4 Multi-Family On-Call Bulky Item and Clean-Up Service**

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

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

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

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

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

959 5.2.5 Commercial Solid Waste Collection Service

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

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

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

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

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

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

988 5.2.6 Bin Rental Service

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

993 5.3 Recyclable Materials Collection Services**994 5.3.1 General**

995 Contractor shall Collect Recyclable Materials that are commingled in the Customer's Recyclable Materials
996 Collection Container provided that the Customer has Source Separated the Recyclable Materials from
997 Solid Waste. The types of Recyclable Materials to be Collected by Contractor are specified in Section 1.76.
998 Contractor shall Transport all Recyclables Collected to the Approved Recyclable Materials Processing Site
999 for Processing.

1000 In accordance with Section 4.3, the City may request Contractor to modify its scope of services to include
1001 Collection of additional types of Recyclable Materials beyond those materials defined in Section 1.76. If
1002 the City requests Collection of additional Recyclable Materials, the Contractor shall not receive additional
1003 compensation for Collection service if the Recyclable Materials are placed by Generator in the Recyclable
1004 Materials Container unless Contractor can demonstrate that Collection of the additional material(s)
1005 requires modifications to Collection routes to accommodate the additional volume of the material(s). An
1006 adjustment to Contractor's Rates may be made for changes in Processing costs in accordance with
1007 Sections 4.3 and 8.5.

1008 5.3.2 Single-Family Recyclables Collection Service

1009 Contractor shall Collect Recyclable Materials from Single-Family Premises once each week on the regularly
1010 scheduled Solid Waste Collection day. Contractor shall supply each Single-Family Customer with one (1)
1011 Cart for storage and Collection of Recyclable Materials. The Contractor shall provide each Customer a 96-
1012 gallon Cart (or similar size approved by the City).

1013 If a Customer requests a second Recyclables Cart, Contractor shall provide the Cart to the Customer for
1014 regular weekly Collection service. The Contractor shall charge the Customer for the extra Recyclables Cart
1015 at the Rate approved by the City on the Rate Schedule in Exhibit G.

1016 For Single-Family Premises, Contractor shall Collect Carts from the Curb (or at other designated location
1017 for townhomes, condos, or attached Single-Family Premises) unless the Occupant is physically unable to
1018 place the Container Curbside. In such case, Contractor shall Collect Carts from an alternative service
1019 location (such as the side yard or back yard) at no additional fee. Customers that are physically capable
1020 of moving Carts Curbside may choose to subscribe to side yard or back yard service. In such cases,
1021 Contractor shall Collect Carts from the alternative service location and charge the Customer for the extra
1022 service in accordance with the City-approved Rate on the Rate Schedule in Exhibit G.

1023 Contractor shall replace Containers, which were specifically designated for Recyclable Materials that have
1024 been stolen or damaged at no cost to the Customer not more than once per year. Additional Cart
1025 replacements shall be charged to the Customer at a City-approved Rate on the Rate Schedule in Exhibit
1026 G.

1027 Contractor shall instruct Single-Family Customers as to any necessary preparation of materials; the proper
1028 placement of Recycling Carts Curbside; and shall notify Single-Family Generators who fail to follow these
1029 instructions in accordance with Section 5.14.8. In cases of extreme or repeated failure to comply with the
1030 instructions, Contractor may Collect the Recyclable Materials as Solid Waste and shall charge the
1031 Customer for the extra Solid Waste Cart at the City-approved Rate on the Rate Schedule in Exhibit G.

1032 Contractor shall Collect all Recyclable Materials from Carts with the exception of Used Motor Oil and
1033 Filters which shall be Collected from Contractor-provided Used Oil Recovery Kits placed adjacent to the
1034 Carts. Contractor shall Collect Used Motor Oil and Filters once per week from Single-Family Customers
1035 who request it if the Customers place the Used Motor Oil and Filters in a Used Oil Recovery Kit provided
1036 by the Contractor. Contractor shall provide the Used Oil Recovery Kit to a Residential Customer within
1037 two (2) Business Days of such request by Customer at no additional cost to Customer. Contractor shall
1038 instruct Customers how to properly use and place Used Oil Recovery Kits for Collection. Upon Collection
1039 of a Used Oil Recovery Kit from a Generator, Contractor shall leave a clean, empty, Used Oil Recovery Kit
1040 adjacent to the Recyclables Cart. Contractor shall not be required to Collect more than one gallon of Used
1041 Motor Oil per individual dwelling unit per week from Single-Family Customers who request it.

1042 **5.3.3 Multi-Family and Commercial Recyclables Collection Service**

1043 A. **General.** Contractor shall Collect Recyclable Materials placed in Containers for Collection from
1044 Multi-Family and Commercial Premises at least once each week and up to five (5) times per week
1045 as scheduled by the Customer. Contractor shall provide Carts, Bins, or Drop Boxes for Recyclables
1046 storage and Collection and shall place Containers in locations determined by the Customer or
1047 property manager.

1048 Multi-Family and Commercial Recyclable Materials Collection shall be performed at a time mutually
1049 agreed upon by Contractor and the Customer and which is consistent with allowable Collection
1050 hours specified in Section 5.14.3. The City reserves the right per Section 4.3 to direct Contractor to
1051 perform additional Commercial Recycling services such as the use of selective routing to Collect
1052 clean loads of Recyclable Materials in the event that Contractor is not making adequate progress
1053 toward the City's Diversion/Recycling goals. Contractor shall provide Used Motor Oil and Filter
1054 Collection to Multi-Family Customers in the same manner in which Contractor provides the service
1055 to Single-Family Customers.

1056 B **Commercial Service Options.** Contractor shall allow Commercial Customers to select a Collection
1057 service method that best suits the needs of its Premises. Specifically, the Contractor shall offer the
1058 following choices to Commercial Customers:

1059 1. **Individual Cart or Bin Service.** Contractor shall allow Commercial Customers to use
1060 Cart(s) or Bin(s) for Recyclable Materials Collection. Contractor shall provide each
1061 Customer with a choice of one (1) or more Carts with capacity of 35 or 96 gallons and with
1062 one or more Bins with capacities ranging from 1 to 7 cubic yards (or similar sizes approved
1063 by the City).

1064 2. **Centralized Cart or Bin Service.** Contractor shall allow Commercial Customers to use
1065 Cart(s) or Bin(s) for Recyclable Materials Collection that are shared by the Occupants of
1066 two (2) or more Commercial Premises. In such case, Contractor shall provide one (1) or
1067 more Carts or Bins to such Premises as requested by Customer(s).

1068 3. **Drop Boxes and Compactors.** Contractor shall allow Commercial Customers to use a Drop
1069 Box or Compactor for Recyclable Materials. In such case, Contractor shall provide
1070 Customers with a choice of Container capacities ranging from 10 to 50 cubic yards.
1071 Contractor shall offer Customers the option to purchase or lease Compactors through
1072 Contractor or an outside vendor.

- 1073 C. **Container Replacement.** Contractor shall replace Recyclable Materials Containers that have been
 1074 stolen or damaged, at no cost to the Multi-Family and Commercial Premises, not more than once
 1075 per year. Additional replacements shall be charged to the Customer at the City-approved Rate on
 1076 the Rate Schedule in Exhibit G.
- 1077 D. **Posters, Signage, and Other Education Materials.** Pursuant to the public education plan in Exhibit
 1078 C, Contractor shall instruct (as part of the education program) Multi-Family and Commercial
 1079 Premises Customers and/or their property managers as to any necessary preparation, separation,
 1080 and placement of Recyclable Materials and shall provide the property manager with the following
 1081 materials to facilitate Customer and tenant education:
- 1082 1. Educational Recycling posters for strategic placement on the Premises. For Multi-Family
 1083 Premises, Contractor shall make the posters available for use in areas frequented by
 1084 tenants (such as in mail rooms, laundry rooms, offices, etc.). For Commercial Premises,
 1085 the Contractor shall make the posters available for use in areas frequented by employees.
 - 1086 2. Recycling signs at the Recycling Container locations that clearly indicate the types of
 1087 Recyclables that are accepted and those that are not.
 - 1088 3. "Move-In Kits" for tenants of Multi-Family units as described in Exhibit B.
 - 1089 4. "How To" Brochures as described in Exhibit B.
 - 1090 5. Pursuant to Section 6.3.3.G, Contractor shall report its public education efforts to the City
 1091 on a quarterly basis.
- 1092 E. **Notification of Improper Setout.** Contractor shall notify Customers and their property managers (if
 1093 applicable) who fail, or whose residents or employees fail, to follow Recycling instructions provided
 1094 by Contractor in accordance with Section 5.14.8. In cases of extreme or repeated failure to comply
 1095 with the instructions, Contractor may decline to Collect the Recyclable Materials but must notify
 1096 the Customer of the reason and what steps must be taken by Customer to recommence service.

1097 5.4 Organic Materials Collection Services

1098 5.4.1 Single-Family Organics Collection Service

- 1099 A. **General.** Contractor shall Collect Organic Materials (including Food Scraps) from each Single-Family
 1100 Customer Curbside once each week on the regularly scheduled Solid Waste Collection day. Organic
 1101 Materials shall be Collected and Transported to the Approved Organic Materials Processing Site for
 1102 the purposes of Organic Materials Processing. Contractor shall instruct Customers as to the types
 1103 of Organic Materials accepted for Collection (and those prohibited); any necessary preparation of
 1104 Yard Trimmings (such as the cutting of large items), and Food Scraps; and the appropriate use and
 1105 placement of Carts designated for Organic Materials Collection. Contractor shall notify Customers
 1106 who fail to follow these instructions in accordance with Section 5.14.8. In cases of extreme or
 1107 repeated failure to comply with the instructions, Contractor may Collect the Organic Materials as
 1108 Solid Waste and shall charge the Customer for the extra Solid Waste Cart at the City-approved Rate
 1109 on the Rate Schedule in Exhibit G.

1110 B. **Carts.** Contractor shall supply each Single-Family Customer with one Cart for storage and Collection
1111 of Organic Materials. The Contractor shall provide each Customer a 96-gallon Cart (or similar size
1112 approved by the City) unless the Customer requests a smaller Cart size, in which case, the Contractor
1113 shall provide a 35-gallon Cart (or similar sizes approved by the City). If a Customer requests a second
1114 Organics Cart, Contractor shall provide the Cart to the Customer and Collect Organics on a weekly
1115 basis. The Contractor shall charge the Customer for the extra Organics Cart at the City-approved
1116 Rate on the Rate Schedule in Exhibit G.

1117 Contractor shall replace Organics Carts that have been stolen or damaged at no cost to the
1118 Generator not more than once per year. Additional Cart replacements shall be charged to the
1119 Generator at a Rate equal to Contractor's actual purchase price of Cart (plus cost of Cart assembly)
1120 and such Rate shall be approved by the City as shown on the Rate schedule in Exhibit G.

1121 Refer to Section 5.16.2 for additional information about Containers.

1122 C. **Kitchen Pails.** Upon Customer request and at no cost to the Customer, Contractor shall provide
1123 Single-Family Customers kitchen pails for use in the kitchen suitable for the collection and storage
1124 of Food Scraps. Contractor shall promote the availability of the kitchen pails through public
1125 education efforts required by Exhibit B. Contractor shall purchase a sufficient number of kitchen
1126 pails to maintain an inventory of pails so that upon a Single-Family Customer's request, Contractor
1127 can assemble (if needed) and deliver the pail to the Single-Family Customer within one (1) week of
1128 request. Each kitchen pail shall be accompanied by flyer describing the Organic Materials program
1129 requirements

1130 The kitchen pail shall be consistent in function and specifications to meet guidelines or
1131 requirements of the StopWaste.Org (also known as the Alameda County Waste Management
1132 Authority and Alameda County Source Reduction and Recycling Board) Residential Food Scrap
1133 Subsidy Program. The kitchen pail shall be made of rigid plastic, and have a capacity of 1.5 to 2.5
1134 gallons, a wire or plastic handle, and a lid. Contractor must submit kitchen pail order (including
1135 material and design specifications, colors and identification marks) to City for City's written approval
1136 prior to submitting the order to the manufacturer.

1137 **5.4.2 Multi-Family and Commercial Organics Collection Service**

1138 A. **General.** Contractor shall Collect Organic Materials from Commercial Premises as frequently as
1139 scheduled by Customer up to five (5) days per week, but not less than one (1) day per week.
1140 Contractor shall provide Carts, Bins, Drop Boxes, or Compactors for Organics storage and Collection
1141 and shall place Containers in locations determined by the Customer or property manager.

1142 Commercial Organic Materials Collection shall be performed at a time mutually agreed upon by
1143 Contractor and the Customer and which is consistent with allowable Collection hours specified in
1144 Section 5.14.3.

1145 Contractor will work with and support the City and any consultants contracted by the City or
1146 StopWaste.Org (also known as the Alameda County Waste Management Authority and Alameda
1147 County Source Reduction and Recycling Board) to conduct Commercial Organic Materials audits.

- 1148 Any revenue other than Rate revenue that the Contractor receives specifically for the Commercial
1149 Organic Materials Program, including but not limited to, the StopWaste.Org Food Scrap Subsidy and
1150 Incentive payment programs, shall be deducted from the Contractor's total calculated costs to
1151 reduce Customer Rates in accordance with Section 3.F of Exhibit H and Section 3.F of Exhibit I.
- 1152 B. **Collection Service Options.** Contractor shall provide Commercial Organics Customers with a
1153 Container appropriate for the needs of the business and the available space in the enclosure for
1154 outside storage and Collection of Organic Materials. Contractor shall allow Commercial Customers
1155 to select a Collection service method that best suits the needs of its Premises in the same manner
1156 as the described in Section 5.3.3.B.
- 1157 D. **Container Replacement.** Contractor shall replace Containers, which are specifically designated for
1158 Organic Materials Collection, that have been stolen or damaged at no cost to the Commercial
1159 Premises not more than once per year. Additional replacements shall be charged to the Customer
1160 at City-approved Rates on the Rate Schedule in Exhibit G.
- 1161 E. **Posters, Signage, and Other Education Materials.** Pursuant to the public education plan described
1162 in Exhibit B, Contractor shall instruct Commercial Customers and/or their property managers as to
1163 any necessary preparation, separation, and placement of Organic Materials and shall provide
1164 posters, signs, and other public education materials.
- 1165 F. **Notification of Improper Setout.** Contractor shall notify Customers and their property managers (if
1166 applicable) who fail, or whose residents or employees fail, to follow the posted instructions. In
1167 cases of extreme or repeated failure to comply with the instructions, Contractor may decline to
1168 Collect the Organic Materials but must notify the Customer of the reason and what steps must be
1169 taken by Customer to recommence service.
- 1170 G. **Reporting.** Pursuant to Sections 6.3.2, 6.3.3 and 6.3.4, Contractor shall provide reports to the City
1171 documenting its efforts to promote Organic Materials Collection services to Commercial Customers,
1172 site visits performed, etc.
- 1173 H. **Internal Organics Bins.** Upon the Customer's request, Contractor shall offer Commercial Customers
1174 a variety of Organics storage bins for use by the Customer inside their Premises to store Organics
1175 prior to placement of the materials in the outdoor Containers to be serviced by Contractor. Up to
1176 three (3) internal Organics bins shall be provided at no cost to the Customer. Contractor shall
1177 promote the availability of the internal Organics bins during the site visits with the Owner or
1178 property manager, and through other Commercial public education efforts required by Exhibit B.
1179 Contractor shall purchase a sufficient number of Organics bins to maintain an inventory of bins so
1180 that upon a Customer's request, Contractor can deliver the Organics bin(s) to the Commercial
1181 Premises within two (2) weeks of request. Each Organics bin shall be accompanied by a flyer
1182 describing the Organics program requirements.
- 1183 Contractor must submit the Organics bin order (including material and design specifications, colors,
1184 and identification marks) to City for City's written approval prior to submitting the order to the
1185 manufacturer.

1186 5.4.3 Holiday Tree Collection

- 1187 A. **Single-Family Customers.** Contractor shall offer to each Single-Family Customer Curbside Collection
1188 of holiday trees during the first and second week beginning on the Monday following New Year's
1189 Day. In the event New Year's Day is a Monday, holiday tree Collection shall commence on Tuesday
1190 following New Year's Day and continue for five (5) Business Days. Holiday trees shall be Collected
1191 on the Customer's regular Collection day during the designated week. Customer notification
1192 requirements are specified in the public education plan, Exhibit B.
- 1193 B. **Drop Box for Drop-Off Collection.** Contractor shall supply a 30 cubic yard Drop Box, to be placed at
1194 a location determined by the City, to provide a drop-off location for holiday trees. The Contractor
1195 shall provide signage for the drop-off location that assists Persons in readily identifying the site as
1196 the holiday tree drop-off location and signage on the Drop Box or adjacent to it with instructions
1197 for placing the trees in the Drop Box and the types of items that are prohibited (e.g., flocked trees,
1198 trees with decorations, etc.). The Contractor shall service the holiday tree Drop Box on a regular
1199 basis and keep the surrounding area free of any debris. Contractor shall deliver the Drop Box to a
1200 site specified by the City on the first Business Day after Christmas Day and shall service the Drop
1201 Box until the third (3rd) Monday of January.
- 1202 C. **Diversion Requirement.** Holiday trees shall be Recycled, Composted or used as mulch or a slope
1203 stabilization material, in a manner to count as Diversion in accordance with AB 939 with the
1204 exception of trees that are flocked, contain tinsel, or other decorations, which shall be Collected
1205 and Disposed by Contractor.

1206 5.5 City Facilities and Events Collection**1207 5.5.1 City Facilities, and City-Sponsored Events**

1208 Contractor shall provide Solid Waste, Recyclable Materials, and Organic Materials Collection, Processing,
1209 and Disposal services for City sponsored events, and City facilities at the Service Levels described in Exhibit
1210 A. Contractor shall provide and maintain Collection Containers with the exception of public litter and
1211 public Recycling cans (including those located in City parks), which shall be provided and maintained by
1212 the City. Contractor may integrate Collection of City facilities with other Collection services provided that
1213 Contractor estimates Tonnage Collected from City facilities separately from other Customers.

1214 Contractor shall work cooperatively with the City to annually survey City facilities to determine
1215 appropriateness of service and shall adjust Container size, frequency of service and type of service if
1216 appropriate. In addition, Contractor shall assist the City in developing a strategy for increasing Recycling
1217 activities and Recycling participation levels of visitors and Commercial Customers in the City's downtown
1218 area (bounded by Peter Street, First Street, Bernal Avenue and Arroyo Del Valle).

1219 5.5.2 Large Events and Venues

1220 Contractor shall offer Solid Waste, Recyclable Materials, and Organic Materials Collection services for all
1221 events (e.g., fairs, festivals, etc.) and venues in the City. Contractor shall provide the service to Customers
1222 at City-approved Rates on the Rate Schedule in Exhibit G.

1223 Contractor shall also provide the Solid Waste, Recyclable Materials, and Organic Materials Collection
1224 services to all the City-sponsored events each calendar year. Contractor shall provide Collection to the
1225 City-sponsored events and any additional special events at City-approved Rates on the Rate Schedule in
1226 Exhibit H.

1227 Large venues requiring regularly scheduled Collection services shall be serviced as Commercial Customers
1228 and offered the full range of Commercial Collection services described in this Agreement at City-approved
1229 Rates on the Rate Schedule in Exhibit G.

1230 For large events and venues with periodic Collection needs, Contractor shall provide Solid Waste,
1231 Recyclable Materials, and Organic Materials service as requested by the event or venue organizer.
1232 Services provided by Contractor shall include delivery of Collection Containers prior to the
1233 Commencement of the event and removal of Collection Containers at the end of the event. Contractor
1234 shall provide staff during events to: (i) maintain and empty Collection Containers, (ii) provide outreach,
1235 (iii) coordinate with event organizers and other event participants and volunteers, and (iv) collect data for
1236 reporting purposes.

1237 Contractor shall make available Carts, Bins, and Drop Boxes. The number and size of Containers shall be
1238 sufficient to allow convenient Collection of Solid Waste, Recyclable Materials, and Organic Materials for
1239 event participants. If the event coordinator determines that additional Containers are necessary,
1240 Contractor shall promptly deliver the requested number of additional Containers. Carts provided shall be
1241 equipped with special lids with drop in slots that minimize contamination of Recyclable and Organic
1242 Materials. Contractor shall arrange the Container delivery and pick-up schedule with the event organizer.

1243 All Solid Waste, Recyclable Materials, and Organic Materials Collected from events and venues shall be
1244 delivered to the Approved Disposal Site, Approved Recyclable Materials Processing Site, or Approved
1245 Organic Materials Processing Site as appropriate.

1246 Contractor shall work cooperatively with events and venues that are classified as Large Events and Large
1247 Venues by AB 2176 to assist such events and venues in complying with requirements of AB 2176.
1248 Contractor shall assist Large Events and Venues organizers in meeting AB 2176 requirements by offering
1249 Recyclable Materials and Organic Materials Collection services at no cost to the Customer.

1250 **5.6 Provision of Service to Schools**

1251 If a public or private school requests Solid Waste, Recyclable Materials, or Organic Materials Collection
1252 services, Contractor shall provide such services in accordance with the Collection requirements pursuant
1253 to Sections 5.2.5, 5.3.3, and 5.4.3. Contractor shall charge the school at Rates that do not exceed the City-
1254 approved Rates for Commercial Customers on the Rate Schedule in Exhibit G. At the Contractor's option,
1255 the Contractor may require that the school enter into a service agreement with a commitment to
1256 subscribe to Collection service for a minimum of six (6) months.

1257 **5.7 Construction and Demolition Debris Collection**

1258 Contractor shall offer and provide Construction and Demolition Debris (C&D) Collection services to any
1259 Customer requesting such service, in a manner which promotes the Customer's ability to achieve
1260 compliance with the C&D Diversion requirements identified in the City Municipal Code. C&D Collection

1261 service shall be a temporary service, provided only at sites where construction, alteration, remodeling,
1262 repair, or demolition operations are being performed. Contractor shall Collect C&D from Customers that
1263 have requested C&D Collection service as frequently as scheduled by Customer up to six (6) days per week,
1264 but not less than one (1) day per week. Contractor shall provide Drop Boxes for C&D storage and
1265 Collection and shall place Drop Boxes in locations determined by the Customer or construction site
1266 manager. Contractor shall require that all Customers receiving C&D Collection service under this
1267 Agreement are provided a Container for non-C&D Solid Waste.

1268 Contractor shall work with the Customer to provide Collection services that result in a minimum of ninety
1269 percent (90%) of Portland cement concrete and asphalt concrete, and at least seventy-five percent (75%)
1270 of the remaining C&D being Diverted (except as otherwise provided in the City Municipal Code), taking
1271 into account only C&D projects where Contractor Collects all materials. Contractor billing shall be at the
1272 City-approved Rates for such service.

1273 Contractor shall Transport all C&D Collected under this Agreement to the Approved C&D Processing Site
1274 for Processing. Contractor shall pay all tipping fees and other costs associated with Transporting,
1275 Processing, and/or Disposal of C&D.

1276 Contractor shall observe and comply with all regulations in effect at the Approved C&D Processing Site
1277 and cooperate with and take direction from the operator thereof with respect to delivery of C&D.

1278 **5.8 Abandoned Waste Collection**

1279 Contractor shall Collect Solid Waste and Bulky Items abandoned by Generators in the City. Contractor
1280 shall dispatch a truck to Collect abandoned materials at locations in the City identified by Contractor or at
1281 locations identified by the City. In instances when the Contractor has received verbal or written request
1282 from the City to Collect abandoned waste at a specific location, Contractor shall Collect abandoned waste
1283 from such location within forty-eight (48) hours of receiving the verbal or written request unless special
1284 circumstances warrant a longer period, in which case Contractor shall notify the City of such circumstances
1285 and the need for additional time to Collect materials within twenty-four (24) hours of the City's verbal or
1286 written notice to Collect abandoned waste. Contractor shall be responsible for Collection, Transportation,
1287 and Disposal of such material. Contractor shall record the date, time, location, and description of material
1288 Collected including estimated volume of such material; location where such material was Disposed; and
1289 cost of Disposal. Copies of receipts from the Approved Disposal Site for Disposal of abandoned Solid
1290 Waste shall be made available by Contractor upon request by the City.

1291 **5.9 Transfer Station Drop-Off Service**

1292 **5.9.1 Community Drop-off Events**

1293 Contractor shall arrange and provide one (1) drop-off event per calendar year at the Approved Transfer
1294 Site, wherein City residents may drop-off up to up to seven (7) cubic yards of Yard Trimmings at no charge
1295 to the City or residents. Contractor may require that participating residents show proof of residency within
1296 the City. Such proof of residency may include, but is not limited to, a valid drivers' license or other form
1297 of photo identification. Contractor shall notify residents of the scheduled drop-off event through a billing
1298 insert, and shall publish notice in no fewer than two (2) local news publications no later than fourteen
1299 (14) days prior to the scheduled event date. Contractor shall schedule the drop-off event in the fall.

1300 5.9.2 Ongoing Drop-Off Service

1301 Contractor shall accept, and Divert from Disposal, Source Separated Recyclable Materials (at the Buy Back
1302 Center), clothing, and other textiles, and up to five (5) gallons of used cooking oil per Customer per visit,
1303 delivered by Single-Family Customers to the Approved Transfer Site during regular facility open hours at
1304 no charge to the Customers or City. Contractor may require that participating residents show proof of
1305 residency within the City. Such proof of residency may include, but is not limited to, a valid drivers' license
1306 or other form of photo identification.

1307 5.9.3 Reuse Trailer

1308 Contractor shall operate and maintain at the Approved Transfer Site a "Reuse Trailer" where reusable
1309 items including but not limited to recovered Bulky Items may be stored and made available for visitors to
1310 the Approved Transfer Site for reuse. Operation of the Reuse Trailer shall be provided during regular
1311 facility open hours at no cost to Customers or the City.

1312 5.10 E-Waste and U-Waste Collection**1313 5.10.1 On-Call E-Waste Collection**

1314 In addition to Collection of E-Waste during on-call clean-up events, Contractor shall offer Single-Family,
1315 Multi-Family, and Commercial Customers Collection of E-Waste on an on-call basis upon Customer
1316 request at City-approved Rates on the Rate Schedule in Exhibit G.

1317 5.10.2 Single-Family Cell Phone and Household Battery Collection

1318 Contractor shall provide weekly Collection of cell phones and household batteries from Single-Family
1319 Customers on the same day as Solid Waste, Recyclable Materials, and Organic Materials are Collected
1320 from the Customers. Contractor shall Collect cell phones and household batteries contained in a sealed
1321 plastic bag placed on top of the Recyclable Materials Cart. Contractor shall not be required to Collect
1322 automobile batteries through this program.

1323 5.10.3 E-Waste and U-Waste Drop-Off

1324 Effective upon Contractor's receipt of the applicable permits authorizing such service (which are being
1325 applied for and are expected to be completed by September 1, 2018), Contractor shall provide a drop-off
1326 service at the Approved Transfer Station Site at no cost that enables City residents to drop-off: fluorescent
1327 bulbs, household batteries, cell phones, automotive batteries, paint, Used Motor Oil and Filters, and other
1328 similar E-Waste and U-Waste in accordance with Applicable Law, but not hazardous materials. The drop-
1329 off area shall be open 8:00AM to 4:00PM seven (7) days per week (except legal Holidays).

1330 5.11 Hazardous Waste

1331 If Contractor determines that material placed in any Container for Collection is Hazardous Waste,
1332 Designated Waste, or other material that may not legally be Disposed of or handled at the Approved
1333 Facilities or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to

1334 accept such material. However, Contractor shall accept: Used Motor Oil and Filters placed by Generator
1335 for Collection as a Recyclable Material; E-Waste accepted on an on-call basis or through Single-Family on-
1336 call clean-up service. The Generator will be contacted by the Contractor and requested to arrange proper
1337 Disposal. If the Generator cannot be reached immediately, the Contractor shall, prior to leaving the
1338 Premises, leave a tag at least two (2) inches by six (6) inches which lists the phone number for the Alameda
1339 County Household Hazardous Waste program, indicating the reason for refusing to Collect the material.
1340 If the material could possibly result in imminent danger to people or property, the Contractor shall notify
1341 the Livermore/Pleasanton Fire Department using the 911 emergency number as soon as possible.

1342 The Contractor shall notify the City of any Hazardous Waste left at any Premises for fourteen (14) or more
1343 calendar days.

1344 If Hazardous Waste is delivered to the Approved Facilities by Contractor before its presence is detected
1345 and the Generator cannot be identified or fails to remove the material after being requested to do so, the
1346 Contractor shall arrange for its proper Disposal. The Contractor shall make a good faith effort to recover
1347 the cost of Disposal from the Generator, and the cost of this effort, as well as the cost of Disposal shall be
1348 chargeable to the Generator. The Contractor shall be entitled to include the costs incurred under this
1349 Section as an operating expense for purposes of compensation under Article 8 and shall include all sums
1350 recovered by it from Generators as "Other Income."

1351 **5.12 Transportation of Collected Materials**

1352 Contractor shall Transport all Solid Waste, Recyclable Materials, Organic Materials, C&D and Bulky Items
1353 Collected under this Agreement to the Disposal, Processing, or Organic Materials Processing Sites
1354 approved by the City. Contractor shall maintain accurate records of the quantities of Solid Waste,
1355 Recyclable Materials, Organic Materials, C&D and Bulky Items Transported to each Approved Facility and
1356 will cooperate with City in any audits or investigations of such quantities.

1357 Prior to delivering Collected materials for Processing and/or Disposal, Contractor shall Transport Solid
1358 Waste, Recyclable Materials, Organic Materials, C&D and Bulky Items Collected in the City to the Approved
1359 Transfer Site where the materials will be unloaded from Collection vehicles and loaded into large-capacity
1360 vehicles and Transported to the appropriate Approved Processing Site and/or Approved Disposal Site. If
1361 the Contractor is unable to use said facility then the Contractor shall be responsible for making other
1362 Transportation arrangements. In such event, Contractor shall not be compensated for any additional
1363 costs. If the Contractor plans to change its Transfer method, Contractor shall obtain written approval
1364 from the City prior to making the change.

1365 Any and all Transfer, Processing, and other material handling activities performed in the City shall occur
1366 in an enclosed facility and areas used for parking, vehicle access, and operations shall be paved. A site in
1367 the City used for material handling activities of any kind will be subject to the City's strict development
1368 permit review process.

1369 5.13 Disposal and Processing of Collected Materials**1370 5.13.1 Solid Waste Disposal**

1371 **A. General.** Contractor agrees to Transport and deliver all Solid Waste it Collects in the City to the
1372 Approved Disposal Site. Contractor shall pay all costs associated with Transfer (if applicable),
1373 Transporting, and Disposing Solid Waste. Any and all Transfer, and other material handling activities
1374 performed in the City shall only occur at a facility which is in compliance with all City permit
1375 requirements and all other Applicable Law that applies to operations at such facility.

1376 **B. Disposal Arrangements.** Contractor shall secure sufficient capacity to Dispose Solid Waste
1377 Collected under this Agreement and shall cause the Approved Disposal Site to Dispose the Solid
1378 Waste. Contractor shall provide the City, upon request, with documentation demonstrating the
1379 availability of such capacity.

1380 Contractor shall keep all existing permits and approvals necessary for use of the Approved Disposal
1381 Site(s) in full regulatory compliance or confirm that the Owner or operator of such facility does so.
1382 Contractor shall, upon request, provide copies of permits and/or notices of violation of permits to
1383 the City.

1384 Contractor may change its selection of the Approved Disposal Site following City's written approval,
1385 but Contractor shall not be compensated for any increased Transportation and Processing costs.
1386 Contractor will bear any increased Transportation and Processing costs associated with a
1387 Contractor-initiated change in the Approved Disposal Site. In such case, Contractor shall guarantee
1388 the same Disposal Cost specified in Exhibit F associated with the use of Disposal Site(s) different
1389 from the Approved Disposal Site. If Contractor elects to use a Disposal Site(s) that is different than
1390 the Approved Disposal Site, it shall request written approval from the City sixty (60) calendar days
1391 prior to use of the site and obtain the City's written approval no later than ten (10) calendar days
1392 prior to use of the site.

1393 Below is information about the Approved Disposal Site selected by the Contractor:

- 1394 • Facility name: Vasco Road Landfill
- 1395 • Owner: Republic Industries
- 1396 • Operator: Republic Industries
- 1397 • Address: 4001 N. Vasco Road, Livermore, CA
- 1398 • Contact Person and telephone number: Mike Caprio (209) 482-7966
- 1399 • Current term and opportunities for extension of agreement: Negotiations are in process

1400 Method of allocating Solid Waste Disposed to the City (from among two or more jurisdictions):
1401 allocation by inbound weight. Contractor shall Collect Solid Waste generated in the City in
1402 Collection Vehicles separately from other Solid Waste generated outside the City and shall weigh
1403 each vehicle so that the Tonnage of Solid Waste can be documented on a per-load basis with
1404 supporting documentation (such as a certified weight ticket or tag).

1405 If Contractor is unable to use the Approved Disposal Site due to an emergency or sudden unforeseen
1406 closure of the Approved Disposal Site, Contractor may use an alternative Disposal Site provided that
1407 the Contractor provides verbal and written notice to the City and receives written approval from
1408 the City at least twenty-four (24) hours prior to the use of an alternative Disposal Site. The
1409 Contractor's written notice shall include a description of the reasons the Approved Disposal Site is
1410 not feasible and the period of time Contractor proposes to use the alternative Disposal Site.
1411 Contractor shall not be compensated for any increased Transportation and Disposal costs associated
1412 with the use of Disposal Site(s) different from the Approved Disposal Site.

1413 **C. Transport.** The Contractor is responsible for Transporting Collected Solid Waste to the Approved
1414 Disposal Site by large-capacity Transfer vehicle haul. If the Contractor plans to change its Transport
1415 method, Contractor shall obtain written approval from the City prior to making the change; pay all
1416 costs; and shall not be reimbursed for any additional costs. The City shall approve the Transport
1417 method, and the duration the Transport method is expected to remain in use.

1418 **D. Reporting.** Contractor shall provide reports on Recyclables Processing as required by Sections 6.3,
1419 and 6.4.

1420 **5.13.2 Recyclables Processing**

1421 **A. General.** Contractor agrees to Transport and deliver all Source Separated Recyclable Materials it
1422 Collects in the City to the Approved Recyclable Materials Processing Site. Contractor shall pay all
1423 costs associated with Transfer (if applicable), Transporting, Processing, and marketing Recyclable
1424 Materials. Residue remaining after Recyclable Materials Processing shall be Disposed of by
1425 Contractor or the Processing Site Subcontractor at a Disposal Site selected by Contractor or the
1426 Processing Site Subcontractor. Any and all Transfer, Processing, and other material handling
1427 activities performed in the City shall occur only at a facility which is in compliance with all City permit
1428 requirements and all other Applicable Law that applies to operations at such facility. A site in the
1429 City used by Contractor for material handling activities of any kind will be subject to the City's strict
1430 development permit review process.

1431 **B. Processing Arrangements.** Contractor shall secure sufficient capacity to Process Recyclable
1432 Materials Collected under this Agreement and shall cause the Approved Recyclable Materials
1433 Processing Site to Process and market the Recyclable Materials. Contractor shall provide the City,
1434 upon request, with documentation demonstrating the availability of such capacity.

1435 If Contractor provides these services it shall make a good faith effort to achieve a Residue level no
1436 greater than twenty-five percent (25%), where the Residue level shall be calculated as 100
1437 multiplied by the monthly Tonnage of Processing Residue requiring Disposal divided by the total
1438 monthly Tonnage of Recyclable Materials Collected. If the Contractor does not provide these
1439 services it shall contractually require of the third party processor that it achieve this Residue level.
1440 If Contractor cannot obtain such contract provision, so notifies City Contract Manager and provides
1441 evidence, reasonably satisfactory to the City, that such terms are not commercially available, the
1442 City Contract Manager shall waive this obligation.

1443 Contractor shall keep all existing permits and approvals necessary for use of the Recyclable
1444 Materials Processing Site(s) in full regulatory compliance or confirm that the Owner or operator of

1445 such facility does so. Contractor shall, upon request, provide copies of permits and/or notices of
1446 violation of permits to the City.

1447 Contractor may change its selection of the Approved Recyclable Materials Processing Site following
1448 City's written approval, but Contractor shall not be compensated for any increased Transportation
1449 and Processing costs. Contractor will bear any increased Transportation and Processing costs
1450 associated with a Contractor-initiated change in the Approved Recyclable Materials Processing Site.
1451 In such case, Contractor shall guarantee the same net Processing Cost specified in Exhibit F or shall
1452 increase the net Processing Costs (if the amount is a net revenue) associated with the use of
1453 Processing Site(s) different from the Approved Recyclable Materials Processing Site. If Contractor
1454 elects to use a Recyclable Processing Site(s) that is different than the Approved Recyclable Materials
1455 Processing Site, it shall request written approval from the City sixty (60) calendar days prior to use
1456 of the site and obtain the City's written approval no later than ten (10) calendar days prior to use of
1457 the site.

1458 Below is information about the Approved Recyclable Materials Processing Site selected by the
1459 Contractor:

- 1460 • Facility Name: Pleasanton Transfer Station and Material Recovery Facility
- 1461 • Owner: Pleasanton Garbage Service, Inc.
- 1462 • Operator: Pleasanton Garbage Service, Inc.
- 1463 • Address: 3110 Busch Road in Pleasanton, CA
- 1464 • Contact Person and telephone number: Robert Molinaro (925) 846-2042
- 1465 • Current term and opportunities for extension of agreement: N/A
- 1466 • Method of allocating Recyclable Materials Diverted by material type and Processing Residue
1467 to the City (from among two or more jurisdictions): allocation by inbound weight for
1468 Recyclable Materials and for Processing Residue.

1469

1470 Contractor shall Collect Recyclable Materials generated in the City in Collection Vehicles separately
1471 from other Recyclable Materials generated outside the City and shall weigh each vehicle so that the
1472 Tonnage of Recyclable Materials can be documented on a per-load basis with supporting
1473 documentation (such as a certified weight ticket or tag). Periodically, the Contractor shall review
1474 its marketing records to calculate the volume of Recyclable Materials received at the Approved
1475 Recyclable Materials Processing Site and marketed to determine the percentage of various
1476 Recyclable Materials (e.g., glass, newspaper, cardboard, PET, HDPE, aluminum, etc.) and the City's
1477 Residue level. The percentages determined from the review of marketing records shall be used to
1478 allocate the total Tonnage Collected in the City into various categories of Recyclable Materials and
1479 Residue.

1480 If Contractor is unable to use the Approved Recyclable Materials Processing Site due to an
1481 emergency or sudden unforeseen closure of the Approved Recyclable Materials Processing Site,
1482 Contractor may use an alternative Processing Site provided that the Contractor provides verbal and
1483 written notice to the City and receives written approval from the City at least twenty-four (24) hours
1484 prior to the use of an alternative Processing Site. The Contractor's written notice shall include a

1485 description of the reasons the Approved Recyclable Materials Processing Site is not feasible and the
1486 period of time Contractor proposes to use the alternative Processing Site. Contractor shall not be
1487 compensated for any increased Transportation and Processing costs and shall guarantee the net
1488 Processing Cost specified in Exhibit F or shall increase the net Processing Costs (if net revenues)
1489 associated with the use of Processing Site(s) different from the Approved Recyclable Materials
1490 Processing Site. If the alternative Processing Site is located in the City, the material handling and
1491 Processing operations shall occur in an enclosed facility and areas used for parking, vehicle access,
1492 and operations shall be paved.

1493 **C. Transport.** The Contractor is responsible for Transporting Collected Recyclable Materials to the
1494 Approved Recyclable Materials Processing Site by large-capacity Transfer vehicle haul. If the
1495 Contractor plans to change its Transport method, Contractor shall obtain written approval from the
1496 City prior to making the change; pay all costs; and shall not be reimbursed for any additional costs.
1497 The City shall approve the Transport method, and the duration the Transport method is expected
1498 to remain in use.

1499 **D. Marketing.** The Contractor shall be responsible for marketing Recyclable Materials that Contractor
1500 Collects in the City, including materials Collected during on-call clean-up and on-call Bulky Item/E-
1501 Waste pick-up events. Contractor shall be compensated by the end users/market place for such
1502 Recyclable Materials at no less than fair market value.

1503 Contractor shall prepare and maintain a City-approved marketing plan for all Recyclable Materials
1504 Collected in the City. The plan, which shall be approved by City Contract Manager or their designee,
1505 shall be in place on or before the Commencement Date of this Agreement. The marketing plan shall
1506 fully describe the Contractor's marketing methods and approach, targeted primary and contingent
1507 markets, pricing policy and assumed salvage value for each Collected type of Recyclable Material
1508 products, and contingency plans when market conditions are severe.

1509 Upon request, Contractor shall provide proof to the City that all Recyclable Materials Contractor
1510 Collects in the City are marketed for Recycling or reuse in such a manner that materials shall be
1511 considered as Diverted in accordance with the State regulations established by AB 939. All Residual
1512 material from the Processing activities that is not marketed for use shall be accounted for as
1513 Disposal Tonnage at a permitted Disposal Site. No Recyclable Materials shall be Transported to a
1514 domestic or foreign location if Solid Waste Disposal of such material is its intended use.

1515 Annually, the Contractor shall update its marketing plan and submit it to the City for approval
1516 pursuant to Section 6.3.4. Contractor shall provide City with a list of broker/buyers it has used during
1517 the preceding twelve (12) months, if requested by City. If Contractor becomes aware that a broker
1518 or buyer has illegally handled or Disposed of material generated by the City or elsewhere,
1519 Contractor shall immediately inform the City and terminate its contract or working relationship with
1520 such party.

1521 **E. Reporting.** Contractor shall provide reports on Recyclables Processing as required by Section 6.3.

1522 **5.13.3 Organic Materials Processing**

1523 **A. General.** Contractor shall Transport all Organic Materials Collected in the City to the Approved
1524 Organic Materials Processing Site. Contractor shall pay all costs associated with Transfer (if

1525 applicable), Transporting, Processing, Composting and marketing Organic Materials. All Organic
1526 Materials shall be processed for use as Compost, mulch, or soil amendment and none shall be
1527 Disposed or used as Alternative Daily Cover. Residue from the Organic Materials Processing
1528 activities shall be Disposed of by Contractor or the Organic Materials Processing Site Subcontractor
1529 at a Disposal Site selected by the Contractor or the Organic Materials Processing Site Subcontractor.

1530 Any and all Transfer, Processing, Composting, and other material handling activities performed in
1531 the City shall occur in an enclosed facility and areas used for parking, vehicle access, and operations
1532 shall be paved.

1533 B. **Processing Arrangements.** Contractor shall secure sufficient capacity with sufficient term to
1534 Process and Compost Organic Materials Collected under this Agreement and Contractor will cause
1535 the Approved Organic Materials Processing Site to Process, Compost, and market Organic Materials.
1536 Promptly upon direction from City, Contractor shall provide City with documentation satisfactory
1537 to City demonstrating availability of Organic Materials Processing and Composting capacity at the
1538 Approved Organic Materials Processing Site and any Approved Transfer Station Site used to deliver
1539 materials to such site.

1540 Contractor shall keep all existing permits and approvals necessary for use of the Approved Organic
1541 Materials Processing Site in full regulatory compliance or confirm that the Owner or operator of
1542 such facility does so. Contractor shall, upon request, provide copies of permits and/or notices of
1543 violation of permits to the City.

1544 Contractor may change its selection of the Approved Organic Materials Processing Site following
1545 City's written approval, but the Contractor's Compensation and Rates will not be adjusted, and
1546 Contractor will bear any increased Transportation and Processing costs associated with a
1547 Contractor-initiated change in the Approved Organic Materials Processing Site. In such case,
1548 Contractor shall guarantee the same net Organic Materials Processing Cost specified in Exhibit F or
1549 shall reduce the net Organic Materials Processing Costs associated with the use of an Organic
1550 Materials Processing Site(s) different from the Approved Organic Materials Processing Site. If
1551 Contractor elects to use an Organic Materials Processing Site(s) that is different than the Approved
1552 Organic Materials Processing Site, it shall request written approval from the City Manager or their
1553 designee sixty (60) calendar days prior to use of the site and obtain the City's written approval no
1554 later than ten (10) calendar days prior to use of the site.

1555 Below is information about the Approved Organic Materials Processing Site selected by the
1556 Contractor:

- 1557 • Facility Name: Blossom Valley Organics Composting Facility
- 1558 • Owner: Recology, Inc.
- 1559 • Operator: Recology, Inc.
- 1560 • Address: 3909 Gaffery Rd. Vernalis, CA 95385
- 1561 • Contact Person and telephone number: David Taylor (209) 395-9506
- 1562 • Current term and opportunities for extension of agreement: City currently in the process of
1563 obtaining a new agreement for these services.

- 1564 • Method of allocating materials Diverted and Processing and Composting Residue to the City
1565 (from among two or more jurisdictions): allocation by inbound weight for Organic Materials
1566 and for Composting Residue.

1567 Contractor shall Collect Organic Materials generated in the City in Collection Vehicles separately
1568 from other Organic Materials generated outside the City and shall weigh each vehicle so that the
1569 Tonnage of Organic Materials can be documented on a per-load basis with supporting
1570 documentation (such as a certified weight ticket or tag). Periodically, the Contractor shall review
1571 Tonnage records and marketing records to determine the City's Residue level and the average
1572 percentage of products marketed from the Compost Product (e.g., Compost, mulch, soil
1573 amendment, etc.). The percentages determined from the review of Tonnage and marketing records
1574 shall be used to allocate the total Tonnage Collected in the City into various categories of Organic
1575 Materials and Residue.

1576 If Contractor is unable to use the Approved Organic Materials Processing Site due to an emergency
1577 or sudden unforeseen closure of the Approved Organic Materials Processing Site, Contractor may
1578 use an alternative Processing Site provided that the Contractor provides verbal and written notice
1579 to the City and receives written approval from the City at least twenty-four (24) hours prior to the
1580 use of said alternative Processing Site. The Contractor's written notice shall include a description
1581 of the reasons the Approved Organic Materials Processing Site is not feasible and the period of time
1582 Contractor proposes to use the alternative Organic Materials Processing Site. Contractor shall not
1583 be compensated for any increased Transportation and Processing costs associated with the use of
1584 Organic Materials Processing Site(s) different from the Approved Organic Materials Processing Site.

1585 **C. Processing Standards.** The following Processing standards shall be met by the Approved Organic
1586 Materials Processing Site:

- 1587 1. Pre-Processing activities shall include, at a minimum, the inspection for and removal of
1588 Hazardous Waste and removal of plastic bags.
- 1589 2. Composting shall be accomplished by the use of recognized Composting methods, which have
1590 been demonstrated to be able to consistently produce stable, mature Compost Product that
1591 is suitable for general purpose use, similar to the U.S. Composting Council's Class 1 rating.
- 1592 3. Post-Composting Processing activities shall include screening to remove plastics and other
1593 contaminants from the Compost Product.
- 1594 4. The Approved Organic Materials Processing Site Owner and/or operator shall cooperate with
1595 the City or its agent(s), including StopWaste.Org (also known as the Alameda County Waste
1596 Management Authority and Alameda Source Reduction and Recycling Board), if the City wants
1597 to collect data, perform field work, and/or evaluate and monitor program results related to
1598 Organic Materials Collected in the City by the Contractor.
- 1599 5. The Approved Organic Materials Processing Site shall maintain an average monthly Residue
1600 level from Organic Materials delivered by Contractor less than five percent (5%) where the
1601 Residue level shall be calculated as 100 multiplied by the monthly Tonnage of Processing or
1602 Composting Residue requiring Disposal divided by the total monthly Tonnage of Organic
1603 Materials Collected. If the Contractor does not provide these services it shall contractually
1604 require of the third party processor that it achieve this Residue level. If Contractor cannot
1605 obtain such contract provision, so notifies City Contract Manager and provides evidence,

1606 reasonably satisfactory to the City, that such terms are not commercially available, the City
1607 Contract Manager shall waive this obligation.

1608 **D. Transport.** The Contractor is responsible for Transporting Collected Organic Materials to the
1609 Approved Organic Materials Processing Site large-capacity Transfer vehicle haul. If the Contractor
1610 plans to change its Transport method, Contractor shall obtain written approval from the City prior
1611 to making the change; pay all costs; and shall not be reimbursed for any additional costs. The City
1612 shall approve the Transport method and the duration the Transport method is expected to be in
1613 use.

1614 **E. Marketing.** Contractor shall market the resulting Compost Product to agricultural growers or other
1615 interested parties. Materials shall be used for Compost, mulch, or soil amendment and none shall
1616 be deposited for Disposal or used as Alternative Daily Cover.

1617 Contractor shall prepare and maintain a City-approved marketing plan for all Organic Materials
1618 Collected in the City. The plan, which shall be approved by City Contract Manager or his/her
1619 designee, shall be in place on or before the Commencement Date of this Agreement. The marketing
1620 plan shall fully describe the Contractor's marketing methods and approach, targeted primary and
1621 contingent markets, pricing policy and assumed value for each type of Compost Product, and
1622 contingency plans when market conditions are severe.

1623 Upon request, Contractor shall provide proof to the City that all Organic Materials Contractor
1624 Collects in the City are marketed for use as Compost Products in such a manner that materials shall
1625 be considered as Diverted in accordance with the State regulations established by AB 939. All
1626 Residual material from the Processing activities that is not marketed for use shall be accounted for
1627 as Disposal Tonnage at a permitted Disposal Site. No Organic Materials shall be Transported to a
1628 domestic or foreign location if Solid Waste Disposal of such material is its intended use.

1629 Annually, the Contractor shall update its marketing plan and submit it to the City for approval
1630 pursuant to Section 6.3.4. Contractor shall provide City with a list of broker/buyers it has used
1631 during the preceding twelve (12) months, if requested by City. If Contractor becomes aware that a
1632 broker or buyer has illegally handled or Disposed of material generated by the City or elsewhere,
1633 Contractor shall immediately inform the City and terminate its contract or working relationship with
1634 such party.

1635 **F. Compost Product Use by City.** Upon request from the City Contract Manager or their designee,
1636 Contractor shall provide up to four hundred (400) cubic yards of Compost Product per calendar year
1637 to the City for use in City parks and facilities at no charge to the City. Contractor shall provide
1638 additional Compost Product requested by the City at a price that is limited to the cost incurred by
1639 the Contractor to purchase and deliver such material to the City.

1640 **G. Compost Product Give-Away.** Contractor shall host one (1) annual Compost Product give-away
1641 event per year, at which each Single-Family Customer in the City may pick-up up to two (2) bags of
1642 Compost Product at no charge upon presenting proof of residency. Contractor shall provide
1643 Compost Product in a total volume per event equivalent to ten percent (10%) of the Organic
1644 Materials Collected under this Agreement in the previous calendar year. At Contractor's option, a
1645 single-use coupon or other ticket-type method may be implemented, subject to City approval, to

1646 prevent residents from receiving more Compost Product than allotted. The annual Compost Product
1647 give-away shall be held at the Approved Transfer Site, or at a site selected by City.

1648 H. **Reporting.** Contractor shall provide reports on Organic Materials Processing as required by Sections
1649 6.3.2, 6.3.3, and 6.4.

1650 **5.13.4 Construction and Demolition Debris Processing**

1651 A. **General.** Contractor agrees to comply with City's Construction and Demolition Debris ordinance
1652 (Municipal Code Section 9.21) and Transport and deliver all C&D it Collects in the City to the
1653 Approved C&D Processing Site. Contractor shall pay all costs associated with Transfer (if applicable),
1654 Transporting, Processing, and marketing C&D. Residue remaining after C&D Processing shall be
1655 Disposed of by Contractor or the Processing Site Subcontractor at a Disposal Site selected by
1656 Contractor or the Processing Site Subcontractor. Any and all Transfer, Processing, and other
1657 material handling activities performed in the City shall occur only at a facility which is in compliance
1658 with all City permit requirements and all other Applicable Law that applies to operations at such
1659 facility.

1660 B. **Processing Arrangements.** Contractor shall secure sufficient capacity to Process C&D Collected
1661 under this Agreement and shall cause the Approved C&D Processing Site to Process and market the
1662 C&D. Contractor shall provide the City, upon request, with documentation demonstrating the
1663 availability of such capacity.

1664 If the Contractor provides these services it shall achieve a Residue level of twenty-five percent (25%)
1665 or less, where the Residue level shall be calculated as 100 multiplied by the monthly Tonnage of
1666 Processing Residue requiring Disposal divided by the total monthly Tonnage of C&D Collected,
1667 taking into account only C&D projects where Contractor Collects all materials. If the Contractor
1668 does not provide these services it shall contractually require of the third party processor that they
1669 achieve this Residue level. If Contractor cannot obtain such contract provision, so notifies City
1670 Contract Manager and provides evidence, reasonably satisfactory to the City, that such terms are
1671 not commercially available, the City Contract Manager shall waive this obligation.

1672 Contractor shall keep all existing permits and approvals necessary for use of the C&D Processing
1673 Site(s) in full regulatory compliance or confirm that the Owner or operator of such facility does so.
1674 Contractor shall, upon request, provide copies of permits and/or notices of violation of permits to
1675 the City.

1676 Contractor may change its selection of the Approved C&D Processing Site following City's written
1677 approval, but Contractor shall not be compensated for any increased Transportation and Processing
1678 costs. Contractor will bear any increased Transportation and Processing costs associated with a
1679 Contractor-initiated change in the Approved C&D Processing Site. In such case, Contractor shall
1680 guarantee the same net Processing Cost specified in Exhibit F or shall increase the net Processing
1681 Costs (if the amount is a net revenue) associated with the use of Processing Site(s) different from
1682 the Approved C&D Processing Site. If Contractor elects to use a C&D Processing Site(s) that is
1683 different than the Approved C&D Processing Site, it shall request written approval from the City
1684 sixty (60) calendar days prior to use of the site and obtain the City's written approval no later than
1685 ten (10) calendar days prior to use of the site.

1686 Below is information about the Approved C&D Processing Site selected by the Contractor:

- 1687 • Facility name: Recycling and Resource Recovery Systems, LLC
- 1688 • Owner: Recycling and Resource Recovery Systems, LLC
- 1689 • Operator: Recycling and Resource Recovery Systems, LLC
- 1690 • Address: 3110 Busch Road in Pleasanton, CA
- 1691 • Contact Person and telephone number: Robert Molinaro (925) 846-2042
- 1692 • Current term and opportunities for extension of agreement: N/A
- 1693 • Method of allocating C&D Diverted by material type and Processing Residue to the City: (from
- 1694 among other jurisdictions):_allocation by inbound weight for C&D Material and for Processing
- 1695 Residue.

1696 Contractor shall Collect C&D generated in the City in Collection Vehicles separately from other C&D
 1697 generated outside the City and shall weigh each vehicle so that the Tonnage of C&D can be
 1698 documented on a per-load basis with supporting documentation (such as a certified weight ticket
 1699 or tag). Periodically, the Contractor shall review its marketing records to calculate the volume of
 1700 C&D received at the Approved C&D Processing Site and marketed to determine the percentage of
 1701 various Salvageable Materials (e.g., asphalt, clean wood, etc.) and the City’s Residue level. The
 1702 percentages determined from the review of marketing records shall be used to allocate the total
 1703 Tonnage Collected in the City into various categories of Salvageable Materials and Residue.

1704 If Contractor is unable to use the Approved C&D Processing Site due to an emergency or sudden
 1705 unforeseen closure of the Approved C&D Processing Site, Contractor may use an alternative
 1706 Processing Site provided that the Contractor provides verbal and written notice to the City and
 1707 receives written approval from the City at least twenty-four (24) hours prior to the use of an
 1708 alternative Processing Site. The Contractor’s written notice shall include a description of the
 1709 reasons the Approved C&D Processing Site is not feasible and the period of time Contractor
 1710 proposes to use the alternative Processing Site. Contractor shall not be compensated for any
 1711 increased Transportation and Processing costs and shall guarantee the net Processing Cost specified
 1712 in Exhibit F or shall increase the net Processing Costs (if net revenues) associated with the use of
 1713 Processing Site(s) different from the Approved C&D Processing Site. If the alternative Processing
 1714 Site is located in the City, the material handling and Processing operations shall occur in an enclosed
 1715 facility and areas used for parking, vehicle access, and operations shall be paved.

1716 **C. Transport.** The Contractor is responsible for Transporting Collected C&D to the Approved C&D
 1717 Processing Site by large-capacity Transfer vehicle haul. If the Contractor plans to change its
 1718 Transport method, Contractor shall obtain written approval from the City prior to making the
 1719 change; pay all costs; and shall not be reimbursed for any additional costs. The City shall approve
 1720 the Transport method, and the duration the Transport method is expected to remain in use.

1721 **D. Marketing.** The Contractor shall be responsible for marketing C&D that Contractor Collects in the
 1722 City. Contractor shall be compensated by the end users/market place for such C&D at no less than
 1723 fair market value.

1724 Contractor shall prepare and maintain a City-approved marketing plan for all C&D Collected in the
1725 City. The plan, which shall be approved by City Contract Manager or their designee, shall be in place
1726 on or before the Commencement Date of this Agreement. The marketing plan shall fully describe
1727 the Contractor's marketing methods and approach, targeted primary and contingent markets,
1728 pricing policy and assumed salvage value for each Collected type of C&D products, and contingency
1729 plans when market conditions are severe.

1730 Upon request, Contractor shall provide proof to the City that C&D Contractor Collects in the City is
1731 marketed for Recycling or reuse in such a manner that materials shall be considered as Diverted in
1732 accordance with the State regulations established by Applicable Law. All Residual material from the
1733 Processing activities that is not marketed for use shall be accounted for as Disposal Tonnage at a
1734 permitted Disposal Site. No C&D shall be Transported to a domestic or foreign location if Solid
1735 Waste Disposal of such material is its intended use.

1736 Annually, the Contractor shall update its marketing plan and submit it to the City for approval
1737 pursuant to Section 6.3.4. Contractor shall provide City with a list of broker/buyers it has used
1738 during the preceding twelve (12) months, if requested by City. If Contractor becomes aware that a
1739 broker or buyer has illegally handled or Disposed of material generated by the City or elsewhere,
1740 Contractor shall immediately inform the City and terminate its contract or working relationship with
1741 such party.

1742 E. **Reporting.** Contractor shall provide reports on C&D Processing as required by Section 6.3, and 6.4.

1743 **5.13.5 Insurance, Indemnifications and Performance Standards**

1744 If Contractor uses a Recyclables Processing Site Subcontractor or Organic Materials Processing Site
1745 Subcontractor, or enters into any contract, agreement or understanding with a party for services related
1746 to Recyclable Materials Processing and marketing, Organic Materials Processing, Composting, and
1747 marketing, or Transfer station services, Contractor shall provide that terms and conditions (such as
1748 insurance requirements, indemnifications, and Processing, Composting, marketing performance, and
1749 Residue guarantees) of any contract, agreement, or other understanding Contractor has with such party
1750 can be enforced by the City as an additional insured or third party beneficiary thereof in the same manner
1751 provided in Article 9 and in a manner reasonably satisfactory to City.

1752 If Contractor or an Affiliate owns or operates the Approved Recyclable Materials Processing Site or
1753 Approved Organic Materials Processing Site, Contractor shall include City as an additional insured on
1754 liability policies and defend and indemnify City in a manner satisfactory to City, and provide that any
1755 materials recovery and marketing performance standards or guarantees made to any other facility
1756 customers are made to City as well, including obligations such as recovered product and Compost Product
1757 quality guarantees and limits on the Residue level.

1758 Contractor shall demonstrate compliance with the requirements of this paragraph on or before the
1759 Commencement Date of this Agreement.

1760 5.13.6 Compliance with Applicable Law

1761 Contractor (or its Subcontractor(s)) warrants throughout the Term that the Approved Recyclable
1762 Materials Processing Site and Approved Organic Materials Processing Site selected by Contractor are
1763 respectively authorized and permitted to accept Recyclable Materials and Organic Materials in accordance
1764 with Applicable Law and is in full compliance with Applicable Law. Contractor shall: (1) verify compliance
1765 for the Approved Recyclable Materials Processing Site and Approved Organic Materials Processing Site
1766 (that neither it nor its Affiliates own) by contacting the local enforcement agency and other regulatory
1767 agencies having jurisdiction over that Approved Recyclable Materials Processing Site and Approved
1768 Organic Materials Processing Site at least quarterly; and (2) upon City direction, shall promptly provide
1769 City with copies of the Approved Recyclable Materials Processing Site and Approved Organic Materials
1770 Processing Site's permits or notice of violations to City.

1771 5.13.7 Compliance with Facility Rules

1772 Contractor (or its Subcontractor(s)) shall observe and comply with all regulations in effect at the Approved
1773 Recyclable Materials Processing Site and Approved Organic Materials Processing Site and cooperate with
1774 the operators thereof with respect to delivery of Recyclable Materials and Organic Materials, including
1775 directions to unload Collection vehicles in designated areas, accommodating operations and maintenance
1776 activities, and complying with Hazardous Waste exclusion programs.

1777 5.13.8 Transportation and Processing Costs

1778 All costs associated with Transporting to and Processing Recyclable Materials and Organic Materials at the
1779 Approved Recyclable Materials Processing Site and Approved Organic Materials Processing Site shall be
1780 paid by Contractor.

1781 5.13.9 Weighing and Record Requirements

1782 Contractor shall ensure that all Solid Waste, Recyclable Materials, and Organic Materials are weighed
1783 upon delivery to the Approved Disposal Site, Approved Recyclable Materials Processing Site, and
1784 Approved Organic Materials Processing Site, and all weight and related delivery information (including
1785 date, time, material type, route and truck number) ("Delivery Data") is recorded. Contractor shall provide
1786 City the name of any driver of any identified delivery promptly upon request by City. If vehicle receiving
1787 and unloading operations are recorded on video cameras at any Approved Disposal, Processing, or Organic
1788 Materials Processing Site, Contractor shall make, or shall use its best efforts to arrange with the facility
1789 operator if other than Contractor to make, those videos available for City review during the facility's
1790 operating hours, upon request of the City.

1791 5.13.10 Disposal of Recyclable and Organic Materials Prohibited

1792 With the exception of Processing and Composting Residue, Recyclable and Organic Materials may not be
1793 Disposed of in lieu of Recycling or Composting the material, without the expressed written approval of
1794 the City. If for reasons beyond its reasonable control, Contractor (or its Subcontractor(s)) believes that it
1795 cannot Divert the Recyclable or Organic Materials from Disposal, then it shall prepare a written request
1796 for approval to Dispose of such material. Such request shall contain the basis for Contractor's belief
1797 (including, but not limited to, supporting documentation), describe the Contractor's efforts to arrange for

1798 the Diversion from Disposal of such material, the period required for such Disposal, the incremental net
1799 cost increases or net cost savings (giving account to the value from the sale of the Recyclable or Organic
1800 Materials) resulting from such Disposal, and any additional information supporting the Contractor's
1801 request. In addition, the request shall describe the Contractor's proposed interim plans for
1802 implementation while the City is evaluating its request. If the City objects to the interim plans, the City
1803 shall provide written notice to the Contractor and request an alternative arrangement. The City shall
1804 consider the Contractor's request and inform Contractor in writing of its decision within sixty (60) calendar
1805 days. If the City approves such request, any difference in the net cost of such Disposal compared to
1806 Diversion shall be adjustment in accordance with Section 8.4. Depending on the nature of the Contractor's
1807 request, the City may extend the sixty (60) day calendar period, at its own discretion, to provide more
1808 time for evaluation of the request and negotiation of an acceptable arrangement with the Contractor.
1809 Contractor shall be excused from its obligations under this Section 5.13.10 during any such period when
1810 it cannot Divert the Recyclable or Organic Materials from Disposal, so long as it has provided the request
1811 and documentation described in this Section and received City's written approval.

1812 **5.13.11 Alternative Facility Designation by City**

1813 The City reserves the right to direct Contractor to Transport and deliver: (i) all Organic Materials Collected
1814 pursuant to this Agreement to an Organic Materials Processing Site other than the Organic Materials
1815 Processing Site selected by the Contractor, and/or (ii) all Recyclable Materials Collected pursuant to this
1816 Agreement to a Recyclables Processing Site other than the Processing Site selected by the Contractor. If
1817 the City exercises its right under this provision and specifies use of an Organic Materials or Recyclable
1818 Materials Processing Site that is different from the Contractor-selected Approved Recyclable Materials
1819 Processing Site or Approved Organic Materials Processing Site, the City shall provide written notice to
1820 Contractor one (1) year before the date the Contractor shall commence use of the City-designated site;
1821 provided, however, that the City may provide such notice to Contractor 90 days prior to the
1822 commencement date for Recyclable and Organic Materials processing contracts being negotiated by City
1823 during 2018. Furthermore, the Contractor's Compensation and Rates will be adjusted for increases or
1824 decreases in Transportation, Processing, and/or Composting costs, if any, in accordance with Sections 4.3
1825 and 8.5, and Contractor shall no longer be subject to the Diversion requirements applicable to such
1826 materials so long as contamination levels in the materials that Contractor delivers to the new Processing
1827 Sites do not exceed mutually agreeable levels.

1828 **5.14 Collection Standards**

1829 **5.14.1 Care of Private Property**

1830 Contractor shall use due care when handling Solid Waste, Recyclable Materials and Organic Materials
1831 Containers. Containers shall not be thrown from trucks, roughly handled, damaged or broken. Containers
1832 shall be returned to the Collection point upright, with lids properly secured. The City may levy Liquidated
1833 Damages for repeat occurrences in accordance with Section 11.6 of this Agreement.

1834 Contractor shall ensure that its employees close all gates opened in making Collections, unless otherwise
1835 directed by the Generator, and avoid crossing landscaped areas and climbing or jumping over hedges and
1836 fences for Collection service provided to the elderly and/or disabled receiving backyard/side yard services
1837 and any Customers paying for backyard/side yard services.

1838 City shall refer Complaints about damage to private property to Contractor. Contractor shall repair all
1839 damage to private property caused by its employees or their vehicles.

1840 **5.14.2 Litter Abatement**

1841 A. **Minimization of Spills.** Contractor shall use due care to prevent Solid Waste, Recyclable Materials,
1842 and Organic Materials from being spilled, scattered, or windblown during the Collection,
1843 Transportation, Processing, or other material handling activity. If any Solid Waste, Recyclable
1844 Materials, or Organic Materials are spilled, scattered, or windblown during Collection,
1845 Transportation, Processing, or other material handling activity, the Contractor shall promptly clean
1846 up all Unacceptable Spillage. This clean-up requirement shall apply to cleaning up drift (e.g.,
1847 windblown materials) near the facilities used by the Contractor for Transport, Transfer, or other
1848 material handling activities (including, without limitation, land adjacent to the Approved Transfer
1849 Site).

1850 Contractor shall not transfer loads from one vehicle to another on any public street, unless it is
1851 necessary to do so because of mechanical failure; hot load (combustion of material in the truck);
1852 accidental damage to a vehicle or unless approved by the City.

1853 B. **Cleanup.** During Collection, the Contractor shall clean up Litter (whether or not Contractor has
1854 caused the Litter) and Unacceptable Spills in the immediate vicinity of any Solid Waste, Recyclable
1855 Materials or Organic Materials storage area (including the areas where Collection Bins and Drop
1856 Boxes are delivered for Collection). Each Collection vehicle shall carry a broom and shovel at all
1857 times for the purpose of cleanup of Litter and Unacceptable Spills. Cat-litter or similar absorbent
1858 material shall be used for liquid spill cleanups. The Contractor shall discuss instances of repeated
1859 spillage not caused by it directly with the Generator responsible and will report such instances to
1860 City. In situations where the Contractor has already attempted to do so without success, the City
1861 will attempt to rectify such situations with the Generator.

1862 C. **Covering of Loads.** Contractor shall cover all open Drop Boxes at pick-up location prior to Transport
1863 to the Disposal Site or Processing Site.

1864 **5.14.3 Hours of Collection**

1865 Contractor shall maintain a current schedule of routes for Collection operations, and shall make such
1866 schedule available to the City Contract Manager, or their designee, upon request. Such schedule shall be
1867 subject to final review and approval by the City Contract Manager or their designee. If, in the judgement
1868 of the City Contract Manager or their designee, conditions warrant a temporary departure from the days
1869 and hours of Collection as determined by the City Council, City Contract Manager or their designee may
1870 authorize Collection on such days and during such hours as City Contract Manager or their designee deems
1871 appropriate after consultation with Contractor. To the extent reasonably possible, Collection on each
1872 route shall commence at the same point, at the same time, and follow the same route each time
1873 Collections are made.

1874 5.14.4 Noise

1875 All Collection operations shall be conducted as quietly as possible and shall conform to applicable Federal,
1876 State, County, and City noise level regulations. Additional requirements are specified in Section 5.15.2.

1877 5.14.5 Holiday Collection Schedule

1878 During the week of a Holiday, Collection may not occur on the Holiday but shall occur on the day following
1879 the Holiday, except when the Holiday falls on a Saturday or Sunday Collection shall occur on the first
1880 Monday following the Holiday. The Contractor shall provide at least a two (2) week advance notice to all
1881 Customers regarding the Holiday week schedule changes.

1882 5.14.6 Permanent Changes in Service Days

1883 The regularly scheduled day for Single-Family Collection may be changed with prior written approval from
1884 the City. Once approved, Single-Family Customers shall be notified four (4) weeks prior to any schedule
1885 changes to Solid Waste, Recyclable Materials, and Organic Materials services. Contractor shall not permit
1886 any Customer to go more than seven (7) calendar days without service during a Collection schedule
1887 change.

1888 5.14.7 Load Inspection Program

1889 Contractor shall develop and implement a program to detect and discover Hazardous Waste and shall not
1890 knowingly accept such material at the time of Collection. The load inspection program shall include the
1891 following steps: Collection vehicle drivers shall receive regular training (at least four (4) times annually)
1892 to identify Hazardous Wastes and methods for handling these materials once spotted. All Contractor
1893 facilities shall have waste exclusion programs in place to screen for and eliminate Hazardous Waste from
1894 the materials received. Random inspections of loads Collected and visual screening shall be periodically
1895 conducted by the Contractor at its facilities or at the Approved Disposal Site, Approved Recyclable
1896 Materials Processing Site, or Approved Organic Materials Processing Site when materials are unloaded
1897 from the Collection vehicle. Records of load checks and copies of the employee training records shall be
1898 maintained at Contractor's facilities. When Hazardous Waste is found, it shall be returned to the
1899 Generator if possible. If the Hazardous Waste cannot be returned to the Generator, Contractor shall place
1900 Hazardous Waste in an authorized storage location and arrange for proper disposal of such material at its
1901 own costs. (See also Sections 5.11 and 5.18.3.)

1902 5.14.8 Improper Set-Out and Non-Collection Notices

1903 Contractor shall instruct all Customers and Generators as to any necessary preparation of materials and
1904 the proper placement of Containers for Collection. Contractor shall notify Customers who fail to follow
1905 these instructions by attaching a two (2) inch by six (6) inch tag to the Container with a description of how
1906 Customer has violated such instructions. In the event of non-Collection as a result of such violation,
1907 Contractor shall clearly indicate on the tag the reason for non-Collection and what steps must be taken
1908 by Customer to recommence service. In cases of extreme or repeated failure to comply with the
1909 instructions, Contractor shall notify the City of the Customer's repeated failures.

1910 5.15 Vehicles**1911 5.15.1 General**

1912 Throughout the Term, Contractor shall provide a fleet of Collection vehicles sufficient in number and
1913 capacity to efficiently perform the work required by the Agreement in strict accordance with its terms.
1914 Contractor shall have available sufficient back-up vehicles for each type of Collection vehicle used (e.g.,
1915 side loader, front loader, roll-off, etc.) to respond to Complaints and emergencies.

1916 Contractor shall Collect Solid Waste, Recyclable Materials, and Organic Materials generated in the City in
1917 Collection Vehicles separately from each other and from other materials generated outside the City.
1918 Contractor shall weigh each vehicle at the Approved Facilities so that the Tonnage of materials can be
1919 documented on a per-load basis by material type with supporting documentation (such as a certified
1920 weight ticket or tag).

1921 5.15.2 Specifications

1922 All vehicles used by Contractor in providing Collection services shall be registered with the California
1923 Department of Motor Vehicles. All such vehicles shall have watertight bodies designed to prevent leakage,
1924 spillage, or overflow. All such vehicles shall comply with U.S. Environmental Protection Agency (EPA) noise
1925 emission regulations and other applicable noise control regulations. Any vehicle that does not comply
1926 with noise level requirements stated in Section 5.14.4 shall be prohibited from performing services under
1927 this Agreement.

1928 As required by law, Contractor shall comply with State and federal regulations including, but not limited
1929 to: (i) the California Air Resources Board Heavy Duty Engine Standards, contained in CCR Title 13, Section
1930 2020 et seq; and, (ii) the Federal Environmental Protection Agency's Highway Diesel Fuel Sulfur
1931 regulations (Section 209(b) of the Clean Air Act, as amended, 42 U.S.C. 7543(b)). In addition, Contractor
1932 shall plan to comply with all State and federal regulations related to emissions control using engines,
1933 vehicles, and/or control technologies that meet or exceed the 2018 or later model year vehicle and engine
1934 requirements. If Contractor needs to convert, retrofit, or replace its Collection vehicles to be in full
1935 compliance with local, State and federal clean air requirements (including compliance with requirements
1936 for 2018 or later model year vehicles) in effect on the Commencement Date of the Agreement, the costs
1937 for such changes shall be the sole responsibility of the Contractor and shall not be reimbursed through a
1938 change in Contractor's Compensation or Rates. To the extent that clean air requirements become more
1939 or less stringent after the Commencement Date of the Agreement, Contractor Compensation or Rates
1940 shall be adjusted upward or downward to reflect reasonable and actual costs of modification subject to
1941 prior approval from the City.

1942 5.15.3 Vehicle Identification

1943 Contractor's name, local address and telephone number, and a unique vehicle identification number for
1944 each vehicle shall be prominently displayed on all vehicles, in letters and numbers no less than six (6)
1945 inches high. Contractor shall not place the City's logo on its vehicles. Contractor shall not use vehicles
1946 identified for use in Pleasanton in any other jurisdiction without prior approval from the City.

1947 **5.15.4 Inventory**

1948 Contractor shall furnish sufficient Collection and transfer vehicles to provide all service required under
1949 this Agreement. Contractor shall furnish the City a written inventory of all vehicles and Containers,
1950 including Collection vehicles, used in providing service, and shall update the inventory report annually.
1951 The inventory shall list all vehicles by manufacturer, ID number, date of acquisition, type, capacity, and
1952 decibel rating.

1953 **5.15.5 Cleaning and Maintenance**

1954 A. **General.** Contractor shall maintain all of its properties, facilities, and equipment used in providing
1955 service under this Agreement in a safe, neat, clean, and operable condition at all times.

1956 B. **Cleaning.** Vehicles used in the Collection of Solid Waste, Recyclable Materials, and Organic
1957 Materials shall be thoroughly washed and thoroughly steam cleaned a minimum of one (1) time per
1958 week or more frequently if necessary so as to present a clean appearance of the exterior and interior
1959 compartment of the vehicle. City may inspect vehicles at any time to determine compliance with
1960 sanitation requirements. Contractor shall make vehicles available to the Alameda County Health
1961 Department for inspection at any frequency it requests.

1962 C. **Maintenance.** Contractor shall inspect each vehicle daily to ensure that all equipment is operating
1963 properly. Vehicles that are not operating properly shall be taken out of service until they are
1964 repaired and operate properly. Contractor shall perform all scheduled maintenance functions in
1965 accordance with the manufacturer's specifications and schedule. Contractor shall keep accurate
1966 records of all vehicle maintenance, recorded according to date and mileage, and shall make such
1967 records available to the City upon request to the extent necessary to perform the inspections
1968 described in Section 6.7.

1969 D. **Painting.** All vehicles shall be painted on a regular schedule to maintain a clean, professional, new-
1970 like appearance. At any time during the Term, the City may require painting of any vehicle which
1971 does not present a satisfactory appearance and such vehicle shall be painted within thirty (30)
1972 calendar days of the City's written request. All graffiti shall be removed within forty-eight (48) hours
1973 if such graffiti includes any written or pictorial obscenities and otherwise shall be removed within
1974 five (5) Business Days.

1975 D. **Repairs.** Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for
1976 which repairs are needed because of accident, breakdown, or any other cause so as to maintain all
1977 equipment in a neat, clean, safe, and operable condition. If an item of repair is covered by a
1978 warranty, Contractor shall obtain warranty performance. Contractor shall maintain accurate
1979 records of repair, which shall include the date/mileage, nature of repair and the signature of a
1980 maintenance supervisor that the repair has been properly performed. Repairs shall include repair
1981 of cosmetic dents and damage to vehicles so as to maintain a neat appearance of the equipment.

1982 E. **Storage.** Contractor shall arrange to store all vehicles and other equipment in safe and secure
1983 location(s) in accordance with City's applicable zoning regulations.

1984 5.15.6 Operation

1985 Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable safety and
1986 local ordinances. Contractor shall not load vehicles in excess of the manufacturer's recommendations or
1987 limitations imposed by State or local weight restrictions on vehicles. The City shall be notified no later
1988 than seventy-two (72) hours after an inspection is performed by the California Highway Patrol under the
1989 California Motor Vehicle Code Section 34501.12 (Maintenance Facility or Terminal Inspection). All records
1990 of periodic inspections of vehicles to comply with California Motor Vehicle Code Section 34505.5 shall be
1991 available for inspection by City.

1992 5.15.7 GPS Equipment and Monitoring

1993 Contractor shall equip each Collection vehicle with Global Positioning System (GPS) equipment that allows
1994 for tracking the vehicle's activities. The City requires the GPS tracking system to provide vehicle position
1995 and history and the location of each Collection event. Data updates shall be real time or updated every
1996 fifteen (15) minutes. Contractor shall provide the City access to GPS data through a minimum of two (2)
1997 City computers.

1998 5.16 Containers**1999 5.16.1 General**

2000 Contractor shall provide Customers with Collection Containers as requested by the Customer to meet its
2001 desired Service Level. The City has the ownership rights to Containers that were put into service at
2002 Customers' Premises under the prior franchise agreement ("Existing Containers") and is requiring as part
2003 of this Agreement that Contractor acquire these Containers from the City. Contractor shall make an
2004 independent assessment of the condition and anticipated useful life of the Existing Containers and plan
2005 for replacements over the Term of the Agreement. New Container purchases shall comply with the
2006 requirements of this Section 5.16.

2007 If a Customer requests a different Container size, Contractor shall provide Customer with Container(s) in
2008 the requested size within seven (7) Business Days or pay Liquidated Damages pursuant to Section 11.6.

2009 Contractor shall make Compactors available to Customers for purchase or lease and shall allow Customers
2010 to purchase or lease Compactor's through an outside vendor.

2011 5.16.2 Use of Existing Containers

2012 Contractor shall not be responsible for providing all new Containers prior to the Commencement Date,
2013 and shall service the Existing Containers until such time as each Container must be replaced in accordance
2014 with Section 5.16.3.

2015 5.16.3 Purchase of New Containers

2016 Contractor shall be responsible for replacing the Existing Containers when Contractor determines the
2017 Container is no longer suitable for service; or when the City or Customer requests replacement of
2018 Customer's Container that does not properly function, leaks, is damaged, or is otherwise not fit for service.

2019 Contractor shall be responsible for acquiring the replacement Containers as well as maintaining an
2020 inventory of Containers at a level that allows for the Contractor to provide Customers with new,
2021 replacement and different size Containers within seven (7) calendar days of request.

2022 Contractor shall purchase Containers with a useful life of ten (10) years or more and shall depreciate the
2023 Containers over a ten-year (10-year) period. All new Containers shall comply with the standards
2024 presented in Section 5.16.5.

2025 **5.16.4 City Ownership of Containers at end of Term**

2026 Upon expiration or early termination of Agreement, all Carts, Bins, Drop Boxes, and Compactors (for
2027 permanent Customers) purchased and put into service at Customers' Premises during the Term of the
2028 Agreement shall become property of the City at no cost to the City if such Containers are fully-depreciated.
2029 All Carts, Bins, Drop Boxes, and Compactors (for permanent Customers) purchased and put into service at
2030 Customers' Premises during the Term of the Agreement that have not been fully depreciated shall be
2031 available to the City, at the City's option, at a cost reflecting the net book value.

2032 At its sole discretion, the City may elect not to exercise its rights with regards to this Section and, in such
2033 case; the Containers shall remain the property of the Contractor upon the expiration date of this
2034 Agreement or date of its earlier termination of this Agreement. In such case, Contractor shall be
2035 responsible for outstanding depreciation and for removing all Containers in service from Premises within
2036 ten (10) Business Days of the expiration date or early termination date of this Agreement.

2037 **5.16.5 New Container Standards**

2038 Contractor shall provide Containers for storage and Collection of Solid Waste, Recyclable Materials, and
2039 Organic Materials which shall be designed and constructed to be watertight and prevent the leakage of
2040 liquids.

2041 Contractor shall purchase Carts that contain a minimum of 20% post-consumer recycled plastic content
2042 and kitchen pails that contain a minimum of 20% post-consumer recycled plastic content. All Carts and
2043 kitchen pails shall be 100% recyclable.

2044 All new Carts shall be manufactured by injection or rotational molding methods and shall meet the Cart
2045 design, color, and performance requirements provided in Exhibit D. Contractor shall obtain the City's
2046 written approval of Cart specifications before acquisition. Carts provided to Customers shall have a useful
2047 life of ten (10) or more years as evidenced by a manufacturer's warranty or other documentation
2048 acceptable to the City.

2049 All Containers with a capacity of one (1) cubic yard or more shall meet applicable federal regulations for
2050 Bin safety and be covered with attached lids. All Bins, Drop Boxes, and Compactors shall be painted the
2051 Contractor's standard color and shall prominently display the name and telephone number of the
2052 Contractor.

2053 Contractor shall differentiate Solid Waste Containers, Recyclable Materials Containers, and Organic
2054 Materials Containers from each other by: (i) providing Containers of different colors, or (ii) Containers

2055 with different colored lids. Carts shall have bodies and lids in uniform colors that differentiate the different
 2056 material types to be Collected and such plans shall be approved by the City.

2057 As described in Section 5.4.1.C, the kitchen pail shall be made of rigid plastic, and have a capacity of 1.5
 2058 to 2.5 gallons, a wire or plastic handle, and a lid. Contractor must submit kitchen pail order (including
 2059 material and design specifications, colors and identification marks) to City for City’s written approval prior
 2060 to submitting the order to the manufacturer.

2061 **5.16.6 Container Sizes**

2062 Below is a table that summarizes the Container size specifications. In the event of conflicts between
 2063 descriptions in this Section 5.16.6 and Sections 5.2, 5.3, 5.4, and 5.5, the requirements in Sections 5.2, 5.3,
 2064 5.4, and 5.5 shall govern.

Service Type	Single-Family Customers	Multi-Family Customers	Commercial Customers
Solid Waste	<ul style="list-style-type: none"> • 35- or 96-gallon Carts (or similar sizes approved by the City) 	<ul style="list-style-type: none"> • 35- or 96-gallon Carts (or similar sizes approved by the City) • 1 to 6 cubic yard Bins • 10 to 50 cubic yard Drop Boxes and Compactors 	<ul style="list-style-type: none"> • 35- or 96-gallon Carts (or similar sizes approved by the City) • 1 to 6 cubic yard Bins • 10 to 50 cubic yard Drop Boxes and Compactors
Recyclable Materials	<ul style="list-style-type: none"> • 96-gallon Carts (or similar size approved by the City) 	<ul style="list-style-type: none"> • 96-gallon Carts (or similar sizes approved by the City) • 1 to 6 cubic yard Bins • 10 to 50 cubic yard Drop Boxes and Compactors 	<ul style="list-style-type: none"> • 96-gallon Carts (or similar sizes approved by the City) • 1 to 6 cubic yard Bins • 10 to 50 cubic yard Drop Boxes and Compactors
Organic Materials	<ul style="list-style-type: none"> • 96-gallon Carts (or similar sizes approved by the City) • 1.5- to 2.5-gallon kitchen pail upon Customer request 	<ul style="list-style-type: none"> • 96-gallon Carts (or similar sizes approved by the City) • 1 to 6 cubic yard Bins 	<ul style="list-style-type: none"> • 96-gallon Carts (or similar sizes approved by the City) • 1 to 6 cubic yard Bins • 10 to 50 cubic yard Drop Boxes and Compactors • Containers for indoor use pursuant to Section 5.4.2.H

2065

2066 **5.16.7 Container Labeling**

2067 On each Container, Contractor shall label with paint, adhesive label, or white, hot-stamped lettering, the
 2068 type of materials (e.g., Solid Waste, Recyclable Materials, cardboard, mixed paper, Organic Materials,
 2069 Construction and Demolition Debris, wood waste, metal, etc.) to be placed in the Container for Collection.
 2070 The labeling shall be positioned on each Container so it is visible to the Customer at all times.

2071 All Containers shall prominently display the Contractor’s name and phone number in paint or on an
 2072 adhesive label.

2073 Such labeling of Containers shall be completed within one year of the Commencement Date.

2074 5.16.8 Cleaning, Painting, Maintenance

2075 Contractor shall steam clean and repaint all Containers as needed (other than Carts) so as to present a
2076 clean appearance. Contractor shall offer and promote the availability of Customer requested steam
2077 cleaning service (or clean Container exchange) to Cart Customers, and may charge Cart Customers for
2078 such cleaning (or Container exchange) in accordance with City-approved Rates on the Rate Schedule in
2079 Exhibit G.

2080 Contractor shall remove graffiti from Containers within forty-eight (48) hours of identification by
2081 Contractor or notice by City or Customer if such graffiti includes any written or pictorial obscenities and
2082 otherwise within five (5) Business Days.

2083 All Containers shall be maintained in a functional condition. At the City's request, Contractor shall provide
2084 City with a list of Containers and the date each Container was painted and maintained.

2085 5.16.9 Repair and Replacement

2086 Contractor shall repair or replace all Containers which have broken wheels, hinges, or other
2087 nonfunctioning parts or cracks or holes. Contractor shall repair or replace all Containers damaged by
2088 Collection operations within a one (1) week period. If the repair or replacement cannot be completed
2089 within in a week, the Customer shall be notified by Contractor and a larger Container shall be made
2090 available until the proper Container can be replaced.

2091 5.17 Public Education and Technical Assistance**2092 5.17.1 General**

2093 Contractor shall educate Residential and Commercial Customers on the following: (i) the benefit of source
2094 reduction, reuse, Recycling, and Composting and related program opportunities; (ii) proper handling of E-
2095 Waste, U-Waste, and Hazardous Waste; (iii) specific programs offered by the Contractor; and (iv) Rates
2096 for Collection services. The public education program shall include distribution of public education
2097 materials at the commencement of the Agreement, when Collection services are changed during the Term
2098 of the Agreement, and when new Collection services are implemented during the Term of the Agreement.
2099 In addition, the public education program shall include on-going education activities throughout the Term
2100 of the Agreement. Educational media shall include, but not be limited to, newsletters, bill inserts, flyers,
2101 door hangers, notification tags, newspaper advertisements, and direct contact with Customers or Owners
2102 and Occupants of Premises.

2103 Detailed requirements of the public education program and required program staffing are described in
2104 Exhibit B.

2105 Contractor shall ensure that the personnel described in this Section and in Exhibit B shall be responsible
2106 for providing the public education and outreach activities described in Exhibit B, in accordance with the
2107 full-time equivalency stated in Exhibit B, and shall not be utilized to perform other functions within
2108 Contractor's operations, unless authorized in writing by the City.

2109 In the event Contractor fails to perform some or all of the requirements of the public education plan
2110 described in this Section and in Exhibit B, the Contractor shall pay the City Liquidated Damages as
2111 described in Section 11.6.

2112 **5.17.2 Annual Public Education Plan**

2113 As part of the Contractor's third quarterly report (required by Section 6.3.3 of this Agreement) for each
2114 Rate Period, Contractor shall submit an annual update to Contractor's public education plan outlining its
2115 specific planned public education efforts for the coming Rate Period. The plan shall list each public
2116 education piece (e.g., newsletters, bill inserts, flyers, newspaper advertisements, etc.) to be prepared, the
2117 purpose of the piece, the key subject(s) to be covered, and the anticipated date of issuance. In addition,
2118 the plan shall list all events the Contractor plans to attend and the public education it intends to provide
2119 at such event (e.g., exhibit at Earth Day event, presentation at Chamber of Commerce meetings, etc.).
2120 The City shall review and approve the plan.

2121 **5.17.3 Public Education Content and Production Requirements**

2122 Prior to preparing public education materials, Contractor shall discuss with the City its general approach
2123 to preparing the materials and shall determine if the City has any City-specific guidelines to be followed
2124 and if the City wants the Contractor to work with templates prepared by StopWaste.Org (also known as
2125 the Alameda County Waste Management Authority and Alameda County Source Reduction and Recycling
2126 Board) or others.

2127 The public education materials shall emphasize use of visual/graphic images as much as is practical.
2128 Furthermore, the materials shall include a clear listing of program "Dos" and "Don'ts" using visual images
2129 as much as is practical. For example, the "Dos" shall list the types of materials the Customer may place in
2130 its Recyclable Materials or Organic Materials Containers and the "Don'ts" should list prohibited types of
2131 materials and Hazardous Waste.

2132 All public education materials shall be printed on paper containing the highest levels of recycled content
2133 material reasonably practical with a minimum requirement of thirty percent (30%) post-consumer content
2134 based on federal standards.

2135 To address the multi-lingual diversity of the City, public education materials shall use visual images and
2136 English descriptions supplemented with text on the bottom of the public education document in different
2137 languages directing the non-English speaking Customers to telephone a Contractor-provided hotline for
2138 help in their native language. Upon City request, Contractor shall prepare up to four (4) public education
2139 documents annually in one or more languages and distribute the materials to Single-Family, Multi-Family,
2140 and Commercial Customers as specified by the City. Contractor shall arrange for review of the multi-lingual
2141 materials by a third party to verify the accuracy and appropriateness of the translations.

2142 Prior to distribution of any public education materials, Contractor shall provide the City with a copy of the
2143 public education materials for the City's review and approval.

2144 **5.17.4 Signage**

2145 Contractor shall be responsible for preparing, distributing, and posting signage at Commercial and Multi-
2146 Family Premises that promote Recyclable Materials and Organic Materials Collection services, describe
2147 the program requirements, and identify allowable and non-allowable types of materials for Collection. At
2148 a minimum, these signs shall be posted in the Container areas. Upon request of the Customer, Contractor
2149 shall provide signage and Container labeling in Spanish. Within fourteen (14) calendar days of a
2150 Customer's request, Contractor shall provide extra signage for use in areas such as laundry and mail rooms
2151 at Multi-Family Premises and in employee training areas, break rooms, kitchens, and janitorial areas at
2152 Commercial Premises.

2153 **5.17.5 Multi-Family Technical Assistance Program**

2154 Contractor shall provide Recycling technical assistance to Multi-Family Customers to help each Customer
2155 determine how best to provide Recycling service to its tenants. This technical assistance shall include
2156 meetings with property managers at the Premises and on-site assessments of the Multi-Family Premises
2157 to identify appropriate locations for Containers and the number, type, and size of Containers that would
2158 be most suitable. Contractor shall offer the property manager Recycling posters and signage as required
2159 by Section 5.3.3.D. At a minimum, the Contractor's Recycling coordinator shall meet with every property
2160 manager twice annually to work with the property manager to improve Recycling participation levels in
2161 terms of the quantity and quality of Recyclable Materials Collected.

2162 Contractor shall document each site visit using a form approved by the City identifying the name and
2163 address of the Premises, number of tenant units, date of the visit, name of property manager and contact
2164 information, current Recycling and Solid Waste Service Levels and calculated weekly Recycling capacity
2165 per tenant unit, property manager concerns and requests, and actions items. Audit forms shall be
2166 provided to the City in accordance with Section 6.3.3.I.

2167 During the two annual site visits or upon request, Contractor shall restock posters, "How To Guides,"
2168 personal recycling baskets and any other appropriate materials (required by Section 5.3.3.D) and provide
2169 new Container signage if necessary.

2170 Contractor shall provide one half (0.5) full-time Recycling coordinator to provide Multi-Family technical
2171 assistance services.

2172 Other public education requirements for Multi-Family Customers are described in Exhibit B.

2173 **5.17.6 Commercial Technical Assistance**

2174 Contractor shall perform Diversion audits for Commercial Customers. At a minimum, Contractor shall
2175 perform audits for all Customers that request an audit, for all new Commercial Customers, and for twenty
2176 percent (20%) of all Commercial Customers in the City each year. The goal of each audit shall be to provide
2177 assistance to the Customer or its property manager in the development of source reduction, reuse,
2178 Recycling, and Organics Diversion programs. During the first Rate Period, the twenty percent (20%) of the
2179 Customers targeted by the Contractor shall be the Commercial Customers that generate the largest
2180 volumes of Solid Waste (as measured by the total weekly volume of Solid Waste serviced). After
2181 Contractor performs site visits for these large-volume Customers, Contractor shall continue to provide

2182 support to each Customer as requested and shall periodically contact the Customer to offer technical
2183 assistance and answer questions.

2184 Contractor shall, by July 15 of each year, submit to the City a list of the Commercial Customers it proposes
2185 to audit during the Rate Period to comply with the twenty percent (20%) audit requirement and include
2186 justification for selection of the Commercial Customers. Commercial Customers shall be selected so that
2187 one hundred percent (100%) of the Commercial Customers are audited during a five (5) year period so
2188 that each Business is audited once every five (5) years. City shall review the list and provide comments to
2189 the Contractor within ten (10) Business Days of receipt. In the event the City does not provide a response
2190 to the Contractor, the proposed list of Commercial Customers shall be considered acceptable to the City.

2191 Audits shall include, but are not limited to, waste, Recycling, Organic Materials, Diversion, and source
2192 reduction analysis; research of markets for specialized materials generated by the Customer; and
2193 assistance in internal Collection and training efforts.

2194 During site visits and through quarterly newsletters and other public outreach efforts, Contractor shall
2195 offer employee training sessions to Commercial Customers at the Customer's Premises to educate
2196 employees about the Recycling and Organics Collection programs and answer employee questions.
2197 Contractor shall provide the employee training sessions upon Customer request.

2198 Contractor shall document each site visit using a form approved by the City identifying the name and
2199 address of the Premises, type of Commercial business, estimated square footage of the Premises, date of
2200 the visit, name of property manager and contact information, current Recycling and Organics Service
2201 Levels, property manager concerns and requests, training (if any) provided to Customer and/or
2202 employees, and actions items. Audit forms shall be provided to the City in accordance with Section
2203 6.3.3.H.

2204 Contractor shall provide one half (0.5) full-time Recycling coordinator to provide Commercial technical
2205 assistance services.

2206 **5.18 Personnel**

2207 **5.18.1 General**

2208 Contractor shall furnish such qualified drivers, mechanical, supervisory, Customer service, clerical, and
2209 other personnel as may be necessary to provide the services required by this Agreement in a safe and
2210 efficient manner. (See also Section 5.1.)

2211 Contractor recognizes the importance of establishing a successful relationship between its general
2212 manager and City staff (and their agents or designees). Therefore, the Contractor will allow the City the
2213 right to approve the selection of the Contractor's general manager provided that the City's approval is not
2214 unreasonably withheld. The City shall have the right to request that the Contractor replace its general
2215 manager for any of the following reasons:

2216 A. In the event Liquidated Damages levied for events listed in Exhibit E, with the exception of damages
2217 levied for Collection reliability and Collection quality events items 1, 2, and 12 of Exhibit E, in any
2218 three month period exceed \$2,000; or,

- 2219 B. In the event Liquidated Damages levied for Collection reliability and Collection quality events items
2220 1, 2, and 12 of Exhibit E, in any three (3) month period exceed \$45,000; or,
- 2221 C. In the event the City determines, through a review of Billings required by Section 6.14, that
2222 Contractor has under billed or overcharged Single-Family Customers by a rate of three (3) percent
2223 or more of total Single-Family billed revenues or Multi-Family, Commercial and Drop Box Customers
2224 by a rate of one and a half percent (1.5%) of total Multi-Family, Commercial and Drop Box billed
2225 revenues, and Contractor is unable to correct such Billings errors to a rate of one and a half percent
2226 (1.5%) of total Billings of Single-Family Customers and half a percent (0.5%) of total Billings of Multi-
2227 Family Customers, and half a percent (0.5%) of total Billings of Commercial and Drop Box Customers
2228 as demonstrated by a subsequent audit of incorrectly billed accounts conducted in the quarter
2229 immediately following the bi-annual report in which the billing error rate was identified, or that
2230 Contractor fails to submit the bi-annual report required by Section 6.14 within fifteen (15) days of
2231 the due date;
- 2232 D. In the event financial and operational records maintained by the Contractor pursuant to Sections
2233 6.2.1 and 6.2.2 and requested by the City for retrieval by the Contractor are not provided to City
2234 within two (2) weeks of the request.

2235 **5.18.2 Driver Qualifications**

2236 All drivers shall be trained and qualified in the operation of Collection vehicles and must have in effect a
2237 valid license, of the appropriate class, issued by the California Department of Motor Vehicles. Contractor
2238 shall ensure full compliance with the California Department of Motor Vehicles "Employer Pull Notice
2239 Program" (CVC 1808.1).

2240 **5.18.3 Safety Training**

2241 Contractor shall provide suitable operational and safety training for all of its employees who utilize or
2242 operate vehicles or equipment for Collection of Solid Waste, Recyclable Materials, or Organic Materials
2243 or who are otherwise directly involved in such Collection. Contractor shall train its employees involved in
2244 Collection to identify, and not to Collect, Hazardous Waste or Infectious Waste. Training records shall be
2245 available for review by the City upon request. (See also Sections 5.11 and 5.14.7.)

2246 **5.18.4 No Gratuities**

2247 Contractor shall not permit its employees to accept, demand, or solicit, directly or indirectly, any
2248 additional compensation or gratuity from members of the public for the Collection of Solid Waste,
2249 Recyclable Materials, and Organic Materials under this Agreement.

2250 **5.18.5 Employee Conduct and Courtesy**

2251 Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct
2252 themselves in a courteous manner. Contractor shall regularly train its employees in Customer courtesy,
2253 shall prohibit the use of loud or profane language or music, and shall instruct Collection employees to
2254 perform the work as quietly as possible. If any employee is found not to be courteous or not to be

2255 performing services in the manner required by this Agreement, Contractor shall take all appropriate
2256 corrective measures.

2257 **5.18.6 Uniforms**

2258 All employees of the Contractor performing field service under this Agreement shall be dressed in clean
2259 uniforms with employee's name or numbered badge, which also shows Contractor's name, thereon at all
2260 times while engaged in the work; no portion of this uniform may be removed while working.

2261 **5.18.7 Provision of Field Supervision**

2262 Contractor shall designate at least one and one half (1.5) full time qualified employees as supervisor of
2263 field operations. The field supervisor will devote at least one hundred percent (100%) of his or her time
2264 in the field checking on Collection operations, including responding to Complaints.

2265 **5.18.8 Customer Service Representatives**

2266 At a minimum, Contractor shall employ one (1) full time Customer service manager and four (4) full-time
2267 Customer service representatives dedicated exclusively to serving the City and its Customers. The
2268 Customer service representatives shall be trained on specific City service requirements, a minimum of
2269 once per quarter in accordance with Section 6.8.6.

2270 **5.19 Contingency Plan**

2271 Contractor shall submit to City on or before the Commencement Date, a written contingency plan
2272 demonstrating Contractor's arrangements to provide vehicles and personnel and to maintain
2273 uninterrupted service during mechanical breakdowns, and in case of natural disaster, other emergencies,
2274 or labor disputes. This contingency plan shall be specific to the needs of the City and its Customers.

2275 **5.20 Implementation of New Services**

2276 The Contractor acknowledges that the Contractor's implementation of the services required under this
2277 Agreement shall occur in a smooth and seamless manner such that Customers do not experience
2278 disruption in Collection services. Contractor shall be responsible for managing implementation of
2279 Collection services and other related services required under this Agreement and shall do so in accordance
2280 with the implementation plan provided in Exhibit C.

2281 **5.21 Corporation Yard, Transfer Station and Other Facility Requirements**

2282 Contractor shall provide a site to be used for staging Collection equipment and personnel, performing
2283 equipment maintenance, housing administrative and Customer service offices and staff, and receiving and
2284 Transferring Solid Waste, Recyclable Materials and Organic Materials from Contractor's Collection
2285 vehicles and from the public. Contractor shall comply with Applicable Law (including local noise
2286 restrictions), and all land-use or other permits related to conducting operations required by this
2287 Agreement at the site. Contractor shall provide to City copies of all notices of violations at such facilities.
2288 Any fees charged to Customers related to the site must be approved by the City. The Contractor may own

2289 or lease the site. Contractor's proposed total annual costs for services and Rates for Rate Period One
2290 include costs for the corporation yard. If for some reason, the Contractor is unable to secure, develop,
2291 and operate the site that served as the basis of its cost and Rate proposal at the cost it anticipated or
2292 secured an alternative site, Contractor's Compensation and Rates shall not be adjusted to reflect any
2293 differences in costs incurred by the Contractor for site acquisition, development, permitting, operations,
2294 or other related items unless Contractor proposes a reduction in costs. As of the Effective Date, such site
2295 shall be the Pleasanton Transfer Station, located at 3110 Busch Rd, Pleasanton, CA, operating permits for
2296 which are included in Exhibit L, and incorporated here by reference.

2297 **5.22 Minimum Diversion Requirement**

2298 Contractor shall perform services under this Agreement in a manner which supports the City's
2299 environmental goals, and at all times complies with and supports the Alameda County Mandatory
2300 Recycling Ordinance. This includes, but is not limited to, providing services, education, and outreach to
2301 Customers and in the community which promote source reduction, reuse, Recycling, Composting, and
2302 other methods to reduce landfill Disposal. Contractor is expected, during each and every one of its
2303 interactions with Customers, to suggest opportunities for Customers to reduce their Solid Waste
2304 subscription levels and increase the level of Recyclable Materials and Organic Materials service received.
2305 Contractor shall achieve the following minimum annual Diversion Rates:

- 2306 • Materials Collected from Single-Family, Multi-Family, and Commercial Customers: seventy-five
2307 percent (75%) Diversion; and,
- 2308 • C&D Debris Collected: ninety percent (90%) of Portland cement concrete and asphalt concrete, and
2309 at least seventy-five percent (75%) of the remaining C&D (except as otherwise provided in the City
2310 Municipal Code), taking into account only C&D projects where Contractor Collects all materials.

2311 Contractor's Diversion Rate for each category identified above shall be calculated by dividing (i) the Tons
2312 of Salvageable Materials Collected under this Agreement less Processing Residue, by (ii) the total Tons of
2313 Discarded Materials Collected under this Agreement from each applicable Customer sector (as identified
2314 above).

2315 Contractor's ability to achieve the Diversion Rates identified in this Agreement is affected by the amount
2316 of contamination of Salvageable Materials in the Container. Such contamination can be minimized
2317 through effective public education and outreach, monitoring (including but not limited to inspection of
2318 Containers) and working with specific Generators (including but not limited to providing notices of
2319 contamination and non-Collection with copies to the City) all of which are obligations undertaken by the
2320 Contractor in accordance with this Agreement. Notwithstanding any other provision in this Agreement,
2321 if Contractor can demonstrate with documented evidence reasonably satisfactory to the City that such
2322 contamination is preventing Contractor from meeting the relevant Diversion Rate and it has performed
2323 all specific obligations contained in the Agreement as well as all actions performed by similar contractors
2324 with similar contracts, then City agrees to waive any applicable Liquidated Damages and consider
2325 appropriate adjustments to the stated performance standards.

2326 ARTICLE 6. OTHER RELATED SERVICES AND STANDARDS

2327 6.1 Billing**2328 6.1.1 General**

2329 The City shall approve Rates by City Council resolution that Contractor shall charge Customers for the
2330 types of service provided under this Agreement. Contractor shall bill all Customers and collect Billings in
2331 accordance with City-approved policies and Rates on the Rate Schedule in Exhibit G. City shall have the
2332 right to review and revise the Billing format to itemize certain charges, and City and Contractor shall do
2333 so in accordance with the Implementation Plan (Exhibit C).

2334 On each bill, Contractor shall include a brief message to Customers providing service-related
2335 announcements such as messages about new services, the on-call clean-up services, E-Waste services,
2336 and Bulky Item services, proper handling of Household Hazardous Waste and holiday tree Collection, etc.

2337 The Contractor shall prepare, mail and collect bills (or shall issue written receipts for cash payments) for
2338 Collection services provided by Contractor under this Agreement. Bills for Residential service shall be
2339 mailed to Customers quarterly in advance of the provision of service. Bills for Commercial service shall be
2340 mailed to Customers monthly in arrears. If Commercial Customers have centralized service (in which
2341 Containers are shared by more than one Commercial Premises), Contractor shall bill one Customer for
2342 centralized services or, at the request of the Commercial Customers sharing the Containers, Contractor
2343 shall treat each Commercial Premises as a separate Customer and shall bill each Customer for service
2344 costs equal to the Rate divided by the number of Commercial Premises sharing the service.

2345 Contractor shall make arrangements to allow its Customers to pay bills through the following means:
2346 check, cash, credit card, Internet payment service, or automatic withdrawal from banking account.
2347 Contractor shall provide at least one drop-off location in the City where Customers may deposit their
2348 payments.

2349 The Contractor shall maintain copies of said Billings and receipts, each in chronological order, for a period
2350 of three (3) years after the billing date for inspection by City. The Contractor may, at its option, maintain
2351 those records in computer form, on microfiche, or in any other manner, provided that the records can be
2352 preserved and retrieved for inspection and verification in a timely manner.

2353 6.1.2 Bad Debt Collection

2354 Contractor shall be responsible for collection of payment from Customers with past due accounts (“bad
2355 debt”). Contractor shall make reasonable efforts to obtain payment from delinquent accounts through
2356 issuance of late payment notices, telephone requests for payments, and assistance from collection
2357 agencies. Contractor may discontinue service for any Customer whose account remains unpaid for ninety
2358 (90) days after the date of billing as long as the Customer has received a notice on a form approved by the
2359 City stating that service will be discontinued fifteen (15) days from the date of the notice if payment is not
2360 made by that time. On a monthly basis, Contractor shall provide a list of Customers that are sixty (60) days
2361 past due.

2362 6.1.3 Billing Inserts

2363 City may direct Contractor to insert up to ten (10) mailers per year into bills relating to service with the
2364 Billings including inserts prepared by StopWaste.Org (also known as the Alameda County Waste
2365 Management Authority and Alameda County Source Reduction and Recycling Board). The mailers must
2366 fit in standard envelopes. Contractor also agrees to insert with the Billings, mailers describing activities
2367 of the City government. City will provide not less than thirty (30) calendar days' notice to Contractor prior
2368 to the mailing date of any proposed mailing to permit Contractor to make appropriate arrangements for
2369 inclusion of the City's materials. City will provide Contractor the mailers at least fifteen (15) calendar days
2370 prior to the mailing date. The cost of printing such inserts and any additional postage shall either be paid
2371 for by the City or included in the costs upon which Rates are based.

2372 6.2 Records**2373 6.2.1 General**

2374 Contractor shall maintain such accounting, statistical, and other records related to its performance under
2375 this Agreement as shall be necessary to develop the financial statements and other reports required by
2376 this Agreement. Also, Contractor agrees to conduct data collection, information and record keeping, and
2377 reporting activities needed to comply with and to meet the reporting and Solid Waste program
2378 management needs of Contractor and AB 939 and other Federal and State and local laws and regulations
2379 and the requirements of this Agreement. To the extent such requirements are set out in this and other
2380 Articles of this Agreement, they shall not be considered limiting or necessarily complete. In particular,
2381 this Article is intended to only highlight the general nature of records and reports and their minimum
2382 content and is not meant to comprehensively define what the records and reports are to be and their
2383 content. Further, with the written direction from the City, the records and reports to be maintained and
2384 provided by Contractor in accordance with this and other Articles of the Agreement shall be adjusted in
2385 number, format, or frequency. Records and reporting may be revised to reflect current record keeping
2386 and reporting.

2387 Contractor shall maintain records required to conduct its operations, to support requests it may make to
2388 City, and to respond to requests from City. Adequate record security shall be maintained to preserve
2389 records from events that can be reasonably anticipated such as a fire, theft, and earthquake.
2390 Electronically-maintained data/records shall be protected and a second copy of data/records shall be
2391 saved to a protected source such as an external hard-drive.

2392 Contractor agrees to provide or make available records of any and all companies conducting operations
2393 addressed in the Agreement to City and its agents and/or representatives during normal business hours.

2394 The Parties acknowledge that as of the Effective Date of this Agreement, the Contractor's accounting and
2395 management information systems may not have the capability of meeting the requirements of this
2396 Agreement. As of the Effective Date, the Contractor has identified any necessary revisions to its existing
2397 systems or selected replacement systems, and has entered into agreements for such revisions or
2398 implementation of such systems, including training of Contractor's staff in order to meet the requirements
2399 of this Agreement. Plans for the modification or implementation of such system is included in Exhibit C.
2400 Contractor's failure to successfully implement systems which enable reporting and data management as
2401 required by this Agreement within one (1) year from the Effective Date shall be considered a material
2402 breach and may result in termination of this Agreement in accordance with Article 11.

2403 6.2.2 Maintenance of Financial and Operational Records

2404 **A. General.** In order to effectuate the periodic financial review to determine Rates pursuant to Article
2405 8, it is necessary for Contractor to maintain accurate, detailed financial and operational information
2406 in a consistent format and to make such information available to the City in a timely fashion.

2407 **B. Contractor's Accounting Records.** Contractor shall maintain accurate and complete accounting
2408 records containing the underlying financial and operating data relating to and showing the basis for
2409 computation of all costs associated with providing services under this Agreement. The accounting
2410 records shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) or,
2411 with the City's written approval, the Financial Reporting Framework for Small and Medium Sized
2412 Entities established by the AICPA consistently applied.

2413 **C. Inspection of Records.** The City, its auditors and other agents, shall have the right, during regular
2414 business hours, to conduct unannounced on-site inspections of the records and accounting systems
2415 of Contractor and to make copies of any documents it deems relevant to this Agreement. In the
2416 event the Person responsible for such records and systems is not on the premises at the time the
2417 City, its auditors or other agents visit Contractor's facilities, Contractor shall not be in breach of this
2418 Agreement and the City shall give notice requesting access to the records and Contractor shall make
2419 arrangements for City, its auditors, or other agents to conduct the on-site inspection within twenty-
2420 four (24) hours of such notice. The City's right to inspection of records under this paragraph shall
2421 continue for at least five (5) years after the expiration or earlier termination of this Agreement;
2422 however, after expiration or termination of this Agreement, the City shall provide Contractor with
2423 written request to inspect records and Contractor shall make records available for inspection within
2424 two (2) weeks of such request.

2425 **D. Retention of Records.** Unless otherwise herein required, Contractor shall retain all records and
2426 data required to be maintained by this Agreement for at least five (5) years after the expiration or
2427 earlier termination of this Agreement.

2428 Records and data required to be maintained that are specifically directed to be retained shall be
2429 retrieved by Contractor and made available to the City.

2430 Records and data required to be maintained that are not specifically directed to be retained that
2431 are, in the sole opinion of the City, material to the financial review to determine Rates or to
2432 determine Contractor's performance under this Agreement, shall be retrieved by Contractor and
2433 made available to the City.

2434 Records and data required to be maintained that are not specifically directed to be retained and
2435 that are not material to a financial review to determine Rates and/or not required for the
2436 determination of the Contractor's performance do not need to be retrieved by Contractor. In such
2437 a case, however, the City may make reasonable assumptions regarding what information is
2438 contained in such records and data, and such assumption(s) shall be conclusive in whatever action
2439 the City takes.

2440 6.2.3 Collection Records

2441 Records shall be maintained by Contractor for City relating to:

- 2442 A. Customer services and billing;
 - 2443 B. Weight and volume of each material type Collected separately (e.g., Solid Waste, Recyclable
2444 Materials, Organic Materials, C&D, Bulky Items, E-Waste, Used Motor Oil and Filters, etc.). Where
2445 possible, information is to be separated among Cart Service, Bin Service and Drop Box Service
2446 and/or Customer type (e.g., Single-Family, Multi-Family, Commercial, and Drop Box);
 - 2447 C. Routes;
 - 2448 D. Facilities, equipment and personnel used;
 - 2449 E. Facilities and equipment operations, maintenance and repair;
 - 2450 F. Disposal and Processing of Solid Waste, Recyclable Materials, Organic Materials, and any other
2451 materials separately Collected;
 - 2452 G. Daily record of the quantities of Solid Waste, Recyclable Materials, and Organic Materials Collected;
2453 and,
 - 2454 H. Records of On-Call Clean-up collections received by Contractor. Such records shall include the date
2455 of such Collection and shall demonstrate that Contractor did not provide more than three (3) clean-
2456 up Collections at no charge to any one Customer per year.
- 2457 Contractor shall maintain records of all Solid Waste, Recyclable Materials, and Organic Materials Collected
2458 in the City for the period of this Agreement plus five (5) years after its expiration or earlier termination.
2459 Records shall be in chronological and organized form and readily and easily interpreted. In the event City
2460 requests, Contractor shall provide all records of all Solid Waste, Recyclable Materials, and Organic
2461 Materials requested to City within thirty (30) calendar days of discontinuing service.

6.2.4 Recyclables and Organic Materials Collection Service Records

- 2462 Records shall be maintained for Contractor that relate to:
- 2464 A. Recyclable Materials, and Organic Materials Collection participation especially as related to
2465 determining participation and set-out rates and implementing programs to increase existing
2466 participation and to expand Diversion (names, addresses, contacts made, etc.);
 - 2467 B. Recyclable Materials and Organic Materials sales value;
 - 2468 C. Weight of material recovered by type and weight of Residue Disposed; and,
 - 2469 D. End use and markets for recovered materials.

6.2.5 Transfer and Disposal Records

2471 Contractor shall maintain records of Transfer, Disposal, and Processing of all Solid Waste, Recyclable
2472 Materials, and Organic Materials Collected by Contractor for the period of this Agreement plus five (5)
2473 years after its expiration or earlier termination. Records shall be in chronological and organized form and

2474 readily and easily interpreted. In the event City requests, Contractor shall provide all records of Transfer
2475 and Disposal or Processing of all Solid Waste, Recyclable Materials, and Organic Materials Collected by
2476 Contractor in the City within thirty (30) calendar days of discontinuing service.

2477 **6.2.6 Other Program Records**

2478 Records for other programs shall be tailored to specific needs. In general, they shall include:

2479 A. Plans, tasks, and milestones; and,

2480 B. Accomplishments in terms activities conducted; date of activity; Tonnages of materials Collected;
2481 quantities of products used: produced or distributed; and numbers of participants and responses.

2482 **6.2.7 CERCLA Defense Records**

2483 City views the ability to defend against Comprehensive Environmental Response, Compensation and
2484 Liability Act (CERCLA) and related litigation as a matter of great importance. For this reason, the City
2485 regards the ability to prove where Solid Waste Collected in the City was taken for Transfer or Disposal, as
2486 well as where it was not taken, to be matters of concern. Contractor shall maintain, retain and preserve
2487 records which can establish where Solid Waste Collected in the City was Disposed (and therefore establish
2488 where it was not). This provision shall survive the expiration or earlier termination of this Agreement.
2489 Contractor shall maintain these records for a minimum of ten (10) years beyond expiration or earlier
2490 termination of the Agreement. Contractor shall provide these records to City in an organized and indexed
2491 manner rather than destroying or Disposing of them.

2492 **6.2.8 Customer Service Records**

2493 Customer service records shall be maintained by Contractor for City related to:

2494 A. Number and nature of calls;

2495 B. Categories (missed pickups, Complaints, damage, inquiries, etc.) of calls;

2496 C. Training Records;

2497 D. Individual call and resolution log (including initial call date and resolution date); and,

2498 E. New Customer account log.

2499 **6.3 Reports**

2500 **6.3.1 Report Formats and Submittal Schedule**

2501 Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them
2502 to structure reports, as needed. Reports are intended to compile recorded data into useful forms of
2503 information that can be used to, among other things:

- 2504 A. Determine and set Rates and evaluate the financial efficacy of operations;
- 2505 B. Evaluate past and expected progress towards achieving the Contractor’s Diversion goals and
2506 objectives; and,
- 2507 C. Determine needs for adjustment to programs; and evaluate Customer service and Complaints.

2508 Contractor may propose report formats that are responsive to the objectives and audiences for each
2509 report. The format of each report shall be approved by City. Contractor agrees to e-mail all reports to
2510 the City (or submit reports on an electronic file storage device in the event e-mail communications are
2511 unsuccessful) in a format compatible with City’s software/computers at no additional charge. Contractor
2512 will provide a certification statement, under penalty of perjury, by the responsible Contractor official, that
2513 the report being submitted is true and correct to the best knowledge of the responsible official after their
2514 reasonable inquiry.

2515 Monthly reports shall be submitted within thirty (30) calendar days after the end of the reporting month.
2516 Quarterly reports shall be submitted within forty-five (45) calendar days after the end of the reporting
2517 quarter. Annual reports shall be submitted no later than April 30 for the calendar year ending December
2518 31.

2519 All reports shall be submitted to:

2520 City of Pleasanton
2521 123 Main Street
2522 Pleasanton, CA 94566
2523 Attn: Assistant to the City Manager

2524 **6.3.2 Monthly Report Content**

2525 Monthly reports shall be presented to show the following information.

- 2526 A. **Solid Waste Service.** Provide Tonnage Collected by sector. Provide total Tonnage delivered to each
2527 Approved Facility.
- 2528 B. **Recyclable Materials Service.** Provide Tonnage Collected by sector. Provide Tonnage marketed
2529 and Residue Disposed (which should total the Tonnage Collected). If more than one Processing Site
2530 is used, present information separately for each site.
- 2531 C. **Organic Materials Service.** Provide Tonnage Collected by sector. Provide Tonnage marketed and
2532 Residue Disposed (which should total the Tonnage Collected). If more than one Processing Site is
2533 used, present information separately for each site. Report the number of Commercial Organic
2534 Materials Customers for each level of service.
- 2535 D. **Construction and Demolition Debris Service.** Provide Tonnage Collected by sector. Provide
2536 Tonnage marketed and Residue Disposed (which should total the Tonnage Collected). If more than
2537 one Processing Site is used, present information separately for each site.

2538

2539 E. **Customer Service**

2540 1. Provide number of Customer calls listed separately by Complaints and inquiries (where
2541 inquiries include requests for Recycling information, Rate information, etc.). For Complaints,
2542 list the number of calls separately by category (e.g., missed pickups, scheduled cleanups,
2543 billing concerns, damage claims, etc.).

2544 2. Provide number of Carts, Bins, and Drop Boxes tagged for non-Collection and the reason for
2545 tagging (e.g., inclusion of non-Recyclable or non-Organic Materials, improper setout,
2546 Hazardous Waste, etc.)

2547 3. Provide the number of hits to the Contractor's website.

2548 F. **Revenue.** Provide a statement detailing Gross Rate Revenues from all operations conducted or
2549 permitted pursuant to this Agreement as required by Section 7.6. This statement shall identify billed
2550 revenues and actual Gross Rate Revenues received listed separately for Single-Family, Multi-Family,
2551 Commercial, and Drop Box Customers.

2552 G. **Multi-Family Technical Assistance.** Submit a list of all complexes in the City with addresses, contact
2553 names and telephone numbers, number of units, and the Solid Waste, Recyclable Materials, and
2554 Organic Materials Service Level for each complex. Identify the complexes visited during the
2555 reporting period and the results of such visits.

2556 H. **Commercial Technical Assistance.** Submit a list of all Commercial Customers visited during the
2557 reporting period and the results of such visits. Include addresses, contact names, and telephone
2558 numbers of Persons contacted.

2559 I. **Community Drop-Off Event.** If the Community Drop-Off Event at the Approved Transfer Site
2560 described in Section 5.9 occurred during the most-recently completed month, report the number
2561 of participating residents, and total volume of materials received through the event by material
2562 type.

2563 **6.3.3 Quarterly Report Content**

2564 Quarterly reports shall be presented to show the following information by each month's data in the
2565 reported quarter and include a quarterly average. In addition, each quarterly report shall show the past
2566 four (4) quarters average for data comparison (the first three quarters of the Agreement shall only include
2567 the available quarterly information).

2568 A. **Solid Waste Services**

2569 1. Quarterly summary of monthly reports required in Section 6.3.2.A;

2570 2. Accounts Collected by sector. Include number of accounts, as well as number of total cubic
2571 yards for Bin Service; and number of pulls, deliveries, and pickups for Drop Box / Compactor
2572 Service; and,

2573 3. Solid Waste Tonnage Disposed.

2574

2575 B. **Recyclable Materials Services**

- 2576 1. Quarterly summary of monthly reports required in Section 6.3.2.B;
- 2577 2. Accounts Collected by sector. Include number of accounts, as well as number of total cubic
2578 yards for Bin Service; and number of pulls, deliveries, and pickups for Drop Box and Compactor
2579 Service;
- 2580 3. Participation percentage by sector (number of accounts actually serviced divided by the
2581 number of accounts scheduled for service); and,
- 2582 4. Tonnage by Recyclable Material commodities and sector. Report on marketing activities.
2583 Report the average monthly Residue level.

2584 C. **Organic Materials Service**

- 2585 1. Quarterly summary of monthly reports required in Section 6.3.2.C;
- 2586 2. Accounts Collected by sector. Include number of accounts, as well as number of total cubic
2587 yards for Bin Service; and number of pulls, deliveries, and pickups for Drop Box and Compactor
2588 Service;
- 2589 3. Participation percentage by Service Type (number of accounts actually serviced divided by the
2590 number of accounts scheduled for service);
- 2591 4. Tonnage Processed; and,
- 2592 5. Tonnage by Organic Materials commodities and Service Type. Report on marketing activities.
2593 Report the average monthly Residue level.

2594 D. **Construction and Demolition Debris Service**

- 2595 1. Quarterly summary of monthly reports required in Section 6.3.2.D;
- 2596 2. Accounts Collected. Include number of accounts, as well as number of total cubic yards; and
2597 number of pulls, deliveries, and pickups;
- 2598 3. Tonnage Processed; and,
- 2599 4. Tonnage by Construction and Demolition Debris commodities. Report on marketing activities.
2600 Report the average monthly Residue level.

2601 E. **Customer Service**

- 2602 1. Quarterly summary of monthly reports required in Section 6.3.2.E; and,
- 2603 2. Customer Service overview sheet, training agenda, and other training supplements provided
2604 at the quarterly Customer service meeting pursuant to Section 6.8.6.
- 2605 3. Date and time of the Customer service training session scheduled for Customer service
2606 representatives for the following quarter as the City may exercise its right to attend the
2607 meeting pursuant to Section 6.8.6.

2608 F. **Other Collection Services**

- 2609 Provide Tonnage Collected or received for each of the following programs: Abandoned Waste,
2610 special event, on-call Bulky Item, E-Waste, and holiday tree Collection services. Include the
2611 following information:
- 2612 1. Disposal Tonnage;
 - 2613 2. Diversion Tonnage, listed by vendor or Processing Site;
 - 2614 3. Number of stops serviced by a third party Reuse Vendor (if applicable);
 - 2615 4. List of Reuse Vendors collecting reusable items (if applicable); and,
 - 2616 5. Number of individual clean-up events, special events, Bulky Item pick-ups, and E-Waste pick-
2617 ups during quarter.
- 2618 **G. Education and Outreach Quarterly Activities**
- 2619 Include the following:
- 2620 1. List of all public education efforts including but not limited to: mailers, newsletters, bill
2621 inserts, announcements on bills, etc. For each item listed, identify the date and method of
2622 distribution, the Customers or parties that received the materials, and the total number
2623 distributed and include a copy of the material distributed; and,
 - 2624 2. Dates, times, and group names of meetings attended.
- 2625 **H. Commercial Diversion and Technical Assistance Report**
- 2626 1. Summarize the technical assistance provided to Customers by identifying the number of site
2627 visits conducted each month in the most-recently completed quarter, and submitting copies
2628 of the Commercial Diversion auditing forms as required in Section 5.17.6.
 - 2629 2. Dates, times, addresses, and names of Commercial Customers that received technical
2630 assistance/audits.
 - 2631 3. Report the percentage of total Commercial service volume that is Recyclables volume and
2632 Organics volume (e.g., the percentage of Commercial service volume that is Recycling volume
2633 equals the number of cubic yards of Commercial Recycling service per week divided by the
2634 sum of the weekly Commercial Solid Waste, Recyclable Materials, and Organic Materials cubic
2635 yards service per week).
- 2636 **I. Multi-Family Diversion and Technical Assistance Report**
- 2637 1. Summarize the technical assistance provided to Customers by identifying the number of site
2638 visits conducted each month in the most-recently completed quarter, and submitting copies
2639 of the Multi-Family Diversion auditing forms as required in Section 5.17.5.
 - 2640 2. Dates, times, addresses, and names of Multi-Family Customers that received technical
2641 assistance/audits.
 - 2642 3. Report the average volume of Recyclables Collected per tenant unit per week (e.g., the
2643 number of cubic yards of Multi-Family Recycling service per week divided by the total number
2644 of Multi-Family units in the City).

- 2645 J. **Pilot and New Programs.** For each pilot and/or new program, provide activity related and narrative
2646 reports on goals, milestones, and accomplishments. Describe problems encountered, actions taken
2647 and any recommendations to facilitate progress. Describe vehicles, personnel, and equipment
2648 utilized for each program.
- 2649 K. **Summary Assessment.** Provide a summary assessment of the overall Solid Waste, Recyclable
2650 Materials, and Organic Materials program from Contractor's perspective relative to the financial
2651 and physical status of the program. The physical status assessment shall reflect how well the
2652 program is operating in terms of efficiency, economy, and effectiveness in meeting all the goals and
2653 objectives of this Agreement, particularly the Contractor's Diversion goals. Provide
2654 recommendations and plans to improve. Highlight significant accomplishments and problems.
- 2655 L. **Customer Accounts.** Provide a detailed report of all Customers served in the City, indicating the
2656 Service Level by material type of each. Such report shall include a summary of the number of
2657 Customers at each Service Level. Include a list of Customers with invoices that are sixty (60) days
2658 past due including the following information for each delinquent account: name, service address,
2659 contact information, number of days the account is delinquent, method(s) the Contactor has used
2660 to attempt collection of the bad debt including date of such attempt(s), and identification, if, and
2661 when the Contractor reduced the Customer's level of Collection services as a result of the account
2662 delinquency.
- 2663 M. **Vehicle Inventory.** Provide a report of all vehicles used for services under this Agreement,
2664 identifying vehicle type (e.g. rear-load, automated side-load, roll-off, flat-bed, pick-up, etc.), make,
2665 model, and year.
- 2666 N. **Education Plan for Coming Rate Period.** The quarterly report that reports on third quarter results
2667 shall include a plan for public education activities for the coming Rate Period in accordance with
2668 Section 5.17.2.

2669 **6.3.4 Annual Report Content**

2670 The annual report shall be in the form of the quarterly reports and shall provide the same type of
2671 information as required pursuant to Section 6.3.3 of this Agreement, summarized for the preceding four
2672 quarters. In addition, Contractor's and Related Party Entities' annual financial reports with corresponding
2673 federal tax returns and detailed invoices from Related Party Entities shall be included. The annual report
2674 shall also include a complete inventory of equipment used to provide all services, and a list of Contractor's
2675 officers and members of its board of directors.

- 2676 A. **Financial Information.** Within one hundred and fifty (150) calendar days after the close of
2677 Contractor's fiscal year, Contractor shall deliver to the City four (4) copies of the audited
2678 consolidated financial statements and profit and loss statements of Contractor for the preceding
2679 fiscal year. Financial statements shall include a supplemental combining schedule showing
2680 Contractor's results of operations, including the specific revenues and expenses in connection with
2681 the operations provided for in this Agreement from others included in such financial statements
2682 (e.g., operations related to the unincorporated area adjacent to the City and schools in the City).
2683 The financial statements and footnotes shall be prepared in accordance with Generally Accepted
2684 Accounting Principles (GAAP) or, with the City's written approval, the Financial Reporting
2685 Framework for Small and Medium Sized Entities established by the AICPA consistently applied and

2686 fairly reflecting the results of operation and Contractor's financial condition. Annual financial
2687 statements shall be audited, in accordance with Generally Accepted Auditing Standards (GAAS) by
2688 a Certified Public Accountant (CPA) licensed (in good standing) to practice public accounting in the
2689 State of California as determined by the State of California Department of Consumer Affairs Board
2690 of Accountancy, and that the CPA opinion on Contractor's annual financial statements shall be
2691 unqualified, and shall contain the CPA's conclusions regarding the Contractor's accounting policies
2692 and procedures, internal controls, and operating policies. The CPA shall perform an evaluation and,
2693 if necessary, shall cite recommendations for improvement.

2694 **B. Related Party Entities.** As part of the annual reporting requirement, Contractor shall provide the
2695 City with a copy of the annual financial statements of each Related Party Entity along with a copy of
2696 the Federal Tax return for the same period and every invoice from each Related Party Entity issued
2697 to Contractor for the prior fiscal year.

2698 Contractor agrees that all financial transactions with all Related Party Entities shall be approved by
2699 the City in advance in writing and disclosed annually (coinciding with Contractor's annual audited
2700 financial statements referred to in Section 6.3.4) to the City in a separate disclosure letter to the
2701 City. The standard for the City's approval shall be market rates for comparable services provided in
2702 good faith by unrelated third parties as mutually determined by the Parties. In the event that the
2703 Parties are unable to reach agreement, the standard for the City's approval shall be based upon
2704 review of Contractor and Related Party Entity financial statements. This letter shall include, but not
2705 be limited to, the following information:

2706 1. A general description of the nature of each Related Party Entity transaction, or type of
2707 transaction (if many similar transactions exist) shall be provided, as applicable. Such
2708 description shall include for each (or similar) transaction, amounts, specific Related Party
2709 Entity, basis of amount (how amount was determined), and description of the allocation
2710 methodology used to allocate any common costs, and profit amount. Amounts shall be
2711 reconciled to the Related Party Entity disclosures made in Contractor's annual audited
2712 financial statements referred to in this Section.

2713 2. At the City's request, Contractor shall provide the City with copies of working papers or other
2714 documentation deemed relevant by the Contractor relating to information shown in the
2715 annual disclosure letter. The annual disclosure letter shall be provided to the City within one
2716 hundred twenty (120) calendar days after the end of the Contractor's fiscal year.

2717 **C. Operational Information.** In addition to requirements stated elsewhere in this Agreement, the
2718 annual report shall include the following information:

- 2719 **1. Routes by Service Type**
- 2720 a. Number of routes per day;
 - 2721 b. Types of vehicles;
 - 2722 c. Crew size per route;
 - 2723 d. Number of full time equivalent (FTE) routes;
 - 2724 e. Number of accounts per route;
 - 2725 f. Total route hours per Service Type per year; and,
 - 2726 g. Average cost per route.
- 2727 **2. Personnel**
- 2728 a. Organizational chart;

- 2729 b. Job classifications and number of employees (e.g. administrative, Customer
2730 service representatives, drivers, supervisors, educational staff);
2731 c. Wages by job classification;
2732 d. Number of full time equivalents (FTE) positions for each job classification; and,
2733 e. Number of hours per job classification per year.
- 2734 3. **Productivity Statistics**
2735 a. Number of accounts per Service Type;
2736 b. Average number of setouts per Service Type; and,
2737 c. Tons per route per day.
- 2738 4. **Maintenance**
2739 a. Average cost per Service Type.
- 2740 5. **Operational Changes**
2741 a. Number of routes;
2742 b. Staffing;
2743 c. Supervision; and,
2744 d. Collection services.
2745
- 2746 D. **Marketing Plan.** Contractor shall include an updated Recyclable Materials and Organic Materials
2747 marketing plan in its annual report for City approval as required by Sections 5.13.2.D and 5.13.3.E.
- 2748 E. **Historical Data.** (to be completed if Rates are to be determined using a cost-based adjustment
2749 pursuant to Section 8.2)
- 2750 Provide the following annual historical data for each Service Type:
- 2751 1. Customer levels and subscription levels;
2752 2. Solid Waste Tonnage;
2753 3. Diversion Tonnage;
2754 4. Gross Rate Revenues; and,
2755 5. Material revenues for Recyclable Materials and Organic Materials by program type.
- 2756 F. **Variance Analysis.** (to be completed if Rates are to be determined using a cost-based adjustment
2757 pursuant to Section 8.2)
- 2758 Provide the following variance analysis for each Service Type. For any variances greater than five
2759 percent (5%) annually, Contractor shall provide sufficient rationale to support variance.
- 2760 1. Variance analysis comparing current Rate Period to each of the prior Rate Periods of
2761 Agreement; and,
2762 2. Variance analysis comparing current Rate Period to each of the future projected Rate Periods.
- 2763 G. **Allocations.** (to be completed if Rates are to be determined using a cost-based adjustment pursuant
2764 to Section 8.2)
- 2765 1. Provide a concise general explanation of the various allocation methodologies used for each
2766 Rate application line item;

- 2767 2. Provide specific examples of each type of allocation used showing how an entry is reported
2768 in the general ledger (GL) and ties to the Rate application; and,
- 2769 3. Provide a statement indicating whether there have been any changes in allocation methods
2770 used since the last Rate application. If any allocation methods have changed clearly identify
2771 those changes.
- 2772 H. **Projections.** (to be completed if Rates are to be determined using a cost-based adjustment pursuant
2773 to Section 8.2)
- 2774 1. Provide support for the basis for projected Gross Rate Revenues and line item expenses,
2775 clearly indicate the supporting calculations and assumptions; and,
- 2776 2. Provide support for the most-recent twelve (12) months of Tonnage data for period ending
2777 October; clearly indicate the supporting calculations and assumptions.

2778 **6.4 Annual Reports Required by Law**

2779 **6.4.1 Reports to CalRecycle**

2780 Contractor shall prepare the Annual Report required by AB 939 in draft form on behalf of the City as
2781 specified in Title 14, California Code of Regulations, Section 18794. Contractor shall submit a draft of the
2782 Annual Report to the City, including supporting documentation and calculations, for review no later than
2783 forty-five (45) calendar days prior to the State's annual reporting deadline. The City shall review the draft
2784 Annual Report and may request that Contractor modify the report and/or direct Contractor to investigate
2785 any opportunities to correct possible inaccuracies in the Tonnage reflected in the California Integrated
2786 Waste Management Board's Disposal Reporting System, and request other changes as appropriate.
2787 Contractor shall revise the Annual Report to incorporate changes requested by the City and shall submit
2788 the revised Annual Report to the City within ten (10) calendar days of receipt of the City's comments. The
2789 City shall be responsible for submitting the revised Annual Report to the State in accordance with the
2790 State's annual reporting deadline. In the event the Contractor does not submit the draft Annual Report
2791 or revised Annual Report in accordance with the timeline described in this Section, the Contractor shall
2792 pay the City Liquidated Damages as described in Section 11.6.

2793 **6.4.2 Reports to StopWaste**

2794 Contractor shall prepare the Annual Measure D Programs Report, as well as any other reports required
2795 by StopWaste, in draft form on behalf of the City. Contractor shall submit a draft report to the City,
2796 including supporting documentation and calculations, for review no later than forty-five (45) calendar
2797 days prior to StopWaste's applicable reporting deadline. The City shall review the draft report and may
2798 request that Contractor modify the report and/or direct Contractor to investigate any opportunities to
2799 correct possible inaccuracies, and request other changes as appropriate. Contractor shall revise the
2800 report to incorporate changes requested by the City and shall submit the revised report to the City within
2801 ten (10) calendar days of receipt of the City's comments. The City shall be responsible for submitting the
2802 revised report to StopWaste in accordance with the StopWaste's reporting deadline. In the event the
2803 Contractor does not submit a draft report or revised report in accordance with the timeline described in
2804 this Section, the Contractor shall pay the City Liquidated Damages as described in Section 11.6.

2805 6.5 Meet and Confer with City

2806 If the City requests, the Contractor shall meet with the City to describe the progress of each active
2807 Diversion program and discuss other service issues. Contractor shall document the results of the
2808 programs on a monthly basis, including at a minimum the Tonnage Diverted by material type, the end use
2809 or Processing Site of the Diverted materials and the cost per Ton for Transporting and Processing each
2810 type of material and other such information requested by the Contractor and/or City necessary to
2811 evaluate the performance of each program.

2812 At each meeting, the City and Contractor shall have the opportunity to revise the program based on
2813 mutually agreed upon terms in accordance with provisions of Section 8.5. The City shall have the right to
2814 terminate a program if, in its sole discretion, the Contractor is not cost effectively achieving the program's
2815 goals and objectives. Prior to such termination, the City shall meet and confer with the Contractor for a
2816 period of up to ninety (90) calendar days to resolve the City's concerns ("meet and confer period").
2817 Thereafter, the City may utilize a third party to perform these services if the City reasonably believes the
2818 third party can improve on Contractor's performance and/or cost. Notwithstanding these changes,
2819 Contractor shall continue the program during the "meet and confer period" and, thereafter, until the third
2820 party takes over the program.

2821 6.6 City Contract Manager

2822 The City has designated the City Contract Manager to be responsible for the monitoring and
2823 administration of this Agreement. Contractor shall meet and confer with the City Contract Manager to
2824 resolve differences of interpretation and implement and execute the requirements of this Agreement in
2825 an efficient and effective manner that is consistent with the stated objectives of this Agreement.

2826 From time to time, the City Contract Manager may designate other agents at the City to work with
2827 Contractor on specific matters. In such cases, those individuals shall be considered designates of the City
2828 Contract Manager for those matters to which they have been engaged. Such designates shall be afforded
2829 all of the rights and access granted thereto. In the event of a dispute between the City Contract Manager's
2830 designate and Contractor, the City Contract Manager's determination shall be conclusive.

2831 In the event of dispute between the City Contract Manager and the Contractor regarding the
2832 interpretation of, or the performance of services under, this Agreement, the City Contract Manager's
2833 determination shall be conclusive except where each such determination results in a material impact to
2834 the Contractor's revenue and/or cost of operations. In the event of a dispute between the City Contract
2835 Manager and the Contractor that results in such material impact to the Contractor, Contractor may appeal
2836 the determination of the City Contract Manager to the City Council, whose determination shall be
2837 conclusive. For the purposes of this definition, "material impact" is an amount equal to or greater than
2838 one-quarter of one percent (0.25%) of annual Gross Rate Revenues.

2839 The City Contract Manager is authorized and empowered to adjust, settle, or compromise any controversy
2840 or charge arising from the operations under this Agreement, either on behalf of the City, Contractor, or
2841 the public, pursuant to the Municipal Code.

2842 6.7 Inspection by City

2843 The City Contract Manager or their designee shall have the right to inspect or review payroll tax reports,
2844 specific documents or records required pursuant to this Agreement, or any other similar records or reports
2845 of the Contractor that it shall deem, at its sole discretion, necessary to evaluate annual reports, Rate
2846 adjustment applications provided for in this Agreement, and the Contractor's performance provided for
2847 in this Agreement.

2848 City Contract Manager or their designee shall have the right to observe and review Contractor operations
2849 and Approved Facilities and enter the premises for the purposes of such observation and review, during
2850 reasonable hours with reasonable notice. In no event shall Contractor prevent access to such Approved
2851 Facility premises for a period of more than three (3) days after receiving such a request.

2852 6.8 Customer Service Program**2853 6.8.1 Office Location**

2854 Contractor shall maintain a business office in the City, or such other location as the City approves, for
2855 purposes of carrying out its obligations under this Agreement, such approval not being unreasonably
2856 withheld. If the office is located outside of the City, Contractor must ensure that telephone calls to its
2857 office from locations within the City are toll free calls or are billed to Customers as "local calls" by all
2858 telephone companies.

2859 6.8.2 Office Hours

2860 Contractor's office shall be open to the public from 8:00 a.m. to 6:00 p.m. Monday through Friday. The
2861 office may be closed on Saturdays, Sundays, and Holidays (as defined in Article 1).

2862 6.8.3 Availability of Representatives

2863 The office shall be staffed with a sufficient number of Persons capable of accepting payments from
2864 Customers, answering service questions, changing Customer Service Levels, and resolving other Customer
2865 service issues in a timely manner, and in accordance with the performance measures described in Exhibit
2866 E. At a minimum, Contractor shall employ one (1) full time Customer service managers and four (4) full-
2867 time Customer service representatives dedicated to serving the City and its Customers. A representative
2868 of the Contractor shall be available from 8:00 a.m. to 6:00 p.m. Monday through Friday to communicate
2869 with the public in person and by telephone.

2870 A voice mail service or program shall be available for Persons to leave a message during non-business
2871 hours. Contractor shall return calls received during non-business hours no later than 5:00 p.m. of the
2872 following Business Day. If Contractor fails to meet the requirements described in this Section, the
2873 Contractor shall pay the City Liquidated Damages in accordance with Section 11.6.

2874 Contractor shall provide City with the names and telephone numbers of contact Persons available during
2875 office hours and of emergency contact Persons who will be available during hours when the office is
2876 closed.

2877 Customer service personnel shall maintain a log documenting each Complaint or inquiry received and
2878 listing for each entry the following: date, time, Customer name and address, description of Complaint or
2879 Inquiry, and resolution of the Complaints. Copies of this log shall be made available upon City request.

2880 **6.8.4 Telephone**

2881 Contractor shall maintain a telephone system in operation at its office from 8:00 a.m. to 6:00 p.m. and
2882 shall have staff available to answer calls. Contractor shall install telephone equipment sufficient to handle
2883 the volume of calls typically experienced on the busiest days and such telephone equipment shall be
2884 capable of recording a variety of call statistics (e.g., average hold time, average talk time, dropped calls,
2885 etc.). Contractor's phone system shall be TDD compatible for the hearing impaired. Customer service
2886 representatives shall be available to speak to non-English-speaking Customers (Spanish and Mandarin at
2887 a minimum). If Persons are unable with reasonable effort to reach Contractor's office by phone, or are
2888 subject to waiting time "on hold" of more than two (2) minutes prior to reaching a Customer service
2889 representative, City may require that Contractor install additional telephone lines or hire additional
2890 Customer service representatives. Liquidated damages may be levied for repetitive Complaints regarding
2891 waiting time longer than two (2) minutes in accordance with Section 11.6.

2892 **6.8.5 Online Tools**

2893 Contractor shall develop and maintain a publically-accessible website describing services provided in the
2894 City. The site shall include a description of all Collection services and details related to their
2895 implementation, answers to frequently asked questions, Rates for Single-Family, Multi-Family,
2896 Commercial, and Drop Box Service, Recyclable Materials and Organic Materials Customer set-out
2897 specifications, Collection service schedule and map, Holidays that impact Collection service schedule and
2898 related set-out instructions, and other related topics. The website shall enable Customers to look up their
2899 regularly scheduled Collection day by address or street name. The website shall also allow a Customer to
2900 e-mail a question, compliment, or Complaint to the Contractor and Contractor shall provide a response
2901 to e-mail inquiries or Complaints within twenty-four (24) hours of receipt. Contractor shall arrange for
2902 the City's website to include an e-mail link to Contractor and a link to the Contractor's website. Contractor
2903 shall ensure that key elements of the website, including but not limited to Collection day look-up, are
2904 accessible to view on smart phones. Contractor shall maintain a social media presence on no less than
2905 one (1) social media platform (e.g. Facebook).

2906 **6.8.6 Training**

2907 Customer service representatives shall receive training during each quarter of the calendar year on City-
2908 specific Collection programs and service requirements. During the training, a City-specific Collection
2909 service and Rate information sheet, training agenda, and associated documentation shall be provided to
2910 and discussed with employees. Information sheet, training agenda, and associated documentation shall
2911 be forwarded by Contractor to the City each quarter after the training in accordance with quarterly
2912 reporting requirements of Section 6.3.3.E. The City may review the training materials and request
2913 changes.

2914 The Contractor shall notify the City of the date and time of the scheduled Customer service training
2915 sessions (pursuant to quarterly reporting requirements of Section 6.3.3.E) and the City may, at its options,
2916 attend the meetings.

2917 Contractor will use Customer service and outreach efforts and materials to minimize contaminants (e.g.,
2918 glass and plastics).

2919 **6.9 Service Complaints**

2920 Contractor shall maintain the ability to receive verbal Complaints and compliments through its Customer
2921 service center and shall have e-mail capabilities (accessible through the Contractor's website) to enable
2922 Persons to communicate Complaints and compliments to Contractor via e-mail. Contractor shall be
2923 responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all
2924 Complaints. Contractor shall record in a separate log all Complaints and compliments, noting the name
2925 and address of Customer(s) involved, date and time of Complaint or compliment, nature of Complaint or
2926 compliment, and nature and date of resolution. This Complaint and compliment log shall be retained by
2927 the Contractor for the Term and shall be made available for review upon City request. In addition,
2928 Contractor shall compile a summary statistical table of the Complaint and compliment log, satisfactory to
2929 the City, and submit the table to City each quarter.

2930 Contractor shall respond to all Complaints from Generators or Customers by phone or email within
2931 twenty-four (24) hours, weekends and Holidays excluded, by informing the Customer of the action
2932 Contractor will take to remedy the Complaint or respond to the service request. In particular, if a
2933 Complaint involves a failure to Collect Solid Waste, Recyclable Materials, or Organic Materials from a
2934 Premises (missed pick-up), required by this Agreement, Contractor shall Collect the material in question
2935 within twenty-four (24) hours of receipt of the Complaint, provided the materials have been Delivered for
2936 Collection in accordance with the City Municipal Code. If Contractor fails to meet the requirements
2937 described in this Section, the Contractor shall pay the City Liquidated Damages in accordance with Section
2938 11.6.

2939 **6.10 Title to Solid Waste**

2940 Once Solid Waste, Recyclable Materials, and/or Organic Materials are placed in Containers and properly
2941 placed at the Collection location, ownership and the right to possession shall transfer directly from the
2942 Generator to Contractor by operation of this Agreement. Subject to Contractor's objective to meet AB
2943 939 and Measure D Diversion goals, City goals, and City's right to direct Contractor to Process and Dispose
2944 of Solid Waste at a particular licensed Site or to Dispose of Solid Waste at a particular licensed Disposal
2945 Site, Contractor is hereby granted the right to retain, Recycle, Process, Dispose of, and otherwise use such
2946 Solid Waste, Recyclable Materials or Organic Materials or any part thereof, in any lawful fashion or for
2947 any lawful purpose desired by Contractor. Subject to the provisions of this Agreement, Contractor shall
2948 have the right to retain any benefit resulting from its right to retain, Recycle, Process, Dispose of, or reuse
2949 the Solid Waste, Recyclable Materials, or Organic Materials which it Collects. Solid Waste, Recyclable
2950 Materials or Organic Materials or any part thereof, which is deposited at a Disposal Site, Transformation
2951 site, Transfer Station Site, or Processing Site shall become the property of the Owner or operator of the
2952 facility, once deposited there by Contractor.

2953 City may obtain ownership or possession of Solid Waste, Recyclable Materials, or Organic Materials placed
2954 for Collection upon written notice of its intent to do so (subject, in the case of Recyclable Materials, to a
2955 net Rate adjustment for lost commodity revenue offset by a reduction in costs), however, nothing in this
2956 Agreement shall be construed as giving rise to any inference that City has such ownership or possession
2957 unless such written notice has been given to Contractor.

2958 6.11 Non-Discrimination

2959 Contractor shall not discriminate in the provision of service or the employment of Persons engaged in
2960 performance of this Agreement on account of race, color, religion, sex, age, marital status, sexual
2961 orientation, physical handicap, or medical condition in violation of any applicable federal or State law.

2962 6.12 Report of Accumulation of Solid Waste; Unauthorized Dumping

2963 Contractor shall direct its drivers to note: (1) the addresses of any Premises at which they observe that
2964 Solid Waste, Recyclable Materials and Organic Materials is accumulating and is not being Delivered for
2965 Collection; and (2) the address, or other location description, at which Solid Waste, Recyclable Materials
2966 or Organic Materials has been dumped in an apparently unauthorized manner. Contractor shall deliver
2967 the address or description to City within five (5) working days of such observation.

2968 6.13 Administration of Service Exemption Programs

2969 Contractor shall allow for Persons that have a disability as defined by the Americans with Disabilities Act
2970 (which means Public Law 101-336, 104 Stat. 327, 42 U.S.C. 12101-12213 and 27 U.S.C. 225 and 611, and
2971 all Federal rules and regulations relating thereto) that are Occupants of Single-Family Premises and Multi-
2972 Family Premises to receive Collection services at a location other than Curbside at no extra charge to the
2973 Customer. Contractor shall review all applications (which shall include statements from physicians) made
2974 by Customers to determine conformance with this exemption provision and shall grant exemptions if
2975 applicable. With regard to all requirements of this Section, the Contractor shall make reasonable
2976 accommodations with regard to provision of and servicing of Containers (e.g., Container size and type,
2977 placement of Containers for Collection, etc.) at no additional cost to the Customer.

2978 6.14 Performance Review and Audits**2979 6.14.1 Performance Review**

2980 The City shall have the right to conduct two (2) reviews of Contractor's performance during the Term to
2981 verify that Contractor has fulfilled its obligations under the Agreement. City intends to perform one (1)
2982 performance review during Rate Period Two, and reserves the right to conduct one (1) additional
2983 performance review at any other point during the Term. Upon notice from City that a performance review
2984 will be conducted, Contractor shall provide all information requested by City and cooperate with the
2985 review. Performance review may focus on the following, but is not limited to these items: call center
2986 performance, total Complaints, missed pick-ups Complaints, noise Complaints, contract compliance,
2987 Diversion results, Customer participation levels in Diversion programs, vehicle maintenance, compliance
2988 with the implementation plan included in Exhibit C, and public education and outreach efforts. City will
2989 conduct its evaluation and report to City Council. At City request, Contractor shall make a presentation
2990 to City Council reporting the Contractor's results. Contractor shall be responsible for reimbursing the City
2991 for the cost of each such review, in an amount up to sixty thousand dollars (\$60,000) per review, which
2992 shall be a pass-through cost.

2993 6.14.2 Payment and Billings Audit

2994 The City shall have the right to conduct three (3) audits of Contractor's Billings and payment of monies
2995 due to the City during the Term to verify that Contractor has is accurately billing Customer, and has
2996 calculated and transmitted all fees and payments as required by this Agreement. City intends to perform
2997 such audits during Rate Period Three, Rate Period Five, and Rate Period Seven. Upon notice from City that
2998 a payment and Billings audit will be conducted, Contractor shall provide all information requested by the
2999 City and cooperate with the audit. Contractor shall be responsible for reimbursing the City for the cost of
3000 each such audit, in an amount up to thirty-five thousand dollars (\$35,000) per audit, which shall be a pass-
3001 through cost.

3002 6.14.3 Service Level and Route Audit

3003 **A. General.** Notwithstanding the provisions of Section 6.14.2, Contractor shall independently review
3004 its Billings to Customers in accordance with this Section 6.14.3. The purpose of the review is to
3005 determine that the amount which the Contractor is billing each Generator is consistent with the
3006 City-approved Rate schedule in Exhibit G for the level of service (i.e., frequency of Collection, size
3007 of Container(s), number of Containers, and location of Container(s)) provided to such Generator
3008 by Contractor.

3009 **B. Procedures.** Contractor shall review each Cart Service account at least once per year in such a
3010 manner that all accounts on a particular route are audited on the same day. The audits shall be
3011 scheduled so that Contractor completes audits of twenty-five percent (25%) of the Cart Service
3012 routes each quarter. Contractor shall review each Bin Service account and Drop Box Service
3013 account at least once every other year. Audits shall be scheduled in a manner that all accounts
3014 on a particular route are audited on the same day and twelve and one half percent (12.5%) of the
3015 Bin Service and Drop Box Service routes are audited each quarter.

3016 The review shall be performed by the Contractor's route supervisor(s) or other agent approved
3017 by the City. The Person conducting the review shall compare a route report for the route under
3018 review and verify, through visual inspection of each Customer's Premises on the Customer's
3019 scheduled day of Collection, the level of service actually provided to each Customer listed on the
3020 route report review and note the actual Service Level in writing on the route report. In addition,
3021 the Contractor's route supervisor or appropriate agent shall list any Customers receiving service
3022 (and the level of such service) that do not appear on the routing report. The Contractor shall
3023 reconcile the route report to the billing report, noting all discrepancies. Any discrepancies should
3024 be marked clearly on the billing report. Contractor shall verify if the discrepancies result from
3025 Customer's request for special services on the day of the route audit and shall provide
3026 documentation in such cases. Contractor shall issue correction notices to the Customers
3027 correcting any billing inaccuracies within five (5) Business Days of the day the route audit was
3028 performed and shall provide such notices to City along with the annotated billing report.

3029 **C. Route Audit Schedule.** Thirty (30) calendar days prior to the Commencement Date, Contractor
3030 shall submit a two (2)-year schedule for performing route audits, listing each route and calendar
3031 quarter that each route will be audited. If the Contractor proposes to modify the two (2)-year
3032 schedule during the Term, the Contractor shall submit a revised route audit schedule to the City
3033 for approval.

3034 **D. Reporting Requirements.** Two (2) weeks after the end of each calendar quarter, Contractor shall
3035 submit a written report to the City that identifies the Cart Service, Bin Service and Drop Box
3036 Service routes audited, the number of accounts on each route, the number of billing inaccuracies
3037 per route, the percentage of billing inaccuracies (where billing inaccuracies are instances when
3038 service observed by route auditor differs from service listed on the route and/or billing reports)
3039 per route (equal to the number of billing inaccuracies divided by the number of accounts per
3040 route), and the estimated annual revenue impact associated with the billing inaccuracies (which
3041 shall be calculated as the difference between the billing amount shown on the billing report on
3042 the date of the audit and the corrected billing amount multiplied by 12). The written report shall
3043 also include copies of the route audits (i.e., billing reports with handwritten notes identifying
3044 actual level of service provided to each Customer and notes the billing discrepancies), copies of
3045 the corrective notices sent to Customers, and any supporting calculations. The City reserves the
3046 right to perform this review itself or through use of an agent at its expense.

3047 **6.15 Provision of Emergency Services**

3048 Contractor shall provide emergency services at the City's request in the event of major accidents,
3049 disruptions, or natural calamities in a manner consistent with the services and procedures identified in its
3050 contingency plan required in accordance with Section 5.19. Emergency services may include, but are not
3051 limited to, assistance handling salvaged materials, Processing, Composting, or Recycling materials, or
3052 Disposing of Solid Waste following a major accident, disruption, or natural calamity. Contractor shall be
3053 capable of providing emergency services within twenty-four (24) hours of notification by the City or as
3054 soon thereafter as is reasonably practical in light of the circumstances. Emergency services, which exceed
3055 the Contractor's obligations, shall be compensated in accordance with Section 8.4. If Contractor cannot
3056 provide the requested emergency services, the City shall have the right to take possession of the
3057 Contractor's equipment for the purposes of providing emergency services in accordance with Article 10.

3058 **6.16 Assistance to City with Code and Plan Reviews**

3059 Contractor shall provide staff and time to assist the City in evaluating and revising its Municipal Code and
3060 Planning and Zoning Code requirements related to Collection of Solid Waste, Recyclable Materials, and
3061 Organic Materials; space allocation and enclosure requirements for Containers, etc. In addition,
3062 Contractor shall provide staff with the expertise to review building plans for new Residential and
3063 Commercial development projects during the City's permit review process to verify the reasonableness of
3064 the space allocation and enclosure design for Solid Waste, Recyclable Materials, and Organic Materials
3065 Containers and the accessibility of such areas. For these plan reviews, the Contractor may be requested
3066 to visit the site and submit written recommendations for improvements to the design. Plan reviews shall
3067 be completed within two (2) weeks of the City's request for such review. The City anticipates
3068 approximately five (5) to ten (10) reviews may be requested annually.

3069

ARTICLE 7. CITY FEES

3070 7.1 Franchise Fee

3071 In consideration of the exclusive rights provided Contractor herein, Contractor shall pay to City a Franchise
3072 Fee equaling four percent (4%) of its Gross Rate Revenues and Transfer Station Revenues, calculated as
3073 follows. An amount expected by the Parties to approximate one-half of one percent (0.5%) of Gross Rate
3074 Revenues and Transfer Station Revenues during the Term of this Agreement shall be prepaid by
3075 Contractor in accordance with the Rate Reserve Agreement between the Contractor and the City dated
3076 March 20, 2018 and attached hereto. On a monthly basis, the Franchise Fee amount shall equal three
3077 and one-half percent (3.5%) of the Gross Rate Revenues and Transfer Station Revenues collected by
3078 Contractor during the previous month for services provided under this Agreement. Contractor will bill
3079 Collection Customers and Persons delivering Solid Waste, Recyclable Materials and/or Organic Materials
3080 to the Transfer Station a Franchise Fee equal to such three and one-half percent (3.5%) amount, and
3081 Contractor will not be obligated to pay Franchise Fees beyond the amounts Contractor is required to pay
3082 by the second and third sentences in this Section 7.1, unless City adopts additional Franchise Fees. The
3083 Franchise Fee shall be paid to the City in accordance with procedures and terms and conditions described
3084 in Section 7.6. The Franchise Fee may be adjusted by City Council beyond what is described above by
3085 resolution. Franchise Fees, as described herein, and as they may be adjusted over time, shall be a pass-
3086 through cost.

3087 7.2 Vehicle Impact Mitigation Fee

3088 Contractor shall pay a Vehicle Impact Mitigation Fee to City each month. The amount of the Vehicle Impact
3089 Mitigation Fee shall be zero dollars (\$0) per month in Rate Period One and may be increased at the
3090 discretion of the City. This fee, if applied, shall be paid in equal monthly installments. This fee is to
3091 reimburse the City for street maintenance costs incurred from Collection vehicles traveling on City streets.
3092 The Vehicle Impact Mitigation Fee shall be a pass-through cost.

3093 7.3 Rate Review Fee

3094 The City considers the Rate review process to be a complex process, requiring a contract with a consultant
3095 in order to provide the best review possible of the Contractor Rate adjustment application resulting in
3096 adjustment of Rates consistent with the terms of this Agreement. Two types of Rate reviews may be
3097 conducted (an indexed-based adjustment and a cost-based adjustment as described in Article 8),
3098 depending on the Rate Period. Contractor shall pay a Rate Review Fee to City each month. The amount
3099 of the Rate Review Fee shall be zero dollars (\$0) per month in Rate Period One and may be increased at
3100 the discretion of the City. This fee, if applied, shall be paid in equal monthly installments. This fee shall
3101 be a pass-through cost.

3102 7.4 Procurement Reimbursement

3103 Contractor shall reimburse the City for its costs related to the procurement and negotiation of this
3104 Agreement in the amount of eighty thousand dollars (\$80,000), due immediately upon execution of this
3105 Agreement. This amount shall be paid by Contractor and may not be recovered through Rates charged to
3106 Customers.

3107 7.5 Other Fees

3108 The City shall reserve the right to set other fees, as it deems necessary subject to City Council approval.
3109 The time and method of payment and adjustment process will be set as specified in Sections 7.6 and 7.7.
3110 Any such new fees shall be pass-through costs.

3111 7.6 Procedures for Monthly Submittal of Fees

3112 On or before the twentieth (20th) day of each month during the Term of this Agreement, Contractor shall
3113 remit to City the fees due in accordance with this Section. If the fees are not paid on or before the
3114 twentieth (20th) day of any month, Contractor shall pay in addition to the amount owed to City a late
3115 payment penalty in an amount equal to two percent (2%) of the amount owing for that month. Contractor
3116 shall pay an additional two percent (2%) owing on any unpaid balance for each following thirty (30)
3117 calendar day period the fee remains unpaid. Late payment penalty amounts shall not be reimbursed to
3118 Contractor. The late payment penalty amounts are not intended as interest on debt, but rather are
3119 intended as a predetermined penalty for failure to meet an obligation under this Agreement.

3120 Each monthly remittance to City shall be accompanied by a statement detailing Gross Rate Revenues for
3121 the period covered from all operations conducted or permitted pursuant to this Agreement. This monthly
3122 statement shall identify billed revenues and actual Gross Rate Revenues received listed separately for
3123 Single-Family, Multi-Family, Commercial, and Drop Box Customers. In addition, Contractor shall maintain
3124 copies of all Billing and collection records for five (5) years, following the expiration or earlier termination
3125 of this Agreement, for inspection and verification by City at any reasonable time upon request.

3126 7.7 Adjustment to Fees

3127 The City may set other fees or payments or adjust the fees and payments established in this Article 7 from
3128 time-to-time during the Term of this Agreement and, except for the adjustments described in the next
3129 paragraph (which shall be included in the adjustment of Rates as described in Exhibit H and Exhibit I), all
3130 such new fees or payments and all such adjustments shall result in automatic adjustments in Rates so as
3131 to eliminate, to the maximum extent possible, Contractor's increase or decrease in costs resulting from
3132 the new fees or payments or adjustments from the date(s) such new fees or payments or adjustments
3133 first took effect.

3134 The amounts of the AB 939/AB 341 Fee, Vehicle Impact Mitigation Fee, Illegal Dumping Fee, GHG/Carbon
3135 Emissions Fee, and Rate Review and Performance Review Fee for Rate Periods subsequent to Rate Period
3136 One shall be adjusted annually by one plus the Annual Percentage Change in the CPI-U using the
3137 adjustment method described in Exhibit H and Exhibit I, or shall be the amount specified by the City.

3138

ARTICLE 8. CONTRACTOR'S COMPENSATION

3139 3.1 Overview

3140 The Contractor's Compensation for performance of all its obligations under this Agreement shall be Gross
3141 Rate Revenues. Contractor's Compensation provided for in this Article shall be the full, entire and
3142 complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials
3143 and supplies, Processing and Disposal fees, fees due to City, taxes, insurance, bonds, overhead,
3144 operations, profit and all other things necessary to perform all the services required by this Agreement in
3145 the manner and at the times prescribed.

3146 If Contractor's actual costs of providing service as described in this Agreement, including fees due to City,
3147 are more than Gross Rate Revenues, Contractor must provide the service in accordance with such
3148 descriptions and shall not be compensated for the difference in actual costs and actual Gross Rate
3149 Revenues. If Contractor's actual costs are less than the actual Gross Rate Revenues, Contractor shall retain
3150 the difference provided that Contractor has paid City fees pursuant to Article 7.

3151 Under this Agreement, Contractor shall have the right and obligation to charge and collect from
3152 Customers, Rates in Exhibit G that are approved by the City for provision of services to Customers.

3153 The Rates for Rate Period One are based on the Contractor's Proposal. Contractor's proposed costs and
3154 operating assumptions for Rate Period One are presented in Exhibit F. Rates for subsequent Rate Periods
3155 Two through Six shall be adjusted annually in accordance with Section 8.2 using an index-based
3156 adjustment method that involves adjustments using various cost indices and adjustments to Disposal and
3157 Processing costs to reflect actual Tonnage. Rates for Rate Period Seven shall be adjusted using a cost-
3158 based methodology that involves a review of Contractor's actual costs and projection of cost for the
3159 coming Rate Period.

3160 3.2 Rate-Setting Process

3161 A. **General.** The City shall be responsible for approving Rates as described in this Article. If at any time
3162 during the Term of the Agreement, the Contractor determines the need for a Rate that does not
3163 appear on the City-approved Rate schedule in Exhibit G, Contractor shall immediately notify the City
3164 and request establishment of such Rate. For example, if a Customer requires Collection of a fifteen
3165 (15) cubic yard Compactor five (5) times per week and the City-approved Rate schedule does not
3166 include this level of service, the Contractor must request that the City approve a Rate for this level
3167 of service.

3168 B. **Rates for Rate Period One.** Rates for Rate Period One, which are presented in Exhibit G, were
3169 determined by Contractor and City and were approved by City Council resolution on or before the
3170 execution of the Agreement. The Rates for Rate Period One are effective July 1, 2018 through June
3171 30, 2019. Rates for Rate Period One, as per Exhibit G, shall not be adjusted to reflect either increases
3172 or decreases in costs from those anticipated by Contractor (except as the result of a Change in Law
3173 or a change in scope in accordance with Section 4.3 above).

3174 C. **Annual Adjustment Process.** The Rates shall be adjusted annually, with City Council approval,
3175 commencing July 1, 2019 through the remaining Term of this Agreement including any extension

3176 periods. The adjustments to Rates shall be determined using one of two methodologies: (1) an
3177 index-based adjustment, or (2) cost-based adjustment. The index-based adjustment, which is
3178 described in Exhibit H, involves use of various cost adjustment factors (such as the percentage
3179 change in the consumer price index and percentage change in the Approved Disposal Site tipping
3180 fee) to calculate adjusted Rates. The cost-based adjustment, which is described in Exhibit I, involves
3181 a detailed review of the Contractor's actual costs of service and determination of adjusted Rates to
3182 reflect Contractor's projected costs. The cost-based adjustment shall not exceed a 6% increase in
3183 Rates.

3184 D. **Rate Structure.** The City shall have the sole and exclusive right to change the relationship of
3185 individual Rates in comparison with other Rates as City deems appropriate; provided, however, that
3186 any such changes shall occur in conjunction with the annual Rate adjustment process described in
3187 Section 8.3 or in conjunction with a Rate adjustment resulting from a Special Rate Review in
3188 accordance with Section 8.4; and, provided, further, that changes to the Rates charged under the
3189 new structure shall be calculated in such a way that the revised Rate structure is reasonably
3190 anticipated to generate at least the same amount of total revenue from the prior Rate Structure
3191 when the number of accounts at each Service Level are multiplied by the Rates charged for each
3192 Service Level and the total for all Service Levels are summed.

3193 **3.3 Rate Application Process**

3194 **A. Application Date and Content**

3195 1. **Index-Based Rate Adjustment Methodology.** On April 1, prior to the commencement of the
3196 Rate Period for which Rates are to be determined using the index-based Rate adjustment
3197 method (coming Rate Period), Contractor shall submit at least three (3) copies of its
3198 application requesting the Rate adjustment for the coming Rate Period. For example, on
3199 April 1, 2020, the Contractor shall submit three copies of its application for the Rate
3200 Adjustment to be effective for Rate Period Three. The application shall present the
3201 calculations of the annual percentage change in various cost indices, total calculated annual
3202 costs for the Rate Period, the Rate adjustment factor, and all supporting documentation for
3203 the calculations. The application shall also present the Rates for the then-current Rate
3204 Period (e.g., Rate Period Two) and the proposed Rates for the coming Rate Period (e.g., Rate
3205 Period Three).

3206 2. **Cost-Based Rate Adjustment Methodology.** On December 1, prior to the commencement
3207 of the Rate Period for which Rates are to be determined using the cost-based Rate
3208 adjustment method, Contractor shall submit three (3) copies of its application requesting the
3209 Rate adjustment for the coming Rate Period.

3210 The application shall present the Contractor's actual total annual cost of operations, profit,
3211 pass-through costs, City fees, the actual total annual costs for the most-recently completed
3212 Rate Period and forecast of the same cost items for the coming Rate Period in accordance
3213 with the procedures described in Exhibit I. Contractor shall assemble, provide, and submit
3214 such information that is necessary to support the actual costs presented and the calculation
3215 of the assumptions made by Contractor with regard to forecasting the total annual cost of
3216 operations, profit, pass-through costs, City fees, and the total annual costs for the coming

3217 Rate Period. The actual costs shall be based on the financial statements for the most-
3218 recently-completed Rate Period, which shall be submitted in accordance with requirements
3219 of Section 6.3.4. In addition, the application shall present the Contractor's calculation of the
3220 Rate Adjustment factor, present each Rate for the then-current Rate Period, and each
3221 proposed Rate for the coming Rate Period. Lastly, the application shall include operational
3222 data listed in Section 6.3.4.C.

3223 If the City requests additional information beyond that provided by the Contractor in its
3224 application, the Contractor shall provide all information requested by the City during its
3225 review of the application, including, but not limited to, all information from Related-Party
3226 Entities requested by the City regarding any transactions between Contractor and any
3227 Related-Party Entity pertaining to Contractor's performance under this Agreement.

3228 **B. City Review of Application.** The Contractor's Rate application shall be reviewed by the City. The
3229 City Council shall adjust Rates to reflect the adjustments made in accordance with Exhibit H or I
3230 depending on the method used to adjust the Rates that are being approved. The City Council shall
3231 act in good faith to approve such Rate adjustments by July 1 of the Rate Period. The adjusted Rates
3232 shall not take effect until the City Council has approved such Rates.

3233 **C. Failure to Adjust Rates by July 1.** If the Contractor submits its Rate application on or before the
3234 Rate application date identified in Section 8.3.A, and the City does not approve adjusted Rates to
3235 be effective on or before July 1 of a Rate Period, the City shall include a surcharge on the Rates that
3236 shall be effective for the remainder of the Rate Period to recover Gross Rate Revenues lost by the
3237 Contractor, if any. To determine the amount of lost revenues, if any, the City and Contractor shall
3238 meet and confer to determine the effect the delay in adopting Rates has on the Contractor's Gross
3239 Rate Revenue. The assessment of the revenue impact shall consider the Contractor's billing cycle
3240 (e.g., impact to Customers billed in advance and to Customers billed in arrears), the ability of
3241 Contractor to delay issuance of bills, the payment cycle of Customers, and other variables.

3242 If the Contractor does not submit the application on or before the Rate application date identified
3243 in Section 8.3.A, adjusted Rates may not be approved by July 1. In such case, all Rates shall be
3244 adjusted as soon as practical following approval by the City Council. If the Contractor does not
3245 submit the application by the Rate application date identified in Section 8.3.A, no retroactive
3246 adjustment will be made to allow the Contractor to recover Gross Rate Revenues that it would have
3247 collected, had the Rate adjustment been implemented in accordance with the prescribed schedule.

3248 **3.4 Special Rate Reviews**

3249 **A. Change in Approved Organic Materials or Approved Recyclable Materials Processing Site**

3250 1. **Eligible Items.** The Contractor is entitled to apply to the City for consideration of a special
3251 Rate review, or the City may initiate such a review, to reflect actual, necessary, and
3252 reasonable changes in revenues and the cost to provide services as a result of a City-directed
3253 change in the Approved Organic Materials Processing Site and/or Approved Recyclable
3254 Materials Processing Site.

3255 2. **Review of Revenues and Costs.** If the Contractor submits an application the City shall have
3256 the right to review any or all financial and operating records of Contractor, and of Related

- 3257 Party Entities that are involved in financial transactions with Contractor, that are related to
3258 the application.
- 3259 3. **Submittal of Request.** The City shall notify the Contractor at least ninety (90) days before
3260 the proposed effective date of the directed change in the Approved Organic Materials
3261 Processing Site and/or Approved Recyclable Materials Processing Site. Upon such
3262 notification, Contractor shall, within thirty (30) calendar days, submit reasonable cost and
3263 operational data as requested by the City, in a form and manner specified by the City.
- 3264 A request for special Rate review shall include a proposal on whether the Rate adjustment
3265 resulting from the special Rate review shall be an adjustment in addition to or in lieu of the
3266 annual Rate adjustment to be performed in accordance with Section 8.2.C above.
- 3267 4. **Burden of Justification.** Contractor shall bear the burden of justifying to the City by
3268 substantial evidence any entitlement to current, as well as increased, Rates under this
3269 Section 8.4.A. If the City determines that the Contractor has not met its burden, the
3270 Contractor may request a meeting with the City Manager or their designee to produce
3271 additional evidence. Upon such request, the City shall permit said additional hearing. In the
3272 event the City denies Contractor's request, Contractor shall have the right to present its claim
3273 in a court of competent jurisdiction.
- 3274 5. **Grant of Request.** Based on evidence the Contractor submits, the City Council may grant
3275 some, all, or none of the requested increase and approve adjusted Rates.
- 3276 6. **Compensation.** The actual, necessary, and reasonable costs for participating in such review
3277 shall be a pass-through cost.
- 3278 **B. Other Special Rate Reviews**
- 3279 1. **Eligible Items.** The Contractor is entitled to apply to the City for consideration of a special
3280 Rate review, or the City may initiate such a review, either as part of the annual Rate
3281 adjustment or at any other time in accordance with this Section 8.4, should one or more of
3282 the following events occur, which event or events shall have the net effect, after considering
3283 offsetting effects of other events or trends on revenues or expenses, as well as Contractor's
3284 best efforts to minimize the impact of the change through economies, efficiencies, and other
3285 operations, of changing total operating costs, commodity revenues or Gross Rate Revenue,
3286 or a combination thereof, by an amount that is not less than two percent (2%) annually of
3287 the Gross Rate Revenues for the most-recently completed Rate Period. If such net effect is
3288 less than two percent (2%) annually of the Gross Rate Revenues for the most-recently
3289 completed Rate Period, such cost and/or revenue impact shall be considered at the time of
3290 the next annual Rate adjustment.
- 3291 a. City directed change, limited to documented significant changes in the cost to provide
3292 services required in this Agreement as a result of an agreed-upon, City-directed change in
3293 scope, as provided for under Section 4.3.
- 3294 b. Provision of emergency services pursuant to Section 6.15.

- 3295 c. Change in Law, including, but not limited to, Changes in Law that result in regulatory,
3296 governmental, or other surcharge fees, after the Effective Date that: (1) was not
3297 reasonably known to the Contractor before the Effective Date, and (2) the Contractor
3298 substantiates.
- 3299 d. Uncontrollable Circumstances.
- 3300 e. Subsequent to Rate Period 1 of this Agreement, extraordinary adjustment in operating
3301 costs and/or commodity (but not Rate) revenues beyond the control of the Contractor,
3302 resulting from actual sustained market conditions, with a duration of three (3) months or
3303 more, that the Contractor demonstrates with evidence reasonably satisfactory to the City
3304 have and will continue to result in the Contractor's inability to continue as a going
3305 concern or to meet its actual, reasonable and necessary financial obligations during the
3306 next twenty-four (24) months of this Agreement. The Contractor bears the burden of
3307 demonstrating in writing to the sole satisfaction of the City, whose decisions shall be
3308 binding, that: 1) the event qualifies under the description in the immediately preceding
3309 sentence, 2) the Contractor has taken all reasonable efforts to mitigate or minimize the
3310 financial effect of the event, and 3) the Contractor has taken all reasonable efforts to
3311 offset the financial impact of the event by economies, efficiencies, and its ability to
3312 generate additional revenue elsewhere in its operations. The City shall receive the
3313 Contractor's written demonstration of these three factors and meet with the Contractor.
3314 The City may, but is not obligated, to: question the Contractor; request additional
3315 information from Contractor as described in this Agreement; request from the Contractor
3316 information and documents as described elsewhere in the Agreement; request from the
3317 Contractor information and documents demonstrating how other companies in the
3318 industry have responded to the change; and engage experts to evaluate the information
3319 provided by the Contractor and/or request additional information from the Contractor
3320 and provide recommendations to the City.
- 3321 2. **Ineligible Items.** A special Rate review may not be initiated for the following items and
3322 Contractor shall not be compensated for such items over the Term of the Agreement unless
3323 the City and Contractor agree to an adjustment during a cost-based adjustment process
3324 when determining Rates for Rate Period Seven, or such items are identified as eligible items
3325 in Section 8.4.A.
- 3326 a. Increases in the cost of providing the services described in this Agreement in excess of the
3327 increases provided through the annual adjustment mechanism described in Exhibits H and
3328 I unless such cost increases are related to eligible items list in Section 8.4.A above.
- 3329 b. Increases in the cost of Discarded Materials Collection, Transportation, Processing, or
3330 Disposal costs in excess of the increases provided through the annual adjustment
3331 mechanism described in Exhibits H and I unless such cost increases are related to eligible
3332 items listed in Section 8.4.A above.
- 3333 c. Increases in the cost of Discarded Materials Collection, Transportation, Processing, or
3334 Disposal costs that may be impacted by change in Approved Disposal Site, Approved
3335 Recyclable Materials Processing Site, Approved Organic Materials Processing Site, or
3336 Approved C&D Processing Site operating conditions, unless such change is initiated by or
3337 at the direction of the City or is related to eligible items listed in Section 8.4.A above.
- 3338 d. Decreases in Revenues from the sale of Recyclable Materials or Organic Materials.

- 3339 e. Growth or decline in the number of Customers or their subscription levels; however, the
3340 Contractor shall be entitled to bill all Customers at the City-approved Rates and retain all
3341 Gross Rate Revenues (net fees due to City) collected from its Customers for Collection
3342 services provided under this Agreement.
- 3343 f. Changes in the number of accounts related to Container sizes or frequency of Collection;
3344 however, the Contractor shall be entitled to bill all Customers at the City-approved Rates
3345 and retain all Gross Rate Revenues (net fees due to City) collected from Contractor's
3346 Customers for Collection services provided under this Agreement.
- 3347 g. Changes in the Tonnage or composition of Discarded Materials ; however, changes in
3348 Tonnage shall be reflected in calculated Disposal and Processing Costs in accordance with
3349 procedures in Exhibits H and I.
- 3350 3. **Review of Costs.** If the Contractor or the City requests a special Rate review, the City shall
3351 have the right to review any or all financial and operating records of Contractor, and of
3352 Related Party Entities that are involved in financial transactions with Contractor.
- 3353 4. **Submittal of Request.** If the Contractor is requesting a special Rate review, the Contractor
3354 must submit its request for a special review of Rates, and cost and operational data, in a
3355 form and manner specified by the City, at least six (6) months before the proposed effective
3356 date of any Rate adjustment. The City may waive the six-month submittal requirement if the
3357 reason for the special Rate review is a Change in Law that will become effective in less than
3358 a six (6) month period.
- 3359 If City is requesting a special Rate review, the City shall notify the Contractor at least seven
3360 (7) months before the proposed effective date of any Rate adjustment. Upon such
3361 notification, Contractor shall, within thirty (30) calendar days, submit reasonable cost and
3362 operational data as requested by the City, in a form and manner specified by the City.
- 3363 A request for special Rate review shall include a proposal on whether the Rate adjustment
3364 resulting from the special Rate review shall be an adjustment in addition to or in lieu of the
3365 annual Rate adjustment to be performed in accordance with Section 8.2.C above.
- 3366 5. **Burden of Justification.** Contractor shall bear the burden of justifying to the City by
3367 substantial evidence any entitlement to current, as well as increased, Rates under this
3368 Section 8.4. If the City determines that the Contractor has not met its burden, the Contractor
3369 may request a meeting with the City Manager or their designee to produce additional
3370 evidence. Upon such request, the City shall permit said additional hearing. In the event the
3371 City denies Contractor's request, Contractor shall have the right to present its claim in a court
3372 of competent jurisdiction, except for a claim under Section 8.4.B.1.e for which the City's
3373 decision shall be binding and shall not be subject to such right.
- 3374 6. **Grant of Request.** Based on evidence the Contractor submits, the City Council may grant
3375 some, all, or none of the requested increase and approve adjusted Rates.
- 3376 7. **Compensation.** The Party requesting the special Rate review shall bear all reasonable costs
3377 of both Parties for participating in such review up to a maximum of forty thousand dollars
3378 (\$40,000) per Party and such costs shall not be reimbursed through Rates charged
3379 Customers. If a special Rate review occurs in response to a City-directed change in scope

3380 (pursuant to Section 8.4.A.1) or City-initiated Changes in Law (pursuant to Section 8.4.B.1.c),
3381 the City shall be considered the Party requesting the special Rate review.

3382 **8.5 Rates for Changes in Scope**

3383 In the event either the City or Contractor requests a change in scope in accordance with Section 4.3 of
3384 this Agreement, the Contractor shall furnish the City with projected operational and cost data for the
3385 change in scope to support any adjustment to Rates. For the purposes of analyzing cost impacts of
3386 changes in scope, the Contractor's profit shall be calculated using an operating ratio of 90% of actual
3387 reasonable and necessary costs net of Disposal expenses and City fees specified in Article 7. The City
3388 reserves the right to require that the Contractor supply any additional cost data or other information it
3389 may reasonably need to ascertain the appropriate Rate adjustment, if any, for the change in scope. The
3390 City shall review this operational and cost data, and the City Council shall approve Rates for the change in
3391 scope, if warranted.

3392 The granting of any change in scope shall be contingent upon City's written approval and establishment
3393 of new Rates. The City shall approve Rates adjustments, in good faith, coincident with any adjustment
3394 made pursuant to this Section so that the change in scope and the corresponding Rates become effective
3395 on the same date.

3396 **8.6 Notice of Rate Adjustments**

3397 The Contractor shall provide all Customers with advance written notice of approved Rate changes, in the
3398 form of a bill insert, postcard, or other written notice approved by the City at least forty-five (45) calendar
3399 days before the effective date of such changes unless the City provides written approval to waive this
3400 requirement.

3401

ARTICLE 9. INDEMNITY, INSURANCE, BOND

3402 9.1 Hazardous Substance Indemnification

3403 Contractor shall indemnify, defend with counsel acceptable to the City (provided that such acceptance by
3404 City shall not be unreasonably withheld), protect and hold harmless the City, its officers, employees,
3405 volunteers, and agents (collectively, indemnitees) from and against all claims, damages (including but not
3406 limited to special, consequential, natural resources and punitive damages), injuries, costs, (including
3407 without limit any and all response, remediation and removal costs), losses, demands, debts, liens,
3408 liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties,
3409 and expenses (including without limit attorneys' expert witness fees and costs incurred in connection with
3410 defending against any of the foregoing or in enforcing this indemnity), (collectively, "Damages") of any
3411 kind whatsoever paid, incurred or suffered by, or asserted against, indemnitees arising from or
3412 attributable to the acts or omissions of Contractor whether or not negligent or otherwise culpable, in
3413 connection with or related to the performance of this Agreement, including without limit damages arising
3414 from or attributable to any operations, repair, cleanup or detoxification, or other plan (regardless of
3415 whether undertaken due to governmental action) concerning any Hazardous Substance or Hazardous
3416 Waste, Collected under this Agreement. Notwithstanding the foregoing, however, Contractor shall not
3417 be required to indemnify the City for the costs for any claims arising from the Disposal of Solid Waste at
3418 the Approved Disposal Site, including, but not limited to, claims arising under the Comprehensive
3419 Environmental Response, Comprehensive and Liability Act (CERCLA) unless such Disposal Site is at a facility
3420 owned and operated by Contractor or such claim is a direct result of Contractor's negligent actions. This
3421 indemnity afforded indemnitees, shall only be limited to exclude coverage for intentional wrongful acts
3422 and negligence of indemnitees, and as provided below. In the event Disposal occurs at a Disposal Site
3423 owned by the Contractor, Contractor shall be required to indemnify the City for the costs for any claims
3424 arising from the Disposal of Solid Waste at the Disposal Site, including, but not limited to, claims arising
3425 under the Comprehensive Environmental Response, Comprehensive and Liability Act (CERCLA). The
3426 forgoing indemnity, as it relates to the Collection of Solid Waste and/or the Disposal of Solid Waste at
3427 Contractor's Disposal Site, is intended to operate as an Agreement pursuant to §107(e) of the
3428 Comprehensive Environmental Response, Compensation and Liability Act, CERCLA, 42 USC. §9607(e) and
3429 California Health and Safety Code §25364, to defend, protect, hold harmless, and indemnify City from
3430 liability.

3431 This provision is in addition to all other provisions in this Agreement and is intended to survive the
3432 expiration or earlier termination of this Agreement. Nothing in this paragraph shall prevent City from
3433 seeking indemnification or contribution from Persons or entities other than indemnitees, for any liabilities
3434 incurred by City, or the indemnitees. As appropriate, Contractor's parent company should provide the
3435 guarantees necessary to meet this provision.

3436 9.2 AB 939 Indemnification

3437 In addition to all other relief provided Contractor and City under this Agreement, Contractor agrees to
3438 defend, indemnify, and hold harmless, the City, its officers, employees, volunteers, and agents from and
3439 against all fines and/or penalties imposed by the California Department of Resources Recycling and
3440 Recovery (CalRecycle) for operations during the Term of this Agreement in the event the source reduction
3441 and Diversion goals or any other requirement of AB 939 are not met by the Contractor with respect to the

3442 waste stream Collected by Contractor under this Agreement and such failure is due to the failure of
3443 Contractor to meet its obligations under this Agreement unless Contractor can demonstrate to the
3444 satisfaction of the City that such failure is beyond Contractor's ability to control or effect, or due to
3445 Contractor delays in providing information that prevents Contractor or City from submitting reports
3446 required by AB 939 in a timely manner.

3447 **9.3 Proposition 218 Indemnification**

3448 Contractor shall indemnify, defend and hold harmless City, its officers, employees, agents and volunteers,
3449 (collectively, indemnitees) from and against all claims, damages, injuries, costs, including demands, debts,
3450 liens, liabilities, causes of action, suits, legal or administrative proceedings, interest fines, charges,
3451 penalties and expenses (including reasonable attorneys' and expert witness fees, expenditures for
3452 investigation and administration) and costs of any kind whatsoever paid, imposed upon, endured or
3453 suffered by or assessed against any of the indemnitees resulting in any form from the City's approval of
3454 Rates for service under this Agreement or in connection with the application of California Constitution,
3455 Article XIII C and Article XIII D to the imposition, payment or Collection of Rates and fees for services
3456 provided by Contractor under this Agreement. This Proposition 218 indemnification shall not extend to
3457 indemnification related to City fees described in Article 7 of the Agreement or any City fees established in
3458 accordance with Section 7.5 or Section 7.7.

3459 **9.4 Measure D Indemnification**

3460 Contractor shall indemnify, defend and hold harmless City, its officers, employees, agents and volunteers,
3461 from and against any revenues withheld by the Alameda County Source Reduction and Recycling Board in
3462 the event the source reduction and Recycling goals or any other requirement of the Measure are not met
3463 by the Contractor with respect to the Recycling/source reduction programs under this Agreement and
3464 such failure is due to the failure of Contractor to meet its obligations under this Agreement unless
3465 Contractor can demonstrate to the satisfaction of the City that such failure is beyond Contractor's ability
3466 to control or effect, or due to Contractor delays in providing information that prevents Contractor or City
3467 from submitting reports required by Measure D in a timely manner.

3468 **9.5 Insurance**

3469 **9.5.1 Minimum Scope of Insurance**

3470 Coverage shall be at least as broad as:

- 3471 A. Insurance Services Office form number GL 0002 covering Comprehensive General Liability and
3472 Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General
3473 Liability; or Insurance Services Office Commercial General Liability coverage ("occurrence" form CG
3474 0001).
- 3475 B. Insurance Services Office form number CA 0001 covering Automobile Liability, code 1 "any auto"
3476 and endorsement CA 0025.

3477 C. Workers' Compensation insurance as required by the Labor Code of the State of California and
3478 Employers Liability insurance.

3479 D. Employee Blanket Fidelity Bond.

3480 **9.5.2 Minimum Limits of Insurance**

3481 Contractor shall maintain limits no less than:

3482 A. Comprehensive General Liability: \$10,000,000 combined single limit per occurrence for bodily
3483 injury, personal injury, and property damage.

3484 B. Automobile Liability: \$10,000,000 combined single limit per accident for bodily injury and property
3485 damage.

3486 C. Workers' Compensation and Employers Liability: Workers' compensation limits as required by the
3487 Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

3488 D. Employee Blanket Fidelity Bond in the amount of \$500,000 per employee, covering dishonesty,
3489 forgery, alteration, theft, disappearance, destruction (inside or outside).

3490 **9.5.3 Deductibles and Self-Insured Retentions**

3491 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option
3492 of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as
3493 respects the City, its officials and employees; or the Contractor shall procure a bond guaranteeing
3494 payment of losses and related investigations, claim administration and defense expenses.

3495 **9.5.4 Other Insurance Provisions**

3496 The policies are to contain, or be endorsed to contain, the following provisions:

3497 **A. General Liability and Automobile Liability Coverages**

3498 1. The City, its officials, employees and volunteers are to be covered as additional insureds as
3499 respects: liability arising out of activities performed by or on behalf of the Contractor;
3500 products and completed operations of the Contractor; premises owned, leased or used by the
3501 Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The
3502 coverage shall contain no special limitations on the scope of protection afforded to the City,
3503 its officials, employees, or volunteers. The automobile liability is endorsed to contain MCA-
3504 90 coverage.

3505 The Contractor's insurance coverage shall be primary insurance as respects the City, its officials,
3506 employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials,
3507 employees, or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.

3508 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the
3509 City, its officials, employees, or volunteers.

3510 Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom
3511 claim is made or suit is brought, except with respect to the limits of the insurer's liability.

3512 B. **Workers' Compensation and Employers Liability Coverage.** The insurer shall agree to waive all
3513 rights of subrogation against the City, its officers, employees, and volunteers for losses arising from
3514 work performed by the Contractor for the City.

3515 C. **All Coverages.** Each insurance policy required by this clause shall be endorsed to state that coverage
3516 shall not be suspended, voided, canceled by either Party, reduced in coverage or in limits except
3517 after thirty (30) calendar days prior written notice by certified mail, return receipt requested, has
3518 been given to the City.

3519 **9.5.5 Acceptability of Insurers**

3520 The insurance policies required by this Section shall be issued by an insurance company or companies
3521 authorized to do business in the State of California and with a rating in the most recent edition of Best's
3522 Insurance Reports of size category VII or larger and a rating classification of A or better.

3523 **9.5.6 Verification of Coverage**

3524 Contractor shall furnish Contractor's insurance agent a copy of these specifications, and direct the agent
3525 to provide the City with certificates of insurance and with original endorsements affecting coverage
3526 required by this clause. Issuance of documentation indicates the Contractor's insurance complies with
3527 these provisions. The certificates and endorsements for each insurance policy are to be signed by a Person
3528 authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be
3529 received and approved by the City before work commences. The City reserves the right to require
3530 complete, certified copies of all required insurance policies, at any time.

3531 **9.5.7 Required Endorsements**

3532 A. The Workers' Compensation policy shall contain an endorsement in substantially the following
3533 form:

3534 "Thirty (30) calendar days' prior written notice shall be given to the City of Pleasanton
3535 in the event of cancellation, reduction in coverage, or non-renewal of this policy. Such
3536 notice shall be sent to:

3537 City Manager
3538 City of Pleasanton
3539 123 Main Street
3540 Pleasanton, CA 94566
3541

3542 B. The Commercial General Liability Business and Automobile Liability policies shall contain
3543 endorsements in substantially the following form:

3544 1. "Thirty (30) calendar days' prior written notice shall be given to the City of Pleasanton in the
3545 event of cancellation, reduction in coverage, or non-renewal of this policy. Such notice shall
3546 be sent to:

3547 City Manager
3548 City of Pleasanton
3549 123 Main Street
3550 Pleasanton, CA 94566
3551

- 3552 2. "The City of Pleasanton, its officers, employees, and agents are additional insureds on this
3553 policy." The City requires form CG2010 1185.
- 3554 3. "This policy shall be considered primary insurance as respects any other valid and collectible
3555 insurance maintained by the City of Pleasanton, including any self-insured retention or
3556 program of self-insurance, and any other such insurance shall be considered excess insurance
3557 only."
- 3558 4. "Inclusion of the City of Pleasanton as an insured shall not affect the City's rights as respects
3559 any claim, demand, suit or judgment brought or recovered against the Contractor. This policy
3560 shall protect Contractor and the City in the same manner as though a separate policy had
3561 been issued to each, but this shall not operate to increase the Contractor's liability as set forth
3562 in the policy beyond the amount shown or to which the Contractor would have been liable if
3563 only one Party had been named as an insured."

3564 **9.5.8 Delivery of Proof of Coverage**

3565 Simultaneously with the execution of this Agreement, Contractor shall furnish the City certificates of each
3566 policy of insurance required hereunder, in form and substance satisfactory to City. Such certificates shall
3567 show the type and amount of coverage, effective dates, and dates of expiration of policies and shall have
3568 all required endorsements. If the City requests, copies of each policy, together with all endorsements,
3569 shall also be promptly delivered to City.

3570 Renewal certificates will be furnished periodically to City to demonstrate maintenance of the required
3571 coverages throughout the Term.

3572 **9.5.9 Other Insurance Requirements**

- 3573 A. In the event any services are delegated to a Subcontractor, the Contractor shall require such
3574 Subcontractor to provide statutory workers' compensation insurance and employer's liability
3575 insurance for all of the Subcontractor's employees engaged in the work in accordance with Sections
3576 9.5.2.C and 9.5.4.B. The liability insurance required by Section 9.5.2.A shall cover all Subcontractors
3577 or the Subcontractor must furnish evidence of insurance provided by it meeting all of the
3578 requirements of this Section 9.5.
- 3579 B. The Contractor shall comply with all requirements of the insurers issuing policies. The carrying of
3580 insurance shall not relieve Contractor from any obligation under this Agreement. If any claim
3581 exceeding the amount of any deductibles or self-insured reserves is made by any third Person
3582 against the Contractor or any Subcontractor on account of any occurrence related to this
3583 Agreement, the Contractor shall promptly report the facts in writing to the insurance carrier and to
3584 the City.

- 3585 C. If Contractor fails to procure and maintain any insurance required by this Agreement, the City may
3586 take out and maintain, at the Contractor's expense, such insurance as it may deem proper and
3587 deduct the cost thereof from any monies due to the Contractor.
- 3588 D. The Commercial General and Automobile Liability insurance required by Sections 9.5.2 and 9.5.4.A
3589 shall be written on an "occurrence", rather than a "claims made" basis, if such coverage is
3590 obtainable. If it is not obtainable, Contractor must arrange for a thirty-six (36) month "tail coverage"
3591 to protect the City from claims filed after the expiration or termination of this Agreement relating
3592 to incidents which occurred prior to such expiration or termination.

3593 **9.6 Performance Bond**

3594 Within five (5) Business Days of the City's notification to Contractor that the City has executed this
3595 Agreement, Contractor shall file with the City a bond, payable to the City, securing the Contractor's
3596 performance of its obligations under this Agreement and such bond shall be renewed annually if necessary
3597 so that the performance bond is maintained at all times during the Term. The City will accept an annual
3598 performance bond; however, neither non-renewal (or cancellation, if applicable) by the surety, nor failure
3599 or inability of Contractor to file a replacement bond in the event the surety exercises its right to not renew
3600 the bond, shall itself constitute a loss to the City recoverable under the bond or any extension thereof. If
3601 any conflict or inconsistency exists between the surety's obligations or undertakings as described in the
3602 bond and this Agreement, then the terms of the bond shall prevail. The principal sum of the bond shall
3603 be One Million Dollars (\$1,000,000) unless the Agreement is assigned in which case the principal sum of
3604 the bond may be increased by the City to Seven Million Dollars (\$7,000,000) and thereafter the principal
3605 sum of the bond may be adjusted every three (3) years, commencing with Rate Period Three, to equal
3606 three (3) months of the annual Gross Rate Revenues. The bond shall be executed as surety by a
3607 corporation authorized to issue surety bonds in the State of California, that has a rating of A-XII or better
3608 in the most recent edition of Best's Key Rating Guide, and that has a record of service and financial
3609 condition satisfactory to the City. The bond shall be in the form attached as Exhibit K.

3610

ARTICLE 10. CITY'S RIGHT TO PERFORM SERVICE

3611 10.1 General

3612 In the event that the Contractor, for any reason whatsoever, fails, refuses or is unable to Collect, Transport
3613 or Dispose of any or all Solid Waste and/or Collect, Transport and Process Recyclable Materials, Organic
3614 Materials, or C&D which it is required by this Agreement to Collect and Transport, at the time and in the
3615 manner provided in this Agreement, for a period of more than forty-eight (48) hours, and if, as a result
3616 thereof, Discarded Materials should accumulate in the City to such an extent, in such a manner, or for
3617 such a time that City Manager or their designee should find that such accumulation endangers or menaces
3618 the public health, safety or welfare, then the City shall have the right, but not the obligation, upon twenty-
3619 four (24) hour prior written notice to Contractor during the period of such emergency as determined by
3620 City Manager or their designee, (1) to perform, or cause to be performed, such services itself with its own
3621 or other personnel without liability to Contractor; and/or (2) to take possession of any or all of
3622 Contractor's equipment and other property used or useful in the Collection, Transporting, Processing and
3623 Disposing of Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items and to use such
3624 property to Collect, Transport, Process, and Dispose of any Solid Waste, Recyclable Materials, Organic
3625 Materials, C&D or Bulky Items generated within the City which Contractor would otherwise be obligated
3626 to Collect, Transport, Process, and Dispose of pursuant to this Agreement.

3627 Notice of the Contractor's failure, refusal, or neglect to Collect, Transport, Process, and Dispose of Solid
3628 Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items may be given verbally by telephone
3629 to the Contractor at its principal office and shall be effective immediately. Written confirmation of such
3630 verbal notification shall be sent to Contractor within twenty-four (24) hours of the verbal notification.

3631 Contractor further agrees that in such event:

3632 A. It will fully cooperate with City to affect the transfer of possession of property to the City for City's
3633 use.

3634 B. It will, if City so requests, keep in good repair and condition all property that the City has taken
3635 possession, provide all motor vehicles with fuel, oil and other service, and provide such other
3636 services as may be necessary to maintain said property in operational condition.

3637 C. Subject to provisions of any labor agreements then in effect, City may immediately engage all or
3638 any personnel necessary or useful for the Collecting, Transporting, Processing, and Disposing of
3639 Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items including, if City so desires,
3640 employees previously or then employed by Contractor, Contractor further agrees, if City so
3641 requests, to furnish City the services of any or all management or office personnel employed by
3642 Contractor whose services are necessary or useful for Solid Waste, Recyclable Materials, Organic
3643 Materials, C&D or Bulky Items Collection, Transportation, Processing, and Disposal operations and
3644 for the billing and collection of fees for these services.

3645 The City agrees that it assumes complete responsibility for the proper and normal use of such equipment
3646 and facilities while in its possession.

3647 If the interruption or discontinuance in service is caused by any of the reasons listed in Section 11.7, the
3648 City shall pay to Contractor the reasonable rental value of the equipment and facilities, possession of
3649 which is taken by the City, for the period of the City's possession, if any, which extends beyond the period
3650 of time for which Contractor has rendered bills in advance of service, for the class of service involved.

3651 Except as otherwise expressly provided in the previous paragraph, the City's exercise of its rights under
3652 this Article: (1) does not constitute a taking of private property for which compensation must be paid; (2)
3653 will not create any liability on the part of City to Contractor; and (3) does not exempt Contractor from the
3654 indemnity provisions of Article 9, which are meant to extend to circumstances arising under this Section,
3655 provided that Contractor is not required to indemnify City against claims and damages arising from the
3656 negligence of City officers, employees and agents in the operation of Collection vehicles during the time
3657 the City has taken possession of such vehicles.

3658 **10.2 Duration of City's Possession**

3659 City has no obligation to maintain possession of Contractor's property and/or continue its use in
3660 Collecting, Transporting, Processing, and Disposing Solid Waste, Recyclable Materials, Organic Materials,
3661 C&D, or Bulky Items for any period of time and may, at any time, in its sole discretion, relinquish
3662 possession to the Contractor.

3663 The City's right to retain temporary possession of Contractor's property, and to provide Solid Waste,
3664 Recyclable Materials, Organic Materials, C&D or Bulky Items Collection services, shall continue until
3665 Contractor can demonstrate to the City's satisfaction that it is ready, willing and able to resume such
3666 services or for one hundred eighty (180) calendar days, whichever occurs first.

3667

ARTICLE 11. DEFAULT AND REMEDIES

3668 11.1 Events of Default

3669 All provisions of the Agreement are considered material. Each of the following shall constitute an event
3670 of default.

3671 A. **Fraud or Deceit.** Contractor practices, or attempts to practice, any fraud or deceit upon the City.

3672 B. **Insolvency or Bankruptcy.** Contractor becomes insolvent, unable, or unwilling to pay its debts, or
3673 upon listing of an order for relief in favor of Contractor in a bankruptcy proceeding.

3674 C. **Failure to Maintain Coverage.** Contractor fails to provide or maintain in full force and effect the
3675 Workers' Compensation, liability, or indemnification coverage as required by this Agreement.

3676 D. **Violations of Regulation.** Contractor violates any orders or filings of any regulatory body having
3677 authority over Contractor relative to this Agreement, provided that Contractor may contest any
3678 such orders or filings by appropriate proceedings conducted in good faith, in which case no breach
3679 or default of this Agreement shall be deemed to have occurred.

3680 E. **Violations of Applicable Law.** Contractor violates Applicable Law relative to this Agreement.

3681 F. **Failure to Perform Collection, Transportation, Processing, or Composting Services.** Contractor
3682 ceases to provide Collection, Transportation, Processing, or Composting services as required under
3683 this Agreement for a period of two (2) consecutive calendar days or more, for any reason within the
3684 control of Contractor.

3685 G. **Failure to Pay or Report.** Contractor fails to make any payments to City required under this
3686 Agreement including payment of City fees or Liquidated Damages and/or refuses to provide City
3687 with required information, reports, and/or records in a timely manner as provided for in the
3688 Agreement.

3689 H. **Acts or Omissions.** Any other act or omission by Contractor which violates the terms, conditions,
3690 or requirements of this Agreement, AB 939, as it may be amended from time to time, or any law,
3691 statute, ordinance, order, directive, rule, or regulation issued there under and which is not
3692 corrected or remedied within the time set in the written notice of the violation or, if Contractor
3693 cannot reasonably correct or remedy the breach within the time set forth in such notice, if
3694 Contractor should fail to commence to correct or remedy such violation within the time set forth in
3695 such notice and diligently effect such correction or remedy thereafter.

3696 I. **False, Misleading, or Inaccurate Statements.** Any representation or disclosure made to the City by
3697 Contractor in connection with or as an inducement to entering into this Agreement, or any future
3698 amendment to this Agreement, which proves to be false or misleading in any material respect as of
3699 the time such representation or disclosure is made, whether or not any such representation or
3700 disclosure appears as part of this Agreement; and, any Contractor-provided report containing a
3701 misstatement, misrepresentation, data manipulation, or an omission of fact or content explicitly
3702 defined by the Agreement, excepting non-numerical typographical and grammatical errors.

- 3703 J. **Seizure or Attachment.** There is a seizure of, attachment of, or levy on, some or all of Contractor's
3704 operating equipment, including without limits its equipment, maintenance or office facilities, or any
3705 part thereof.
- 3706 K. **Suspension or Termination of Service.** There is any termination or suspension of the transaction
3707 of business by Contractor related to this Agreement, including without limit, due to labor unrest
3708 including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action
3709 lasting more than two (2) calendar days.
- 3710 L. **Criminal Activity.** Contractor, its officers, managers, or employees are found guilty of criminal
3711 activity related directly or indirectly to performance of this Agreement or any other Agreement held
3712 with the City as further described in Section 12.16.1.
- 3713 M. **Assignment without Approval.** Contractor transfers or assigns this Agreement without the
3714 expressed written approval of the City unless the assignment is permitted without City approval
3715 pursuant to Section 12.5.
- 3716 N. **Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a proposal
3717 for new services or changes to services or fails to implement a change in service as requested by
3718 the City as specified in Section 4.3.
- 3719 O. **Failure to Perform Any Obligation.** Contractor fails to perform any obligation established under
3720 this Agreement.

3721 City shall provide Contractor written notice of default within twenty-four (24) hours of the occurrence of
3722 default or within twenty-four (24) hours of the City's first knowledge of the Contractor's default,
3723 whichever occurs first.

3724 11.2 Contractor Rights to Remedy Default

3725 Contractor shall be given ten (10) calendar days from written notification by City to cure any default which,
3726 in the City's sole opinion, creates a potential public health and safety threat.

3727 Contractor shall be given ten (10) calendar days from written notification by City to cure any default arising
3728 under subsections C, E, F, I, J and K in Section 11.1 provided, however, that the City shall not be obligated
3729 to provide Contractor with a notice and cure opportunity if the Contractor has committed the same or
3730 similar breach/default within a twenty-four (24) month period.

3731 Contractor shall be given thirty (30) calendar days from written notification by City to cure any other
3732 default (which is not required to be cured within ten (10) calendar days); however, that the City shall not
3733 be obligated to provide Contractor with a notice and cure opportunity if the Contractor has committed
3734 the same or similar breach/default within a twenty-four (24) month period.

3735 11.3 City's Remedies in the Event of Default

3736 Upon Contractor's default, City has the following remedies in the event of Contractor default:

3737 A. **Termination.** In the event that Contractor should default and subject to the right of the Contractor
3738 to cure, in the performance of any provisions of this contract, and the default is not cured for any
3739 default within in ten (10) calendar days if the default creates a potential public health and safety
3740 threat or arises under Section 11.1.C., E, F, I, J, or K, or otherwise thirty (30) calendar days after
3741 receipt of written notice of default from the City, then the City may, at its option, terminate this
3742 Agreement and/or hold a hearing at its next City Council meeting to determine whether this
3743 Agreement should be terminated. In the event City decides to terminate this Agreement, the City
3744 shall serve twenty (20) calendar days' written notice of its intention to terminate upon Contractor.
3745 In the event City exercises its right to terminate this Agreement, the City may, at its option, upon
3746 such termination, either directly undertake performance of the services or arrange with other
3747 Persons to perform the services with or without a written agreement. This right of termination is
3748 in addition to any other rights of City upon a failure of Contractor to perform its obligations under
3749 this Agreement. Upon termination, the City shall have the right to use equipment and Facilities
3750 pursuant to Section 11.4.

3751 Contractor shall not be entitled to any further revenues from Collection operations authorized
3752 hereunder from and after the effective date of termination.

3753 B. **Suspension of Contractor's Obligation.** City may suspend Contractor's performance of its
3754 obligations if Contractor fails to cure default in the time frame specified in Section 11.2 until such
3755 time the Contractor can provide assurance of performance in accordance with Section 11.8. During
3756 the period of suspension, City shall have the right to use equipment and Facilities pursuant to
3757 Section 11.4.

3758 C. **Waiver of Default.** City may waive any event of default or may waive Contractor's requirement to
3759 cure a default event if City determines that such waiver would be in the best interest of the City.
3760 City's waive of an event of default is not a waiver of future events of default that may have the same
3761 or similar conditions.

3762 D. **Liquidated Damages.** City may assess Liquidated Damages for Contractor's failure to meet specific
3763 performance standards pursuant to Section 11.6 and Exhibit E.

3764 E. **Other Available Remedies.** City's election of one or more remedies described herein shall not limit
3765 the City from any and all other remedies at law and in equity including injunctive relief, etc.

3766 **11.4 Possession of Property upon Termination or Suspension**

3767 In the event of termination or suspension for default, the City shall have the right to take possession of
3768 any and all of Contractor's equipment and other property used or useful in the Collection, Transportation,
3769 Processing, and Disposal of Solid Waste, Recyclable Materials Organic Materials, C&D or Bulky Items and
3770 the billing and collection of fees for these services and to use such property. The City shall have the right
3771 to retain the possession of such property in accordance with Article 10. If the City retains possession
3772 thereof after the period of time for which Contractor has already been paid by means of bills issued in
3773 advance of providing service for the class of service involved, the Contractor shall be entitled to the
3774 reasonable rental value of such property (which shall be offset against any damages due the City for the
3775 Contractor's default).

3776 Contractor shall furnish the City with immediate access to all of its business records related to its
3777 Customers and billing of accounts for Collection services.

3778 **11.5 City's Remedies Cumulative; Specific Performance**

3779 The City's right to terminate the Agreement under Section 11.3 and to take possession of the Contractor's
3780 properties under Section 11.4 are not exclusive, and the City's termination of the Agreement shall not
3781 constitute an election of remedies. Instead, they shall be in addition to any and all other legal and
3782 equitable rights and remedies which the City may have.

3783 By virtue of the nature of this Agreement, the urgency of timely, continuous and high-quality service, the
3784 lead time required to effect alternative service, and the rights granted by City to the Contractor, the
3785 remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive
3786 relief.

3787 **11.6 Liquidated Damages**

3788 **11.6.1 General**

3789 The Parties agree that as of the time of the execution of this Agreement, it is impractical, if not impossible,
3790 to reasonably ascertain the extent of damages which shall be incurred by City as a result of a breach by
3791 Contractor of its obligations under this Agreement. The factors relating to the impracticability of
3792 ascertaining damages include, but are not limited to, the fact that: (i) substantial damage results to
3793 members of the public who are denied services or denied quality or reliable service; (ii) such breaches
3794 cause inconvenience, anxiety, frustration, and deprivation of the benefits of the Agreement to individual
3795 members of the general public for whose benefit this Agreement exists, in subjective ways and in varying
3796 degrees of intensity which are incapable of measurement in precise monetary terms; (iii) that exclusive
3797 services might be available at substantially lower costs than alternative services and the monetary loss
3798 resulting from denial of services or denial of quality or reliable services is impossible to calculate in precise
3799 monetary terms; and, (iv) the termination of this Agreement for such breaches, and other remedies are,
3800 at best, a means of future correction and not remedies which make the public whole for past breaches.

3801 **11.6.2 Performance Standards; Liquidated Damages for Failure to Meet** 3802 **Standards**

3803 The Parties further acknowledge that consistent, reliable Solid Waste, Recyclable Materials, Organic
3804 Materials, C&D, and Bulky Items Collection service is of utmost importance to City and that City has
3805 considered and relied on Contractor's representations as to its quality of service commitment in awarding
3806 the Agreement to it. The Parties further recognize that some quantified standards of performance are
3807 necessary and appropriate to ensure consistent and reliable service and performance. The Parties further
3808 recognize that if Contractor fails to achieve the performance standards, or fails to submit required
3809 documents in a timely manner, City and its residents and businesses will suffer damages and that it is and
3810 will be impractical and extremely difficult to ascertain and determine the exact amount of damages which
3811 City will suffer. Therefore, without prejudice to City's right to treat such non-performance as an event of
3812 default under this Section 11.6.2, the Parties agree that the following Liquidated Damage amounts
3813 represent a reasonable estimate of the amount of such damages considering all of the circumstances

3814 existing on the date of this Agreement, including the relationship of the sums to the range of harm to City
3815 that reasonably could be anticipated and the anticipation that proof of actual damages would be costly
3816 or impractical.

3817 Contractor agrees to pay (as Liquidated Damages and not as a penalty) the amounts set forth in the
3818 Schedule of Performance Adjustments, Exhibit E.

3819 City may determine the occurrence of events giving rise to Liquidated Damages through the observation
3820 of its own employees or representative or investigation of Customer Complaints.

3821 Liquidated Damages will only be assessed after Contractor has been given the opportunity but failed to
3822 rectify the damages as described in this Agreement. Prior to assessing Liquidated Damages, City shall give
3823 Contractor notice of its intention to do so. The notice will include a brief description of the
3824 incident(s)/non-performance. City may review (and make copies at its own expense) all information in
3825 the possession of Contractor relating to incident(s)/non-performance. City may, within ten (10) calendar
3826 days after issuing the notice, request a meeting with Contractor. City may present evidence of non-
3827 performance in writing and through testimony of its employees and others relevant to the
3828 incident(s)/non-performance. City will provide Contractor with a written explanation of its determination
3829 on each incident(s)/non-performance prior to authorizing the assessment of Liquidated Damages. The
3830 decision of City shall be final, and Contractor shall not be subject to, or required to exhaust, any further
3831 administrative remedies.

3832 **11.6.3 Amount**

3833 City may assess Liquidated Damages for each calendar day or event, as appropriate, that Contractor is
3834 determined to be liable in accordance with this Agreement in the amounts specified in Exhibit E. In the
3835 event the amount of Liquidated Damages for any three (3) month period exceeds the thresholds
3836 established in Section 5.18.1, the City shall have the right to request replacement of the Contractor's
3837 general manager as described in Section 5.18.1.

3838 **11.6.4 Timing of Payment**

3839 Contractor shall pay any Liquidated Damages assessed by City within ten (10) calendar days after they are
3840 assessed. If they are not paid within the ten (10) day period, City may proceed against the performance
3841 bond required by the Agreement,

3842 **11.7 Excuse from Performance**

3843 The Parties shall be excused from performing their respective obligations hereunder in the event they are
3844 prevented from so performing by reason of Uncontrollable Circumstances. In the case of labor unrest or
3845 job action directed at a third party over whom Contractor has no control, the inability of Contractor to
3846 provide Solid Waste, Recyclable Materials, Organic Materials Collection, or C&D services due to the
3847 unwillingness or failure of the third party to provide reasonable assurance of the safety of Contractor's
3848 employees while providing Solid Waste, Recyclable Materials, Organic Materials, or C&D Collection
3849 services or to make reasonable accommodations with respect to Container placement and point of
3850 Delivery, time of Collection or other operating circumstances to minimize any confrontation with pickets
3851 or the number of Persons necessary to make Collections shall, to that limited extent, excuse performance

3852 and provided further that the foregoing excuse shall be conditioned on Contractor's cooperation in
3853 making Collection at different times and in different locations.

3854 The Party claiming excuse from performance shall, within two (2) calendar days after such Party has notice
3855 of such cause, give the other Party notice of the facts constituting such cause and asserting its claim to
3856 excuse under this Section.

3857 In the event that either Party validly exercises its rights under this Section, the Parties hereby waive any
3858 claim against each other for any damages sustained thereby.

3859 The partial or complete interruption or discontinuance of Contractor's services caused by one or more of
3860 the events described in this Article shall not constitute a default by Contractor under this Agreement.
3861 Notwithstanding the foregoing, however, (1) the existence of an excuse from performance will not affect
3862 the City's rights under Article 10; and (2) if Contractor is excused from performing its obligations
3863 hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more,
3864 other than as the result of third party labor disputes where service cannot be provided for reasons
3865 described earlier in this Section, the City shall nevertheless have the right, in its sole discretion, to
3866 terminate this Agreement by giving ten (10) calendar days' notice, in which case the provisions of Section
3867 11.3 shall apply.

3868 **11.3 Right to Demand Assurances of Performance**

3869 If Contractor (1) is the subject of any labor unrest including work stoppage or slowdown, sick-out,
3870 picketing or other concerted job action; (2) appears in the reasonable judgment of City to be unable to
3871 regularly pay its bills as they become due; or (3) is the subject of a civil or criminal judgment or order
3872 entered by a federal, State, regional or local agency for violation of an environmental law, and the City
3873 Manager or their designee believes in good faith that Contractor's ability to perform under the Agreement
3874 has thereby been placed in substantial jeopardy, the City may, at its option and in addition to all other
3875 remedies it may have, demand from Contractor reasonable assurances of timely and proper performance
3876 of this Agreement, in such form and substance as the City Manager or their designee believes in good
3877 faith is reasonably necessary in the circumstances to evidence continued ability to perform under the
3878 Agreement. If Contractor fails or refuses to provide satisfactory assurances of timely and proper
3879 performance in the form and by the date required by City, such failure or refusal shall be an event of
3880 default for purposes of Section 11.1.

3881

ARTICLE 12. OTHER AGREEMENTS OF THE PARTIES

3882 12.1 Relationship of Parties

3883 The Parties intend that Contractor shall perform the services required by this Agreement as an
3884 independent Contractor engaged by City and not as an officer or employee of the City nor as a partner of
3885 or joint venturer with the City. No employee or agent of Contractor shall be or shall be deemed to be an
3886 employee or agent of the City. Except as expressly provided herein, Contractor shall have the exclusive
3887 control over the manner and means of conducting the Solid Waste, Recyclable Materials, Organic
3888 Materials, C&D and Bulky Items Collection, Transportation, Processing and Disposal services performed
3889 under this Agreement, and all Persons performing such services. Contractor shall be solely responsible
3890 for the acts and omissions of its officers, employees, Subcontractors, and agents. Neither Contractor nor
3891 its officers, employees, Subcontractors and agents shall obtain any rights to retirement benefits, workers'
3892 compensation benefits, or any other benefits which accrue to City employees by virtue of their
3893 employment with the City.

3894 12.2 Compliance with Law

3895 In providing the services required under this Agreement, Contractor shall at all times, at its sole cost,
3896 comply with all Applicable Laws, permits and licenses of the United States, the State of California and the
3897 City and with all applicable regulations promulgated by federal, State, regional or local administrative and
3898 regulatory agencies, now in force and as they may be enacted, issued or amended during the Term.

3899 12.3 Governing Law

3900 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the
3901 State of California.

3902 12.4 Jurisdiction

3903 Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the
3904 courts of Alameda County in the State of California, which shall have exclusive jurisdiction over such
3905 lawsuits.

3906 With respect to venue, the Parties agree that this Agreement is made in and will be performed in Alameda
3907 County.

3908 12.5 Assignment

3909 For purposes of this Section the term assignment shall be given the broadest possible interpretation, and
3910 shall include, but not be limited to (i) a sale, exchange or other transfer of substantially all of Contractor's
3911 assets dedicated to service under this Agreement to a third party; (ii) a sale, exchange or other transfer of
3912 outstanding common stock of Contractor to a third party provided said sale, exchange or transfer would
3913 result in a Change of Control of Contractor (defined as a change in the ownership of more than ten percent
3914 (10%) of the outstanding common stock from the ownership at the time the Agreement was entered); (iii)
3915 any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or re-issuance,

3916 voting trust, pooling agreement, escrow arrangement, liquidation or other transaction which results in a
3917 Change of Control; (iv) any assignment by operation of law, including those resulting from mergers or
3918 acquisitions by or of Contractor or any of its Affiliates, insolvency or bankruptcy, making assignment for
3919 the benefit of creditors, writ of attachment for an execution being levied against this Agreement,
3920 appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event
3921 of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or
3922 contemporaneous transactions) which results in a Change of Control. Notwithstanding the foregoing,
3923 transfers of outstanding shares of Contractor's common stock to existing shareholders, family members
3924 or family trusts will not be counted in determining a Change of Control and will not constitute an
3925 assignment for purposes of Section 9.6 above or this Section 12.5, unless such transfer results in a change
3926 in the concentration of ownership between the Molinaro family (50%) and the Macchiano family (50%).

3927 Contractor acknowledges that this Agreement involves rendering a vital service to City's residents and
3928 businesses, and that City has selected Contractor to perform the services specified herein based on (i)
3929 Contractor's experience, skill and reputation for conducting services required under this Agreement in a
3930 safe, effective and responsible fashion, at all times in keeping with Applicable Law, regulations and best
3931 Solid Waste and Diversion management practices, and (ii) Contractor's financial resources to maintain the
3932 required equipment and to support its indemnity obligations to City under this Agreement. City has relied
3933 on each of these factors, among others, in choosing Contractor to perform the services to be rendered by
3934 Contractor under this Agreement.

3935 **12.5.1 Requirements of the Contractor**

3936 Contractor shall not enter into negotiations to assign its rights, or delegate, subcontract or otherwise
3937 transfer any of Contractor's obligations under this Agreement (collectively referred to as an "assignment")
3938 to any other Person for a period of three (3) years from the Commencement Date of this Agreement.

3939 After such three (3) year period Contractor shall not assign its rights, nor delegate, subcontract or
3940 otherwise transfer any of Contractor's obligations under this Agreement to any other Person without the
3941 prior written consent of the City Council. Any such assignment made without the consent of the City
3942 Council shall be void and the attempted assignment shall constitute a material breach of this Agreement.

3943 If Contractor requests City Council's consideration of and consent to an assignment, City Council may deny
3944 or approve such request in its sole discretion. Any request for an assignment shall be made in a manner
3945 to be prescribed by the City Contract Manager or their designee, and no request by Contractor for consent
3946 to an assignment need be considered by City unless and until Contractor has met (or with respect to
3947 matters that would only occur upon completion of the assignment if approved, made reasonable
3948 assurances that it will meet) the following requirements:

3949 A. Contractor shall undertake to pay City its reasonable expenses for attorney's fees and investigation
3950 costs necessary to investigate the suitability of any proposed assignee, and to review and finalize
3951 any documentation required as a condition for approving any such assignment. An advance
3952 payment of one hundred thousand dollars (\$100,000) towards expenses shall be paid to City prior
3953 to City consideration of any assignment request and Contractor shall be responsible for paying all
3954 costs incurred by City in considering a request for assignment, including those in excess of the
3955 aforesaid deposit amount, regardless of whether City consents to the assignment.

- 3956 B. Contractor shall pay the City a transfer assignment right fee equal to two hundred fifty thousand
3957 dollars (\$250,000). This payment shall be due no later than five (5) calendar days before final closing
3958 of the assignment but if paid and the assignment shall not be completed, it shall be refunded to the
3959 Contractor. If there shall be an escrow-type arrangement with an escrow agent, financial institution
3960 or other third party in connection with the assignment and the documentation thereof and payment
3961 of the purchase price to Contractor in consideration of the assignment by the assignee, then a
3962 payment of this amount by Contractor to the escrow agent or institution who is instructed to pay it
3963 over to the City upon closing of the assignment, then such payment shall be considered as compliant
3964 with this subsection.
- 3965 C. Contractor shall furnish City with audited financial statements of the proposed assignee's
3966 operations for the immediately preceding three (3) operating years.
- 3967 D. Contractor shall furnish City with proof satisfactory to City: (i) that the proposed assignee has at
3968 least five (5) years of Solid Waste, Recyclable Materials, and Organic Materials management
3969 experience on a scale equal to or exceeding the scale of operations conducted by Contractor under
3970 this Agreement; (ii) that in the last five (5) years, the proposed assignee has not suffered any
3971 significant citations or other censure from any federal, State or local agency having jurisdiction over
3972 its Solid Waste, Recyclable Materials, and Organic Materials management operations which are
3973 materially greater than those suffered by similar companies engaged in Solid Waste, Recyclable
3974 Materials, and Organic Materials management operations due to any significant failure to comply
3975 with State, federal or local Applicable Law and that the assignee has provided City with a complete
3976 list of any such citations and censures; (iii) that the proposed assignee has at all times conducted its
3977 operations in an environmentally safe and conscientious fashion as compared with similar
3978 companies engaged in Solid Waste, Recyclable Materials, and Organic Materials management
3979 operations; (iv) that the proposed assignee conducts its Solid Waste, Recyclable Materials, and
3980 Organic Materials management practices in accordance with sound management practices in full
3981 compliance with all federal, State and local laws regulating the handling of Solid Waste, Recyclable
3982 Materials, and Organic Materials including Hazardous Substances, and; (v) proposed assignee(s)
3983 financial resources are sufficient to ensure ability to meet all of Contractor's obligations under this
3984 Agreement.
- 3985 E. Contractor shall furnish the City with any other information required by City to ensure the proposed
3986 assignee can fulfill the terms of this Agreement in a timely, safe, and effective manner.

3987 Under no circumstances shall City be obliged to consider any proposed assignment if Contractor is in
3988 default at any time during the period of consideration. Should City consent to any assignment request,
3989 such assignment shall not take effect until all conditions relating to City's approval have been met.

3990 **12.5.2 Requirements of the Proposed Assignee**

3991 In approving an assignment, City may require that the proposed assignee agree to one or more of the
3992 following:

- 3993 A. Reasonable increases in the insurance limits, or modifications in the insurance requirements
3994 contained in Section 9.5.

- 3995 B. Execution of a guaranty by the controlling entity in the event of a City approved assignment of this
3996 Agreement to any corporation, limited liability company, and every similar corporate entity that is
3997 controlled by another such corporate entity through ownership of a majority of the equity interests
3998 in the assignee. The guaranty shall unconditionally and absolutely guarantee the performance of
3999 the Contractor's obligations hereunder and shall be in a form approved by the City. For the
4000 avoidance of doubt, while the City and the controlling entity may agree on any form of guaranty
4001 they wish, if a form of guaranty proposed by the City is substantially similar to those in use by other
4002 municipalities in northern California in connection with similar solid waste collection agreements,
4003 then it shall be presumed to be reasonable by the controlling entity. In the event the City does not
4004 propose a guaranty form then if a form of guaranty proposed by the controlling entity is
4005 substantially similar to those accepted by other municipalities in northern California in connection
4006 with similar solid waste collection agreements by the controlling entity, then it shall be presumed
4007 to be reasonable. The form of guaranty shall be provided concurrently with the request for City
4008 approval of the assignment of the Agreement and no assignment to the proposed assignee shall be
4009 effective until the controlling entity executes the guaranty. This paragraph shall not be construed
4010 so as to require a guaranty from human Persons controlling an assignee or controlling entity thereof.
- 4011 C. Funding of a fidelity bond in an amount similar to such required by other Cities for similar facilities
4012 and/or provision of financial assurance in a form other than a fidelity bond, such as a letter of credit
4013 or certificate of deposit.
- 4014 D. Application of Liquidated Damages as set forth in Section 11.6 and Exhibit E including the provision
4015 of the initials as required in Exhibit E.

4016 **12.6 Subcontracting**

4017 Contractor shall not engage any Subcontractors for Collection, Transportation, Processing or Disposal of
4018 Solid Waste, Recyclable Materials, Organic Materials, C&D or Bulky Items without the prior written
4019 consent of the City. As of the Effective Date of this Agreement, the City has approved Contractor's use of
4020 the following Subcontractors: (1) Pleasanton Truck & Equipment Repairs, Inc. (truck repairs); (2) Recycling
4021 and Resource Recovery Systems, LLC (hauling, grinding, material sales marketing); (3) City Automatic
4022 Recycling, Inc. (Recyclable Material sorting); (4) Amador Valley Industries, LLC (CNG Fuel); (5) M&M Land
4023 Company, LLC (land lease, TS employees); (6) Southfront LLC (land lease); (7) Republic Industries
4024 (Disposal); (8) Recology (Organics Processing); (9) Tiger Lines (hauling); and (10) Harvest Power (wood
4025 Diversion).

4026 **12.7 Binding on Successors**

4027 The provisions of this Agreement shall inure to the benefit to and be binding on the successors and
4028 permitted assigns of the Parties.

4029 **12.8 Transition to Next Contractor**

4030 Prior to expiration or earlier termination of this Agreement, Contractor will cooperate with City and
4031 subsequent Contractor(s) to assist in an orderly transition of services from Contractor to subsequent
4032 contractor. Such cooperation will include, but not be limited to, Contractor providing route lists and
4033 detailed Customer account and billing information. Contractor will not be obliged to sell Collection

4034 vehicles, equipment, or facilities to the next Contractor; however, the City has rights to ownership of
4035 Containers pursuant to Section 5.16.4. Depending on Contractor's circumstances at the point of
4036 transition, the Contractor at its option may enter into negotiations with the next Contractor to sell (in part
4037 or all) Collection vehicles, and other equipment or facilities.

4038 In connection therewith, Contractor acknowledges that the provisions of Public Resources Code Sections
4039 49520-49523 have no application to this Agreement and agrees, to the extent such sections may have
4040 application, to waive whatever rights they may afford.

4041 **12.9 Parties in Interest**

4042 Nothing in this Agreement, whether express or implied, is intended to confer any rights on any Persons
4043 other than the Parties to it and their representatives, successors and permitted assigns.

4044 **12.10 Waiver**

4045 The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be
4046 deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach of
4047 violation of the same or any other provision. The subsequent acceptance by either Party of any monies
4048 which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach
4049 or violation by the other Party of any provision of this Agreement.

4050 **12.11 Contractor's Investigation**

4051 The Contractor has made an independent investigation (satisfactory to it) of the conditions and
4052 circumstances surrounding the Agreement and the work to be performed by it.

4053 **12.12 Notice**

4054 All notices, demands, requests, proposals, approvals, consents and other communications which this
4055 Agreement requires, authorizes or contemplates, except as provided in Section 10.1, shall be in writing
4056 and shall either be personally delivered to a representative of the Parties at the address below or
4057 deposited in the United States mail, first class postage prepaid, addressed as follows:

4058 If to City:

4059 City Manager
4060 City of Pleasanton
4061 123 Main Street
4062 Pleasanton, CA 94566
4063

4064 With copies to:

4065 City Attorney
4066 City of Pleasanton
4067 123 Main Street
4068 Pleasanton, CA 94566

4108 negotiate and execute agreements for such services which will take effect upon the expiration or earlier
4109 termination under Section 11.3 of this Agreement.

4110 **12.15 Statements and Supplemental Information**

4111 The Contractor submitted Contactor’s Proposal, on which the City has relied in awarding this Agreement
4112 to Contractor and entering into this Agreement, does not contain any untrue statement of a material fact
4113 nor omit to state a material fact necessary in order to make the statements made, in light of the
4114 circumstances in which they were made, not misleading.

4115 **12.16 Criminal Activity of Contractor**

4116 **12.16.1 Definitions**

4117 A. **Contractor Party.** For the purposes of this Section, Contractor Party(ies) shall mean Contractor, its
4118 officers, directors, or management or fiscal employees where “management employee” means any
4119 employee with direct or indirect responsibility for direction and control over the Contractor’s
4120 activities and “fiscal” employee means an employee with direct or indirect responsibility and control
4121 duties relating to financial matters.

4122 B. **Criminal Activity.** For purpose of this Section, Criminal Activity shall mean any of the following
4123 events or circumstances:

4124 1. **Convictions.** The entry against any Contractor Party of a criminal conviction or a permanent
4125 mandatory or prohibitory injunction from a court, municipality or regulatory agency of
4126 competent jurisdiction based on acts taken in his, her or its official capacity on behalf of
4127 Contractor with respect to:

- 4128 a. Fraud or criminal offense in connection with obtaining, attempting to obtain,
4129 procuring or performing a public or private agreement related to municipal solid
4130 waste services of any kind (including Collection, hauling, Transfer, Processing,
4131 Composting or Disposal), including this Agreement or any amendment thereto; or
- 4132 b. Bribery or attempting to bribe a public officer or employee of a local, State, or
4133 federal agency; or
- 4134 c. Embezzlement, extortion, racketeering, false claims, false statements, forgery,
4135 falsification or destruction of records, obstruction of justice, knowingly receiving
4136 stolen property, theft, or misprision (failure to disclose) of a felony; or
- 4137 d. Unlawful disposal of Hazardous Waste or Designated Waste the occurrence of which
4138 any of Contractor Party knew or should have known; or
- 4139 e. Violation of antitrust laws, including laws relating to price-fixing, bid-rigging and
4140 sales and market allocation, and of unfair and anti-competitive trade practices laws,
4141 including with respect to inflation of Solid Waste Collection, Transportation,
4142 Processing fees, or Disposal Fees; or
- 4143 f. Violation of securities laws; or
- 4144 g. Felonies.

4145 2. **Pleas.** Entry of a plea of "guilty," "nolo contendere" or "no contest" by a Contracting Party
4146 based on acts taken in his, her or its official capacity on behalf of Contractor with respect to the
4147 conduct described in preceding subdivision (1) of this Section.

4148 **12.16.2 Notice**

4149 Contactor shall notify City in writing within five (5) calendar days of occurrence of any Criminal Activity.

4150 **12.16.3 Contractor's Cure**

4151 Upon occurrence of any Criminal Activity, Contractor shall immediately do or cause to be done all of the
4152 following:

4153 A. Terminate from employment or remove from office any offending individual Contractor Party,
4154 unless otherwise directed or ordered by a court or regulatory agency of competent jurisdiction or
4155 authority, and unless that termination would constitute a breach of any labor agreement entered
4156 into by Contractor, and

4157 B. Eliminate participation by any individual offending Contractor Party in any management,
4158 supervision, or decision activity that affects or could affect, directly or indirectly, the performance
4159 of the Contractor under this Agreement.

4160 **12.16.4 Transfer and Hiring**

4161 Contractor shall not allow or cause to be allowed the hire or transfer of any individual Contractor Party
4162 from any parent or subsidiary company or business entity of Contractor who has committed Criminal
4163 Activity for a position as a Contractor representative, field supervisor, officer or director who is directly or
4164 indirectly responsible for performance of this Agreement without obtaining prior written consent of City,
4165 following full disclosure to City of the facts and circumstances surrounding such Criminal Activity.

4166 **12.16.5 City's Remedy**

4167 City, in its sole discretion, may terminate the Agreement upon thirty (30) calendar days written notice to
4168 Contractor, or may impose other sanctions (which may include financial sanctions, temporary suspensions
4169 or any other condition deemed appropriate short of termination) as it will deem proper, in the following
4170 events:

4171 A. Contractor fails to comply with material obligation set forth in Articles 5, 6, 7, 9 or 12 of this
4172 Agreement, subject to any cure provisions stated herein, or

4173 B. The Criminal Activity concerns or relates directly or indirectly to this Agreement.

4174 Contractor shall be given the opportunity to present evidence in mitigation during the thirty (30) day
4175 notice period.

4176 12.17 Material Change Notification Process

4177 Contractor recognizes that material changes in the number and type of Customers, the amount of Gross
4178 Rate Revenue collected from Customers, Change in Law, and other factors may impact financial results
4179 and expectations of or related to the Agreement. Therefore, the Contractor recognizes that it has an
4180 obligation to provide timely notices to the City of such changes and agrees to exercise diligence in
4181 monitoring conditions and to notify the City of any such changes or potential changes as soon as
4182 Contractor is aware of such.

4183 In addition, Contractor shall provide to City monthly reports tracking revenue billed and actual Gross Rate
4184 Revenue received as required by monthly reporting requirements in Section 6.3.2.F and quarterly reports
4185 as required by Section 6.3.3.L so that any material changes to revenues may be detected as quickly as
4186 possible. Contractor and City shall, at an agreed to time, meet to discuss the results of such analysis. In
4187 the event that there is a material difference between actual financial results and expectations, the City
4188 shall be entitled to request from Contractor or Contractor on its own, may initiate a Special Rate Review
4189 pursuant to Section 8.4.

4190 ARTICLE 13. MISCELLANEOUS AGREEMENTS

4191 13.1 Entire Agreement

4192 This Agreement, including the Exhibits, represents the full and entire Agreement between the Parties with
4193 respect to the matters covered herein, and shall replace and supersede all previous agreements or
4194 understandings whether written or otherwise between the Parties.

4195 13.2 Section Headings

4196 The article headings and section headings in this Agreement are for convenience of reference only and
4197 are not intended to be used in the construction of this Agreement nor to alter or affect any of its
4198 provisions.

4199 13.3 References to Laws

4200 All references in this Agreement to laws shall be understood to include such laws as they may be
4201 subsequently amended or recodified, unless otherwise specifically provided.

4202 13.4 Interpretation

4203 This Agreement shall be interpreted and construed reasonably and neither for nor against either Party,
4204 regardless of the degree to which either Party participated in its drafting.

4205 13.5 Amendment

4206 This Agreement may not be modified or amended in any respect except in writing, signed by the Parties.

4207 13.6 Severability

4208 If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable,
4209 the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this
4210 Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained
4211 herein.

4212 13.7 Counterparts

4213 This Agreement may be executed in counterparts each of which shall be considered an original.

4214 13.8 Exhibits

4215 Each of the Exhibits identified as Exhibits "A" through "O" is attached hereto and incorporated herein and
4216 made a part hereof by this reference.

4217 IN WITNESS WHEREOF, City and Contractor have executed this Agreement as of the day and year first
4218 above written.

4219

4220 ATTEST:

4221

4222 City CLERK

CITY OF PLEASANTON ("CITY")

4223

4224 By _____

By _____

4225 Deputy City Clerk

Mayor

4226

4227 Date: _____

Date: _____

4228

4229

4230 APPROVED AS TO FORM:

4231

4232

4233

4234 _____
City Attorney

4235

4236 Date: _____

4237

4238

4239

4240 APPROVED AS TO FORM:

PLEASANTON GARBAGE SERVICE, INC. ("PGS")

4241

4242

4243

4244

4245 _____
Contractor Attorney

By: 

Name: Robert Molinaro

Title: President

4246

4247

4248 Date: _____

Date: March 13, 2018

4249

4250

4251

4252

EXHIBIT A
CITY SERVICE LOCATIONS

Account #	Name	Address	Solid Waste	Mixed Recycling	Organics	Cardboard Only	Paper Gobbler	Other
none	Alviso Adobe Community Park	3465 Foothill Road, 94588	none	none	none	none	none	
none	Amador Recreation Center	4433 Black Avenue, 94566	none	none	none	none	none	
2583998	Amador Theater	1155 Santa Rita Road, 94566	3 yard bin 1/wk	none	none	none	none	
6880619	Bernal Community Park	7001 Pleasanton Avenue, 94566	2 - 4 yard bin 1/wk	none	none	none	none	1 PFL/1Patelco
3588879	City Hall	157 Main Street, 94566	4 yard bin 3/wk	7 - 96 gallon can	none	one	3 - 64 gallon can	7 roll out carts
none	Century House	2401 Santa Rita Road, 94566	none	none	none	none	none	
none	Cultural Arts Center	4477 Black Avenue, 94566	none	none	none	none	none	
353224	Delores Bengston Aquatics Center	4455 Black Avenue, 94566	4 yard bin 1/wk	none	none	none	1 - 64 gallon can	
8077723	Special Event - Shakespeare in the Park	4455 Black Avenue, 94566	MOD 4yard bin take away -3 weeks					
5061102	Fire Station 1 - Headquarters	3560 Nevada Street, 94566	4 yard bin 1/wk	1 - 96 gallon can			1 - 64 gallon can	
unknown	Fire Station 2	6300 Stoneridge Mall Road, 94588						
unknown	Fire Station 3	3200 Santa Rita Road,						
3333506	Fire Station 4	1600 Oak Vista Parkway, 94566						
unknown	Fire Station 5	1202 Machado Place, 94566	1 yard bin 1/wk	1 - 96 gallon can	none	none	1 - 64 gallon can	
103050	Fire Training Facility	3301 Busch Road, 94566	1 yard bin 1/wk	1 yard bin 1/wk	none	none	none	
6988187	Firehouse Arts Center	4444 Railroad Avenue, 94566	3 yard bin 1/wk	none	none	none	none	
2116994	Gingerbread Preschool	4333 Black Avenue, 94566	3 yard bin 1/wk	none	none	none	1 - 64 gallon can	

Account #	Name	Address	Solid Waste	Mixed Recycling	Organics	Cardboard Only	Paper Gobbler	Other
3669234	Ken Mercer Sports Park	3311 Hopyard Road, 94566	2 - 4 yard bin 1/wk*	none	none	none	none	2 - MOD 4 yard take away *Concession #3 BUSC, Concession #4 PJFL
162786	Library and Police Departments	400 Old Bernal Avenue, 94566	4 yard bin 3/wk	4 - 96 gallon can	none	4 yard bin 1/wk	2 - 64 gallon	1 - 90 gallon can (CTW), MOD 4 yard bin take away, lock & Key 4/wk
44744	Maint Street & Wheels Bus Stop	various	40 cans 2/wk	none	none	none	none	service level will increase with new franchise 38 Main St./2 Wheels
none	Nature House	517 Kottinger, 94566	none	none	none	none	none	
2517540	Operation Services Center	3333 Busch Road, 94566	20 yard drop box 1/wk	3- 96 gallon can	one	4 yard bin 1/wk	2 - 64 gallon can	
126420	Parks Division	P.O. Box 520						Dump Charges
2604498	Pleasanton Senior Center	5353 Sunol Boulevard, 94566	4 yard bin 2/wk	1 - 96 gallon can	1- 96 gallon can	none	1 - 64 gallon can	
6218306	Val Vista Gardens	6701 Payne Court						MOD 4 yard bin take away
5540227	Val Vista Park - Special Event	7350 Johnson Drive, 94588						MOD 4 yard bin take away
unknown	Veterans Memorial Building	301 Main Street						

EXHIBIT B
PUBLIC EDUCATION PLAN

EXHIBIT B PUBLIC EDUCATION PLAN

Contractor understands and recognizes the importance of effective public education and promotion as the key to helping Residents and businesses understand more about source reduction, reuse, Recycling, and other methods of Diversion. Such education is essential to minimizing contamination of Salvageable Materials. Contractor shall include the following services as part of its public education program. **All public education materials shall be approved by the City prior to distribution to Customers, publication, or issuance.**

1. STAFFING PLAN AND STAFF ROLES

To best achieve the highest possible level of public education and awareness, Contractor shall hire one Outreach Coordinator on a full-time basis (40 hours per week, 52 weeks per year) to supervise, coordinate and implement all public education and outreach activities in the City. This Coordinator shall serve the City exclusively; he/she shall serve no other Contractor-related operations. The Outreach Coordinator shall perform the following tasks:

A. Government and Community Relations

1. Serve as a liaison between the City and Contractor
2. Represent Contractor at City Council, City staff, and City strategy development meetings
3. Work with the City in partnership to develop and incorporate municipal activities into Contractor activities, and vice versa
4. Prepare proposals and presentations to City Council and City staff upon request
5. Participate and represent Contractor in community activities
6. Oversee customer satisfaction of all program services
7. Ensure compliance with City and regulatory agencies
8. Support local community service organizations as well as various local clean-up projects

B. Media Relations

1. Develop relationships with reporters: TV, radio, and newspapers
2. Track media coverage

C. Contract Compliance

1. Coordinate and produce annual education plan required by Section 5.17.2 of the Agreement
2. Coordinate implementation of the annual public education plan

3. Coordinate and produce monthly, quarterly, and annual reports required by Sections 6.3 of the Agreement

D. Outreach - Evaluate outreach programs for effectiveness

The Outreach Coordinator shall not work alone but shall be head of an experienced team. This team shall consist of one half (0.5) full-time equivalent assistant.

The Outreach Coordinator and Contractor shall remain receptive to any additions, modifications or enhancements to the activities and obligations described in this Exhibit that the City Contract Manager or their designee believe would further progress in promoting Recycling education. However, such additions, modifications or enhancements shall not modify Contractor's obligation to achieve the Diversion Rates contained in Section 5.22 of the Agreement.

2. SINGLE-FAMILY EDUCATION PROGRAMS

A. Initial Public Education Activities

1. Within one (1) month of the Commencement Date of this Agreement, Contractor shall prepare and distribute a mailer to Single-Family Customers explaining any changes from the existing Collection programs to new programs; date of change, etc.

B. Continuing Programs Throughout Agreement

1. Prepare and maintain a "how-to" flyer describing how to prepare Recyclable and Organic Materials for Collection and describe the acceptable materials that can be included in the Recyclable Materials and Organic Materials Containers.
2. Prepare a "how-to" flyer describing the proper set out procedures for Collection Containers.
3. Visit homeowner associations or other groups to promote and explain the program, as requested by the associations or as scheduled by the City.
4. Prepare and distribute quarterly newsletters that creatively inform residents about such topics, as availability of three free on-call clean-up events, bulky item pick-ups, availability of Cart cleaning services, home Composting, proper handling of Household Hazardous Waste, E-Waste, and U-Waste, and environmental conservation.
5. Prepare and distribute annually a bill insert, brochure, and/or feature quarterly newsletter article describing how to prepare Recyclable Material for Collection. Contractor shall inform residents as to the acceptable materials that can be included in the Recyclable Materials Containers and any common contaminants to be excluded from Collection to customers.
6. Prepare and distribute annually a bill insert, brochure, and/or feature quarterly newsletter article describing how to prepare Yard Trimmings and Food Scraps for Collection. Contractor shall instruct Customers as to any necessary preparation of Yard Trimmings, such as the cutting of items, placement of materials outside a Container (provided such material is bundled in lengths less than five feet and bundles that weigh less than 30 pounds), provide tips for minimizing the "yuck" factor of Food Scraps Collection, and describe appropriate use and placement of Organic Materials Containers.

7. Supervise the design and production of four quarterly Single-Family bill inserts covering those educational and topical issues deemed appropriate by the City such as the semi-annual free drop-off events at the Approved Transfer Site, Food Scraps Collection, battery Recycling, holiday tree Recycling, etc.
8. Produce corrective actions notices for use in instances where the Resident sets out inappropriate materials.
9. Produce educational "Cart hangers" annually, the specifics of which shall be developed through meetings with City Contract Manager or their designee.
10. Two weeks prior to Christmas, provide written notification to each Single-Family Customer that Curbside Collection of holiday trees will occur during the first and second week beginning on the Monday following New Year's Day in accordance with Section 5.4.3 of the Agreement.
11. On each bill, Contractor shall include a brief statement to Customers providing service-related announcements such as messages about new services, the on-call clean-up and Bulky Item pick-up services, availability of Cart cleaning services, proper handling of Household Hazardous Waste, holiday tree Collection, etc.
12. Contractor shall promote the on-call clean-up service annually by preparing billing inserts to be included in each Single-Family Customer's bill and by advertising in a minimum of two local newspapers as approved by the City.

3. MULTI-FAMILY EDUCATION PROGRAMS

A. Initial Public Education Activities

1. Within one (1) month of the Commencement Date of this Agreement, Contractor shall prepare and distribute a mailer to Multi-Family Customers explaining any changes from the existing Collection programs to new programs; date of change, etc.

B. Continuing Programs Throughout Agreement

1. Perform the same public education activities required in the programs for Single-Family Customers continuing activities as described above by preparing and distributing specially designed public education materials for Multi-Family residents with the exception of the following tasks which shall not be performed:
 - Prepare and distribute quarterly newsletters that creatively inform residents about such topics, as availability of three free on-call clean-up events, bulky item pick-ups, home composting, Household Hazardous Waste and E-Waste Collection event, and environmental conservation;
 - Prepare and distribute annually a bill insert, brochure, and/or feature quarterly newsletter article describing how to prepare Yard Trimmings and Food Scraps for Collection; and,
 - Two weeks prior to Christmas, announce to each Single-Family Customer that Curbside Collection of holiday trees will occur during the first or second week beginning on the Monday following New Year's Day in accordance with Section 5.4.3 of the Agreement.

2. Visit apartment managers or home owners' association meetings or other groups to promote and explain the Collection programs throughout the term of the Agreement, as requested by the associations or as scheduled by the City.
3. Prepare annually public education material on Recycling and proper handling of Household Hazardous Waste, E-Waste, and U-Waste and distribute materials directly to tenants of Multi-Family Premises. Contractor may arrange for distribution to each tenant unit a flyer, newsletter, door hanger, or other public education piece by coordinating with the Owner or property manager of the Premises; or the Contractor may provide an article that the Owner or property manager can place in the complex's newsletter (if applicable).
4. Conduct a site visit at least twice annually to meet with the property manager or owner for all Multi-Family Customers to promote Recyclable Materials and Organic Materials Collection, check adequacy of the level of Recyclable Materials and Organic Materials service, verify Container signage is adequate, and distribute public education materials and Personal Recycling Bins as needed by each Multi-Family Complex.
5. Prepare and distribute "move-in" kits for property managers and owners of Multi-Family complexes to provide new tenants. Move-in kits shall provide Recycling information and Contractor's Customer service phone number where questions can be answered.
6. Prepare and distribute at least two bill inserts annually for Multi-Family Owners and Property Managers that are each focused on a key subject (e.g. Recycling Procedures, free Recycling technical assistance, Bulky Item collection, handy hauler service, etc.).
7. Notify Owners and property managers at least two weeks before Christmas of the location and dates the holiday tree drop-off area will be available.
8. On each bill, Contractor shall include a brief statement to Customers providing service-related announcements such as messages about new services, the on-call clean-up and Bulky Item pick-up services, proper handling of Household Hazardous Waste, holiday tree Collection, etc.

4. COMMERCIAL EDUCATION PROGRAMS

A. Initial Start-Up Public Education Activities

1. Within one (1) month of the Commencement Date of this Agreement, Contractor shall prepare and distribute a mailer to Commercial Customers explaining any changes from the existing Collection programs to new programs; date of change, etc.

B. Continuing Programs Throughout Agreement

1. Prepare and distribute a quarterly newsletter to all Commercial Customers promoting and explaining Recyclable Materials and Organic Materials Collection and Diversion programs, and identifying possible cost savings through participation in Recyclables and Organics programs. The newsletter shall be distributed to Commercial Customers at the same time bills are issued.
2. Prepare and distribute annually a brochure and/or feature a quarterly newsletter article promoting the Organic Materials Collection program. Contractor shall instruct Customers on how to prepare Food Scraps, and provide tips for minimizing employee training.

3. Prepare and distribute annually a brochure and/or feature a quarterly newsletter article promoting the free Recycling technical assistance offered by Contractor and the services of the Alameda County Waste Management Authority's StopWaste Partnership program.
4. Prepare brochures, flyers, and articles for the quarterly newsletter related to non-franchise-related programs such as source reduction, reuse and non-Contractor Recyclable Materials programs (e.g., green business recognition, Hazardous Waste management, buy-recycled policies, etc.). These materials shall be available upon request, and articles shall be published in the quarterly newsletter.
5. Conduct audits of Commercial Premises as required by Section 5.17.6 of the Agreement. Audits shall include:
 - Meeting with the Customer, Owner, property manager, and/or party responsible for the day-to-day operations of the on-site Commercial activities to discuss the Collection program options, review the types of materials generated, promote Diversion services, respond to questions, agree upon the appropriate Solid Waste, Recyclable Materials, and Organic Materials service levels, etc.;
 - Visual inspection of the types of Solid Waste, Recyclable Materials, and Organic Materials generated at the Premises and estimation of the appropriate level of service for Solid Waste, Recyclable Materials, and Organic Materials Collection service; and,
 - Distribution of public education materials, signage, and posters, to Customers at the time of the assessment or upon request.
6. Educate businesses about the Commercial Organic Materials program. The key components of the public education campaign shall be:
 - Placing Food Scraps presentation posters in highly trafficked areas in the City; and,
 - Producing and distributing periodically, but at Contractor's discretion not more than quarterly, newsletters or bill inserts that inform customers about the Commercial Organic Materials Program.
7. Develop and distribute a Recycling resource guide to provide vendors with names, numbers, and contacts for purchasing Recycled products, re-use donation locations, and other Recycling companies, to be updated annually.
8. Attend business association meetings to promote and explain the Collection programs throughout the term of the Agreement, as requested by the associations or as scheduled by the City.
9. Provide employee training to businesses that participate in Recyclable Materials and/or Organic Materials Collection programs, annually upon the Customer's request.
10. Develop and use a corrective action notice for use situations where businesses set out inappropriate materials.
11. Notify all Commercial Customers in writing two weeks before the Christmas holiday of the dates, time, and places of the holiday tree drop-off area provided in accordance with Section 5.14.5 of the Agreement.

12. Assist the City with evaluating commercial program participation in conjunction with the StopWaste.Org audits.
13. On each bill, Contractor shall include a brief statement to Customers providing service-related announcements such as messages about new services, the on-call clean-up and Bulky Item pick-up services, proper handling of Hazardous Waste, holiday tree Collection, etc.

5. SCHOOL OUTREACH

Develop and implement a public school education curriculum to teach children, through classroom presentations, how to Recycle and Compost at school and at home.

6. ALL SECTORS

- A. Produce press releases, social media posts, and advertisements tied to specific community events at intervals determined by the City. Press releases shall be developed and reviewed by the City regarding new or enhanced services as needed. Advertisements shall be developed in conjunction with workshops, training programs, etc.
- B. Conduct educational tours of the Approved Recyclable Materials Processing Facility to familiarize residents, businesses, and school children with the facility's activities.
- C. Provide public education materials in English that address the multi-lingual diversity of the City by using visual images and English descriptions supplemented with text on the bottom of the public education document in different languages directing the non-English speaking Customers to telephone a Contractor-provided hotline for help in their native language. Upon City request, Contractor shall prepare up to four (4) public education documents annually in one or more languages and distribute the materials to Single-Family, Multi-Family, and Commercial Customers as specified by the City. Contractor shall arrange for review of the multi-lingual materials by a third party to verify the accuracy and appropriateness of the translations.
- D. Tailor promotional materials to characteristics and issues associated with particular neighborhoods or business types and distribute such materials to Customers in those neighborhoods or business types.
- E. Attend at least four community workshops to explain Collection services and respond to questions.
- F. Prepare and distribute presentation posters for distribution at local and well-trafficked public venues (Public Library, City Hall, Post Office, etc.).
- G. Develop and maintain a web site describing services provided in the City as required by Section 6.9.5 of the Agreement, and maintain a social media presence through no less than one (1) social media platform (e.g. Facebook).

7. SPECIAL EVENTS

- A. Arrange for and staff a booth or table at City events to promote source reduction, reuse, Recycling, Composting, and proper handling of E-Waste, U-Waste, and Hazardous Waste to and answer questions about Collection services. At a minimum, Contractor shall provide this outreach service at four events annually to be determined with input from the City.
- B. Actively assist with City-sponsored events.
- C. Educate any event sponsor or venue organizer on the requirements of AB 2176 for large events and venues, which are required to comply with AB 2176, and assist the sponsor or organizer in preparation of a recycling plan, which shall include all information required by AB 2176.

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EXHIBIT C
IMPLEMENTATION PLAN

EXHIBIT C IMPLEMENTATION PLAN

Schedule

**Detailed Work Plan is to be developed by PGS and City Contract Manager.*

Contracts				
Task	Start Date	End Date	Assigned To	Comments
Contract Implementation Plans	December 2017	May 2018	City, Consultant, and PGS	PGS will develop a work plan for each area outlined in this Implementation Plan. PGS will work with City Contract Manager to coordinate meeting schedules, and an approved implementation progress reporting format.
Contract Procurement for Recycling and Green Waste Disposal	January 2018	May 2018	City and Consultant	City and Consultant will conduct the procurement process for Recycling and Green Waste disposal contracts. PGS will provide information as requested by City and Consultant required for this effort.
Recycling and Green Waste Disposal Contract Coordinating & Planning	4 weeks following approval of contracts		City and PGS	Once disposal contracts are finalized, PGS will work to develop an approved implementation plan to work with contractor and City.
Customer Service Database Upgrade*				
Task	Start Date	End Date	Assigned To	Comments
AMCS Procurement	Immediately following award of new Franchise	April 2018	PGS, City, & AMCS	PGS will work with the City and AMCS to procure a data base system that meets desired reporting and customer service outcomes outlined in Contract.
AMCS Installation & Testing	April 2018	June 2018	PGS, City & AMCS	PGS will ensure they have the necessary hardware, load software and begin the database migration. Testing and database refinements will be based on incoming new information, reports, system diagnostics, audits, etc.
Customer Service Database Migration & Integration	June 2018	November 2018	PGS & AMCS	Entire customer service database will need to be migrated into the new AMCS 7 system. During migration, errors and systems will need to be reviewed and the entire database will need to be verified prior to integrating operations.

Franchise Agreement with Pleasanton Garbage Service

Website Upgrades*				
Task	Start Date	End Date	Assigned To	Comments
Meet with City to Discuss Website Upgrade	April 2018		PGS and City	Discuss desired website content and functionality.
Procure Website Firm	April 2018		PGS	Procure a website platform that can integrate with database system, eTower/AMCS and ReCollect.
Revamp Website with Visual Enhancements	May 2018	July 2018	PGS, City, and Website Firm	Update the website with a fresh new look that will include many visual enhancements to provide a modern feel.
Add Expanded Content	May 2018	July 2018	PGS, Website Firm, and AMCS	Revamp website to include new options and content: "how-to" information, links to other resources, community information, all outreach materials, FAQ's, email complaint/compliments.
ADD (eTower/AMCS) to Website	May 2018	Online prior to July 1, 2019	PGS, Website Firm, and AMCS	Add eTower (payments, service requests, etc.)
ReCollect Integration	May 2018	Online prior to July 1, 2019	PGS and ReCollect	In order to ensure all aspects of the first major overhaul to our website is complete and functioning properly, we will work with ReCollect to integrate their online and mobile applications to provide collection calendars, wizards and widgets, on-call collection scheduling, and much more.
City Facilities Service Level Audit				
Task	Start Date	End Date	Assigned To	Comments
Meet with City Contract Manager to Review City Facility Service Levels	January 2018	Complete	PGS and City	A City Facilities Service Level Audit will be conducted annually.
Conduct site visits as needed to determine modifications needed to service delivery	January 2018	June 2018	PGS and City	As requested by City Contract Manager, PGS will conduct site visits to determine modifications to services needed.
Provide technical assistance/training to City Staff/Contractors	Ongoing		PGS	As service modifications are made at City facilities, PGS will work with City Staff at each facility to ensure that they are educated regarding proper disposal of waste, recycling and green waste.

Franchise Agreement with Pleasanton Garbage Service

Composting Program*				
Task	Start Date	End Date	Assigned To	Comments
Develop Program Plan	As soon as contract for Green Waste Disposal has been executed	4 weeks after start date	PGS and City	PGS and City will work together to develop program plan for compost giveaway program and mulch/compost for Parks Division dispersement
Public Education, Outreach & Technical Assistance*				
Task	Start Date	End Date	Assigned To	Comments
Public Education and Outreach Plan	First plan finalized by June 1, 2018		PGS and City	Work with City staff to develop, review and update on an ongoing basis. Meet frequently to ensure timelines are adhered to and update as needed.
Hire Education/Outreach Coordinator	May 2018		PGS	PGS will initiate the hiring process for the new Education/Outreach Coordinator well in advance of rolling out new services to ensure they are prepared and fully-trained to promote the new and expanded services and diversion programs.
			D. Jeffery	
			G. Cardera	
Multi-Media Campaign	May 2018	July 2018	PGS and City	Introduce new services and expanded programs using print ads, press releases, radio & television spots, internet and our revamped website.
AB 341/1826 Compliance & Technical Assistance Outreach	Continuously throughout Franchise Agreement		PGS	Provide annual technical assistance to each multi-family and commercial customer. Database refinements will be made as assessment results come in and used for annual reporting.
				Diversion Coordinator will deliver a new MFD Recycling Tote Bag to each unit in the City during the first year of the new Franchise Agreement.
General Business				
Task	Start Date	End Date	Assigned To	Comments
Potential Grant Applications	As available		PGS and City	Applicable grants (from organizations like CalRecycle and Stopwaste) will be sought out and applied for throughout the Term of the Agreement.
Revise Customer Invoice Format	April 2018	July 2018	PGS and City	This may be completed with rates to be effective July 1, 2018 or it may need to await implementation of Customer Service Data Base (described above).

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EXHIBIT D
CART SPECIFICATIONS

EXHIBIT D

CART SPECIFICATIONS

The Cart specifications provided in this Exhibit D shall pertain to all Carts provided by the Contractor to Customers during the Term of the Agreement **with the exception that the specifications shall not apply to the Carts in use on the Commencement Date, which were purchased and distributed under the previous franchise agreement.**

1. CART DESIGN REQUIREMENTS

A. General

The Carts shall be manufactured by injection or rotational molding and meet the Cart design and performance requirements as specified below. Contractor shall purchase Carts that contain a minimum of 20% post-consumer recycled plastic content. Contractor must submit Cart orders (including material and design specifications, colors and identification marks) to City for City's written approval prior to submitting the order to the manufacturer.

B. Materials Identification and Decals

Carts or their lids must be in bright, readily identifiable colors to facilitate Customer's ready recognition of Solid Waste, Recyclable Materials, and Organic Materials, subject to City's written approval as described in this Exhibit. Carts shall clearly display, by use of decal, embossing, or hot stamps, Contractor's name and telephone number. Contractor shall provide and attach decals or emboss the Cart number and information describing correct materials and methods for Collection; forbidding disposal therein of Hazardous Waste and describing proper disposal thereof; and forbidding scavenging (through words and international symbols) and describing the penalties therefore under California law or City Municipal Code.

C. Cart Handles

The Cart handles and handle mounts may be an integrally molded part of the Cart body or molded as part of the lid. The Cart handles shall provide comfortable gripping area for pulling or pushing the Cart or lifting the lid. Pinch points are unacceptable.

D. Cart Lid

Each Cart shall be provided with a lid that continuously overlaps and comes in contact with the Cart body or otherwise causes an interface with the Cart body that simultaneously:

- Prevents the intrusion of rainwater, rodents, birds, and flies;
- Prevents the emission of odors;

- Enables the free and complete flow of material from the Cart during the dump cycle without interference with the material already deposited in the truck body or the truck body itself and its lifting mechanism;
- Permits users of the Cart to conveniently and easily open and shut the lid throughout the serviceable life of the Cart;
- The lid handle shall be an integrally molded part of the lid;
- The lid (and body) must be of such design and weight that would prevent an empty Cart from tilting backward when flipping the lid open; and,
- The lid shall be hinged to the Cart body in such a manner so as to enable the lid to be fully opened, free of tension, to a position whereby it may rest against the backside of the Cart body.

E. Cart Colors

The Solid Waste, Recyclable Materials, and Organic Materials Carts shall be differentiated by color. The colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation. Color of lids and Cart bodies must be uniform for each Cart type (i.e., Solid Waste, Recyclable Materials, and Organic Materials). Solid Waste Cart bodies and lids shall be black. Recyclable Materials Cart bodies and/or lids shall be blue. Organic Materials Cart bodies or lids shall be green. For all colors including those prescribed in this paragraph, the Contractor shall obtain written approval from the City for the Cart colors before Contractor's purchase of the Carts.

F. Identification Markings

All markings on the Carts shall be approved by the City in advance of ordering Carts. An arrow (at least 3 inches by 5 inches) hot stamped in white color shall be placed on the lid, indicating the direction of Cart placement.

In character size of no less than 3/16 inches, the phrase:

**PLACE CART WITH ARROW FACING
STREET FOR COLLECTION
COLOQUE EL RECIPIENTE CON LAS FLECHAS
HACIA LA CALLE**

Additionally, the **SOLID WASTE, RECYCABLES** or **ORGANIC MATERIALS** must be hot stamped in white on the front or sides of the Cart in characters no less that one inch.

2. CART PERFORMANCE REQUIREMENTS

A. General

All Carts shall be designed and manufactured to meet the minimum performance requirements described below.

B. Cart Load Capacity

Depending on the capacity, the Carts shall have a minimum load capacity as noted on the following table without Cart distortion, damage, or reduction in maneuverability or any other functions as required herein.

Cart Size (Gallons)	Minimum Load Capacity (Pounds)
96	200
35	70

C. Cart Durability

Carts shall remain durable, and at a minimum, shall meet the following durability requirements to satisfy its intended use and performance, for the Term of this Agreement:

- Maintain its original shape and appearance;
- Be resistant to kicks and blows;
- Require no routine maintenance and essentially be maintenance free;
- Not warp, crack, rust, discolor, or otherwise deteriorate over time in a manner that shall interfere with its intended use;
- Resist degradation from ultraviolet radiation;
- Be incapable of penetration by biting or clawing of household pets (i.e., dogs and cats);
- The bottoms of Cart bodies must remain impervious to any damage, that would interfere with the Cart's intended use after repeated contact with gravel, concrete, asphalt, or any other rough and abrasive surface;
- All wheel and axle assemblies are to provide continuous maneuverability and mobility as originally designed and intended; and,
- Resist degradation by other airborne gases or particulate matter currently present in the ambient air of the City.

D. Chemical Resistant

Carts shall resist damage from common household or Residential products and chemicals. Carts, also, shall resist damage from human and animal urine and feces.

E. Stability and Maneuverability

The Carts shall be stable and self-balancing in the upright position, when either empty or loaded to its maximum design capacity with an evenly distributed load, and with the lid in either a closed or an open position.

The Carts shall be capable of maintaining its upright position in sustained or gusting winds of up to twenty-five (25) miles per hour as applied from any direction.

The Carts shall be capable of being easily moved and maneuvered, with an evenly distributed load equal in weight to its maximum design capacity on a level, sloped or stepped surface.

F. Lid Performance

Cart lid assemblies shall meet the following minimum requirements:

- Prevent damage to the Cart body, the lid itself or any component parts through repeated opening and closing of the lid by residents or in the dumping process as intended;
- Remain closed in winds up to twenty-five (25) miles per hour from any direction. All lid hinges must remain fully functional and continually hold the lid in the original designed and intended positions when either opened or closed or any position between the two extremes; and,
- Lid shall be designed and constructed such that it prevents physical injury to the user while opening and closing the Cart.

G. Reparability

Minor cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts shall be readily repairable by the contractor personnel. All repairs must restore the Cart to its full functionality to meet the design and performance requirements as set for herein.

**EXHIBIT E
SCHEDULE OF
PERFORMANCE
ADJUSTMENTS
(LIQUIDATED DAMAGES)**

EXHIBIT E

SCHEDULE OF PERFORMANCE ADJUSTMENTS (LIQUIDATED DAMAGES)

Contractor may be assessed Liquidated Damages in the event Contractor fails to fulfill its obligations with regards to the events listed in this Exhibit in accordance with the terms and conditions of the Agreement with regards to the time frame for accomplishing each event and nature of the responsibility associated with the event unless otherwise stated in this Exhibit. Refer to Section 11.6 of the Agreement for procedures for assessing Liquidated Damages.

Collection Reliability		
1	For failure to maintain the collection schedule for a portion of a route or entire route on the scheduled day (unless non-collection was warranted pursuant to this Agreement):	\$25.00/ container
2	For each failure over fifteen (15) annually to collect Discarded Materials, which have been properly set out for Collection from an established service recipient account on the scheduled Collection day:	\$150.00
3	For each failure to Collect missed Collections within twenty-four (24) hours of receipt of the Complaint:	\$300.00
4	For each failure to collect Discarded Materials which have been properly set out for Collection, from the same service recipient on two (2) consecutive scheduled pick-ups:	\$150.00
5	For each failure to notify the appropriate authorities of reportable quantities of Hazardous Waste per Article 5.6:	\$500.00
6	For each failure over five (5) annually to commence service to a new Customer within seven (7) calendar days after order received and account number established or failure to deliver a different Container size to a Customer within seven (7) Business Days of request or failure to deliver kitchen pail, Multi-family Personal Recycling Bins, Commercial Recycling or Organics bins for internal use within the timeframe required by Article 5:	\$150.00
Collection Quality		
7	For each occurrence over five (5) annually of unreasonable leaking or Unacceptable Spillage of Discarded Materials and failure to pick up or clean up such material immediately:	\$300.00
8	For each occurrence over twelve (12) annually of failure to replace Containers in original position, upright, with lids attached to or on Carts or Bins:	\$150.00

9	For each failure over twenty-four (24) annually of not closing gate, crossing planted areas or other damage to private property:	\$300.00
10	For each occurrence over five (5) annually of Collecting Discarded Materials during unauthorized hours:	\$300.00
11	For each occurrence over twelve (12) of excessive noise:	\$300.00
12	For each failure over twelve (12) annually of not tagging Containers which are intentionally not Collected:	\$150.00
13	For each occurrence over five (5) annually of failure to clean Collection vehicles one time per week, as described in Article 5.10.5B:	\$150.00
14	For each occurrence over five (5) annually of damage to property that is not repaired in thirty (30) days:	\$250.00
15	For each occurrence of mixing Solid Waste, Recyclable Materials, and/or Organic Materials during Collection:	\$150.00
16	Failure to deliver materials to appropriate Approved Facility:	\$150.00/ton
Diversion		
17	For each percent or fraction of a percent less than the diversion standards described in Section 5 Contractor achieves annually. For example if Contractor achieves 72.0% Diversion of C&D from temporary Debris Box service (other than Portland cement concrete and asphalt concrete, and taking into account only C&D projects where Contractor Collects all materials) in accordance with Section 5.22, it will pay \$30,000. If the Contractor achieves 73.9% under the same circumstances, it will pay \$20,000:	\$10,000.00 annually for each percent or fraction thereof
Customer Responsiveness		
18	For each occurrence of unreasonably discourteous behavior by Contractor staff:	\$500.00
19	For each failure to respond to and initiate a remedy to a Complaint within eight (8) working hours after notification by the City:	\$300.00
20	For each failure to answer the telephone or answering machine during the hours specified in Article 6.10.3:	\$300.00
21	For each failure to respond to service requests/ calls within twenty-four (24) hours as specified in Article 6.10.3:	\$300.00
22	For each failure to return calls received during non-business hours no later than 5:00 p.m. of the following Business Day:	\$300.00
23	For each occurrence over five (5) annually for Complaints regarding waiting on hold for more than two (2) minutes as specified in Article 6.10.4:	\$150.00

Reporting and Performance Adjustments*		
24	For each day that a Monthly Report is late:	\$100.00/ day
25	For each day that a Quarterly Report is late:	\$200.00/ day
26	For each day an Annual Report is late:	\$300.00/ day
27	For each individual item identified in Exhibit C – Implementation Plan which is not achieved by the scheduled date:	\$1,000/ day
Public Education		
28	Failure to employ personnel specified in Section 5.17 for public education activities:	\$150.00/ day
29	Failure to meet with City Contract Manager or their designee in accordance with this Agreement:	\$150.00/ day
30	Failure to send initial mailing to residents:	\$300.00/ day
31	Failure to prepare and distribute “how-to” brochure/calendar to Residents:	\$150.00/ day
32	Failure to prepare and distribute to Residents door hanger, flyer or mailer to Customers regarding specific Collection day, holiday, Christmas tree, and cleanup event schedules:	\$150.00/ day
33	Failure to conduct community presentations targeted at Residents:	\$150.00/ day
34	Failure to prepare and mail quarterly newsletter to all Residents:	\$150.00/ day
35	Failure to send initial mailing to businesses:	\$300.00/ day
36	Failure to prepare and distribute “how-to” brochures for each of the five business types:	\$150.00/ day
37	Failure to conduct training meetings for businesses:	\$150.00/ day
38	Failure to meet with business associations:	\$150.00/ day
39	Failure to conduct Commercial waste audits:	\$150.00/ audit
40	Failure to conduct Multi-Family waste audits:	\$150.00/ audit
41	Failure to provide comprehensive report of findings and suggestions to each entity for which an audit was performed:	\$150.00/ day
42	Failure to perform other public education and outreach efforts required by the Agreement including Exhibit B:	\$150.00/ day
43	Failure to prepare and annually update a Recycling resource guide:	\$150.00/ day
44	Failure to participate in special events:	\$300.00/ event-day
45	Failure to maintain accurate and complete information on Contractor’s dedicated webpage for Pleasanton:	\$150.00/ day
Miscellaneous		
46	Failure to perform any of the obligations set forth in this Agreement not specifically stated above and not	\$150.00/ for each

	corrected or proceeding in good faith to correct within twenty-four (24) hours upon twenty-four (24) hour Notification by City:	
--	---	--

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

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

Contractor

City

Initial Here: _____

Initial Here: _____

EXHIBIT F
CONTRACTOR'S TOTAL
PROPOSED COSTS FOR
RATE PERIOD ONE

General Proposer Information Proposer Name: PLEASANTON GARBAGE SERVICE, INC.	City of Pleasanton Form 1 - General Information RFP Response Dated March 2, 2018
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A. Primary Contact Information

1. Name	Bob Molinaro
2. Title	President
3. Phone	925.846.2042
4. Fax	925.846.9323
5. E-mail	gina@pleasantongarbage.com

B. Support Facilities

1. Address of collection vehicle parking, maintenance, washing, and route staff parking facility(ies)	3110 Busch Rd, Pleasanton, CA 94566
2. Address of administrative office	3110 Busch Rd, Pleasanton, CA 94566
3. Address of billing office	3110 Busch Rd, Pleasanton, CA 94566
4. Address of customer service office	3110 Busch Rd, Pleasanton, CA 94566

C. Vehicle Manufacturer and Specifications (Body Capacity, GVWR, Load Capacity)

1. Residential Collection Vehicles	Autocar chassis / Heil Rapid Rail Body & Labrie Automizer
2. Commercial Collection Vehicles	Autocar & Mac chassis / Heil Half/Pack & Durapack
3. Drop Box Vehicles	Peterbilt chassis / Huge Haul Rails

D. Container Manufacturer, Sizes Offered, and Specifications

1. Carts	Toter & Rehrig 35-gallon & 96-gallon
2. Bins	Consolidated Fabricators, McGlaughlin Waste Equipment, Inc. & Stockton Tri Industries, Inc. 1-, 2-, 3-, 4- & 7-cubic yards
3. Drop Boxes	Consolidated Fabricators, McGlaughlin Waste Equipment, Inc. & Stockton Tri Industries, Inc. 15, 20, 30, & 40 yard

E. Recyclable Materials Processing and Handling

1. Name of processing site	Pleasanton Transfer Station
2. Owner's name	Pleasanton Garbage Service, Inc.
3. Operator's name	Pleasanton Garbage Service, Inc.
4. Address of processing location	3110 Busch Rd, Pleasanton, CA 94566
5. Hauling method (e.g. direct haul, transfer haul, Pod haul)	direct haul
6. Name and address of transfer location (if applicable)	n/a
7. Tip Fee (Inclusive of transfer and disposal costs) per processed ton	\$ 283.72
8. Recyclable Materials Sales Revenue per Ton	\$ (112.75)
9. PGS Diversion / Handling Savings / Net Stamp Revenue per processed ton	\$ (16.45)
10. Recyclable Materials Net Processing per Ton	154.52

F. Organic Materials Processing and Handling		
1.	Name of processing site	Recology Blossom Valley Organics Composting Facility
2.	Owner's name	Recology, Inc.
3.	Operator's name	Recology, Inc.
4.	Address of processing location	3909 Gaffery Rd, Vernalis, CA 95385
5.	Hauling method (e.g. direct haul, transfer haul, Pod haul)	transfer haul
6.	Name and address of transfer location (if applicable)	Pleasanton Transfer Station 3110 Busch Rd, Pleasanton
7.	Average Tip Fee (Inclusive of transfer and disposal costs) per processed ton	\$ 60.56
8.	Organic Materials Sales Revenue per Ton (if applicable)	n/a
G. Solid Waste Disposal Costs		
1	Disposal Cost per Ton	\$ 22.48
2	Combined Regulatory Fee Cost per Ton	\$ 19.90
3	Tipping Fee per Load	\$ 25.00
4	Environmental Fee per Load	\$ 13.00
5	Average Tip Fee (Inclusive of per load costs @ 20 tons/load) per ton	\$ 44.28

Operating Statistics
 Proposer Name:

PLEASANTON GARBAGE SERVICE, INC.

City of Pleasanton
 Form 2 Operating Statistics
 RFP Response Dated March 2, 2018

Estimated Operating Requirements (July 1, 2019 - June 30, 2020)	Carts			Bins			Roll-Off			Other		TOTAL
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	C & D Debris	Bulky Waste Program	Transfer Station	
Account Information												
1 # of weekly accounts/customers	20,130	20,140	19,209	916	462	159	119			150		21,395
Labor Information												
2 # of regular personnel	300	310	300	440	350	150	310	000	000	200		25
3 Labor hours/day/person	400	800	800	800	800	800	800	000	000	1000		86
4 Total labor hours/year	10,400	6,240	6,240	8,320	7,350	3,120	6,240	0	0	5,200	0	33,040
Route Information												
5 # of routes per weekday	452	450	435	320	156	659	248			200		2320
6 # of persons/route	100	100	100	100	100	100	100			100		100
7 # of route hours/day/route	700	700	700	700	700	700	700	000	000	000		000
8 # of route hours/year	8,222.36	8,189.38	7,918.62	5,827.64	2,835.56	1,077.44	4,317.21	000	000	1,800.00		13,267.20
9 # of FTE routes	395	394	381	280	136	652	217	000	000	225		2080
10 # of lifts/pulls per week for all routes	20,330	20,246	19,379	1,601	779	296	149			150		150
11 # of lifts/pulls per year for all routes	1,057,160	1,052,792	1,018,108	83,252	40,308	15,392	7,744	0	0	23,400		23,400
12 # of lifts/pulls route hour	128.57	128.57	128.57	14.29	14.29	14.29	17.1			3.00		3.00
Tonnage Information (annual)												
13 Solid waste collected	14,754	0	0	15,147	0	0	23,840	0	0	3,777	35,993	93,411
14 Recyclable materials collected	0	7,870	0	0	3,861	0	0	0	0	0	535	12,266
15 Organic materials collected	0	0	13,362	0	0	2,151	2,841	0	0	0	3,709	21,423
16 Total Collected	14,754	7,870	13,362	15,147	3,861	2,151	26,681	0	0	3,777	42,297	140,100
17 Preprocessing residue disposed	0	1,824	0	0	0	0	0	0	0	0	0	1,824
18 Net Diverted	0	6,046	13,362	0	3,861	2,151	2,841	0	0	0	6,904	21,865
19 MRF Processed Tons		7,370			753						Expected Diversion Rate	26.8%
20 Roll Off Bins Processed Tons						4,091						

Proposed Staffing Requirements

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

City of Pleasanton

Form 3 - Staffing

RFP Response Dated March 2, 2018

Route Personnel Headcount (Include fractions of employees, as applicable)	# of Regular Personnel	# of Casual/Pool	Total
Solid Waste Carts	5.00	0.5	5.500
Recyclable Materials Carts	3.00	0.5	3.500
Organic Materials Carts	3.00	0.5	3.500
Solid Waste Bins	4.00	0.5	4.500
Recyclable Materials Bins	3.50	0.5	4.000
Organic Materials Bins	1.50	0.5	2.000
Roll-Off	3.00	0.5	3.500
Bulky Item Collection & Container Delivery	2.00	0.5	2.500
Transfer Station			-
Subtotal Route Personnel	25.00	4.00	29.000
Other Personnel Headcount (Include fractions of employees, as applicable)			# of Employees
Executive Management (CEO, CFO, COO, etc.)			3.00
General Manager			1.00
Operations Manager			2.00
Route Supervisor			1.00
Dispatcher			0.50
Container Distribution			1.00
Container Maintenance/Welder			0.00
Maintenance Supervisor			0.00
Maintenance Personnel			0.00
Controller			1.00
Billing Clerks / AR / AP			3.00
Office Manager			0.00
Customer Service Supervisor			1.00
Customer Service Representatives			4.00
Recycling Manager			0.50
Recycling/Public Education Coordinator			1.00
Transfer Station /MRF Supervisor			1.00
Transfer Station Employees			24.00
MRF Employees (CARI)			20.00
Other (specify): <u>Payroll</u>			1.00
Other (specify): <u>Database Statistician</u>			1.00
Other (specify): _____			
Subtotal Other Personnel			66.00
	Total ALL Personnel		95.00

Capital Requirements

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

City of Pleasanton

form 4 - Capital

RFP Response Dated March 2, 2018

Collection Vehicles	Quantity									Proposed Cost During Contract Term
	New			Used			Total			
	Actual	Spare	Total	Actual	Spare	Total	Actual	Spare	Total	
Rear Loader(s)	1		1	1		1	2		2	\$ 370,833
Side Loader(s)	0		0	11	6	17	11	6	17	
Front Loader(s)	0		0	8	2	10	8	2	10	
Roll Off	0		0	3	1	4	3	1	4	
Flatbed (Bulky)	1		1	-	-	-	1	-	1	\$ 205,874
Replacement Vehicles (as needed)			0	-	-	-	-	-	-	\$ 6,000,000
Subtotal	2	0	2	23	9	32	25	9	34	\$ 6,576,707
Other Vehicles										
Pickup Trucks			0	1		1	1	-	1	
Ford Truck			0	1		1	1	-	1	
Container Distribution			0	1		1	1	-	1	
Hybrid Vehicle	1		1	-	-	-	1	-	1	\$ 35,000
			0	-	-	-	-	-	-	
			0	-	-	-	-	-	-	
Subtotal	1	0	1	3	-	3	4	-	4	\$ 35,000
Total Vehicle Cost										\$ 6,611,707
Containers										
Cart service										
Solid Waste 96-gallon			0	9,626	10	9,636	9,626	10	9,636	
Solid Waste 32-gallon			0	10,704	60	10,764	10,704	60	10,764	
Recyclable Material 32-gallon			0		70	70	-	70	70	
Recyclable Material 64-gallon			0	127		127	127	-	127	
Recyclable Material 96-gallon			0	20,690		20,690	20,690	-	20,690	
Organic Material 64-gallon			0	20,123		20,123	20,123	-	20,123	
Organic Material 96-gallon			0	27	4	31	27	4	31	
Subtotal	0	0	0	61,297	144	61,441	61,297	144	61,441	\$ -
Bin service										
1 cubic yard			0	234	1	235	234	1	235	
1.5 cubic yards				1		1	1	-	1	
2 cubic yards			0	341	2	343	341	2	343	
3 cubic yards			0	296	22	318	296	22	318	
4 cubic yards			0	647	23	670	647	23	670	
5 cubic yards				1		1	1	-	1	
6 cubic yards				1		1	1	-	1	
7 cubic yards			0	16		16	16	-	16	
Subtotal	0	0	0	1,537	48	1,585	1,537	48	1,585	\$ -
Drop Box service										
8 cubic yards			0	3		3	3	-	3	
10 cubic yards			0	2		2	2	-	2	
15 cubic yards			0	25	2	27	25	2	27	
16 cubic yards			0	1	2	3	1	2	3	
20 cubic yards			0	42	4	46	42	4	46	
24 cubic yards			0	1	4	5	1	4	5	
25 cubic yards			0	5		5	5	-	5	
30 cubic yards			0	56	2	58	56	2	58	
36 cubic yards			0	1		1	1	-	1	
40 cubic yards			0	13		13	13	-	13	
Other (specify): _____			0			-	-	-	-	
Replacement Containers (as needed)										\$ 2,535,000
Subtotal	-	-	-	149	14	163	149	14	163	\$ 2,535,000
Total Container Cost										\$ 2,535,000
Other (If Applicable)										
Oil Jug Racks for Sideloaders										\$ 14,344
Shop Equipment										
Fueling Equipment										
Computer and Office Equipment	Tower Software									\$ 175,000
Other (specify): _____										
Total Other Cost										\$ 189,344
Total Cost										\$ 9,336,051

5 Cost Roll-up

Summary of Contractor's Compensation

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

City of Pleasanton

RFP Response Dated March 2, 2018

Note to Proposer: Input is only required on shaded cells on this sheet. Most data is pulled from other sheets.

Estimated Annual Cost of Service (July 1, 2018 - June 30, 2019)	Cart Service			Bins			Roll-off			Other		TOTAL
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	CR/D Debris	Bulky Item Program	Transfer Station	
Annual Cost of Operations												
Labor-Related Costs	\$873,778	\$527,661	\$528,849	\$700,720	\$595,598	\$249,481	\$527,661	\$0	\$0	\$308,913	\$1,793,418	\$6,106,101
Vehicle-Related Costs (DMV)	\$11,602	\$6,961	\$6,961	\$9,281	\$5,801	\$1,160	\$6,961	\$0	\$0	\$0	\$0	\$48,727
Fuel Costs (Diesel only)	\$61,269	\$36,761	\$36,761	\$49,016	\$41,528	\$17,021	\$71,243	\$0	\$0	\$0	\$108,471	\$423,069
Tire Costs	\$22,490	\$13,788	\$13,788	\$18,384	\$11,490	\$2,298	\$13,788	\$0	\$0	\$0	\$187,138	\$237,576
Depreciation	\$180,550	\$117,658	\$116,354	\$148,452	\$127,311	\$133,316	\$116,354	\$0	\$0	\$136,685	\$0	\$1,146,880
Legacy Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$521,504	\$549,497	\$546,540	\$1,275,445	\$1,185,255	\$301,721	\$1,081,066	\$0	\$0	\$113,344	\$480,306	\$4,982,677
Total Allocated Depreciation	\$3,580	\$2,307	\$2,307	\$3,243	\$2,025	\$1,392	\$2,307	\$0	\$0	\$1,670	\$0	\$19,091
Total Annual Cost of Operations	\$1,675,262	\$1,201,633	\$1,205,464	\$2,304,240	\$1,272,808	\$606,349	\$1,819,380	\$0	\$0	\$458,632	\$2,570,333	\$13,014,100
Profit	\$186,140	\$133,515	\$133,940	\$244,916	\$141,423	\$67,372	\$202,153	\$0	\$0	\$30,959	\$285,993	\$1,446,011
Pass-Through Costs												
Disposal Cost	\$653,308	\$80,767	\$0	\$683,994	\$0	\$0	\$1,055,636	\$0	\$0	\$114,517	\$1,593,772	\$4,216,953
Transport Solid Waste	\$244,981	\$30,286	\$0	\$256,488	\$0	\$0	\$395,848	\$0	\$0	\$76,065	\$597,641	\$1,581,329
Net Materials Processing Costs	\$0	\$1,216,068	\$809,165	\$0	\$116,352	\$148,426	\$346,913	\$0	\$0	\$349,354	\$0	\$2,986,277
Interest	\$113,661	\$72,340	\$71,638	\$92,660	\$75,004	\$33,001	\$71,638	\$0	\$0	\$63,740	\$0	\$693,723
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Related Party Expenses	\$598,559	\$360,570	\$366,254	\$478,847	\$427,986	\$188,562	\$321,654	\$0	\$0	\$157,565	\$340,881	\$1,263,877
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$45,693	\$26,048	\$27,441	\$24,256	\$19,073	\$10,784	\$26,047	\$0	\$0	\$14,043	\$108,324	\$325,740
Total Pass-Through Costs	\$1,656,201	\$1,786,079	\$1,284,518	\$1,954,244	\$638,415	\$380,772	\$2,256,817	\$0	\$0	\$440,933	\$3,099,940	\$11,007,919
Total Costs before City Fees	\$3,331,463	\$3,121,227	\$2,621,923	\$4,003,399	\$2,052,646	\$1,054,494	\$4,278,350	\$0	\$0	\$950,524	\$5,669,865	\$27,468,020
City Fees												
1.00% Franchise Fee	\$143,358	\$128,325	\$109,661	\$167,082	\$78,386	\$14,040	\$178,478	\$0	\$0	\$19,684	\$244,656	\$1,133,671
Rate Application Review Fee	\$10,116	\$1,026	\$738	\$1,791	\$333	\$108	\$1,295	\$0	\$0	\$200	\$7,265	\$80,000
Total City Fees	\$153,474	\$137,380	\$117,399	\$178,873	\$83,917	\$14,748	\$199,773	\$0	\$0	\$21,884	\$251,921	\$1,213,671
Other Pass-Through Costs and Revenues												
Landfill Maintenance / Closure Expense	\$16,742	\$19,819	\$16,163	\$18,218	\$11,977	\$5,667	\$17,239	\$0	\$0	\$4,725	\$32,332	\$132,883
Net Income Landfill Revenue (Form 6)	(\$2,343)	(\$2,774)	(\$2,262)	(\$2,950)	(\$1,677)	(\$793)	(\$2,113)	\$0	\$0	(\$601)	(\$3,126)	(\$18,869)
CEA Support Income	(\$83,420)											(\$83,420)
Interest Income - Revenue (Form 6)	(\$179)											(\$179)
Processing Income - Cardboard Revenue (Form 6)					\$177,120							\$177,120
Other Income - State Landfill Revenue (Form 6)		(\$31,191)										(\$31,191)
Total Other Pass-Through Costs	(\$69,200)	(\$14,446)	\$13,900	\$15,668	(\$167,119)	\$4,873	\$14,826	\$0	\$0	\$4,064	\$19,206	(\$19,238)
Post December 31, 2014 Rate Reserve Activity												
0.50% Franchise Fee funded by Prepaid Rate Reserve Credit	(\$17,039)	(\$16,841)	(\$1,708)	(\$10,885)	(\$4,708)	(\$3,095)	(\$22,310)			(\$963)	(\$3,582)	(\$41,709)
Total Rate Reserve Activity	(\$17,039)	(\$16,841)	(\$1,708)	(\$10,885)	(\$4,708)	(\$3,095)	(\$22,310)	\$0	\$0	(\$4,961)	(\$3,582)	(\$41,709)
Total Proposed Annual Costs	\$3,583,958	\$3,208,121	\$2,741,515	\$4,177,054	\$1,959,646	\$1,101,010	\$4,461,938	\$0	\$0	\$992,112	\$6,116,410	\$28,341,764
Total Proposed Annual Rate Revenue												\$2,841,593

This cost proposal is based on the assumption that 3.5% of the City Franchise Fee will be paid directly by PGS (and ratepayers) and that 0.5% of the City Franchise Fee will be funded via the prepayment of a portion of the 6/30/18 rate reserve credit to the City.

Surplus (Shortfall) \$1,829

Form 5A Detailed Costs

Detailed Collection Cost Proposal Information
 Proposer Name: PLEASANTON GARBAGE SERVICE, INC.
 RFP Response Dated March 2, 2018

City of Pleasanton

Note to Proposer: Input is only required on shaded cells on this sheet.

Estimated Annual Cost of Service
 July 1, 2018 - June 30, 2019

- Third Party Transactions
 - WCE Vehicle Maintenance
 - WCE Equipment Maintenance
 - WCE Transfer Station Maintenance
 - WCE Solid Waste Program Maintenance
 - WCE Training
 - WCE Long-haul Transport
 - WCE (If None Last)
- Self-Performed Work
- Other
- Lease Costs
 - Land Fees
 - Equipment Fees
 - Full Term Lease Costs
- Allocated Lease Costs
 - Commercial and Administrative (8%)
 - Vehicle Maintenance (5%)
 - Equipment Maintenance (5%)
 - Full Term Leased Lease Fees
- Full Term Through Costs
- Full Term Return on Investment

	Carts			Bins			Roll-Off			Other		TOTAL
	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	Organic Materials	Solid Waste	Recyclable Materials	C&O Debris	Bulky Item Program	Transfer Station	
	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019	12 Month Period From July 1, 2018 - June 30, 2019
Third Party Transactions												
WCE Vehicle Maintenance	410,000	1,000,000	21,000	42,800	64,200	107,800	51,000	1,000,000				1,581,800
WCE Equipment Maintenance											10,000	10,000
WCE Transfer Station Maintenance												
WCE Solid Waste Program Maintenance	50,000	1,000	1,000	40,000	5,000	10,000						61,000
WCE Training												
WCE Long-haul Transport												
WCE (If None Last)												
Self-Performed Work	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other												
Lease Costs												
Land Fees												
Equipment Fees												
Full Term Lease Costs	50	50	50	50	50	50	50	50	50	50	50	50
Allocated Lease Costs												
Commercial and Administrative (8%)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Vehicle Maintenance (5%)	50	50	50	50	50	50	50	50	50	50	50	50
Equipment Maintenance (5%)	50	50	50	50	50	50	50	50	50	50	50	50
Full Term Leased Lease Fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Full Term Through Costs	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Full Term Return on Investment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL	2,460,000	3,002,000	3,222,000	2,460,000	2,662,000	2,117,800	2,460,000	2,000,000	2,000,000	2,000,000	2,000,000	2,460,000

Form 5B Allocated Costs

Detailed Collection Cost Proposal Information
 Proposer Name: PLEASANTON GARBAGE SERVICE, INC.
 RFP Response Dated March 2, 2018

City of Pleasanton

Note to Proposer: Input is only required on shaded cells on this sheet.

Estimated Annual Cost of Service
 (July 1, 2018 - June 30, 2019)

	GENERAL AND ADMINISTRATIVE		VEHICLE MAINTENANCE		CONTAINER MAINTENANCE	
	12-Month Period		12-Month Period		12-Month Period	
	From July 1, 2018 - June 30, 2019		From July 1, 2018 - June 30, 2019		From July 1, 2018 - June 30, 2019	
Labor-Related Costs (include regular & pool personnel)						
Administrative Wages (regular/OT/Sick/Holiday/etc)		\$1,276,124				
Owner's Salaries		730,000				
Health & Welfare / Pension		731,661				
Payroll Taxes		110,235				
Other (Please List):						
Reimbursement for G&A Services \$(credit linked to Form 6)*						
Total Labor Related-Costs		\$2,848,020		\$0		\$0
Vehicle-Related Costs						
Tires & Tubes						
Parts & Supplies (fluid, oil, etc.)						
Outside Repairs						
Total Vehicle-Related Costs		\$0		\$0		\$0
Fuel Costs						
Other Costs						
Insurance		\$691,587				
Office Expense		272,637				
Utilities		77,350				
Postage & Mailing		30,091				
Dues & Subscriptions		16,018				
Repairs & Maintenance		115,509				
Outside Services		-				
Property Taxes		85,404				
Other Taxes		58,074				
Public Education and Outreach		150,000				
Advertising		15,589				
Travel Not Used		-				
Travel, Meals & Entertainment (net of non allowed expenses)		25,000				
Professional Fees (net of non routine proposal efforts)		503,708				
Bad Debt		38,443				
Performance Bond		10,000				
Donations (net of non allow contributions)		-				
Other (Please List):						
Reimbursement for Equipment usage \$(credit linked to Form 6)		(11,561)				
Other (Please List)		56,808				
Total Other Costs		\$2,134,657		\$0		\$0
Total Labor, Vehicle, Fuel, and Other Costs		\$4,982,677		\$0		\$0
Depreciation (non-route specific)						
Hybrid Vehicle Depreciation		\$3,182				
CIS (Tower)		\$15,909				
Total Depreciation		\$19,091		\$0		\$0
Lease Costs						
Facility Costs (M&M, Southfront, Kiewitt Property)		\$341,199				
Toilet & Equipment Rent		\$24,541				
Total Lease Costs		\$365,740		\$0		\$0
Total Costs to be Allocated		\$5,367,508		\$0		\$0
Labor, Vehicle, Fuel, & Other Costs Allocated Out	Percentage		Percentage		Percentage	
Solid Waste Carts	10.47%	\$521,504	0.00%	\$0	0.00%	\$0
Recyclable Materials Carts	9.96%	\$496,497	0.00%	\$0	0.00%	\$0
Organic Materials Carts	9.97%	\$496,540	0.00%	\$0	0.00%	\$0
Solid Waste Bins	25.60%	\$1,275,445	0.00%	\$0	0.00%	\$0
Recyclable Materials Bins	8.39%	\$418,255	0.00%	\$0	0.00%	\$0
Organic Materials Bins	4.05%	\$201,721	0.00%	\$0	0.00%	\$0
Solid Waste Roll-Off	21.70%	\$1,081,066	0.00%	\$0	0.00%	\$0
Recyclable Materials Roll-Off	0.00%	\$0	0.00%	\$0	0.00%	\$0
C&D Debris Roll-Off	0.00%	\$0	0.00%	\$0	0.00%	\$0
Bulkv Item Program	0.23%	\$11,344	0.00%	\$0	0.00%	\$0
Transfer Station	9.64%	\$480,306	0.00%	\$0	0.00%	\$0
Total Labor, Vehicle, Fuel & Other Costs Allocated Out	100.00%	\$4,982,677	0.00%	\$0	0.00%	\$0

Form 5B Allocated Costs

Detailed Collection Cost Proposal Information
 Proposer Name: PLEASANTON GARBAGE SERVICE, INC.
 RFP Response Dated March 2, 2018

City of Pleasanton

Note to Proposer: Input is only required on shaded cells on this sheet.

	GENERAL AND ADMINISTRATIVE		VEHICLE MAINTENANCE		CONTAINER MAINTENANCE	
	12-Month Period		12-Month Period		12-Month Period	
	From July 1, 2018 - June 30, 2019		From July 1, 2018 - June 30, 2019		From July 1, 2018 - June 30, 2019	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Estimated Annual Cost of Service (July 1, 2018 - June 30, 2019) </div>						
Depreciation Allocated Out						
Solid Waste Carts	18.75%	\$3,580	0.00%	\$0	0.00%	\$0
Recyclable Materials Carts	12.08%	\$2,307	0.00%	\$0	0.00%	\$0
Organic Materials Carts	12.08%	\$2,307	0.00%	\$0	0.00%	\$0
Solid Waste Bins	15.42%	\$2,943	0.00%	\$0	0.00%	\$0
Recyclable Materials Bins	13.75%	\$2,625	0.00%	\$0	0.00%	\$0
Organic Materials Bins	7.08%	\$1,352	0.00%	\$0	0.00%	\$0
Solid Waste Roll-Off	12.08%	\$2,307	0.00%	\$0	0.00%	\$0
Recyclable Materials Roll-Off	0.00%	\$0	0.00%	\$0	0.00%	\$0
C&D Debris Roll-Off	0.00%	\$0	0.00%	\$0	0.00%	\$0
Bulky Item Program	8.75%	\$1,670	0.00%	\$0	0.00%	\$0
Transfer Station	0.00%	\$0	0.00%	\$0	0.00%	\$0
Total Depreciation Allocated Out	100.00%	\$19,091	0.00%	\$0	0.00%	\$0
Pass Through Lease Costs Allocated Out						
Solid Waste Carts	12.49%	\$45,693	0.00%	\$0	0.00%	\$0
Recyclable Materials Carts	7.12%	\$26,048	0.00%	\$0	0.00%	\$0
Organic Materials Carts	10.24%	\$37,441	0.00%	\$0	0.00%	\$0
Solid Waste Bins	11.55%	\$42,256	0.00%	\$0	0.00%	\$0
Recyclable Materials Bins	5.22%	\$19,073	0.00%	\$0	0.00%	\$0
Organic Materials Bins	2.95%	\$10,784	0.00%	\$0	0.00%	\$0
Solid Waste Roll-Off	16.98%	\$62,107	0.00%	\$0	0.00%	\$0
Recyclable Materials Roll-Off	0.00%	\$0	0.00%	\$0	0.00%	\$0
C&D Debris Roll-Off	0.00%	\$0	0.00%	\$0	0.00%	\$0
Bulky Item Program	3.84%	\$14,045	0.00%	\$0	0.00%	\$0
Transfer Station	29.61%	\$108,292	0.00%	\$0	0.00%	\$0
Total Lease Costs Allocated Out	100.00%	\$365,740	0.00%	\$0	0.00%	\$0
Total Allocated Out		\$5,367,508		\$0		\$0

* CARI G&A support reimbursement was moved to roll up page - this reimbursement will not occur if City outsources recyclable processing. G&A expenses will not decrease if this happens because this was an arbitrary reimbursement percentage set by City and does not reflect actual expenses incurred for benefit of CARI.

Please describe allocation method used (e.g., tonnage, routes, etc.)

Labor, Vehicle, Fuel, & Other Costs Allocated out based on percentage of revenue, driver or vehicle counts and matched to TOTAL 10/27/17 5 Ops Forms Cost submission

Depreciation Allocated out based on direct assignment of new vehicles to route and existing assets to driver count and matched to 10/27/17 5 Ops Forms submission

Lease Costs Allocated out based on tonnage ratio / driver count and direct assignment for equipment rent/toilet rent and matched to 10/27/17 5 Ops Forms submission

Detailed Collection Cost Proposal Information

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

RFP Response Dated March 2, 2018

This is a stand alone item and is not included in the Costs seen in other Forms

Estimated Annual Cost (July 1, 2018 - June 30, 2019)	MRF
Labor-Related Costs (include regular & pool personnel)	
Wages - MRF Employees	\$ 834,198
Workers Compensation Insurance Premiums (included in insurance below)	
Workers Compensation Claims	
Health & Welfare	358,652
Pension/ Retirement Benefits	43,703
Payroll Taxes	66,736
Other (boots, gloves & ear-plugs)	
Total Labor Related-Costs	\$1,303,289
Vehicle & Equipment Related Costs (do not include depreciation) (included below)	
Tires & Tubes	
Other (Please List) -	
Total Vehicle & Equipment-Related Costs	\$0
Fuel Costs (included with R/M Below)	
Other Costs	
Insurance	129,969
Equipment Insurance	
Training & Safety Programs	
Uniforms	12,204
Outside Services	8,210
Supplies	
Oil Collection Bags	4,285
Total Other Costs	\$134,668
Depreciation	
Equipment	\$0
Other Depreciation (please list)	
Total Depreciation	\$0
General & Administrative	
Owners Salaries	\$39,863
Payroll Taxes	\$3,189
G&A Support	\$83,420
Utilities	\$28,372
Property Taxes	\$12,851
Professional Fees	\$116,906
Diversion Savings	\$53,532
Handling Savings	\$89,845
Other	\$582
Total G&A Costs	\$428,560
Disposal Cost - this cost is included in SW dumping Cost	
Interest Expense	
Related Party Expenses	
R/M Equipment and Vehicles (PT&E)	\$144,817
Glass Processing	\$22,110
Other (Please List)	
Total Related Party Expenses	\$166,927

Detailed Collection Cost Proposal Information

Proposer Name: PLEASANTON GARBAGE SERVICE, INC.

RFP Response Dated March 2, 2018

This is a stand alone item and is not included in the Costs seen in other Forms

Lease Costs		
Equipment		\$4,382
Land		\$118,649
Total Lease Costs		\$123,031
Cost of Goods Sold		
Material Sales Expense (RR&R)	25%	\$243,068
Hauling		\$26,995
Total Cost of Goods Sold		\$270,063
Total Costs of Operations		\$2,446,538

Estimated Annual Revenue (July 1, 2018 - June 30, 2019)	Average Price per ton	Average Annual Tons	MRF
Material Sales - by Material Type (Please List)			
Alum Foil			
Alumunim			
Amber-Glass Scrap			
Clr/Flint-Glass Scrap			
Green-Glass Scrap			
Hdpe Colored			
Hdpe Natural			
Ldpe-Mixed Plastic Bags			
Metal			
Mixed Glass Scrap			
Mixed Paper			
News			
OCC			
Office Pack #2			
Overs			
PET			
Rigid Plastic			
Scrap Aluminum			
Tin			
Other (please list)	\$143.00	6,799	\$972,271
Total Scrap & State Revenue / Total Recovered Tons	\$ 143.00	\$6,799	\$972,271
PGS Subsidy Payment to CARI			\$1,005,624
Other Income Includes PGS Diversion/Handle Savings			\$141,847
Total Revenue			\$2,119,743

Gross Cost per Processed Ton	\$ 283.72	8,623
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SUMMARY AVERAGE PER COLLECTED TON	Belt Processed Tons		
Average Cost per PROCESSED ton	\$ 283.72	8,623	\$ 2,446,538
Average Revenue per PROCESSED ton	\$ (112.75)	8,623	\$ 972,271
Other Income Includes PGS Diversion/Handle Savings	\$ (16.45)	8,623	\$ 141,847
Net Total per ton	\$ 154.52		

Processed Residential Tons	7,870
Processed Commercial Tons	753
Total Belt Processed Tons	8,623

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

	Billable Units	Projected Annual Revenue	
		Current	Proposed
RESIDENTIAL CART SERVICE			
Pleasanton	19,552	\$ 9,007,731	\$ 7,809,321
County	157	80,077	80,077
Castlewood	159	89,585	89,585
Sunol	255	124,896	124,896
Total Residential	20,123	\$ 9,302,289	\$ 8,103,879

COMMERCIAL CART SERVICE			
Solid Waste	207	\$ 153,383	\$ 132,987
Recycling	694	46,691	40,484
Organics/Foodwaste	27	19,923	17,276
Total Commercial Carts	928	\$ 219,997	\$ 190,747

COMMERCIAL BIN SERVICE			
Solid Waste			
Loose	888	\$ 7,721,351	\$ 6,695,478
Compactor	28	723,853	627,693
Recycling	462	2,496,981	2,165,916
Organics / Foodwaste	159	1,149,893	997,434
Commercial Growth Adjustment		900,000	780,300
Total Commercial Bin Service	1,537	\$ 12,992,078	\$ 11,266,821

ROLL OFF SERVICE			
Solid Waste			
Loose	386	\$ 3,743,178	\$ 3,245,877
Compactor	112	1,934,628	1,677,623
Recycling	7	-	-
Organics/Foodwaste	46	363,027	314,876
Total Roll Off Service	551	\$ 6,040,833	\$ 5,238,376

TRANSFER STATION PUBLIC DUMPING	\$ 3,543,770	\$ 3,543,770
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OTHER REVENUE (RENT/INTEREST/G&A SUPPORT ETC)	\$ 342,671	\$ 342,671
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DECEMBER 31, 2014 RATE RESERVE REVENUE		\$ 141,709
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ESTIMATED TOTAL FRANCHISE REVENUE	\$ 32,441,638	\$ 28,827,973
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<i>Adjusted Cost Requirement</i>	\$ 28,826,144
<i>Difference</i>	\$ 1,829

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

RESIDENTIAL SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Pleasanton				-13.30%	
A35 35 Gallon Garbage Can	8,191	\$ 33.80	\$ 3,322,269.60	\$ 29.30	\$ 2,879,955.60
A351 35 Gallon Garbage Can - Back yard	9	41.44	4,475.52	37.19	4,016.52
A352 35 Gallon Garbage Can - Senior Citizen	2,193	28.73	756,058.68	24.91	655,531.56
A353 35 Gallon Garbage Can - Senior Citizen By	10	37.83	4,539.60	32.80	3,936.00
D353 35 Gallon Garbage Can - BY - Senior Citizen	7	37.83	3,177.72	32.80	2,755.20
A90 96 Gallon Garbage Can	8,238	45.48	4,495,970.88	39.43	3,897,892.08
A901 96 Gallon Garbage Can - Back yard	5	54.58	3,274.80	47.32	2,839.20
A902 96 Gallon Garbage Can - Senior Citizen	887	38.66	411,497.04	33.52	356,786.88
A903 96 Gallon Garbage Can - Senior Citizen By	7	47.76	4,011.84	41.41	3,478.44
A90D 96 Gallon Garbage Can 10% Discount	5	40.93	2,455.80	35.49	2,129.40
Total	19,552		\$ 9,007,731		\$ 7,809,321
County				NO CHANGE	
CTY35 35 Gallon Can Curb	7	40.62	3,412.08	40.62	\$ 3,412.08
CTY352 35 Gallon Curb Can - Senior Citizen	4	18.45	885.60	18.45	885.60
CTY35D 35 Gallon Can Curb	10	24.91	2,989.20	24.91	2,989.20
CTY35S 35 Gallon Can Curb - Senior Citizen	2	34.53	828.72	34.53	828.72
CTY90 96 Gallon Can	117	45.22	63,488.88	45.22	63,488.88
CTY90S 96 Gallon Can - Senior Citizen	16	38.79	7,447.68	38.79	7,447.68
CTY35Y 3-30 Gallon Can - BY - Senior Citizen	1	85.42	1,025.04	85.42	1,025.04
Total	157		\$ 80,077		\$ 80,077

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

RESIDENTIAL SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Castlewood				NO CHANGE	
171 1 Can Backyard	8	37.45	3,595.20	37.45	3,595.20
173 2 Can Backyard	1	65.27	783.24	65.27	783.24
183 3 Can Backyard	1	138.29	1,659.48	138.29	1,659.48
CW35 35 Gallon Curb	15	29.62	5,331.60	29.62	5,331.60
CW352 35 Gallon Can - Senior Citizen	7	21.95	1,843.80	21.95	1,843.80
CW353 35 Gallon Can - BY - Senior Citizen	2	29.47	707.28	29.47	707.28
CW35D 35 Gallon Can Curb	1	27.17	326.04	27.17	326.04
CW35E 35 Gallon Can Curb	2	39.88	957.12	39.88	957.12
CW35Y 36 Gallon Can Curb - Back Yard	1	37.45	449.40	37.45	449.40
CW90 96 Gallon Can Curb	90	49.62	53,589.60	49.62	53,589.60
CW901 2 Can BY - Senior Citizen	1	57.60	691.20	57.60	691.20
CW902 96 Gallon Can - Senior Citizen	13	41.94	6,542.64	41.94	6,542.64
CW902D 96 Gallon Can - Senior Citizen	1	38.01	456.12	38.01	456.12
CW9045 96 Gallon Can Curb	4	44.71	2,146.08	44.71	2,146.08
CW90Y 96 Gallon Can - Back Yard	2	65.27	1,566.48	65.27	1,566.48
CW9245 96 Gallon Can Curb	6	79.79	5,744.88	79.79	5,744.88
CW9330 96 Gallon Can Curb	1	69.62	835.44	69.62	835.44
CW9345 96 Gallon Can Curb	2	57.92	1,390.08	57.92	1,390.08
CW9Y1S 96 Gallon Can - Back Yard	1	80.78	969.36	80.78	969.36
Total	159		\$ 89,585		\$ 89,585
Sunol				NO CHANGE	
A35S 35 Gallon Garbage Can	119	30.20	43,125.60	30.20	43,125.60
A35S1 35 Gallon Garbage Can - Off Road	6	39.59	2,850.48	39.59	2,850.48
A35S2 35 Gallon Garbage Can - Senior Citizen	26	22.37	6,979.44	22.37	6,979.44
A35S3 35 Gallon Garbage Can - Off Road - Senior Citizen	3	31.76	1,143.36	31.76	1,143.36
A35SS2 35 Gallon Can Senior Citizen	1	15.40	184.80	15.40	184.80
A90S 96 Gallon Can	89	60.40	64,507.20	60.40	64,507.20
A90SS 96 Gallon Can	2	45.34	1,088.16	45.34	1,088.16
A90S2 96 Gallon Garbage Can - Senior Citizen	3	52.59	1,893.24	52.59	1,893.24
A90SD 3 Cans Curb	1	90.57	1,086.84	90.57	1,086.84
A90SE1 96 Gallon Can - Off Road - EOW	2	39.57	949.68	39.57	949.68
A90SEO 96 Gallon Can EOW	3	30.20	1,087.20	30.20	1,087.20
Total	255		\$ 124,896		\$ 124,896

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMERCIAL SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Commercial Cart Service				-13.30%	
C35 35 Gallon Garbage Can	66	39.99	31,672.08	34.67	27,458.64
C90 96 Gallon Garbage Can	106	81.99	104,291.28	71.09	90,426.48
A35 35 Gallon Garbage Can	12	\$ 33.80	\$ 4,867.20	29.3	4,219.20
A90 96 Gallon Garbage Can	23	45.48	12,552.48	39.43	10,882.68
Total	207		153,383		132,987

COMMERCIAL SOLID WASTE BINS	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Loose				-13.30%	
Cu. Yards'frequency					
211 1 1	149	168.23	300,795.24	145.88	260,833.44
212 1 2	14	304.25	51,114.00	263.83	44,323.44
213 1 3	3	440.27	15,849.72	381.78	13,744.08
221 2 1	154	336.23	621,353.04	291.55	538,784.40
222 2 2	43	608.27	313,867.32	527.45	272,164.20
223 2 3	8	880.31	84,509.76	763.35	73,281.60
231 3 1	101	480.43	582,281.16	416.59	504,907.08
232 3 2	35	888.49	373,165.80	770.44	323,584.80
233 3 3	24	1,296.55	373,406.40	1,124.29	323,795.52
234 3 4	3	1,704.61	61,365.96	1,478.14	53,213.04
235 3 5	2	2,112.67	50,704.08	1,831.99	43,967.76
241 4 1	133	625.47	998,250.12	542.37	865,622.52
242 4 2	108	1,169.55	1,515,736.80	1,014.17	1,314,364.32
243 4 3	51	1,713.63	1,048,741.56	1,485.97	909,413.64
244 4 4	5	2,257.71	135,462.60	1,957.77	117,466.20
245 4 5	17	2,801.79	571,565.16	2,429.57	495,632.28
271 7 1	2	1,099.01	26,376.24	952.99	22,871.76
272 7 2	3	2,051.15	73,841.40	1,778.64	64,031.04
273 7 3	3	3,003.29	108,118.44	2,604.29	93,754.44
311 1 1 Customer owns	1	136.02	1,632.24	117.95	1,415.40
321 2 1 their own bins	3	272.04	9,793.44	235.90	8,492.40
331 3 1	3	408.06	14,690.16	353.85	12,738.60
332 3 2	6	816.12	58,760.64	707.70	50,954.40
341 4 1	13	544.08	84,876.48	471.80	73,600.80
342 4 2	3	1,088.16	39,173.76	943.60	33,969.60
343 4 3	1	1,632.24	19,586.88	1,415.40	16,984.80
400 Extra Pickup	3	-	-	-	-
216 Locking Lid	17	11.98	2,443.92	10.39	2,119.56
4041 4 1	1	613.22	7,358.64	531.66	6,379.92
410 1 Extra Pickup	1	31.39	376.68	27.22	326.64
411 1 On Call	1	31.39	376.68	27.22	326.64
420 2 Extra Pickup	2	62.78	1,506.72	54.44	1,306.56
421 2 On Call	10	62.78	7,533.60	54.44	6,532.80
430 3 Extra Pickup	8	94.17	9,040.32	81.66	7,839.36
431 3 On Call	5	94.17	5,650.20	81.66	4,899.60
440 4 Extra Pickup	4	125.56	6,026.88	108.88	5,226.24
441 4 On Call	37	125.56	55,748.64	108.88	48,342.72
445 4 MOD Bin Take Away	32	167.40	64,281.60	145.14	55,733.76
446 4 MOD Bin Extra Pickup	4	122.11	5,861.28	105.87	5,081.76
470 7 Extra Pickup	0	219.73	-	190.51	-
471 7 on call	1	219.73	2,636.76	190.51	2,286.12
480 Rental on Bin	2	14.98	359.52	12.99	311.76
702 Service Charge	2	-	-	-	-
R1B 1 Rental on 1 YD Bin	1	32.21	386.52	27.93	335.16
R2B 2 Rental on 2 YD Bin	3	64.19	2,310.84	55.65	2,003.40
R3B 3 Rental on 3 YD Bin	2	72.37	1,736.88	62.74	1,505.76
R4B 4 Rental on 4 YD Bin	13	81.39	12,696.84	70.57	11,008.92
SCCOMC Service Charge Comm	48	-	-	-	-
Total	888		\$ 7,721,351		\$ 6,695,478

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMERCIAL SOLID WASTE BINS	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Compactor				-13.30%	
Cu. Yards'frequency					
502 2 Pickup	20	125.56	30,134.40	108.88	26,131.20
503 3 Pickup	26	188.34	58,762.08	163.32	50,955.84
51123 1 1/2 3	1	1,224.21	14,690.52	1,061.58	12,738.96
5021 2 1	3	544.09	19,587.24	471.81	16,985.16
5022 2 2	4	1,088.18	52,232.64	943.63	45,294.24
5023 2 3	3	1,632.27	58,761.72	1,415.44	50,955.84
5025 2 5	1	2,720.45	32,645.40	2,359.07	28,308.84
5031 3 1	2	816.14	19,587.36	707.72	16,985.28
5032 3 2	2	1,632.28	39,174.72	1,415.44	33,970.56
5033 3 3	1	2,448.42	29,381.04	2,123.16	25,477.92
5034 3 4	1	3,264.56	39,174.72	2,830.88	33,970.56
5035 3 5	1	4,080.70	48,968.40	3,538.60	42,463.20
5041 4 1	1	1,088.19	13,058.28	943.63	11,323.56
5042 4 2	4	2,176.38	104,466.24	1,887.25	90,588.00
5043 4 3	1	3,264.57	39,174.84	2,830.88	33,970.56
5044 4 4	1	4,352.76	52,233.12	3,774.51	45,294.12
5052 5 2	1	2,720.46	32,645.52	2,359.07	28,308.84
5062 6 2	1	3,284.56	39,174.72	2,830.88	33,970.56
Total	28		723,853		627,693

ROLL OFF BOX SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Loose				-13.30%	
Cu. Yards					
2000 Monthly Rental	45	321.02	173,350.80	278.32	150,292.80
2150 15	76	470.85	429,415.20	408.30	372,369.60
2200 20	136	627.80	1,024,569.60	544.40	888,460.80
2300 30	132	941.70	1,491,652.80	816.60	1,293,494.40
2400 40	37	1,255.60	557,486.40	1,088.80	483,427.20
2251 25 COD	1	784.75	9,417.00	680.50	8,166.00
3888 COD Daily Rental	2	14.98	359.52	12.99	311.76
4150 15 County	2	498.90	11,973.60	432.55	10,381.20
4200 20 County	2	613.24	14,717.76	531.68	12,760.32
701 Overweight Charges	40	62.99	30,235.20	54.61	26,212.80
Total	386		\$ 3,743,178		\$ 3,245,877

ROLL OFF BOX SOLID WASTE	Billable Units	CURRENT RATES		PROPOSED RATES	
		Rate	Annual Revenue	Rate	Annual Revenue
Compactor				-13.30%	
Cu. Yards					
508 8	9	502.24	54,241.92	435.52	47,036.16
510 10	5	627.80	37,668.00	544.40	32,664.00
515 15	18	941.70	203,407.20	816.60	176,385.60
516 16	1	1,004.48	12,053.76	871.04	10,452.48
520 20	23	1,255.60	346,545.60	1,088.80	300,508.80
524 24	1	1,506.72	18,080.64	1,306.56	15,678.72
525 25	12	1,569.50	226,008.00	1,361.00	195,984.00
530 30	34	1,883.40	768,427.20	1,633.20	666,345.60
536 36	1	2,260.08	27,120.96	1,959.84	23,518.08
540 40	8	2,511.20	241,075.20	2,177.60	209,049.60
Total	112		\$ 1,934,628		\$ 1,677,623

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMERCIAL RECYCLING BINS				Billable Units	CURRENT RATES		PROPOSED RATES	
					Rate	Annual Revenue	Rate	Annual Revenue
Cardboard							-13.30%	
		Cu. Yards	Frequency					
CB11	Cardboard	1	1	4	134.22	6,442.56	116.42	5,588.16
CB21	Cardboard	2	1	20	268.20	64,368.00	232.62	55,828.80
CB22	Cardboard	2	2	4	472.22	22,666.56	409.59	19,660.32
CB23	Cardboard	2	3	6	676.23	48,688.56	586.56	42,232.32
CB25	Cardboard	2	5	1	1,084.29	13,011.48	940.50	11,286.00
CB31	Cardboard	3	1	26	378.39	118,057.68	328.20	102,398.40
CB32	Cardboard	3	2	16	684.41	131,406.72	593.66	113,982.72
CB33	Cardboard	3	3	5	990.43	59,425.80	859.12	51,547.20
CB34	Cardboard	3	4	1	1,296.45	15,557.40	1,124.58	13,494.96
CB41	Cardboard	4	1	98	489.42	575,557.92	424.52	499,235.52
CB42	Cardboard	4	2	35	897.44	376,924.80	778.47	326,957.40
CB43	Cardboard	4	3	45	1,305.47	704,953.80	1,132.42	611,506.80
CB44	Cardboard	4	4	2	1,713.50	41,124.00	1,486.37	35,672.88
CB45	Cardboard	4	5	15	2,121.52	381,873.60	1,840.32	331,257.60
CB72	Cardboard	7	2	1	1,574.96	18,899.52	1,366.16	16,393.92
CB73	Cardboard	7	3	4	2,289.01	109,872.48	1,985.57	95,307.36
CB75	Cardboard	7	5	2	3,717.10	89,210.40	3,224.39	77,385.36
CBP21	Cardboard	2	1	0	268.20	-	232.62	-
CBP22	Cardboard	2	2	0	472.22	-	409.59	-
CBP23	Cardboard	2	3	0	676.23	-	586.56	-
CBP42	Cardboard	4	2	0	897.44	-	778.47	-
CBP45	Cardboard	4	5	0	2,121.52	-	1,840.32	-
CR211	Cardboard	1	1	4	134.22	6,442.56	116.42	5,588.16
CR212	Cardboard	1	2	1	236.22	2,834.64	204.91	2,458.92
CR221	Cardboard	2	1	31	268.20	99,770.40	232.62	86,534.64
CR222	Cardboard	2	2	2	472.22	11,333.28	409.59	9,830.16
CR223	Cardboard	2	3	1	676.23	8,114.76	586.56	7,038.72
CR231	Cardboard	3	1	4	378.39	18,162.72	328.20	15,753.60
CR232	Cardboard	3	2	4	684.41	32,851.68	593.66	28,495.68
CR233	Cardboard	3	3	1	990.43	11,885.16	859.12	10,309.44
CR241	Cardboard	4	1	17	489.42	99,841.68	424.52	86,602.08
CR242	Cardboard	4	2	16	897.44	172,308.48	778.47	149,466.24
CR243	Cardboard	4	3	6	1,305.47	93,993.84	1,132.42	81,534.24
CR244	Cardboard	4	4	6	1,713.50	123,372.00	1,486.37	107,018.64
CR271	Cardboard	7	1	1	860.92	10,331.04	746.75	8,961.00
CR410	Cardboard	1	Extra Pickup	1	23.54	282.48	20.42	245.04
CR440	Cardboard	4	Extra Pickup	2	94.16	2,259.84	81.68	1,960.32
ESTIMATED MIGRATION - 50% of shaded cardboard which were free					50%	(1,389,020.64)		(1,204,867.86)

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMERCIAL RECYCLING BINS				Billable Units	CURRENT RATES		PROPOSED RATES	
					Rate	Annual Revenue	Rate	Annual Revenue
Mixed							-13.30%	
MR211	Mixed Recycling	1	1	14	134.22	22,548.96	116.42	19,558.56
MR212	Mixed Recycling	1	2	1	236.22	2,834.64	204.91	2,458.92
MR213	Mixed Recycling	1	3	1	338.23	4,058.76	293.40	3,520.80
MR221	Mixed Recycling	2	1	22	268.20	70,804.80	232.62	61,411.68
MR222	Mixed Recycling	2	2	6	472.22	33,999.84	409.59	29,490.48
MR231	Mixed Recycling	3	1	5	378.39	22,703.40	328.20	19,692.00
MR232	Mixed Recycling	3	2	1	684.41	8,212.92	593.66	7,123.92
MR241	Mixed Recycling	4	1	16	489.42	93,968.64	424.52	81,507.84
MR241M	Mixed Recycling	4	1	4	134.22	6,442.56	116.42	5,588.16
MR242	Mixed Recycling	4	2	9	897.44	96,923.52	778.47	84,074.76
MR245	Mixed Recycling	4	5	1	2,121.52	25,458.24	1,840.32	22,083.84
MR332	Mixed Recycling	3	2	2	684.41	16,425.84	593.66	14,247.84
MX5031	Mixed Recycling	3	1	1	816.14	9,793.68	707.72	8,492.64
Total				462		\$ 2,496,981		\$ 2,165,916

COMMERCIAL CART RECYCLING				2017	CURRENT RATES		PROPOSED RATES	
					Rate	Annual Revenue	Rate	Annual Revenue
Recycling							-13.30%	
PG64	Paper Gobbler	64 Gallon Can - monthly		127	-	-	-	-
MR96	Mixed Recycling	96 Can		477	-	-	-	-
MR961	Mixed Recycling	96 Can		89	43.03	45,956.04	37.31	39,847.08
MR962	Mixed Recycling	96 Can by		1	61.23	734.76	53.09	637.08
Total				694		\$ 46,691		\$ 40,484

ROLL OFF BOX RECYCLING				Billable Units	CURRENT RATES		PROPOSED RATES	
					Rate	Annual Revenue	Rate	Annual Revenue
Recycling							NO CHANGE	
779	Recycling Bins			2	-	-	-	-
22008	8 Yd Glass Box			2	-	-	-	-
2206	20 clean Metal Box			2	-	-	-	-
2408	40 yard Metal			1	-	-	-	-
Total				7		-		-

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

COMMERCIAL ORGANIC BINS			Billing Units	CURRENT RATES		PROPOSED RATES	
				Rate	Annual Revenue	Rate	Annual Revenue
Loose						-13.30%	
	Cu. Yards	Frequency					
FR211	1	1	37	134.22	59,593.68	116.42	51,690.48
FR212	1	2	5	236.22	14,173.20	204.91	12,294.60
FR221	2	1	17	268.20	54,712.80	232.62	47,454.48
FR222	2	2	12	472.22	67,999.68	409.59	58,980.96
FR231	3	1	10	378.39	45,406.80	328.20	39,384.00
FR232	3	2	15	684.41	123,193.80	593.66	106,858.80
FR233	3	3	17	990.43	202,047.72	859.12	175,260.48
FR234	3	4	7	1,296.45	108,901.80	1,124.58	94,464.72
FR241	4	1	10	489.42	58,730.40	424.52	50,942.40
FR242	4	2	15	897.44	161,539.20	778.47	140,124.60
FR243	4	3	7	1,305.47	109,659.48	1,132.42	95,123.28
FR244	4	4	7	1,713.50	143,934.00	1,486.37	124,855.08
Total			159		\$ 1,149,893		\$ 997,434

ROLL OFF ORGANIC DROP BOXES			Billing Units	CURRENT RATES		PROPOSED RATES	
				Rate	Annual Revenue	Rate	Annual Revenue
Loose						-13.30%	
	Cu. Yards	Frequency					
2155	15		3	353.14	12,713.04	306.30	11,026.80
2202	20		7	470.85	39,551.40	408.40	34,305.60
2302	30		34	706.28	288,162.24	612.60	249,940.80
2402	40		2	941.70	22,600.80	816.80	19,603.20
Total			46		\$ 363,027		\$ 314,876

COMMERCIAL ORGANICS CARTS			Billing Units	CURRENT RATES		PROPOSED RATES	
				Rate	Annual Revenue	Rate	Annual Revenue
FR961						-13.30%	
	96 Gal	1	27	61.49	19,922.76	53.32	17,275.68
Total			27		19,923		17,276

Pleasanton Garbage Service, Inc.
RFP Response Dated March 2, 2018
Rate Proposal Detail Forms 6 and 7

TRANSFER STATION RATES	Current Rates	Proposed Rates
		NO CHANGE
<p>1. For the disposal of all types of dry garbage, trash, refuse and debris which meets the disposal requirements of the transfer station, the rates for <u>PLEASANTON RESIDENTS</u> are as follows:</p> <p>* MINIMUM DUMP RATE * PER YARD DUMP RATE * PER TON RATE</p>	<p>\$ 7.37 \$ 11.37 \$ 62.99</p>	<p>\$ 7.37 \$ 11.37 \$ 62.99</p>
<p>2. For the disposal of all types of dry garbage, trash, refuse and debris which meets the disposal requirements of the transfer station, the rates for <u>COMMERCIAL CUSTOMERS</u> and customers who are not residents of the City of Pleasanton are as follows:</p> <p>* CUBIC YARD CONSTRUCTION / DEMOLITION * CUBIC YARD HARD TO HANDLE (OVER 6. FT. LENGTH OR 2. FT. DIAMETER) * CUBIC YARD EXTREMELY HARD TO HANDLE * CUBIC YARD CERTIFIED LOADS * CUBIC YARD HOUSEHOLD GARBAGE * MINIMUM CASH SALE * MINIMUM CHARGE SALE * WEIGHT MASTER CERTIFICATE * PER TONNAGE FEE</p>	<p>\$ 35.21 \$ 53.41 \$ 70.71 N/A \$ 27.92 \$ 27.92 \$ 27.92 \$ 30.35 \$ 139.61</p>	<p>\$ 35.21 \$ 53.41 \$ 70.71 N/A \$ 27.92 \$ 27.92 \$ 27.92 \$ 30.35 \$ 139.61</p>
Total Transfer Station Revenue	\$ 3,543,770	\$ 3,543,770

Form 7

Processing Cost Proposal
 Proposer Name: Pleasanton Garbage Service, Inc
 RFP Response Dated March 2, 2018
 \$/ Ton for Rate Period One (July 1, 2018 to June 30, 2019)

City of Pleasanton

	MSW Disposal (Average includes \$25 per Load fee and \$13 environmental fee per Load)	MSW Transport Related Party RR&R (Recyc Resource Recovery)	Recyclable Materials Average per collected ton Form 5C	Composting (inclusive of Transfer and disposal cost) per processed ton	Roll Off Box Sort Bolt
Disposal/ Processing Fee	\$22.48		\$283.72	\$28.20*	\$42.85
\$25 Tip Fee (\$25 per Load/convert to per ton)	\$1.25				
Transport Fee (Average)		\$16.60		\$14.16	
Grinding Fee				\$17.90	
Regulatory Fees & Taxes (List separately)					
>13 Environmental Fee (\$13 per Load/convert to per ton)	\$0.65				
Regulatory Fees & Taxes (See below) (Interpolated)	\$19.94				
Total Regulatory Fees	\$20.59	\$0.00	\$0.00	\$0.00	\$0.00
Total Processing Cost/ Ton (show as a negative value)	\$44.28	\$16.60	\$283.72	\$60.56	\$42.85
Revenues from the Sale of Materials	\$0.00		\$ (112.75)		
Other Income Includes PCB Diversion/ Handle Savings (offsetting amt in expenses)			\$ (16.45)		
Net Processing & Transport Cost/ Ton*	\$44.28	\$16.60	\$154.52	\$60.56	\$42.85

* If the net is a revenue, net processing cost/ton is to show as a negative amount.

Current Regulatory Fees	Effective 1/17	* Average Greenwaste/Wood Disposal Cost per Ton
State of California - AB1220	\$ 1.40	Greenwaste Disposal Cost per Ton (ground) \$ 28.93
Alameda County LEA	0.38	Wood Disposal Cost per Ton (ground) \$ -
Alameda County Measure D	8.23	
Alameda County Household Haz Waste	2.15	
Alameda County WMA - AB939	4.34	
Business License	0.95	
Adm Host Community	0.38	
Open Space & Recycling	1.45	
Waste Management Program	0.10	
Transport Planning Management	0.01	
	<u>\$ 19.39</u>	

Description	RPP Budget FY 8/2018	IFM Form Allocation																	Expenses Subject to Operating Ratio						
		Labor	Diesel	Vehicle	Other	Depreciation New	Legacy	Op Ratio Profit	Solid Waste Disposal	SW Transfer	Recycle	Organics Processing	Roll Off Belt Proc(CTD)	Interest Expense	CNG Fuel-C	Other	Veh/Mile Maint	Lease Expense		Franchise	Rate App	Landfill	Other	Rate Reserve	Total
Plant - Existing Business	2,307,245																								2,307,245
Plant - Job Rec/Change Roll Out No-Women	16,949																								16,949
Plant - Bulk Clean Up/Route	76,849																								76,849
Plant - Landfill Gateway	1,110																								1,110
Plant - Admin	1,116,114																								1,116,114
Plant - Admin	26,760																								26,760
Plant - Transfer Station	1,271,161																								1,271,161
Plant - Transfer Station	29,000																								29,000
Plant - Transfer Station	1,242,161																								1,242,161
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EXHIBIT G
CUSTOMER RATES
APPROVED BY THE CITY

EXHIBIT G
CUSTOMER RATES APPROVED BY THE CITY

Customer rates for the rate period beginning July 1, 2018 shall be prepared in cooperation with City, Contractor staff, and H&H Consultants, LLC in coordination with the City Council Refuse and Recycling Subcommittee.

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EXHIBIT H
INDEX-BASED RATE
ADJUSTMENT MECHANISM

EXHIBIT H

INDEX-BASED RATE ADJUSTMENT MECHANISM

1. PURPOSE

The purpose of this attachment is to describe and illustrate the method by which the City will calculate the annual adjustment to Rates based on the proposed Total Costs for Rate Period One adjusted to reflect changes in various cost indices and changes to Disposal and Processing Costs based on Tonnages of materials Collected. This index-based adjustment process will be used to determine Rates for all Rate Periods beginning with Rate Period Two (July 1, 2019 through June 30, 2020) with the exception that the Rate adjustment process for Rate Period Seven shall involve a detailed review of actual costs pursuant to Section 8.2 of the Agreement and Exhibit I.

The index-based adjustment involves application of indices to various costs that comprise the Total Proposed Annual Costs for Rate Period One (and to Total Calculated Costs for future Rate Periods) to determine the Total Calculated Costs for the coming Rate Period. In addition, Disposal and Processing costs will be adjusted to reflect actual Tonnage Collected during the most-recently completed 12-month period. The difference (measured as a percentage) between the Total Calculated Costs for the coming Rate Period and the Total Calculated Costs for the then-current Rate Period is the Rate Adjustment Factor. The Rate Adjustment Factor is applied to the current Rates to determine the Rates for the coming Rate Period.

2. DEFINITIONS

In addition to the terms defined in Article 1, the following terms are defined for the purposes of Exhibit H and Exhibit I only.

- A. **“Annual Percentage Change”** means (1) the annual percentage change in any of the indices defined above calculated as described in the following paragraph.

The Annual Percentage Change in an index is calculated as the Average Index Value for the 12-month period ending in October of the then-current Rate Period minus the Average Index Value for the 12-month period ending October of the most-recently completed Rate Period and dividing the result by the Average Index Value for the 12-month period ending in October of the most recently completed Rate Period.

For example, if the City is calculating the Total Calculated Costs in January 2020 to be effective for Rate Period Three (July 2020 through June 2021), the Annual Percentage Change for the CPI-U would be calculated as follows:

$$\frac{[(\text{Average CPI-U for November 2018 through October 2019}) \text{ minus } (\text{Average CPI-U for November 2017 through October 2018})]}{\text{by } (\text{Average CPI-U for November 2017 through October 2018})}$$

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

- B. "Average Index Value"** means the sum of the monthly index values during the 12-month period ending in October divided by 12 (in the case of indices published monthly) or the sum of the bi-monthly index values divided by 6 (in the case of indices published bi-monthly).
- C. "Cap Carry Forward"** means the amount that City actually elects to defer (carry forward) from the coming Rate Period to the subsequent Rate Period pursuant to Section 6, which shall be included in Total Calculated Costs as an adjustment for such subsequent Rate Period.
- D. "CPI-U"** means the Consumer Price Index, All Urban Consumers, all items, not seasonally adjusted San Francisco-Oakland-Hayward compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- E. "CPI-W"** means the Consumer Price Index, Urban Wage Earners and Clerical Workers, all items, not seasonally adjusted San Francisco-Oakland-Hayward, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- F. "Fuel Index"** means the Producer Price Index-Commodities for #2 Diesel Fuel, not seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics,

AND

The per-therm price for Core Natural Gas Service for Compression on Customer's Premises, Schedule G-NGV1, compiled and published by the Pacific Gas and Electric Company Analysis and Rate Department and reported monthly in its "*Gas RateFinder*" publication (<http://www.pge.com/tariffs/GRF.SHTML>). Example: the June 2017 CNG Fuel Pricing Index is \$1.139 per therm, which reflects the sum of the customer charge, procurement charge, transportation charge, and public purpose program (PPP) charge for natural gas service for compression on customer's premises as reported by Pacific Gas and Electric Company, based on the relative amounts of diesel fuel and CNG used for the preceding twelve (12) calendar months for which such information is available as of the relevant date.

- G. "Motor Vehicle Maintenance and Repair Index" or "MVI"** means the Consumer Price Index, All Urban Consumers, Motor Vehicle Maintenance and Repair, not seasonally adjusted U.S. city average, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics.
- H. "Net Construction and Demolition Debris Processing Costs"** means cost of Processing Construction and Demolition Debris less revenue earned from sale of Construction and Demolition Debris.
- I. "Net Organic Materials Processing Costs"** means cost of Processing Organic Materials less revenues earned from sale of Compost Product.
- J. "Net Recyclables Processing Costs"** means Recyclables Processing costs less Commodity Revenue from Recyclables.

- K. **“Potential Cap Carry Forward”** means the amount of Total Calculated Costs for the coming Rate period that City may elect to defer (carry forward) to the subsequent Rate Period, which is calculated as provided in Section 6.
- L. **“Total Calculated Costs”** means the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Calculated Costs amount does not reflect or in any way guarantee the Gross Rate Revenues that are to be generated by Rates or retained by the Contractor. Note that for determining Rates for Rate Period Two, Total Proposal Costs for Rate Period One shall be used for the calculations.

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

TABLE 1

	CPI-U	CPI-W	Fuel Index	MVI
Description	Consumer Price Index - All Urban Consumers	Consumer Price Index – Urban Wage Earners and Clerical Workers	Producer Price Index – Commodities for #2 Diesel Fuel AND Core Natural Gas for Compression at Customer’s Premises for Motor Vehicles	Consumer Price Index – All Urban Consumers, Motor Vehicle Maintenance and Repair
Series ID	CUUSS49BSA0	CWUSS49BSA0	WPU057303 AND G-NGV1	CUUR0000SETD
Adjusted	Not seasonally adjusted	Not seasonally adjusted	Not seasonally adjusted AND N/A	Not seasonally adjusted
Group	San Francisco-Oakland-Hayward	San Francisco-Oakland-Hayward	Fuels and Related Products and Power AND N/A	U.S. city average
Item	All items	All items	#2 Diesel fuel AND N/A	Motor vehicle maintenance and repair
Base Period	1982-84=100	1982-84=100	1982 = 100 AND N/A	1982-84=100
Periodicity	Bi-monthly	Bi-monthly	Monthly	Monthly

3. ADJUSTMENT OF TOTAL CALCULATED COSTS

The cost categories of the main components of Total Calculated Costs are presented in detail in Exhibit F. Adjustments to these components shall be calculated as follows:

A. Total Annual Cost of Operations

- 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 CPI-W. Labor-Related Costs includes all wage and benefit costs for all employees, including union employees, administrative employees, officers and stockholders of Contractor.

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

2. **Fuel Costs.** The Fuel Cost component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Fuel Index.
3. **Other Costs.** The Other Costs component of the Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.
4. **Direct Depreciation.** Direct Depreciation is \$1,165,971 per year for Rate Periods One through Ten is not annually adjusted, and shall be zero in any subsequent Rate Periods unless Parties mutually agree to a different amount.
5. **Total Annual Cost of Operations.** The Total Annual Cost of Operations for the coming Rate Period equals the sum of the costs calculated in Sections (1) through (4) above.

B. **Profit.** Profit for the coming Rate Period will be calculated by dividing the Total Annual Cost of Operations for the coming Rate Period (the value calculated in Section 3.A.11 above) by an operating ratio (.90) and subtracting from the result the Total Annual Cost of Operations for the coming year. The Total Annual Cost of Operations shall not include any costs for the following (1) Any mark-up or profit related to Transfer Station Labor Costs paid to M&M Land Company, LLC, (2) truck repair costs paid to Pleasanton Truck & Equipment Repairs, (3) hauling, grinding, material sales marketing costs paid to Recycling and Resource Recovery Systems, LLC; (4) Recyclable Material Processing cost paid to City Automatic Recycling, Inc.; (5) CNG Fuel costs paid to Amador Valley Industries, LLC ; (6) land lease costs paid to M&M Land Company, LLC; (7) land lease costs paid to Southfront LLC; (8) Disposal costs paid to Republic Industries; (9) Organic Materials Processing costs paid to Recology; (10) hauling costs paid to Tiger Lines; and (11) wood Diversion costs paid to Harvest Power.

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

C. **Pass-Through Costs**

1. **Vehicle Maintenance and Repair.** The Vehicle Maintenance and Repair Cost per vehicle for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index then

multiplied by the total number of Collection vehicles in use (including all route vehicles and spares) for services provided under this Agreement.

2. **Transfer and Transport Costs.** The Transfer and Transport Cost per Ton for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U then multiplied by the total Tons of Discarded Materials Collected for the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Discarded Materials shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.
3. **Disposal Costs.** The average of the Disposal Cost per Ton (which includes per-Ton Disposal fees, per-Ton environmental fees, and per-Ton government fees) for the then-current Rate Period, and the Disposal Cost per-Ton for the coming rate period is multiplied by the total Tons of Solid Waste Disposed in the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the average total Tons of Solid Waste Disposed shall be calculated as the average of the Tonnage Disposed in July, August, September, and October 2018 multiplied by 12.
4. **Net Recyclables Processing Costs.** The Net Recyclables Processing Cost per Ton is multiplied by one plus the Annual Percentage Change in the CPI-U and then multiplied by the total Tons of Recyclable Materials Collected for the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Recyclable Materials shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.
5. **Net Construction and Demolition Debris Processing Costs.** The Net Construction and Demolition Debris Processing Cost per Ton for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U and then multiplied by the total Tons of Construction and Demolition Debris Collected for the most-recently completed twelve-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Construction and Demolition Debris shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.
6. **Net Organic Materials Processing Costs.** The Net Organic Materials Processing Cost per Ton for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U then multiplied by the total Tons of Organic Materials Collected for the most-recently completed 12-month period. When calculating adjustment in Rate Period One to determine Rates for Rate Period Two, the total Tons of Organic Materials shall be calculated as the average of the Tonnage Collected in July, August, September, and October 2018 multiplied by 12.
7. **Interest Expense.** Interest Expense is \$593,723 in Rate Period One through Eleven, is not annually adjusted, and shall be zero in any subsequent Rate Period unless Parties mutually agree to a different amount.

8. **Lease Costs.** Lease Costs are \$365,740 in Rate Period One, annually adjusted by multiplying the Lease Costs for the then-current Rate Period by one plus the Annual Percentage Change in the CPI-U.
 9. **Landfill Maintenance and Closure Costs.** Landfill Maintenance and Closure Costs for each Rate Period shall mean the amount to which Contractor is entitled for the prior Rate Period pursuant to the terms of that certain "Agreement Approving an Expenditure of Funds to Close Former Landfill between the City and the Contractor" dated October 7, 1986 and attached as Exhibit O (the "Landfill Closure Agreement 1986"). Notwithstanding any other provision in the Agreement or any other Exhibit thereto, the Landfill Closure Agreement 1986 shall remain in effect in accordance with its terms during and after termination or expiration of the Agreement.
 10. **Total Pass-Through Costs.** Total Pass-Through Costs for the coming Rate Period are the sum of the costs calculated in Sections (1) through (9) above.
- D. **Total Calculated Costs before City Fees.** The Total Calculated Costs before City Fees shall be the sum of the Total Annual Cost of Operations, Profit, and Total Pass-Through Costs for the coming Rate Period.
- E. **City Fees**
1. **Franchise Fee.** Franchise Fees, which shall equal 3.5% of Gross Rate Revenues and Transfer Station Revenues, shall be calculated as follows: $3.5 \times$ (Total Calculated Costs before City Fees plus the sum of other City Fees specified in Sections 3.E.2 through 3.E.6) and other adjustments, if any, pursuant to Section 3.F).
 2. **Vehicle Impact Mitigation Fee.** Vehicle Impact Mitigation Fees shall equal the total Vehicle Impact Mitigation Fees paid to the City in the most-recently completed 12-month period multiplied by 1 plus the Annual Percentage Change in the CPI-U, or as otherwise directed by the City.
 3. **Rate Review, Performance and Other Review Fees.** Rate Review, Performance Review and other similar fees shall equal an amount agreed upon by the City and the Contractor for payment of the City's costs, including consulting and legal fees, associated with contract management and other activities related to this agreement. Such costs shall be determined and the actual costs for the coming Rate Period shall be added and any costs included in the prior Rate Period shall be subtracted from the total Rate Review and Performance Review Fees paid to the City, unless otherwise directed by the City.
 4. **Total City Fees.** The Total City Fees for the coming Rate Period shall equal costs calculated in Sections (1) through (6) above.
- F. **Other Adjustments.** From time to time during the Term of the Agreement, it may be necessary to make other adjustments to the compensation calculations. For example, if the Contractor obtains grant funds or subsidies from the a separate government or non-profit agency, the annual amount of funds Contractor received or is forecasted to receive will be reflected as an adjustment. In such case, the adjustment would be a reduction to

the Total Calculated Costs to reduce the Rates since Contractor's has secured funds from other sources to cover a portion of the costs.

- G. **Total Calculated Costs.** The Total Calculated Costs for the coming Rate Period shall equal the sum of the Total Annual Cost of Operations, Profit, Total Pass-Through Costs, Total City Fees, and Other Adjustments (if applicable) for the coming Rate Period.

4. RATE ADJUSTMENT FACTOR

The Rate Adjustment Factor shall equal the Total Calculated Costs for the coming Rate Period divided by the Total Calculated Costs for the then-current Rate Period, which shall be rounded to the nearest thousandth.

5. ADJUSTMENT OF RATES

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

6. POSSIBLE CARRY FORWARD OF RATE ADJUSTMENTS ABOVE 6%

If Rates for the coming Rate Period (expressed in dollars) exceed Rates for the current Rate Period by more than six percent (6%), calculated as provided below, then City may elect to defer (carry forward) the excess to the subsequent Rate Period in accordance with this Section.

The City's deferral right shall apply only to increases in Rates resulting from application of the methodology set forth in this Exhibit H.

Total Calculated Costs for a given Rate Period, adjusted as necessary to comply with the foregoing requirements, shall be referred to herein as "Adjusted Total Calculated Costs." Adjusted Total Calculated Costs for a given Rate Period includes any Cap Carry Forward from the previous Rate Period.

In each of its applications to establish Rates, Contractor shall include its calculation of: (A) Adjusted Total Calculated Costs for the coming Rate Period, (B) Adjusted Total Calculated Costs for the current Rate Period, (C) the difference between the two (calculation: $C = A - B$), and (D) the amount, if any, by which such difference exceeds six percent (6%) of Adjusted Total Calculated Costs for the current Rate Period (calculation: $D = C - (B \times 0.06)$) (the "Potential Cap Carry Forward"). If the calculation of the Potential Cap Carry Forward results in a negative value, the Potential Cap Carry Forward shall equal zero.

The City may elect to carry forward any amount provided that the amount is less than or equal to the Potential Cap Carry Forward. If City elects to defer some or all of the Potential Cap Carry Forward, then:

- A. Adjusted Total Calculated Costs for the coming Rate Period shall be deemed reduced by such amount; and,
- B. Adjusted Total Calculated Costs for the subsequent Rate Period shall be increased by such amount (which shall be the "Cap Carry Forward" in the Rate adjustment process for such subsequent Rate Period).

City shall not defer any amounts in the final Rate Period of the Term. All amounts that were carried forward shall be reflected in the Cost-Based Rate Adjustment for Rate Period Seven (subject to the provisions of Exhibit I), so that no Cap Carry Forward is calculated or applied for recovery beyond the final Rate Period of the Term.

If the amount of the Potential Cap Carry Forward is greater than ten percent (10%) of Adjusted Total Calculated Costs for the current Rate Period, the Parties shall meet and confer to discuss the City's plan to reduce the amount of the Cap Carry Forward with the goal of eliminating the Cap Carry Forward in the coming Rate Periods.

7. EXAMPLE

The following example (Table 2) illustrates the index-based adjustment method for determining Rates for Rate Period Two. The dollar amounts shown are hypothetical amounts for Total Calculated Costs for Rate Period One (July 1, 2018 through June 30, 2019) and the adjustment factors are based on assumed changes in the various indices between the average index values for the 12 months ending October 2017 and for the 12 months ending October 2018.

Assumptions for Example Adjustment to Contractor's Compensation:

- Then-current Rate Period = Rate Period One (July 1, 2018 through June 30, 2019)
- Coming Rate Period = Rate Period Two (July 1, 2019 through June 30, 2020)
- Vehicle Maintenance & Repair Cost per Vehicle for then-current Rate Period = \$75,747 per Vehicle
- Vehicle DMV for then-current Rate Period = \$1,433 per Vehicle
- Transfer and Transport Cost per Ton for then-current Rate Period = \$16.60 per Ton
- Net Recyclables Processing Revenues per Ton for the then-current Rate Period = \$108.63 per Ton
- Net Organic Materials Processing Costs per Ton for the then-current Rate Period = \$60.56 per ton
- Net C&D Processing cost per Ton for the then-current Rate Period = \$42.85 per Ton
- Solid Waste Disposal Cost per Ton for the coming Rate Period = \$46.00 per Ton
- Tonnages for the most-recently completed 12-month period ending October 31:
 - Solid Waste – 95,235 Tons
 - Recyclable Materials – 12,266 Tons
 - Organic Materials – 24,423 Tons
 - Construction and Demolition Debris – 4,081 Tons
- Number of Collection vehicles in use = 34
- Annual Percentage Change in the CPI-U = 0.035
- Annual Percentage Change in the CPI-W = 0.031
- Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = 0.018
- Annual Percentage Change in the Fuel Index Diesel= 0.124
- Annual Percentage Change in the Fuel Index CNG= 0.434

TABLE 2

Example Calculation of Total Calculated Costs for Rate Period Two

	Rate Period One	Adjustment Index	Adjustment Factor	Rate Period Two
Per Unit Cost and Fee Adjustments	FY 6/30/19			FY 6/30/20
Vehicle Maintenance & Repair Cost per Vehicle	\$ 75,747	MVI	1.018	\$ 77,110
Vehicle DMV	\$ 1,433	MVI	1.018	\$ 1,459
Transfer and Transport per Ton	\$ 16.60	CPI-U	1.035	\$ 17.19
Recyclable Materials Processing Tip Fee per Ton	\$ 108.63	CPI-U	1.035	\$ 112.43
Organic Materials Processing Tip Fee per Ton	\$ 60.56	CPI-U	1.035	\$ 62.68
C&D Processing Tip Fee per Ton	\$ 42.85	CPI-U	1.035	\$ 44.35
Solid Waste Disposal Tip Fee per Ton	\$ 44.28	Ton Factor	EXAMPLE	\$ 46.00
Annual Cost of Operations				
Labor-related costs	8,954,120	CPI-W	1.031	9,231,698
Fuel Costs Diesel	423,069	Fuel-D	1.124	475,530
Vehicle DMV	48,727	Unit Cost x #vehicles	34	49,604
Other Costs	2,422,213	CPI-U	1.035	2,506,991
Direct Depreciation	1,165,971	N.A.		1,165,971
Total Annual Cost of Operations	13,014,100			13,429,793
90% Operating Ratio Profit	1,446,011			1,492,199
Pass Through Costs				
Vehicle Maintenance & Repair Costs	2,575,393	Unit Cost x #vehicles	34	2,621,750
Other Intercompany Maintenance	418,934	MVI	1.018	426,475
Transfer and Transport	1,581,309	Tip fee x tons	95,235	1,637,083
Recyclable Materials Processing Cost	1,332,419	Tip fee x tons	12,266	1,379,066
Organic Materials Processing Cost	1,478,988	Tip fee x tons	24,423	1,530,834
Roll Off Belt (C&D) Processing Cost	174,870	Tip fee x tons	4,081	180,991
Solid Waste Disposal Cost	4,216,993	Tip fee x tons	95,235	4,380,793
Fuel Costs CNG	269,550	Fuel-CNG	1.434	386,535
Interest Expense	593,723	N.A.		593,723
Lease costs	365,740	CPI-U	1.035	378,541
Total Pass-Through Costs	13,007,919			13,515,790
Total Calculated Costs before City Fees	27,468,030			28,437,783
City Fees / Payments				
4.0% Franchise Fee	1,133,671	N.A.		1,173,334
Performance Review	-	Insert actual fee for rate period		60,000
AB939/AB341 Fee	-	Insert actual fee for rate period		-
Vehicle Impact Mitigation Fee	-	Insert actual fee for rate period		-
Illegal Dumping Fee	-	Insert actual fee for rate period		-
GHG/Carbon Emissions Fee	-	Insert actual fee for rate period		-
Reimbursement for City Review	80,000	Insert actual fee for rate period		-
Total City Fees / Payments	1,213,671			1,233,334
Other Adjustments				
Landfill Maintenance / Closure	132,882	Insert actual prior period cost		140,000
Rental Income	(18,600)	N.A.		(18,600)
G&A Support Revenue from CARI	(83,420)	N.A.		(83,420)
Interest Income	(179)	N.A.		(179)
Cardboard Recycling Revenue from RRR	(177,420)	N.A.		(177,420)
State Curbside Collection Revenue	(51,491)	N.A.		(51,491)
Total Other Adjustments	(198,228)			(191,110)
Other Post December 31, 2014 Rate Reserve Activity				
0.50% Franchise Fee funded by Rate Reserve Credit	(141,709)			(146,667)
Other Total Rate Reserve Activity	(141,709)			(146,667)
Total Calculated Costs	28,341,763			29,333,339
Rate Adjustment Factor				3.50%

Example Calculation of the Rate Adjustment Factor and Adjusted Rate for Rate Period Two

Rate Adjustment Factor = $\$29,333,339 / \$28,341,763 = 1.035$

35-gallon Single-Family Rate for Rate Period Two = $\$29.30 \times 1.035 = \30.33 , which shall be effective July 1, 2019.

8. OTHER

If an index described in Section 2 is discontinued, the successor index with which it is replaced will be used for subsequent calculations. If no successor index is identified by the Bureau of Labor Statistics, the index published by the Bureau which is most comparable will be used.

EXHIBIT I
COST-BASED RATE
ADJUSTMENT MECHANISM

EXHIBIT I

COST-BASED RATE ADJUSTMENT MECHANISM

1. PURPOSE

The City shall use the cost-based Rate adjustment method described in this Exhibit to determine Rates for Rate Period Seven in accordance with Section 8.2 of the Agreement.

The cost-based rate adjustment involves review of the Contractor's actual cost of operations and operational statistics (staffing levels, routes, route hours, customers and their service levels, etc.) to forecast the Total Calculated Costs for the coming Rate Period. The lesser of 6% or the difference (measured as a percentage) between the forecasted Total Calculated Costs for the coming Rate Period and the Gross Rate Revenues of the most-recently completed 12-month period (adjusted to reflect the most recent Rate adjustment) shall be the Rate Adjustment Factor. The Rate Adjustment Factor is applied to the then-current Rates to determine the Rates for the coming Rate Period.

The intent of performing the cost-based adjustment is to examine the actual impact of changes in costs, the number of Customers, and the service level of Customers.

2. DEFINITIONS

In addition to the terms defined in Article 1, all defined terms presented in Section 2 of Exhibit H are applicable to this Exhibit I.

3. FORECASTING TOTAL CALCULATED COSTS

The Total Calculated Costs for the coming Rate Period shall be forecasted in the manner described in this Section.

A. Forecasting Total Annual Cost of Operations

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

- a. Forecasted labor-related costs
- b. Forecasted fuel costs
- c. Forecasted other costs (as defined in Exhibit F)
- d. Forecasted direct depreciation costs

2. **Calculate Allowable Costs.** Contractor shall calculate Allowable Total Annual Cost of Operations for the most-recently completed Rate Period by adjusting Actual Total Annual Cost of Operations for the most-recently completed Rate Period (determined in accordance with Section 3.A.1 of this

Exhibit) to deduct non-allowable costs. The Allowable Total Annual Cost of Operations shall be reported in the cost categories identified in Section 3.A.1 of this Exhibit. Non-allowable costs which shall be deducted from actual costs include the following:

- a. Labor and equipment costs for personnel and vehicles that are not specified in Exhibit F or otherwise approved in writing by the City.
 - b. Payments to directors and/or owners of Contractor unless paid as reasonable compensation for services actually rendered.
 - c. Travel expenses and entertainment (above \$25,000 annually in total) expenses, unless authorized in advance by the City.
 - d. Payments to repair damage to property of third parties or the City for which Contractor is legally liable.
 - e. Fines for penalties of any nature.
 - f. Liquidated Damages assessed under this Agreement.
 - g. Federal or State income taxes.
 - h. Charitable or political donations.
 - i. Depreciation or interest expense for Collection vehicles, Containers, other equipment, offices and other facilities if such items are leased as specified in Exhibit F or otherwise approved in writing by the City.
 - j. Attorney's fees and other expenses incurred by Contractor in any court proceeding in which the City and Contractor are adverse Parties, unless Contractor is the prevailing Party in such proceeding.
 - k. Attorney's fees and other expenses incurred by Contractor arising from any act or omission in violation of this Agreement.
 - l. Attorneys' fees and other expenses incurred by Contractor in any court proceeding in which Contractor's own negligence, violation of law or regulation, or wrong doing are in issue and occasion, in whole or in part, the attorneys' fees and expenses claimed; and attorneys' fees and expenses incurred by Contractor in a court proceeding in which the legal theory or statute providing a basis of liability against Contractor also provides for separate potential liability for the City derived from the action of its citizens or rate payers (such as in a CERCLA lawsuit) unless the Contractor is found not liable in such claims and such claims arise from acts or occurrences within the Term of the Agreement.
 - m. Payments to Related Party Entities for products or services in excess of the rates identified in this Agreement.
 - n. Goodwill.
 - o. Unreasonable profit sharing distributions.
 - p. Depreciation and interest expenses in excess of that specified in Exhibit F including costs for replacement of Containers because the useful life of such Containers was less than anticipated, except as otherwise approved in writing by the City.
 - q.
 - r. Bad debt write-offs in excess of 0.5% of annual Gross Rate Revenues.
3. **Forecasted Total Annual Cost of Operations.** Forecasted Total Annual Cost of Operations for the coming Rate Period shall be calculated based on allowed Total Cost of Operations for the most-recently completed Rate Period determined in accordance with Section 3.A.2 of this Exhibit. The forecasts shall be performed in the following manner:

- a. Forecasted labor-related costs shall be calculated for coming Rate Period by multiplying (i) the allowed labor-related costs for most-recently completed Rate Period by 1 plus the Annual Percentage Change in CPI-W, and (ii) multiplying the result of step one by 1 plus the Annual Percentage Change in CPI-W.
 - b. Forecasted fuel costs shall be calculated for the coming Rate Period by (i) multiplying the Allowed fuel costs for the most-recently completed Rate Period by 1 plus the Annual Percentage Change in the Fuel Index, and (ii) multiplying the result of step one by one plus the same percentage changed used in step one.
 - c. Forecasted other costs shall be calculated for the coming Rate Period by (i) multiplying the allowed other-related costs for most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one by 1 plus the Annual Percentage Change in CPI-U.
 - d. Forecasted direct depreciation expense shall be \$1,165,971 for Rate Period Seven, which is the amount specified in Exhibit F for vehicles, Containers, and facilities or otherwise approved in writing by the City.
 - e. Forecasted Total Annual Cost of Operations for coming Rate Period shall equal the sum of the following costs, which shall have been calculated in accordance with procedures in this Section:
 - (1) Forecasted labor-related costs
 - (2) Forecasted fuel costs
 - (3) Forecasted other costs
 - (4) Forecasted direct depreciation expense
- B. Forecasted Profit.** Contractor shall be entitled to Profit on Forecasted Total Annual Cost of Operations. Profit for the coming Rate Period will be calculated by dividing the Total Annual Cost of Operations for the coming Rate Period (the value calculated in Section 3.A.3.g above) by an operating ratio (0.90) and subtracting from the result the Total Annual Cost of Operations for the coming year.

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

- C. Forecasted Pass-Through Costs.** Pass-Through Costs for the coming Rate Period shall be forecasted in the following manner:

1. **Forecasted Vehicle Maintenance and Repair Cost.** Forecasted Vehicle Maintenance and Repair Cost = (Vehicle Maintenance and Repair Costs per Collection vehicle for the then-current Rate Period) x (1 + Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index) x (total number of Collection vehicles in use for services under this Agreement).
2. **Forecasted Transfer and Transport Cost.** Forecasted Transfer and Transport cost = (Transfer and Transport Costs per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Discarded Materials Collected for the most-recently completed 12-month period).
3. **Forecasted Disposal Cost.** The average of the Disposal Cost per Ton (which includes per-Ton Disposal fees, per-Ton environmental fees, and per-Ton government fees) for the then-current Rate Period and the Disposal Cost per Ton for the coming Rate Period is multiplied by the total Tons of Solid Waste Disposed in the most-recently completed 12-month period.
4. **Forecasted Net Recyclables Processing Cost.** Forecasted Net Recyclables Processing cost = (Net Recyclables Processing Costs per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Recyclable Materials Collected for the most-recently completed 12-month period).
5. **Forecasted Net Organic Materials Processing Cost.** Forecasted Net Organic Materials Processing cost = (Net Organic Materials Processing cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Organic Materials Collected for the most-recently completed 12-month period).
6. **Forecasted Net Construction and Demolition Debris Processing Cost.** Forecasted Net Construction and Demolition Debris Processing cost = (Net Construction and Demolition Debris Processing cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Construction and Demolition Debris Collected for the most-recently completed 12-month period).
7. **Interest Expense.** Interest Expense is \$593,723 for Rate Period Seven.
8. **Lease Costs.** Lease Costs for Rate Period Seven will be determined by by (i) multiplying the allowed Lease costs for most-recently completed Rate Period by one plus the Annual Percentage Change in CPI-U, and (ii) multiplying the result of step one by 1 plus the Annual Percentage Change in CPI-U.
9. **Landfill Maintenance and Closure Costs.** Landfill Maintenance and Closure Costs for Rate Period 7 shall mean the amount to which Contractor is entitled for Rate Period Six pursuant to the terms of the Agreement Approving an Expenditure of Funds to Close Former Landfill between the City and the Contractor" dated October 7, 1986 and attached as Exhibit O.
10. **Total Forecasted Pass-Through Costs.** Total Forecasted Pass-Through Costs for the coming Rate Period are the sum of the amounts in Sections (1) through (9) above.

- D. Forecasted Total Calculated Costs before City Fees.** The Forecasted Total Calculated Costs before City fees shall be the sum of the Forecasted Total Annual Cost of Operations, Forecasted Profit, and Forecasted Total Pass-Through Costs for the coming Rate Period.
- E. Forecasted City Fees.** The Forecasted City Fees shall be calculated in the manner described in Section 3.E of Exhibit H.
- F. Other Adjustments.** As described in Section 3.F of Exhibit H, other adjustments may be included during the Term of the Agreement.
- G. Forecasted Total Calculated Costs.** The Total Calculated Costs for the coming Rate Period shall equal the sum of the Forecasted Total Cost of Operations, Forecasted Profit, Forecasted Pass-Through Costs, Forecasted City Fees, and Other Adjustments (if applicable) for the coming Rate Period determined in accordance with Section 3 of this Exhibit.

4. RATE ADJUSTMENT FACTOR

The Rate Adjustment Factor shall equal the Forecasted Total Calculated Costs for the coming Rate Period divided by the Gross Rate Revenues for the most-recently completed 12-month period ending October 31 (adjusted to reflect the most-recent Rate adjustment), which shall be rounded to the nearest thousandth, or 6%, whichever is less. The adjustment to Gross Rate Revenues shall be calculated by (1) multiplying the Gross Rate Revenues for November through June by the Rate Adjustment Factor used to determine Rates for the then-current Rate Period, and (2) adding Gross Rate Revenues for July to October to the amount determined in Step 1.

Contractor shall not be entitled to any additional adjustment in Rates to account for Gross Rate Revenues being lower than actual or estimated costs in prior Rate Periods (i.e. no revenue reconciliation or “true-ups”).

5. ADJUSTMENT OF RATES

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

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EXHIBIT J
SECRETARY'S
CERTIFICATION

EXHIBIT J
SECRETARY'S CERTIFICATION

The undersigned, being the Secretary of Pleasanton Garbage Service, Inc., ("the Contractor"), does hereby certify that the following resolution was adopted by the Board of Directors of the Contractor and that such resolution has not been amended, modified or rescinded and is in full force and effect as of the date hereof: Action By Written Consent of Directors Dated February 1, 2018.

RESOLVED, that Gina Cardera be, and hereby is, authorized to sign this Agreement and execute by and on behalf of the Contractor any and all agreements, instruments, documents or papers, as he/she may deem appropriate or necessary, pertaining to or relating to the Agreement between the City of Pleasanton and Pleasanton Garbage Service, Inc., and that any such action taken to date is hereby ratified and approved.

Dated: _____

Signature

Title

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EXHIBIT K
CONTRACTOR'S
PERFORMANCE BOND

EXHIBIT K CONTRACTOR'S PERFORMANCE BOND

Annual Form
Bond No. _____

KNOW ALL BY THESE PRESENTS, That we Pleasanton Garbage Service, Inc., as Principal, and _____, of _____, authorized to do business in the State of California as Surety, are held and firmly bound unto the City of Pleasanton, as Obligee, in the maximum penal sum of One Million Dollars (\$1,000,000), lawful money of the United States of America, for which payment well and truly to be made we bind ourselves, our heirs, executors and assigns, jointly and severally, firmly by this Bond.

WHEREAS, the Principal has entered, or is about to enter, into a written agreement with the Obligee to perform in accordance with the terms and conditions of the Agreement for Solid Waste, Recyclable Materials, and Organic Materials Services (hereinafter referred to as the Contract), said Contract is hereby referred to and made a part hereof;

NOW, THEREFORE, the condition of this obligation is such that if the above-named Principal, its successors and assigns, shall well and truly perform its obligations as set forth in the above mentioned Contract, then this Bond shall be void; otherwise to remain in full force and effect pursuant to its terms.

Notwithstanding anything to the contrary in the Contract, the Bond is subject to the following express conditions:

1. Whereas, the Obligee has agreed to accept this Bond, this Bond shall be effective for the definite period of one year to _____. The Bond may be extended, at the sole option of the Surety, by continuation certificate for additional periods from the expiry date hereof. However, neither: (a) the Surety's decision not to issue a continuation certificate, nor (b) the failure or inability of the Principal to file a replacement bond or other security in the event the Surety exercises its right to not renew this Bond, shall itself constitute a loss to the Obligee recoverable under this Bond or any extension thereof.
2. The above referenced Contract has a term ending June 30, 2029. Regardless of the number of years this Bond is in force or the number of continuation certificates issued, this Bond shall not be extended beyond _____, unless earlier nonrenewed pursuant to paragraph 1 above.
3. No claim, action, suit or proceeding, except as hereinafter set forth, shall be had or maintained against the Surety on this instrument unless such claim, action, suit or proceeding is brought or instituted upon the Surety within one year from termination or expiration of the bond term.
4. Regardless of the number of years this Bond is in force or the number of continuation certificates issued, the liability of the Surety shall not be cumulative in amounts from period to period and shall in no event exceed the amount set forth above, or as amended by rider.

5. Any notice, demand, certification or request for payment, made under this Bond shall be made in writing to the Surety at the address specified below. Any demand or request for payment must be made prior to the expiry date of this Bond.

Surety Address: *Attn: Bond Claim*

6. If any conflict or inconsistency exists between the Surety's obligations or undertakings as described in this Bond and as described in the underlying Contract, then the terms of this Bond shall prevail.

SIGNED, SEALED AND DATED this ____ day of _____, _____

By: _____ [Principal]

By: _____ [Surety]

EXHIBIT L

FACILITY PERMITS

Attached are our current permits for Exhibit L

1. City of Pleasanton CUP
2. Current Solid Waste Facility Permit
 - a) Email from Evan Edgar stating where we are in the review process
3. Storm Water Permit
4. Bay Area Air Quality Management District
 - a) Permit that expired on Oct 1, 2017 that shows both the Landfill and the Transfer Station
 - b) Permit that is current just for the Landfill going forward (Transfer Station only going forward is in process)
 - c) Letter from EBA explaining the current process (the info was delivered to BAAQMD on Feb 20, 2018)
5. Bay Area Air Quality Management District (gasoline operation)

THE CITY OF



December 8, 2017

Peter MacDonald
Law Office of Peter MacDonald
400 Main Street, Suite 210
Pleasanton, CA 94566

Subject: Finding of General Conformance of Conditional Use Permit (UP-91-10) for the Pleasanton Garbage Service located at 3110 Busch Road

Dear Mr. MacDonald:

The City of Pleasanton Planning Division has reviewed your request for determination on the activities listed below currently taking place at the Pleasanton Garbage Service facility located at 3110 Busch Road:

- Processing and recycling of commercial and/or residential food waste;
- Processing and recycling construction and demolition waste;
- Processing and recycling green waste; and
- Processing and recycling wood waste.

Based on the list of activities and uses submitted, the Planning Manager finds the above-mentioned activities and uses are consistent with those authorized under Conditional Use Permit No. UP-91-10 and are consistent with the previous findings made on the application. Therefore, these uses are found to be in general conformance with all approved entitlements for the site and authorized under the Pleasanton Garbage Service Conditional Use Permit.

Any modifications to the approved Conditional Use Permit require separate City review and action. Depending on the scope of the modifications, they may require review and action by the Planning Commission.

If you have any questions concerning this approval, please contact Jennifer Hagen, Associate Planner, at (925) 931-5607, or via email at: jhagen@cityofpleasantonca.gov.

Sincerely,

Melinda M. Denis
Interim Planning Manager

COMMUNITY DEVELOPMENT

P. O. BOX 520 · 200 Old Bernal Avenue

www.cityofpleasantonca.gov

Pleasanton, CA 94566-0802

Planning (925) 931-5600 Fax: 931-5483	Building & Safety (925) 931-5300 Fax: 931-5478	Code Enforcement (925) 931 5620 Fax: 931 5478	Permit Center (925) 931-5630 Fax: 931-5478	Traffic Engineering (925) 931-5677 Fax: 931-5487
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EXHIBIT A
Resolution No. PC-92-59
Conditions of Approval

Case UP-91-10

1. Definition of Uses and Performance Standards

This use permit shall allow the uses listed below to be operated at the approximately 7-acre site (Assessor's Parcel Numbers 946-1250-37, 946-1250-38, 946-1250-39) covered by this use permit. Use of the site shall be primarily for waste transfer station operations, the recycling processing and collection facilities (primary uses), with ancillary uses allowed so long as they are incidental to and not in conflict with the primary uses. All uses shall be operated as described in the attached "Exhibit A" (dated "Received November 1, 1991" and "Received June 24, 1992"), on file with the Planning Department, except as modified by these conditions.

Prior to the issuance of on-site improvement permits, as required herein, the applicant shall submit a revised site plan for review and approval by the Planning Director which indicates adequate on-site parking for employees. All employee and customer parking spaces shall be located on a paved surface, shall be striped, marked, etc., according to Municipal Code requirements. At least one parking space for each employee on the maximum shift shall be provided.

A. Waste transfer station, including: administrative offices; parking and storage of transfer station trucks; fuel station for transfer station trucks; truck-washing facilities; hauling of wastes onto and off of the site; waste compaction and waste sorting operations; and other operations directly related to waste transfer operations (CUP):

1. The maximum average daily tonnage permitted to be handled at the transfer station is 720, the capacity of the transfer station.
2. In accordance with the applicant's franchise agreement with the City, the applicant (City Automatic Recycling, Inc.) shall file regular reports with the City Manager's office indicating the average daily tonnage for each month of the quarter. This report shall indicate also the characterization of the unsorted waste stream, and the tonnage and percentage of recyclable and salvageable materials.

3. If, in any two consecutive quarters, average daily tonnage exceeds 720, the applicant shall apply for a new use permit to expand the facility. Upon approval or conditional approval of the use permit, the applicant then shall apply for all applicable solid waste permits, air pollution control permits and water quality control permits, as prescribed by the State Government Code in effect at the time.
4. The transfer station shall be maintained and operated according to all County, State and local agency rules and regulations governing such a facility. All such permits shall be obtained and maintained effective during the operation of this use permit. Violation of these regulations will be considered a violation of the use permit. The City shall be notified immediately should any required permit lapse or should the applicant be found by such agency to be in violation of any permit requirement.
5. All transfer station facilities shall be maintained in a dust-free, odor-free and orderly manner, to the greatest extent possible given the nature of the use. Loose trash, unbaled or uncontained recyclables, overflowing storage bins, improper storage of hazardous materials shall be considered a violation of the use permit performance standards.
6. Any proposed expansion or intensification of the transfer station operations shall be submitted to the Planning Director for review. The Planning Director shall determine whether such proposed intensification or expansion is within the limits of transfer station activities as permitted by this use permit. Should the Director determine that the expansion or intensification of the use is not covered by this permit, a new use permit shall be required. The Director may refer the matter to the Planning Commission for review. Any expansion or intensification of use also shall receive review and approval by responsible local, State and federal agencies.
7. The use permit for the waste transfer station shall be reviewed by the Planning Director every two years to ensure compliance with the conditions of approval of the permit. Should the Planning Director find that the conditions of approval have not been observed, or that continuing non-compliance with conditions has become a problem, the Director may refer review of the use permit to the Planning Commission.

B. Recycling processing facility (small and large), including: administrative offices; use of a conveyor belt and picking station for sorting of recyclable materials; crushing, compacting and baling of recyclable materials; storage of recyclable materials; transporting recyclable materials off-site; and other operations directly related to the processing of recyclable materials (CUP).

1. The applicant (City Automatic Recycling, Inc.) shall file a quarterly report with the City Manager's office and the Planning Department, indicating the average daily tonnage of recyclable materials handled by the facility. This report shall indicate also the characterization of the materials.
2. All recyclable materials shall be baled, or stored in appropriate containers. When necessary or convenient (such as for the temporary storage of batteries), said containers shall be water tight. Recyclable materials not stored within an enclosed structure or container shall be removed from the site at least once a week.
3. Baled recyclable materials, unsuitable for storage in a container, and storage containers for recyclable materials shall be located on a sealed, dust-free surface (to the satisfaction of the City Engineer) and not located in a designated travel lane or parking area. The applicant shall submit to the Planning Director for review and approval, a site plan indicating the proposed location of storage bins and storage areas of recyclable materials.
4. The recycling processing facility shall be maintained and operated according to all County, State and local agency rules and regulations governing such facility. All such permits shall be obtained and maintained effective during the operation of this use permit. Violation of these regulations will be considered a violation of the use permit. The City shall be notified immediately should any required permit lapse or should the applicant be found by such agency to be in violation of any permit requirement.
5. All processing facilities, including the Materials Recovery Facility (MRF), shall be maintained in a dust-free, odor-free and orderly manner, to the greatest extent possible given the nature of the use. Unbaled or uncontained recyclables, overflowing storage bins, or improperly located storage areas shall be considered a violation of the use permit performance standards.

6. Any proposed revisions to the recycling processing facility, including the addition of awnings over the MRF, shall be subject to the review and approval of the Planning Director, who may refer the matter to the Planning Commission for decision.
- C. Recycling collection facility (large), including: administrative office; a "buy-back" center; storage of recyclable materials; and other operations directly related to the collection of recyclable materials (CUP).
1. The collection facility shall meet all State requirements for recycling buy-back centers, and the applicant shall secure a State permit for said use which shall be maintained effective during the operation of this use permit. The recycling collection facility shall be maintained and operated according to all County, State and local agency rules and regulations governing such facility. Violation of these regulations will be considered a violation of the use permit. The City shall be notified immediately should any required permit lapse or should the applicant be found by such agency to be in violation of any permit requirement.
 2. The applicant shall submit a revised site plan for the review and approval of the Planning Director, showing the location of the buy-back center, location of buy-back center storage bins, parking and turn-around areas for buy-back customers. Said parking and turn-around areas shall be located so as not to interfere or impede on-site circulation patterns and designated travel lanes. No stacking of vehicles shall be permitted in designated travel lanes or parking areas not designated for the buy-back center.
 3. All buy-back recyclables shall be stored, when appropriate, in watertight containers, located on a sealed, dust-free surface to the satisfaction of the City Engineer. No "open" storage of buy-back recyclables shall be permitted: buy-back recyclables shall not be permitted to accumulate uncontained. Containers should be emptied at least once weekly, or as necessary to avoid overflow.
- D. Wood chipping operation (only as part of recycling activities), including: sorting of wood materials for chipping purposes storage of pre-processed wood products; storage of processed wood products; shipping of processed wood off-site (CUP).

1. The area devoted to wood-chipping operations shall not exceed one acre without further review by the Planning Director. If deemed necessary, the Planning Director may refer the requested expansion to the Planning Commission for review.
2. Wood products to be processed, and wood products already processed, shall be stored within a designated, fenced area and shall be located away from other operations, particularly the buy-back center. The applicant shall submit a revised site plan for review and approval by the Planning Director, indicating the area designated for wood-chipping, and indicating storage areas of wood material and the location of the wood chipper machinery. In addition, the applicant shall submit a statement indicating the type and size of machinery used in the chipping process.
3. Processed/chipped wood products shall be hauled off-site at least once weekly.
4. Wood storage areas shall be maintained so that they do not create a fire hazard, odor, vector control, health, safety or nuisance problem. Storage of wood products outside of the designated area shall not be permitted.
5. Wood chipping operations shall take place only during the hours of operation of the recycling processing facility.

E. Tire sales and service, including: sales and service office incidental to the use; installation of tires, tire balancing and wheel alignment in conjunction with sale of tires, but not including overnight or multiple-night storage of passenger vehicles.

1. The applicant shall submit a revised site plan for review and approval by the Planning Director indicating the proposed location of the building housing the tire sales and service operation. Said site plan shall include designated employee and customer parking, service and storage areas sufficient to allow operation of the facility and its use by the public in a safe and orderly manner which does not interfere with the use of the site as a waste transfer station, recycling collection facility or recycling processing facility.

2. All equipment, materials and products shall be stored within a building. Storage of used or worn tires may be stored within a designated storage container, and located outside of the building. All office-type activities related to the service shall be performed within a building. Tire service may be performed only in designated service areas.
 3. No passenger vehicles may be stored overnight. A maximum of five trucks may be stored overnight, or for multiple days or nights, in designated parking areas only.
- F. Truck and heavy equipment repair, including: repair shop office incidental to the use; welding; body work and engine repair; and outdoor storage as necessary, but not including the storage of inoperable vehicles for greater than 45 days; and not including body or engine repair as part of a truck or equipment salvaging operation separate from the repair service.
1. The applicant shall submit a revised site plan for review and approval of the Planning Director, indicating designated outdoor storage areas, service areas, parking and vehicle storage areas. Said site plan shall include designated employee and customer parking, service and storage areas sufficient to allow operation of the facility and its use by the public in a safe and orderly manner which does not interfere with the use of the site as a waste transfer station, recycling collection facility or recycling processing facility.
 2. All equipment, materials and products suitable for storage within a building shall be stored in a building. Storage of used or replaced parts may be stored within a designated storage container located outside of the building, to the satisfaction of the City Fire Marshall. Large equipment unsuitable for storage in a building may be stored outside, but only in areas so-designated and improved with a sealed, dust-free surface to the satisfaction of the City Engineer. Equipment stored outdoors shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
 3. All office-type activities related to the repair service shall be performed within a building. Repair services may be performed only in designated service areas.

4. A maximum number of ten trucks or heavy equipment vehicles may be stored overnight, or for multiple days or nights up to 45 days, and shall be stored indoors or in designated parking areas only.
- G. Street-sweeping operations, including: administrative office incidental to the use; outdoor storage of sweeper trucks on-site; dumping of street-cleaning water into on-site tanks and any other operations directly related to a street-sweeping service.
1. The applicant shall submit a revised site plan for review and approval of the Planning Director, indicating the exact area of the site where street-sweeping trucks and equipment shall be stored. Said site plan shall include designated employee parking, storage and access areas sufficient to allow operation of the street-sweeping service in a safe and orderly manner.
 2. Storage of trucks and equipment shall be on sealed, dust-free surfaces only, to the satisfaction of the City Engineer, shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
 3. A maximum number of 20 vehicles for this use shall be stored on-site at any one time, area permitting.
- H. Septic/holding tank pumping service, including: administrative office incidental to the use; outdoor storage of trucks and other uses related directly to the use.
1. The applicant shall submit a revised site plan for the review and approval of the Planning Director, indicating the exact area of the site pumping trucks and equipment shall be stored. Said site plan shall include designated employee parking, storage and access areas sufficient to allow operation of the pumping service in a safe and orderly manner.
 2. Storage of trucks and equipment shall be on sealed, dust-free surfaces to the satisfaction of the City Engineer, shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
 3. A maximum number of 10 vehicles for this use shall be stored on-site at any one time, area permitting.

- I. Storage and rental of storage sheds, containers, and portable toilets, including: administrative office incidental to the use; outdoor storage of storage sheds, containers and portable toilets on-site; pumping out contents of portable toilets, as necessary.
 1. The applicant shall submit a revised site plan for the review and approval of the Planning Director, showing the location and exact size of the storage areas for the rental storage sheds and portable toilets, including a loading area. Said site plan shall indicate that storage and access areas are sufficient to allow operation of the storage and rental service in a safe and orderly manner.
 2. Storage and loading areas shall be on sealed, dust-free surfaces to the satisfaction of the City Engineer, shall not interfere with or impede on-site traffic circulation and shall not be located in a designated travel lane or parking area designated for other uses.
 3. A maximum area of 6,500 square feet may be dedicated to storage of portable toilets, and a maximum area of 4,800 square feet may be dedicated to the storage of rental sheds, area permitting.
2. Any proposed expansion or intensification of any of the uses listed above shall be submitted to the Planning Director for review. The Planning Director shall determine whether such proposed intensification or expansion is within the limits of the activities as listed above, and within the bounds of the use permits as conditioned. Should the Director determine that the expansion or intensification of the use is not covered, the Director may refer the matter to the Planning Commission for review, and possible application for a new use permit. Expansion or intensification of the use without review shall be considered a violation of the conditions of approval of this case.
3. No new uses shall be permitted on the site without review by the Planning Department. Uses allowed by the zoning district which are incidental to and/or ancillary to the waste transfer station, recycling collection facility and recycling processing facility (i.e., primary uses) may be approved by the Planning Director subject to the review and approval of a site plan showing the location of the use, required employee or customer parking areas, storage and service areas and access. If the Planning Director finds such use to be compatible with the primary uses, the Planning Director may allow such use, subject to reasonable conditions as may be required to ensure the public health, safety and welfare.

4. No ancillary use on the site shall have a right to occupy the site continuously. Upon bi-annual review of the use permit, the City shall determine whether all uses are being operated in accordance with all conditions of approval and performance standards. If a use has expanded beyond the limits set by the use permit, the applicant shall apply for a new use permit. If the applicant applies for a use permit to expand the transfer station/recycling activities, the City reserves the right to require termination of any and all ancillary uses on-site, if necessary, to accommodate the expanded transfer station and recycling facility.
5. The applicant and/or other tenants shall obtain all building and other applicable City permits for the project prior to the commencement of construction, and prior to any future construction/improvement on the site.
6. Fire/Hazardous Materials Safety
 - A. The applicant shall submit to the City's Fire Department for review and approval, a Fire Prevention and Emergency Plan, within ninety (90) days of approval of this use permit. Said Plan shall include, but not be limited to: on-site fire prevention measures; locations of all fire extinguishers, on-site hydrants, emergency shut-off valves, flammable materials, etc.; and shall describe in full fire prevention standards to which the site and all its operations shall be subject, and all fire emergency procedures, including employee training measures.

At least one copy of said Plan shall be kept on-file with the City's Fire Marshall, at least one copy shall be kept on-site, and at least one copy shall be filed (when required) with each and any local or State agency responsible for monitoring or permitting any activities on site. The Plan shall be subject to annual review, and shall be revised as necessary. The applicant shall provide the City's Planning Department with a statement of the Plan's annual review. Should the City's Fire Marshall, or any responsible agency, determine that the Plan is inadequate, or that on-site fire prevention measures are insufficient, the applicant shall have ninety (90) days to remedy the problem before the use permit is subject to review by the Planning Commission.

- B. The applicant shall submit to the City's Fire Department, for its review and approval, a Hazardous Materials Management Plan within ninety (90) days of approval of this use permit. Said Plan shall include, but not be limited to: a list of all hazardous materials used on-site; location of hazardous materials storage area; treatment of hazardous materials found in refuse; shipment of hazardous materials to appropriate disposal areas; and shall describe in full hazardous materials handling and storage standards to which the site and all its operations shall be subject, procedures for a hazardous materials emergency, and employee training in recognizing and treating hazardous materials.

At least one copy of said Plan shall be kept on-file with the City's Fire Marshall, at least one copy shall be kept on-site and at least one copy shall be filed (when required) with each and any local or State agency responsible for monitoring or permitting any activities on site. The Plan shall be subject to annual review, and shall be revised as necessary. The applicant shall provide the City's Planning Department with a statement of the Plan's annual review. Should the City's Fire Department, or any responsible agency, determine that the Plan is inadequate, or that on-site hazardous material handling and storage measures are insufficient, the applicant shall have ninety (90) days to remedy the problem before the use permit is subject to review by the Planning Commission.

- C. The entire site shall be maintained in accordance with standards identified in the Hazardous Materials Plan and Fire Prevention/Emergency Plan, and in accordance with all State-required standards for storage and maintenance of hazardous and/or flammable materials, and all required standards for fire prevention and emergency response for operations monitored and/or permitted by responsible State or local agencies.
- D. All compressed gas cylinders shall be chained, to the satisfaction of the City's Hazardous Materials Specialist.
- E. All areas in which oil, chemicals, or other debris have accumulated shall be cleaned properly and all waste disposed of accordingly, to the satisfaction of the City's Fire Department.
- F. Waste oil storage areas must be completely encircled by a containment berm, coated with a "liquid-tite" seal. All waste oil storage bins shall be properly identified with hazardous waste accumulation labels or markings. Storage bins containing used oil filters shall be covered and marked. No accumulation of waste oil or oil filters shall be permitted to occur outside of properly constructed waste storage areas.

- 3
- G. The Emergency Fuel Shutoffs for the fueling island shall be adequately identified and marked as such. Additionally, no materials, equipment, storage sheds, etc. shall be placed to obscure a direct view of the fuel island from the Emergency Fuel Shutoffs.
 - H. The audible alarm of the fuel tank monitor system shall be operable at all times and shall not be silenced.
 - I. Any container which is employed for storing hazardous wastes culled from the transfer station picking operation shall contain spill clean-up kits for spilled materials, and any container employed for storage of batteries shall have a secondary containment for the batteries stored inside.
 - J. Quarterly inspections (at a minimum) of the site shall be performed by the City's Hazardous Materials Specialist, and a written report of observed violations shall be submitted to the applicant and to the Planning Director. The applicant shall have fifteen (15) days from the date of the letter to remedy any and all listed violations. Should further inspection indicate that violations have not been remedied, the applicant shall be served a Notice of Violation, and shall have fifteen (15) days to remedy all violations, at which time the Planning Department shall schedule the use permit for review by the Planning Commission.
 - K. The applicant shall ensure that the above conditions are adhered to within thirty (30) days of approval of the use permit, and are adhered to on a continual basis.

7. Site Traffic/Circulation Improvements

- 3
- *A. The applicant shall submit an updated on-site circulation plan with striping and signing indicated to the satisfaction of the City Engineer to eliminate any confusion while entering or exiting all driveways. All lane lines shall be white, center lines shall be yellow, and turning arrows shall be painted white. All driveways and lanes reserved solely for transfer station vehicles shall be so-indicated.
 - *B. The applicant shall construct to the satisfaction of the City Engineer, a stacking/deceleration lane on Busch Road from the most westerly driveway approximately 200 feet westward. This stacking/deceleration lane shall be located within the existing Busch Road right-of-way. Improvement plans for said lane shall be submitted to the City Engineer for review and approval within ninety (90) days and construction shall be completed within 12 months of the date of approval of this use permit.

- C. As the owner of a benefitting property, the applicant shall pay for a pro-rata share of the improvement of Busch Road. The pro-rata share of each benefitting property shall be determined by the acreage of each property. The applicant may enter into a deferred improvement agreement which shall run with the property and shall be recorded against the property.

8. Storm Water Run-Off/Dust Control

- A. The applicant shall comply with the City's requirements for collection and channelization of on-site storm water run-off. This includes, but is not limited to: treatment of all surfaces to prevent percolation of storm water run-off, the installation of on-site drainage facilities, such as roof leaders and catch basins which include oil separators, etc.

The applicant shall apply for and receive a site improvement plan permit prior to installing any new paving, other impervious surfaces, and/or storm drainage system. Prior to approval of any on-site improvement plan and if any additional portions of the site are to be paved, the applicant shall submit a soils report to the Building Inspection Department indicating that the site has been tested for soil contamination and that all remedial measures have been performed to address any such soil contamination.

- B. As the owner of a benefitting property, the applicant shall pay for a pro-rata share of the storm drain system improvement along Busch Road, future Kamp Drive and Martin Avenue to the Arroyo Del Valle. The pro-rata share of each benefitting property shall be determined by the acreage of each property, multiplied by the run-off factor of the use. The applicant may enter into a deferred improvement agreement which shall run with the property and shall be recorded against the property. Said agreement shall allow the applicant the right to protest the allocation of its pro-rata share.
- C. The applicant shall provide for dust control from the site to the satisfaction of the City Engineer. Such measures may include, but not be limited to: paving all surfaces, a regular watering program for unpaved surfaces, or enclosing areas which generate airborne particulates, in accordance with all UBC and UFC requirements.
- D. The applicant shall provide for dust control for the wood-chipping operation to the satisfaction of the City Engineer. Said measures may include, but not be limited to: watering of the wood-chipping area, stored wood or stored wood chips; paving the surface on which the wood-chipping operation occurs; or enclosing the wood-chipping operation in accordance with all UBC and UFC requirements.

*9. Sanitary Sewer

- A. The applicant shall extend the sanitary sewer from its present terminus in front of the westerly gate of the City's Operation Service Center (OSC) along Kamp Drive and along Busch Road to the easterly side of the project frontage. The applicant may enter into a reimbursement agreement with the City to request pro-rata reimbursement from other benefitting properties. Improvement plans for the sanitary sewer extension shall be submitted to the City Engineer for review and approval within 120 days of the approval of this use permit. Construction of and connection to the sanitary sewer line shall be completed within 12 months of the date of approval of this use permit. The applicant shall pay all required fees as determined by the estimated flow rate of the site.
- B. The applicant shall pay a pro-rata share of the Mohr-Martin Sanitary Sewer (approximately \$130 per DUE). Said pro-rata share shall be paid at the time on-site improvement permits are issued.
- C. The applicant shall pay a pro-rata share of the East-Amador Relief Sewer (approximately \$300 per DUE). Said pro-rata share shall be paid at the time on-site improvement permits are issued.

* 10. Building Code Compliance

The applicant shall meet and confer with the City Building Official to arrange for a thorough inspection of the property to include the electrical, mechanical, plumbing and handicapped requirements, as well as a complete and detailed code analysis of the buildings on-site, at his expense. If determined necessary by the City Building Official, the applicant shall hire, at his expense, a licensed architect or civil engineer to conduct an inspection of the site. This inspection shall occur within thirty (30) days of the date of approval of this use permit.

Within ten (10) working days of the site inspection, the inspector shall submit to the City Building Official for review and approval, a letter indicating all code deficiencies/violations at the site. Within sixty (60) days of the date of the letter, the applicant shall submit to the Building Department, for review and approval, plans which rectify all Code deficiencies.

Completion of all necessary repairs/improvements shall be completed in a reasonable time, as determined by the Building Official. Until such repairs/improvements are completed, the Building Official may require interim improvements and/or disallow particular uses within buildings not meeting Code requirements as may be necessary to protect the public health, safety and welfare.

Once brought into compliance, the site shall be maintained and/or operated and used in a manner meeting all UBC and UFC requirements.

11. Business Licenses Required

The applicant shall apply for a business license for each business establishments and business operations not specifically identified on current business licenses. If an operation is identified as an "auxiliary" or "ancillary" operation of one which operates under a current business license, the "auxiliary" or "ancillary" operation shall be clearly identified and described on a revised business license, subject to review and approval of the Business License Coordinator and the Planning Director. Said revision shall be made within thirty (30) days of approval of this use permit.

12. Within ninety (90) days of approval of this use permit, the applicant shall submit to the County Solid Waste Management Board an Employee Safety Program, subject to that Board's review and approval. A copy of the approved Plan shall be submitted to the Planning Department for the file.

13. This project shall be subject to the Standard Conditions of Development, attached hereto and made part of this case by reference, except Conditions Nos. 5, 6, 8, 9, 10, 11, 12, 13, 14, 22, 25, 26, 28, 36, 37, 49, 50, 51, 54.

{end}

STANDARD CONDITIONS OF DEVELOPMENT

1. That the street number(s) of the building(s) be posted so as to be easily seen from the street at all times, day and night. Street numbers shall be clearly displayed on all rear doors when a building has more than one tenant.
2. That all ducts, meters, air conditioning equipment, and any other mechanical equipment, whether on the structure, on the ground, or elsewhere, be effectively screened from view with materials architecturally compatible with the main structure.
3. That all mechanical equipment be constructed in such a manner that noise emanating from it will not be perceptible at or beyond the property plane of the subject property in a normal environment for that zoning district.
4. That all lighting be constructed in such a manner that glare is directed away from surrounding properties and rights-of-way.
5. That all trash and refuse be contained completely within enclosures architecturally compatible with the main structure.
6. That all trees used in landscaping be a minimum of 15 gallons in size and all shrubs a minimum of 5 gallons.
7. That if signing for the development is desired, a comprehensive signing program shall be submitted to the City for consideration under separate application.
8. That 6" vertical concrete curbs be installed between all paved and landscaped areas.
9. That all parking spaces be striped and provided with wheel stops unless they are fronted by concrete curbs, in which case sufficient areas shall be provided beyond the ends of all parking spaces to accommodate the overhang of automobiles.
10. That all utilities required to serve the development shall be installed underground.

11. That the applicant enter into an agreement with the City, approved by the City Attorney, which guarantees that all landscaping included in this project will be maintained at all times in a healthful, attractive and weedfree manner. Said agreement shall run with the land for the duration of the existence of the structures located on the subject property.
12. That all dwelling units in the development be constructed to meet the latest P.G.&E. Energy Conservation Home Standards.
13. That the following water conserving plumbing fixtures be installed: a) low flush water closets; b) shower flow control heads; c) aerators in interior faucets; and d) insulation of hot water lines.
14. That the applicant be aware that design review approval lapses within one year unless a building permit is issued and construction has commenced and is diligently pursued toward completion or an extension has been requested from the City.
15. That the developer acknowledges that the City of Pleasanton does not guarantee the availability of sufficient sewer capacity to serve this development by the approval of this case, and that the developer agrees and acknowledges that building permit approval may be withheld if sewer capacity is found by the City not to be available.
16. That the location of any pad mounted transformers shall be subject to approval by the Planning Division prior to issuance of a building permit. Generally speaking such transformers shall not be located between any street and the front of a building.
17. That all buildings and/or structures must comply with all codes and ordinances in effect at the time required permits are issued by the Building Division.
18. That the development shall meet all requirements of the Pleasanton Fire Code.
19. That the site be kept free of fire hazards from the start of construction to final inspection and that the Fire Department emergency number be provided adjacent to all telephones on the site.
20. That the project shall meet all requirements of the Pleasanton Security Code and the developer shall provide plans as specified by the Crime Prevention Bureau of the Pleasanton Police Department.

21. That if required by the Police Department, the building(s) shall be equipped with an alarm system, the type to be approved by the Police Department and that this system shall be installed prior to final building inspection.
22. That a final landscape plan be submitted to the Planning Division for approval prior to issuance of a building permit.
23. That the colors of the building(s) be submitted to the Planning Division for approval prior to the issuance of a building permit.
24. That the developer pay any and all fees that the property may be subject to.
25. That only modular newspaper dispensers accommodating more than one newspaper shall be allowed outside of buildings within the development; the design of these dispensers shall be approved by the Planning Division.
26. That the developer submit a building permit survey and a site development plan in accordance with the provisions of Chapter 18.68 of the Municipal Code of the City of Pleasanton, and that these plans be approved by the City Engineer prior to the issuance of a building permit. That the site development plan include all required information to design and construct site, grading, paving, drainage and utilities. Specific items to be indicated on the site development plan necessary to construct the improvements are to be in accordance with the City of Pleasanton Private Development Design Guidelines and Standard Details adopted April 15, 1986.
27. That the paving sections for the on-site parking and drive areas be designed on the basis of an R-Value test and a traffic index to carry the anticipated traffic loads. This design shall be subject to the approval of the City Engineer. The minimum paving section shall be 2" A.C. on 6" of A.B. The minimum A.C. pavement slope shall be 1%. For pavement slopes of less than 1% the surface runoff shall be carried in a concrete gutter to an acceptable point of discharge. The minimum slope for concrete gutter shall be 0.5%.
28. That the developer install street frontage improvements per ordinance and to the satisfaction of the City Engineer. These improvements may include, but are not necessarily limited to, grading, curb and gutter, sidewalk, paving, storm drain, sanitary sewer, water facilities, street lighting, underground utilities, traffic control devices, landscaping, and automatic irrigation systems.

29. That the property owner enter into an agreement with the City whereby he agrees to construct or finance the construction of street improvements adjacent to the site to the extent required by the Subdivision Ordinance at such time in the future as this is deemed necessary by the City Engineer. Said improvements may include, but are not necessarily limited to grading, curb and gutter, sidewalk, paving, street lighting, street trees, street monuments, underground utilities, storm drain facilities, sanitary sewer facilities, tree removal, traffic control devices, landscaping and automatic irrigation systems. This agreement shall be executed and approved by the City Council prior to the issuance of a building permit. The property owner/developer shall deposit a bond with the City to ensure future completion of the required improvements. This bond shall be in a standard form approved by the City Attorney and shall be in an amount satisfactory to the City Engineer. The City Engineer may accept or may require a cash payment in-lieu of bonding where circumstances warrant.
30. That the developer submit a refundable cash bond for hazard and erosion control prior to issuance of a building permit. The amount of this bond will be determined by the City Engineer.
31. That a sanitary sewer sampling manhole be provided on the sanitary sewer lateral from each building, unless otherwise waived by the City Engineer.
32. That prior to issuance of a building permit, the developer shall pay the applicable Zone 7 and City connection fees and water meter cost for any water meters (irrigation meters) not directly related to a building permit.
33. That the developer dedicate to the City for a street right-of-way purposes those parcels of land intended to be public streets.
34. That the developer grant an easement to the City over those parcels shown as public service easements (P.S.E.) and which are approved by the City Engineer or other parcels which may be designated by the City Engineer.
35. That approval of the design for the line, grade, and structural sections for the streets serving this development be withheld pending final engineering design and review by the City Engineer.
36. That vertical P.C.C. curbs and gutters be constructed within this development unless otherwise approved by the City Engineer and that the curb and gutter be poured monolithically with the sidewalk when the sidewalk is adjacent.

37. That all existing wells, septic tanks or holding tanks on the site be properly sealed, filled and abandoned prior to the start of grading operations unless Zone 7 retains specific wells for observation wells, or special approval is obtained from the City Engineer for temporary use of an existing well for construction water. Any wells designated for abandonment or any wells, encountered during construction, are to be destroyed in accordance with a permit obtained from Zone 7 by calling (415) 443-9300.
38. That the haul route for all materials to and from this development be approved by the City Engineer prior to the start of any construction.
39. That the developer submit an erosion and sedimentation control plan or procedure as part of the improvement plans prior to the final approval of the development.
40. That the developer submit a dust control plan or procedure as part of the improvement plans prior to the final approval of the development.
41. That storm drainage swales, gutters, inlets, outfalls, and channels not within the area of a dedicated public street or public service easement approved by the City Engineer be privately maintained by the property owners or through an association approved by the City.
42. That approval of the water supply and distribution system be withheld pending final design and until the developer has demonstrated to the satisfaction of the City Engineer that the proposed system meets both the immediate and long-range requirements for supplying water in this area.
43. That the developer comply with any and all applicable requirements of the cross-connections control and backflow prevention device programs required by the California Administrative Code, Title 17.
44. That approval for the number, type and location of fire hydrants be withheld pending final design, review by the Fire Marshal, and final review by the City Engineer.
45. That approval of the sanitary sewer system be withheld pending final design and until the developer has demonstrated to the satisfaction of the City Engineer that the proposed system is adequate, connects to an approved point of discharge, and meets both the immediate and long-range requirements of the sanitary system in this and all tributary areas.

46. That if a sanitary sewer lift station is installed for use by the development and if it is accepted by the City for maintenance and operation, an agreement shall be completed between the City and the developer prior to the approval of the development to the effect that the developer will provide a maintenance and operation fund for a minimum ten year period.
47. That approval of the storm drainage system be withheld pending final design and until the developer has demonstrated to the satisfaction of the City Engineer that the system is adequate, connects to an approved point of discharge, meets any and all applicable requirements of the Alameda County Flood Control District - Zone 7, meets any and all applicable requirements of the Federal Emergency Management Flood Hazard Program, and meets the immediate and long-range requirements of this development and all upstream areas intended to be drained through this development.
48. That electric power distribution, gas distribution, communication service, and any required alarm systems be installed underground in a joint utility trench unless otherwise specifically approved by the City Engineer.
49. That the developer be responsible for the installation of the street lighting system serving the development. The street lights shall be 70 watt, high pressure sodium vapor units mounted on galvanized steel poles with poured in place bases, on the LS-1C schedule per City requirements and P.G.&E. standard details unless otherwise specifically approved. Approval for the number, location, and type of electroliers shall be withheld pending final design and review by the City Engineer.
50. That this development provide a safe and effective circulation system for bicycles and pedestrians. These facilities shall be designed and installed to the satisfaction of the City Engineer and shall be separated from vehicular traffic whenever possible.
51. That the developer submit detailed landscape and irrigation plans as part of the improvement plans. These plans should include, where applicable, a street tree planting plan and landscape plans for medians, buffer strips, and any right-of-way landscape areas. The irrigation plan shall provide for automatic controls.
52. That any damage to street improvements now existing or done during construction on the subject property be repaired to the satisfaction of the City Engineer at full expense to the developer. This shall include slurry seal, overlay, or street reconstruction if deemed warranted by the City Engineer.

53. That the developer's contractor(s) obtain an encroachment permit from the City Engineer prior to the start of construction.
54. That the developer install street trees as required per ordinance.
55. That all access roads and driveways on the site are hereby declared fire lanes and must be maintained and accessible at all times. Curbs must be painted red and "No Parking" signs provided to the City Standards.
56. That the developer shall include within the project design and fully screened location for a future satellite dish antenna satisfactory to the Planning Director and/or provide underground cable facilities to serve all users of the site.

stcond.ph

From: Gina <gmcstamp@aol.com>
To: gina <gina@pleasantongarbage.com>
Subject: Fwd: PGS SWFP Active Permit
Date: Thu, Jan 18, 2018 10:55 am
Attachments: Appendix Bz Existing SWFP.pdf (1109K), image001.jpg (23K)

From: Evan Edgar <evan@edgarinc.org>
To: Gina <gmcstamp@aol.com>
Cc: Neil Edgar <neil@edgarinc.org>
Sent: Tue, Jan 16, 2018 10:31 am
Subject: PGS SWFP Active Permit

Gina:

Solid Waste Facility Permit (SWFP) 01-AA-0003 for PGS Transfer Station was concurred with by the state agency, CalRecycle, on June 17, 2003 and issued on June 24, 2003. The SWFP is active.

A copy of the SWFP is attached. Every 5 years, the SWFP is reviewed by CalRecycle which has been underway since January 27, 2016 when the Permit Review due date occurred. The operator needs to update the operational documents, the Transfer/Processing Report, to reflect current conditions.

The Alameda County Office of Solid Waste Management, acting as the Local Enforcement Agency, for CalRecycle, is reviewing the Transfer/Processing Report. Upon completion and acceptance of the Transfer/Processing Report, the SWFP cover page will be update to reflect the next 5 year SWFP Review due date which would occur sometime in 2021, as the SWFP remains active.

I am the Permit Engineer for PGS and my office is the liaison with the Alameda County Office of Solid Waste Management on the 5 year SWFP Review.



Evan W.R. Edgar
Principal
Edgar & Associates, Inc.
1822 21st Street
Sacramento, CA 95811
916-739-1200 (office)
916-444-5345 (mobile)

Gina

SOLID WASTE FACILITY PERMIT

Facility Number:

01-AA-0003

1. Name and Street Address of Facility:

Pleasanton Garbage Service Transfer Station & Recycling Center
3110 Busch Road
Pleasanton, CA 94566

2. Name and Mailing Address of Operator:

Pleasanton Garbage Service Transfer Station & Recycling Center
3110 Busch Road
Pleasanton, CA 94566

3. Name and Mailing Address of Owner:

Pleasanton Garbage Service Transfer Station & Recycling Center
3110 Busch Road
Pleasanton, CA 94566

4. Specifications:

- a. Permitted Operations: Solid Waste Disposal Site Transformation Facility
 Transfer/Processing Facility (MRF) Other: _____
 Composting Facility

b. Permitted Hours of Operation: Receipt of Refuse/Waste: Company Vehicles begin at 4:00am to 4:00pm Monday thru Friday and 8:00am to 4:00pm on weekends. Public access is from 8:00am to 4:00pm, 7 days a week.

Ancillary Operations/Facility Operating Hours: 4:00am to 10:30pm Monday thru Friday and 8:00am to 4:00pm on weekends. Site is closed on the following holidays: Christmas Day, New Year's Day, Thanksgiving, Memorial Day, Labor Day, President's Day, and 4th of July.

c. Permitted Maximum Tonnage: 720 Tons per Day


d. Permitted Traffic Volume: Not Specified Vehicles per Day

e. Key Design Parameters (Detailed parameters are shown on site plans bearing EA and CalRecycle validations):

	Total	Disposal	Transfer/Processing	Composting	Transformation
Permitted Area (in acres)	7.602 acres		7.602 acres		
Design Capacity (cu.yds)					
Max. Elevation (Ft. MSL)					
Max. Depth (Ft. MSL)					
Estimated Closure Year					

Upon a significant change in design or operation from that described herein, this permit is subject to revocation or suspension. The attached permit findings and conditions are integral parts of this permit and supersede the conditions of any previously issued solid waste facility permit.

5. Approval:


Ariu Levi, Director of Environmental Health

6. Enforcement Agency Name and Address:

Alameda County
Office of Solid Waste Management
1131 Harbor Bay Parkway, #200
Alameda, CA 94502
(510) 567-6790 Fax (510)-337-9234

7. Date Received by CalRecycle:

APR 22 2003

8. CalRecycle Concurrence Date:

JUN 17 2003

9. Permit Issued Date:

JUN 24 2003

10. Permit Review Due Date:

JAN 27 2016

11. Owner/Operator Transfer Date:

SOLID WASTE FACILITY PERMIT

Facility Number:

01-AA-0003**12. Legal Description of Facility:**

The legal description of this facility is contained on page 3 and figure 1 of the Transfer/Processing Report dated January 16, 2003.

13. Findings:

- a. This permit is consistent with the Countywide Integrated Waste Management Plan by the Alameda County Waste Management Authority, adopted August 27, 1997, which was approved by the CIWMB on April 24, 1996. The location of the facility is identified in the Non-Disposal Facility Element, pursuant to Public Resources Code (PRC), Section 50001(a).
- b. The Alameda County Waste Management Authority grants exemption from the Countywide Integrated Waste Management Plan of Conformance for this Solid Waste Facility Permit Revision, Letter dated November 26, 2002.
- c. This permit is consistent with the standards adopted by the CIWMB, pursuant to PRC 44010.
- d. The design and operation of the facility is consistent with the State Minimum Standards for Solid Waste Handling and Disposal as determined by the enforcement agency, pursuant to PRC 44009.
- e. The City of Pleasanton Fire Department has determined that the facility is in conformance with applicable fire standards, pursuant to PRC, 44151.
- f. The City of Pleasanton determined that the project for this SWFP revision to be categorically exempt, letter dated July 19, 2002. Previous CEQA documentation in August 1992 continues to apply and the Conditional Use Permit UP-91-10 issued by the City of Pleasanton on July 8, 1992 is still valid and appropriate for the site.
- g. The Conditional Use Permit UP-91-10 also approves additional ancillary operations that include Recycling activities, Wood and Green Material Chipping, Tires Sales and Service, Truck and Heavy Equipment Repair, Street Sweeping, Septic/Holding Tank Pumping Service, Storage and Rental of Storage Sheds, Containers and Portable Toilets.

14. Prohibitions

The permittee is prohibited from accepting the following wastes:

Hazardous, radioactive, medical (as defined in Chapter 6.1, Division 20 of the Health and Safety Code), liquid, designated, or other wastes requiring special treatment or handling, except as identified in the Transfer/Processing Report and approved amendments thereto and as approved by the enforcement agency and other federal, state, and local agencies.

15. The following documents also describe and/or restrict the operation of this facility:

Transfer/Processing Report Amendments	Jan. 16, 2003	Preliminary Closure and Postclosure Maintenance Plan	N/A
Waste Discharge Requirements Order No.	N/A	Closure Financial Assurance Documentation	N/A
APCD Permit to Operate Plant #2451	Oct. 1, 2003	Operating Liability Certification	N/A
City of Pleasanton Fire Department	June 14, 2002	Land Use and/or Conditional Use Permit (UP-91-10)	July 8, 1992
Conformance Finding Exemption Conformance Finding	Nov. 26, 2002 July 22, 1992	Negative Declaration (CEQA) Categorical Exemption	August, 1992 Oct. 4, 2001

SOLID WASTE FACILITY PERMIT

Facility Number:

01-AA-0003

16. Self Monitoring Plan

The owner/operator shall submit the results of all self monitoring programs to the Enforcement Agency within 30 days of the end of the reporting period (for example, 1st quarter = January - March, the report is due by April 30, etc.. Information required on an annual basis shall be submitted with the 4th quarter monitoring report, unless otherwise stated.)

Program	Reporting Frequency
a. The types and quantities (in tons) of waste, including separated or commingled recyclables, entering the facility per day.	Quarterly
b. The number and types of vehicles using the facility per day.	Quarterly
c. Results of the hazardous waste load checking program, including the quantities and types of hazardous wastes, medical wastes or otherwise prohibited wastes found in the waste stream and the disposition of these materials.	Quarterly
d. Copies of all written complaints regarding this facility and the operator's actions taken to resolve these complaints.	Quarterly
e. The type and quantities (in tons) of material, including waste, recovered recyclables, etc., that are transferred from the facility per day.	Quarterly
f. Documentation for all self-monitoring programs that are described in the facility Transfer and Processing Report.	provide upon request by the LEA
g. Results of the hazardous waste load checking program, including the quantities and types of hazardous wastes, medical waste or other wise prohibited waste found in the waste stream and the disposition of these materials.	provide upon request by the LEA
h. Employee training log to include: list of employees, dates of training, course description, training provider, etc...	provide upon request by the LEA

SOLID WASTE FACILITY PERMIT

Facility Number:

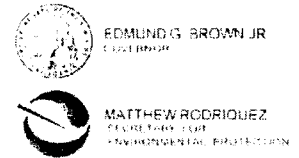
01-AA-0003

17. Enforcement Agency (EA) Conditions

- a. The operator shall comply with all State Minimum Standards for solid waste handling and disposal as specified in Title 14, California Code of Regulations.
- b. The operator shall maintain a log of special/unusual occurrences. This log shall include, but is not limited to, fires, explosions, the discharge and disposition of hazardous or unpermitted wastes, and significant injuries, accidents or property damage. Each log entry shall be accompanied by a summary of any actions taken by the operator to mitigate the occurrence. The log shall be available to site personnel and the EA at all times.
- c. Additional information concerning the design and operation of the facility shall be furnished upon request and within the time frame specified by the EA.
- d. The maximum permitted daily tonnage for this facility is 720 tons per day, and shall not receive more than this amount without a revision of this permit.
- e. This permit is subject to review by the EA and may be suspended, revoked, or revised at any time for sufficient cause.
- f. The EA reserves the right to suspend or modify waste receiving and handling operations when deemed necessary due to an emergency, a potential health hazard, or the creation of a public nuisance.
- g. Any change that would cause the design or operation of the facility not to conform to the terms and conditions of this permit is prohibited. Such a change may be considered a significant change, requiring a permit revision. In no case shall the operator implement any change without first submitting a written notice of the proposed change, in the form of an RFI amendment, to the EA at least 150 days in advance of the change.
- h. A copy of this permit shall be maintained at the facility.
- i. Stored recyclables shall neither interfere with facility operations nor cause public health hazard or nuisance. The EA reserves the authority reduce the maximum storage time of recyclables as necessary to protect public health and minimize odors, litter, vectors, or other nuisances.
- j. The operator shall operate the facility in compliance with the terms and conditions of this permit and the documents described in section 15 of this permit.
- k. The operator must provide additional dust control measures upon request of the LEA, if such measures, as provided in the Transfer Processing report are found to be inadequate to minimize the creation of dust and nuisances.
- l. The operator shall comply with all of the requirements of all applicable laws pertaining to employee health and safety.



State Water Resources Control Board
NOTICE OF INTENT
 GENERAL PERMIT TO DISCHARGE STORM WATER
 ASSOCIATED WITH INDUSTRIAL ACTIVITY (WQ ORDER No. 2014-0057-DWQ)
 (Excluding Construction Activities)



WDID: _____ Status: Submitted to Water Board

Operator Information Type: Private Business

Name: Pleasanton Garbage Service Inc Contact Name: Eric Lauritsen
 Address: PO Box 399 Title: _____
 Address 2: 3110 Busch Road Phone Number: 925-846-2042
 City/State/Zip: Pleasanton CA 94566 Email Address: eric@pleasantongarbage.com
 Federal Tax ID: _____

Facility Information Level: _____

Contact Name: Eric Lauritsen Title: _____
 Site Name: Pleasanton Garbage Service Inc
 Address: PO Box 399 3110 Busch Road
 City/State/Zip: Pleasanton CA 94566 Site Phone #: 925-846-2042
 County: Alameda Email Address: eric@pleasantongarbage.com
 Latitude: 37.67537 Longitude: -121.85377 Site Size: 300000 Sq.Feet
 Industrial Area Exposed to Storm Water: 120000 Sq.Feet
 Percent of Site Impervious (Including Rooftops): 75 %

SIC Code Information

1. 5093 Scrap and Waste Materials
2. _____
3. _____

Additional Information

Receiving Water: arroyo las positas Flow: Indirectly
 Storm Drain System: _____
 Compliance Group: _____

RWQCB Jurisdiction: Region 2 - San Francisco Bay

Phone: 510-622-2300 Email: r2_stormwater@waterboards.ca.gov

Certification

Name: Eric Lauritsen Date: November 13, 2015
 Title: Operations Manager

Attachments Meta Data Information:

Attachment ID	File Name	File Description	File Hash	File Size	Date Attached	Attachment Type
1447697	PGS Swppp	SWPPP	2e13c5be50e433e e42cd91f25c607c7f 71b46dc6f38b7e4a b6a453928f6d	1517057	2015-07-01 18:00:44.0	SWPPP
1447698	PGS swppp	SWPPP	4ade3a15ff3cb475 142c6537bda6b99 d5d9dcc4d552b57 377b57be53db5a	469638	2015-07-01 18:00:45.0	Facility/Site Map

09/22/16

A2451



BAY AREA AIR QUALITY MANAGEMENT DISTRICT

300 HILLS STREET
SAN FRANCISCO, CALIFORNIA 94104
(415) 771-3000

PERMIT TO OPERATE

Plant# 2451

Page: 1

Expires: OCT 1, 2017

This document does not permit the holder to violate any District regulation or other law.

Pleasanton Garbage Service, Inc
P O Box 399
Pleasanton, CA 94566

Location: 2512 Vineyard Avenue
Pleasanton, CA 94566

S#	DESCRIPTION	[Schedule]	PAID
1	CHEM> Landfill with gas collection system, Multi-material Landfill with Gas Recovery Wells (12) Abated by: A2 Flare Emissions at: P2 Stack	[K]	2215
3	Solvent cleaning, 55 gal/yr net solvent, 70 deg F Cold Cleaner	[exempt]	0
4	MISC-HDLG> Material handling, Solid waste - other/not spec Conveyors Abated by: A4 Water Spray System	[F]	404
5	Spraygun, Air atomized, 0 gal/yr solvent, 0 gal/yr clean-up Paint Spray Operation	[E]	485
6	MISC-HDLG> Material handling, Solid waste - other/not spec Stockpiles Abated by: A6 Water Spray System	[F]	404

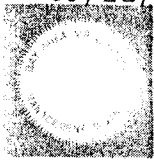
4 Permitted Sources, Exempt Source

*** See attached Permit Conditions ***

The operating parameters described above are based on information supplied by permit holder and may differ from the limits set forth in the attached conditions of the Permit to Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of District regulations subject to enforcement action.

09/22/16

A2451



**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

100 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-0995

**PERMIT
TO OPERATE**

Plant# 2451

Page: 2

Expires: OCT 1, 2017

This document does not permit the holder to violate any District regulation or other law.

***** PERMIT CONDITIONS *****

=====

Source# 1 subject to Condition ID# 17986

09/22/16

A2451



**BAY AREA AIR QUALITY
MANAGEMENT DISTRICT**

939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-3300

**PERMIT
TO OPERATE**

Plant# 2451

Page: 3

Expires: OCT 1, 2017

This document does not permit the holder to violate any District regulation or other law.

*** PERMIT CONDITIONS ***

=====

COND# 17986 applies to S# 1

1. Under no circumstance shall raw landfill gas be vented to the atmosphere unabated. The landfill gas shall always be abated by the flare (A-2).
[Basis: Plant Cumulative Increase]

2. The flare shall be equipped with automatic shutdown capability to prevent landfill gas venting to the atmosphere. [Basis: Plant Cumulative Increase]

~~~~~ END OF CONDITIONS ~~~~~

| S#          | Source Description                    | Annual Average lbs/day |      |     |     |    |
|-------------|---------------------------------------|------------------------|------|-----|-----|----|
|             |                                       | PART                   | ORG  | NOx | SO2 | CO |
| 1           | Landfill with Gas Recovery Wells (12) | -                      | 4.04 | .01 | -   | -  |
| 3           | Cold Cleaner                          | -                      | .95  | -   | -   | -  |
| 4           | Conveyors                             | 1.99                   | -    | -   | -   | -  |
| 5           | Paint Spray Operation                 | -                      | -    | -   | -   | -  |
| 6           | Stockpiles                            | 1.51                   | -    | -   | -   | -  |
| A2          | Landfill Gas Flare                    | -                      | -    | -   | -   | -  |
| T O T A L S |                                       | 3.5                    | 4.99 | .01 |     |    |

\*\* PLANT TOTALS FOR EACH EMITTED TOXIC POLLUTANT \*\*

| Pollutant Name            | Emissions lbs/day |
|---------------------------|-------------------|
| Benzene                   | .01               |
| Hexane                    | .04               |
| Methyl ethyl ketone (MEK) | .04               |
| Perchloroethylene         | .05               |
| Toluene                   | .27               |
| Trichloroethylene         | .03               |
| Xylene                    | .10               |
| Ethylbenzene              | .04               |
| Methylene chloride        | .09               |
| Vinyl chloride            | .03               |
| Hydrogen Sulfide (H2S)    | .09               |



BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

PERMIT  
TO OPERATE

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PERMIT EXPIRATION DATE

OCT 1, 2018

Plant# 2451

Pleasanton Garbage Service, Inc  
P O Box 399  
Pleasanton, CA 94566

Location: 2512 Vineyard Avenue  
Pleasanton, CA 94566

| S# | DESCRIPTION                                                                                                                                         | [Schedule] | PAID |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------|------|
| 1  | CHEM> Landfill with gas collection system, Multi-material<br>Landfill with Gas Recovery Wells (12)<br>Abated by: A2 Flare<br>Emissions at: P2 Stack | [K]        | 2414 |
| A2 | Industrial Flare - Other (not refinery), 5705K BTU/hr max<br>Landfill Gas Flare<br>Emissions at: P2 Stack                                           | [exempt]   | 0    |

1 Permitted Source, 1 Exempt Source

\*\*\* See attached Permit Conditions \*\*\*

The operating parameters described above are based on information supplied by permit holder and may differ from the limits set forth in the attached conditions of the Permit to Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of District regulations subject to enforcement action.





BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

**PERMIT  
TO OPERATE**

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PERMIT EXPIRATION DATE

OCT 1, 2018

Plant# 2451

\*\*\* PERMIT CONDITIONS \*\*\*

=====

| Source# | Subject to Condition Numbers |
|---------|------------------------------|
| -----   | -----                        |

|   |       |
|---|-------|
| 1 | 17986 |
|---|-------|

The operating parameters described above are based on information supplied by permit holder and may differ from the limits set forth in the attached conditions of the Permit to Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of District regulations subject to enforcement action.



BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

**PERMIT  
TO OPERATE**

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PERMIT EXPIRATION DATE

OCT 1, 2018

Plant# 2451

\*\*\* PERMIT CONDITIONS \*\*\*

=====

COND# 17986 applies to S# 1

1. Under no circumstance shall raw landfill gas be vented to the atmosphere unabated. The landfill gas shall always be abated by the flare (A-2).  
[Basis: Plant Cumulative Increase]

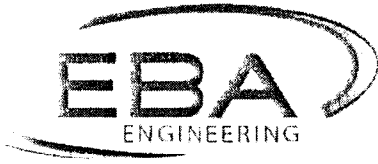
2. The flare shall be equipped with automatic shutdown capability to prevent landfill gas venting to the atmosphere. [Basis: Plant Cumulative Increase]

----- END OF CONDITIONS -----

| S#          | Source Description                    | Annual Average lbs/day |      |      |     |      |
|-------------|---------------------------------------|------------------------|------|------|-----|------|
|             |                                       | PART                   | ORG  | NOx  | SO2 | CO   |
| 1           | Landfill with Gas Recovery Wells (12) | -                      | 4.04 | .02  | -   | -    |
| A2          | Landfill Gas Flare                    | .14                    | .13  | 1.7  | .55 | 8.89 |
| T O T A L S |                                       | .14                    | 4.17 | 1.71 | .55 | 8.89 |

\*\* PLANT TOTALS FOR EACH EMITTED TOXIC POLLUTANT \*\*

| Pollutant Name            | Emissions lbs/day |
|---------------------------|-------------------|
| Benzene                   | .01               |
| Hexane                    | .04               |
| Methyl ethyl ketone (MEK) | .04               |
| Perchloroethylene         | .05               |
| Toluene                   | .28               |
| Trichloroethylene         | .03               |
| Xylene                    | .10               |
| Ethylbenzene              | .04               |
| Methylene chloride        | .09               |
| Vinyl chloride            | .04               |
| Hydrogen Sulfide (H2S)    | .09               |



January 18, 2018

Mr. Eric Lauritsen  
Pleasanton Garbage Service, Inc.  
P.O. Box 399  
Pleasanton, CA 94566

**RE: BAAQMD Permit to Operate  
Pleasanton Garbage Service Waste Transfer Station/Recycling Center  
3110 Busch Road, Pleasanton, California**

Dear Mr. Lauritsen:

In response to your inquiring regarding the Permit to Operate (PTO) for the Pleasanton Garbage Service Waste Transfer Station/Recycling Center (Transfer Station), EBA Engineering and Ramboll Environ are in the process of updating the permit at the request of the Bay Area Air Quality Management District (BAAQMD). This request was prompted by the BAAQMD's desire to modify the existing PTO that currently combines the Transfer Station and the Old Pleasanton Landfill. The updated PTO for the Transfer Station will encompass operations associated with the Transfer Station property, including the Transfer Station, construction materials recycling station, wood stockpile, food/green waste stockpile, construction and debris stockpile, grinder, and the gasoline, diesel, propane, and natural gas fueling stations.

If you should have any questions, please do not hesitate to contact our office at (707) 544-0784.

Sincerely,  
**EBA ENGINEERING**

A handwritten signature in black ink, appearing to read "Mike Delmanowski". The signature is written in a cursive, flowing style.

Mike Delmanowski, C.E.G., C.Hg.  
Senior Hydrogeologist



This document does not permit the holder to violate any BAAQMD regulation or any other law.

**PERMIT EXPIRATION DATE  
August 01, 2018**



**Owner Mailing Contact:**

Pleasanton Garbage Service  
PO Box 399  
Pleasanton , CA 94566-0399  
Attn: Eric Lauritsen



**Facility ID: 107767**

Pleasanton Garbage Service, Inc  
3110 Busch Rd  
Pleasanton , CA 94566-8430

**Owning Entity:**

Eric Lauritsen



**DEVICES**

This document serves as your Permit to Operate the following:

**S1 Permitted**

GDF  
Gasoline Dispensing Operation

**Tank Information:**

2000 Gallon Underground Tank w/ Gasoline - unleaded  
Phase I Vapor Recovery Type: Phil-Tite (VR-101)  
Phase II Vapor Recovery Type: EMCO WHEATON/VST EVR Phase II with Veeder Root Vapor Polisher (VR-203)

**Nozzle Information:**

1 Gasoline - Single Product

The operating parameters described above are based on information supplied by the permit holder and may differ from the limits set forth in the attached conditions of this Permit To Operate. The limits of operation in the permit conditions are not to be exceeded. Exceeding these limits is considered a violation of BAAQMD and is subject to enforcement action.



**PERMIT CONDITIONS**

The devices described in this document are subject to the following permit conditions:

**S1 Subject to Condition #: 18680, 24298, 24302**

**Condition #: 24302 S1**

Pursuant to BAAQMD Toxic Section Policy, this facility's annual gasoline throughput shall not exceed 60,000 gallons in any consecutive 12 month period.

**Condition #: 24298 S1**

- 1. The VST EVR Phase II Vapor Recovery System with the Veeder-Root Vapor Polisher without ISD, including all associated underground plumbing, shall be installed, operated, and maintained in accordance with the most recent revision of the California Air Resources Board



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PERMIT EXPIRATION DATE  
**August 01, 2018**

- (CARB) Executive Order (E.O.), VR-203, Section 41954(f) of the California Health and Safety Code prohibits the sale, offering for sale, or installation of any vapor control system unless the system has been certified by the state board.
2. The owner/operator of the facility shall maintain records in accordance with the following requirements. Records shall be maintained on site and made available for inspection for a period of 24 months from the date the record is made.
    - a. Monthly throughput of gasoline pumped, summarized on an annual basis
  3. All applicable components shall be maintained to be leak free and vapor tight. Leak Free, as per BAAQMD (District) Regulation 8-7-203, is a liquid leak of no greater than three drops per minute. Vapor Tight, as per District Regulation 8-7-206, is a leak of less than 100 percent of the lower explosive limit on a combustible gas detector measured at a distance of 1 inch from the source or absence of a leak as determined by the District Manual of Procedures, Volume IV, ST-30 or CARB Method TP-201.3.
  4. The VST EVR Phase II system with the Veeder-Root Vapor Polisher without ISD shall be capable of demonstrating on-going compliance with the vapor integrity requirements of CARB Executive Order E.O. VR-203. The owner or operator shall conduct and pass the following tests at least once in each consecutive 12-month period following successful completion of start-up testing. Tests shall be conducted and evaluated using the below referenced test methods and standards.
    - a. Static Pressure Performance Test - TP-201.3
    - b. Dynamic Back Pressure Test - TP-201.4 (7/3/02) in accordance with the condition listed in item 1 of the Vapor Collection Section of E.O. VR-203, Exhibit 2. The dynamic back pressure shall not exceed 0.35" WC @ 60CFH and 0.62" WC @ 80 CFH
    - c. Liquid Removal Test - E.O. VR-203, Exhibit 5, Option 1 (Only test hoses containing more than 25 ml liquid)
    - d. Vapor Pressure Sensor Verification Test - E.O. VR-203, Exhibit 9,
    - e. Veeder-Root Vapor Polisher Operability Test. E.O. VR-203, Exhibit 11
    - f. Veeder-Root Vapor Polisher Emissions Test - E.O. VR-203, Exhibit 12
  5. The applicant shall notify Source Test by email at [gdfnotice@baaqmd.gov](mailto:gdfnotice@baaqmd.gov) or by FAX at (510) 758-3087, at least 48 hours prior to any testing required for permitting. Test results for all performance tests shall be submitted in a District-approved format within thirty (30) days of testing. Start-up tests results submitted to the District must include the application number and the GDF number. (For annual test results submitted to the District, enter "Annual" in lieu of the application number.) Test results may be submitted by email ([gdfresults@baaqmd.gov](mailto:gdfresults@baaqmd.gov)), FAX (510-758-3087) or mail to the District's main office.
  6. The maximum length of the coaxial hose assembly, including breakaway, swivels, and whip hoses, shall be fifteen (15) feet..



This document does not permit the holder to violate any BAAQMD regulation or any other law.

PERMIT EXPIRATION DATE  
**August 01, 2018**

7. The dispensing rate shall not exceed ten (10.0) gallons per minute (gpm), nor be less than six (6.0) gpm with the nozzle trigger at the highest setting. Compliance with this condition shall be verified using the applicable provisions of E. O. VR-203, Ex. 5. Flow limiters may not be used.
8. The TLS console controlling the Veeder-Root Vapor Polisher shall be equipped with a printer and have an open RS232 port that is accessible to District staff during operating hours.
9. Except when necessary for testing and maintenance, the Veeder-Root Vapor Polisher shall be on and in automatic vapor processor mode with the inlet valve in the open position per E.O. VR-203, Ex. 2. The handle shall not be removed for any reason.
10. The station shall maintain OSHA-approved access to the Veeder-Root Vapor Polisher. This access should be provided immediately upon request by District personnel
11. Security tags shall be installed and maintained on the Veeder-Root Vapor Polisher. A Veeder-Root Vapor Polisher Operability Test and a Veeder-Root Vapor Polisher Emissions Test shall be performed after the replacement of any damaged or missing tags using the above referenced test methods and subject to the above notification and reporting requirements.
12. Each storage tank vent pipe shall be equipped with a CARB certified pressure/vacuum relief valve as required by the applicable Phase I E.O.. Vents pipes may be manifolded to reduce the number of relief valves needed. No relief valve shall be installed on the Veeder-Root Vapor Polisher outlet.

**Condition #: 18680 S1**

1. The Phil-Tite EVR Phase I Vapor Recovery System, including all associated plumbing and components, shall be operated and maintained in accordance with the most recent version of California Air Resources Board (CARB) Executive Order VR-102. Section 41954(f) of the California Health and Safety Code prohibits the sale, offering for sale, or installation of any vapor control system unless the system has been certified by the state.
2. The owner or operator shall conduct and pass a Rotatable Adaptor Torque Test (CARB Test Procedure TP201.1B) and either a Drop Tube/Drain Valve Assembly Leak Test TP201.1C or, if operating drop tube overflow prevention devices ("flapper valves"), a Drop Tube Overflow Prevention Device and Spill Container Drain Leak Test (TP201.1D) at least once in each 36-month period. Measured leak rates of each component shall not exceed the levels specified in VR-102. A Static Pressure Performance Test, in accordance with CARB procedure TP-201.3 or the applicable equivalent District test procedure (ST-30) at least once in each 12-month period. If the tank size is 500 gallons or less, the test shall be performed on an empty tank. The applicant shall notify Source Test by email at [gdfnotice@baaqmd.gov](mailto:gdfnotice@baaqmd.gov) or by FAX at (510) 758-3087, at least 48 hours prior to any testing required for permitting. Test results for all performance tests shall be submitted within thirty (30) days of testing. Start-up tests results submitted to the District must include the application number and the GDF number. (For annual test results submitted to the District, enter "Annual" in lieu of the application number.) Test results may be submitted by email ([gdfresults@baaqmd.gov](mailto:gdfresults@baaqmd.gov)), FAX (510-758-3087) or mail to the District's main office.

**END OF CONDITIONS**

**IMPLIED CONDITIONS**



This document does not permit the holder to violate any BAAQMD regulation or any other law.

**PERMIT EXPIRATION DATE  
August 01, 2018**

Unless your specific permit conditions state otherwise, the throughputs, fuel and material consumptions, capacities and hours of operation described in your permit application will be considered maximum allowable limits.

A new permit will be required before any increase in parameters, such as throughputs, fuel and material consumption, capacities, and hours of operation, or change in materials, equipment or permit conditions may be made.



#### **RIGHT OF ACCESS**

In accordance with Regulation 1-440, BAAQMD shall be granted the right of access to any premises on which an air pollution source is located for the purposes of:

- a) The inspection of the source,
- b) The sampling of materials used at the source,
- c) The conduct of an emission source test, and
- d) The inspection of any records required by BAAQMD rule or permit condition



#### **REGULATORY COMPLIANCE**

This Permit To Operate does not authorize violations of the rules and regulations of BAAQMD (may be viewed at [www.baaqmd.gov](http://www.baaqmd.gov)), California or Federal law. Compliance with conditions in this permit does not mean that the permit holder is currently in compliance with BAAQMD Rules and Regulations. It is the responsibility of the permit holder to have knowledge of and be in compliance with all BAAQMD rules and regulations.

**END OF DOCUMENT**



**EXHIBIT M**  
**CONTRACT MANAGEMENT**  
**CHECKLIST**

---

## EXHIBIT M CONTRACT MANAGEMENT CHECKLIST

*This Exhibit M is provided for informational purposes only, and does not excuse the Parties from compliance with any provision of the Agreement not identified herein. If discrepancies between this Exhibit O and the Agreement arise, the provisions of the Agreement shall prevail.*

| Date Due   | Frequency           | Type             | Description                                                                                                                                                                     | Responsible Party | Section         |
|------------|---------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------|
| 1-Jul-2018 | Commencement Date   | Implementation   | Contractor to submit contingency plan to City                                                                                                                                   | Contractor        | 5.19            |
| 1-Jul-2018 | Commencement Date   | Implementation   | Contractor to submit marketing plan for all Recyclable Materials Collected in the City to City for approval before Commencement Date                                            | Both Parties      | 5.13.2.D        |
| 1-Jul-2018 | Commencement Date   | Implementation   | Contractor to submit marketing plan for all Organic Materials Collected in the City to City for approval before Commencement Date                                               | Both Parties      | 5.13.3.E        |
| As-Needed  | As-Needed           | Implementation   | Contractor to obtain the City's written approval of Container (e.g. Carts, personal Recycling bins, Food Scrap pails, internal Organics bins) specifications before acquisition | Both Parties      | 5.16.5, 5.4.2.H |
| As-Needed  | As-Needed           | Implementation   | City to provide public education guidance and templates to Contractor (StopWaste.Org has samples)                                                                               | City              | 5.17.3          |
| TBD        | Agreement Execution | Implementation   | Contractor to provide performance bond                                                                                                                                          | Contractor        | 9.6             |
| TBD        | TBD                 | Implementation   | Contractor to submit Multi-Family PRB order to City for approval prior to submission to manufacturer                                                                            | Both Parties      | 5.3.3.H         |
| TBD        | TBD                 | Implementation   | Contractor to submit kitchen pail order to City for approval prior to submission to manufacturer                                                                                | Both Parties      | 5.4.1.C         |
| TBD        | TBD                 | Implementation   | Contractor to submit order for internal Organics bins (for indoor use by Customers) to City for approval prior to submission to manufacturer                                    | Both Parties      | 5.4.2.H         |
| TBD        | TBD                 | Implementation   | Contractor to provide reporting templates/formats to City for approval                                                                                                          | Both Parties      | 6.3.1           |
| TBD        | TBD                 | Implementation   | Contractor to provide City with emergency contact persons                                                                                                                       | Contractor        | 6.8.3           |
| TBD        | Agreement Execution | Implementation   | Contractor to provide insurance certificates to City                                                                                                                            | Contractor        | 9.5.8           |
| 1-Dec-2023 | Rate Period Seven   | Rate Application | Contractor to submit Rate application for Rate Period 7 cost-based review                                                                                                       | Contractor        | 8.3.A.2         |

| Date Due           | Frequency    | Type                | Description                                                                                                                                                                   | Responsible Party | Section                                         |
|--------------------|--------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------------------|
| Annually - Apr 1   | Annually     | Rate Application    | Contractor to submit Rate application April 1 (excluding Rate application for Rate Period 7, which shall be due December 1 of the prior Rate Period)                          | Contractor        | 8.3                                             |
| Annually           | Annually     | On-going Compliance | Contractor to submit annual reports per Section 6.3.4                                                                                                                         | Contractor        | 6.3.4                                           |
| Annually - Dec 1   | Annually     | On-going Compliance | City to specify Christmas tree drop box site                                                                                                                                  | City              | 5.4.3.B                                         |
| Annually - July 1  | Annually     | On-going Compliance | Contractor to provide performance bond renewal                                                                                                                                | Contractor        | 9.6                                             |
| Annually - July 1  | Annually     | On-going Compliance | City to approve Rates by July 1                                                                                                                                               | City              | 8.3.C                                           |
| Annually - July 15 | Annually     | On-going Compliance | Contractor to submit list of commercial customers to audit in the coming Rate Period                                                                                          | Contractor        | 5.17.6                                          |
| Annually - May 15  | Annually     | On-going Compliance | Contractor to provide City with copy of Customer Rate adjustment notice 45 days prior to Rate adjustment                                                                      | Contractor        | 8.6                                             |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to notify residents of scheduled drop-off events through a billing insert no later than fourteen (14) days prior to the scheduled event date                       | Contractor        | 5.9                                             |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to publish notice of scheduled drop-off events in no fewer than two (2) local news publications no later than fourteen (14) days prior to the scheduled event date | Contractor        | 5.9                                             |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to submit annual reports to CalRecycle and StopWaste 45 prior to due dates (for each respective report and agency)                                                 | Contractor        | 6.4                                             |
| Annually - TBD     | Annually     | On-going Compliance | City to review and approve Contractor's public education plan                                                                                                                 | City              | 5.17.2                                          |
| Annually - TBD     | Annually     | On-going Compliance | City to approve event list and event public education needs                                                                                                                   | City              | 5.17.2                                          |
| Annually - TBD     | Annually     | On-going Compliance | Contractor to work with the City to annually survey City facilities to determine appropriateness of service levels                                                            | Both Parties      | 5.5.1                                           |
| As-Needed          | Upon Request | On-going Compliance | Contractor to provide City with copies of permits and/or notices of violation of permits for the Approved Facilities                                                          | Contractor        | 5.13.1.B,<br>5.13.2.B,<br>5.13.3.B,<br>5.13.4.B |
| As-Needed          | Upon Request | On-going Compliance | Contractor to provide City with documentation demonstrating the availability of Processing and/or Disposal capacity at the Approved Facilities                                | Contractor        | 5.13.1.B,<br>5.13.2.B,<br>5.13.3.B,<br>5.13.4.B |
| As-Needed          | As-Needed    | On-going Compliance | Contractor to provide two-week notice to Customers regarding holiday schedule changes                                                                                         | Contractor        | 5.14.5                                          |

| Date Due        | Frequency         | Type                   | Description                                                                                                                                                             | Responsible Party | Section               |
|-----------------|-------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------|
| As-Needed       | Upon Request      | On-going Compliance    | City may request Contractor to prepare four (4) multi-lingual public education documents annually and distribute to specified types of Customers                        | Contractor        | 5.17.3                |
| As-Needed       | Upon Request      | On-going Compliance    | Contractor to submit service complaint log to City, upon request                                                                                                        | Contractor        | 6.8.3                 |
| As-Needed       | As-Needed         | On-going Compliance    | Contractor to provide insurance renewal certificates to City                                                                                                            | Contractor        | 9.5.8                 |
| Monthly         | Monthly           | On-going Compliance    | Contractor to pay City fees, including Franchise Fees                                                                                                                   | Contractor        | 7.6                   |
| Monthly         | Monthly           | On-going Compliance    | Contractor to submit monthly reports per Section 6.3.2                                                                                                                  | Contractor        | 6.3.2                 |
| Quarterly       | Quarterly         | On-going Compliance    | Contractor to submit route audit results to City                                                                                                                        | Contractor        | 6.14.3.D              |
| Quarterly       | Quarterly         | On-going Compliance    | Contractor to submit quarterly reports per Section 6.3.3                                                                                                                | Contractor        | 6.3.3                 |
| 1-Jun-2018      | Commencement Date | Performance Monitoring | Contractor to provide two-year schedule for performing route audits                                                                                                     | Contractor        | 6.14.3                |
| Annually        | Upon Request      | Performance Monitoring | City may conduct up to three performance reviews during the Agreement Term                                                                                              | City              | 6.14.1                |
| Annually        | Upon Request      | Performance Monitoring | Contractor to cooperate with, provide data in response to, and reimburse the City for up to two performance reviews during the Agreement Term                           | Contractor        | 6.14.1                |
| Annually        | Upon Request      | Performance Monitoring | City may conduct up to three audits of Contractor's Billings during the Agreement Term (City intends to conduct audits in Rate Periods Three, Five, and Seven)          | City              | 6.14.2                |
| Annually        | Upon Request      | Performance Monitoring | Contractor to cooperate with, provide data in response to, and to reimburse City for up to three Billings audits during the Agreement Term (if audit requested by City) | Contractor        | 6.14.2                |
| Annually - TBD  | Annually          | Performance Monitoring | Contractor to conduct route and service level audit, and perform all related reporting activities                                                                       | Contractor        | 6.14.3                |
| As-Needed       | Upon Request      | Performance Monitoring | City may request list of Recyclable Materials, and Organic Materials brokers and buyers                                                                                 | City              | 5.13.2.D,<br>5.13.3.E |
| Quarterly - TBD | Quarterly         | Performance Monitoring | Contractor to verify compliance with Approved Facility permits                                                                                                          | Contractor        | 5.13.6                |
| Quarterly - TBD | Quarterly         | Performance Monitoring | Contractor to contact Approved Facilities to verify compliance with Applicable Law                                                                                      | Contractor        | 5.13.6                |
| 1-Jan-2029      | End of Term       | Term                   | Contractor to provide route lists and detailed account and billing information to City or successor                                                                     | Contractor        | 4.4, 12.8             |
| 1-Jan-2029      | End of Term       | Term                   | City to provide letter to Contractor notifying whether extension in Term of Agreement will be approved 180 days before end of Term                                      | City              | 3.4                   |

| <b>Date Due</b> | <b>Frequency</b> | <b>Type</b> | <b>Description</b>                                                                                             | <b>Responsible Party</b> | <b>Section</b> |
|-----------------|------------------|-------------|----------------------------------------------------------------------------------------------------------------|--------------------------|----------------|
| 1-Jan-2029      | End of Term      | Term        | If City chooses to extend Term, Parties to meet and discuss Collection vehicle needs and related costs, if any | Both Parties             | 3.4            |

**EXHIBIT N**  
**TARGETED FOOD SCRAPS**  
**CUSTOMERS**

---

## EXHIBIT N

### TARGETED FOOD SCRAPS CUSTOMERS

Please note: The following list is all of the targeted accounts that have food services, including restaurants, hospital, schools and grocery stores(some or all may backhaul).

After this list, we will move to all Customers with four or more yards of Solid Waste.

We will also be doing a review of all City Services. We currently have 123 accounts with Organics Service.

| Account Name            | Account Address          |
|-------------------------|--------------------------|
| Alameda County Fair     | 4501 Fair St             |
| Albertsons Cantina      | 435 Main St              |
| Alisal School           | 1454 Santa Rita Rd       |
| Amador High School      | 1155 Santa Rita Rd       |
| Baci Café               | 500 Main St              |
| Beer Baron              | 336 St Marys St          |
| Best Western            | 5375 Owens Ct            |
| Bobs Giant Burgers      | 4223 First St            |
| Burger King             | 4747 Hopyard Rd          |
| Café Main               | 401 Main St              |
| Chilis Grill and Bar    | 4801 Hopyard Rd          |
| Cocina Mexico           | 55 W Angela St           |
| Deans Café              | 620 Main St              |
| Fairlands School        | 4151 W Las Positas       |
| Faz America             | 5121 Hopyard Rd          |
| Foothill High School    | 4375 Foothill Rd         |
| Four Points Sheraton    | 5115 Hopyard Rd          |
| Frontier Spice          | 411 Main St              |
| Gay 90's Pizza          | 288 Main St              |
| Gimanelli Deli          | 915 Main St              |
| Hanabi Sushi Restaurant | 927 Main St              |
| Hart Middle School      | 4433 Williwow Rd         |
| Harvest Park School     | 4900 Valley Ave          |
| Jack In The Box         | 1875 Valley ave          |
| Lokanta                 | 443 Main St              |
| Lucky                   | 6155 W Las Positas Blvd  |
| Lydiksen School         | 7700 Highlands Oaks Dr   |
| Mc Donalds              | 6800 Santa Rita Rd       |
| Mc Donalds              | 3001 Bernal Ave          |
| Meadow Plaza            | 3120 Santa Rita Rd       |
| Meiko Restaurant        | 4301 Valley Ave          |
| Mexico Lindo            | 6690 Koll Center Parkway |
| Montessori School       | 3410 Cornerstone Ct      |
| Nations Giant Burgers   | 5321 Hopyard Rd          |

## Franchise Agreement with Pleasanton Garbage Service

| Account Name                  | Account Address          |
|-------------------------------|--------------------------|
| Neighborhood Sports Bar       | 234 Main St              |
| New India Bazar               | 3160 Santa Rita Rd       |
| New Thai Bistro               | 4301 Valley Ave          |
| New York Pizza                | 690 Main St              |
| Nonnis Bistro                 | 425 Main St              |
| Oak Hills Shopping Center     | 5424 Sunol Blvd          |
| Oasis Restaurant              | 780 Main St              |
| Ozora Restaurant              | 6770 Santa Rita Rd       |
| Panda Restaurant              | 4001 Santa Rita Rd       |
| Papa Murphys                  | 1991 Santa Rita Rd       |
| Pastas                        | 405 Main St              |
| Phoebe Hearst Elementary      | 5301 Case Ave            |
| Pleas Main St Brewery         | 830 Main St              |
| Pleasanton Marriott           | 11950 Dublin Canyon Rd   |
| Pleasanton Middle School      | 5001 Case Ave            |
| Primrose School of Pleasanton | 7110 Koll Center Parkway |
| Raleys Store                  | 5420 Sunol Blvd          |
| Residence Inn by Marriott     | 11920 Dublin Canyon Rd   |
| Safeway Stores                | 1701 Bernal Ave          |
| Senro Japanese                | 30 W Neal St             |
| Sheraton hotel                | 5990 Stoneridge Mall Rd  |
| Sozo                          | 2835 Hopyard Rd          |
| Stanford Health Care Hospital | 5555 W Las Positas Blvd  |
| Sunrise of Pleasanton         | 5700 Pleasant Hill Rd    |
| Taco Bell                     | 6030 Johnson Dr          |
| Taco Bell                     | 4001 Santa Rita Rd       |
| The Hunan Chef                | 4285 Valley Ave          |
| Tommy T's                     | 5104 Hopyard Rd          |
| Valley View School            | 480 Adams Way            |



**EXHIBIT 0**  
**LANDFILL CLOSURE**  
**AGREEMENT 1986**

---

RECORDING REQUESTED BY:  
CHICAGO TITLE COMPANY  
RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:

City Clerk  
City of Pleasanton  
P.O. Box 520  
Pleasanton, CA 94566-0802



2005353323 08/18/2005 08:30 AM  
OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE: 31.00



9 PGS

678353

2005 35 3323

**SECOND AMENDMENT TO AGREEMENT APPROVING AN EXPENDITURE  
OF FUNDS TO CLOSE FORMER LANDFILL**

This Second Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill is entered into this 10<sup>th</sup> day of August 2005 by the City of Pleasanton ("City") and Pleasanton Garbage Service Inc. ("PGS").

**RECITALS**

- A. PGS owns property located at 2152 Vineyard Avenue, Pleasanton, which is a portion of Lot 8 and Lot 15 of the Map entitled "Map of the Property of J.A. Rose," Book 7 of Maps, Page 50 at the Alameda County Records ("Landfill Site").
- B. The Landfill Site was previously used for the disposal of solid waste under a franchise with the City. The landfill operations at the Landfill Site ceased in 1976 but ongoing work has been necessary to monitor and respond to landfill gas and leachate associated with the prior landfill operations.
- C. On October 7, 1986, the City and PGS entered into an Agreement Approving an Expenditure of Funds to Close Former Landfill that was recorded with the Alameda County Recorder's Office on February 3, 1987 as Series No. 87-031791 (the "Agreement") to address the costs of closing the Landfill Site.
- D. Pursuant to Section 5 of the Agreement, if the Landfill Site was sold or developed, the money received from the sale was to be allocated first to PGS for its cost of the land valued at \$77,876, then second to PGS to offset future rate increases in an amount equal to the expenditures necessary for closure efforts, and third to be split equally between the City for the benefit of the ratepayers and PGS as a return on its investment in the land.
- E. PGS has divided the Landfill Site into Parcel 1 (approximately 20.42 acres south of Vineyard Avenue) and Parcel 2 (approximately 1.37 acres north of Vineyard Avenue) pursuant to Parcel Map 8626.

F. PGS has conveyed Parcel 2 to Mardel LLC in exchange for Lot 15 of Tract 7160 recorded August 10, 2004 in Book 277 of Maps at Pages 62-72. As part of that exchange, PGS has incurred certain costs, *e.g.*, Vineyard Avenue Corridor Specific Plan fees, a *pro rata* share of the infrastructure costs for Tract 7160, a payoff of a deed of trust that was on Lot 15, subdivision fees for Parcel Map 8626, the *pro rata* share of the sanitary sewer to serve Parcel 2 of Parcel Map 8626, and engineering and related fees in connection with the preparation of Parcel Map 8626. Those costs total three hundred seventy five thousand seven hundred fifty six dollars and eighty five cents (\$375,756.85).

G. The City has released Parcel 2 of Parcel Map 8626 from the Agreement.

Now, therefore, the parties agree as follows:

1. Lot 15 of Tract 7160 Subject to the Agreement. City and PGS agree that Lot 15 of Tract 7160 recorded August 10, 2004 in Book 277 of Maps at Pages 62-72, Alameda County Records, is subject to the Agreement and shall be considered part of the Landfill Site as defined in the Agreement, subject to paragraphs 2 and 3 of this Second Amendment

2. Allocation of Proceeds of Sale of Lot 15 if Unimproved. If PGS sells Lot 15 to a *bona fide* purchaser and at the time Lot 15 is not improved, the money received from the sale of the land shall be allocated: a) first to PGS for its cost of the land valued at three thousand three hundred forty dollars (\$3,440.00); b) second to the City's Landfill Litigation Rate Reserve Fund (for the benefit of the ratepayers) and to PGS (to the extent PGS has expended its own funds) for the costs referenced in Recital F, above; and c) the remaining balance, if any, to be shared equally by the City (for the benefit of the ratepayers) and PGS as a return on its investment in the land. As to subparagraph b), the amount allocated to the Landfill Litigation Reserve Fund shall be reduced to the extent those costs have already been recovered from the ratepayers at the time the sale proceeds are received. In addition as to subparagraph b), the sale proceeds to be allocated between the Landfill Litigation Reserve Fund and PGS (if such is applicable), regardless of whether such proceeds exceed the costs referenced in Recital F, shall be on a *pro rata* basis. Closing costs (*e.g.*, transfer taxes, escrow fees, etc.) shall be prorated between the parties as provided in the previous sentence.

3. Profit Sharing Associated with Improvements on Lot 15 of Tract 7160. If PGS with its own funds constructs, or causes to be constructed, a residential home on Lot 15 of generally similar size and quality as other residential homes within Tract 7160, the parties anticipate that the value of Lot 15, as improved, will be enhanced. If Lot 15, as improved, is sold to a *bona fide* purchaser, the parties will retain a mutually agreed upon appraiser to determine what the value of Lot 15 would have been without the residential home. The value of Lot 15 without the residential home as determined by the appraiser will be used to allocate the proceeds of the sale of Lot 15 as provided in paragraph 2. PGS will retain the difference, if any, between the sale price to the *bona fide* purchaser and value of the Lot 15 without the residential home as determined by the appraiser. Closing costs (*e.g.*, transfer taxes, escrow fees, etc.) shall be prorated between the parties based on the ratio of the value of the land (as determined by the appraiser) to the sale price of the property.

4. Termination of Agreement as to Lot 15. The Agreement, as amended, may be terminated of record as to Lot 15 once the provisions of paragraph 2 or paragraph 3 have been satisfied.


5. Other Terms Remain in Effect. All other terms and conditions of the Agreement, as previously amended, shall remain in full force and effect.

In witness whereof, authorized representatives of the parties have executed this Second Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill as of the date and year first above written.

CITY OF PLEASANTON

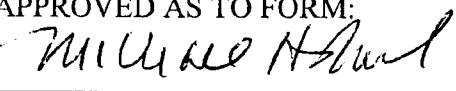
PLEASANTON GARBAGE SERVICE INC.

By:   
Nelson Fialho, City Manager

By:   
Printed Name: Robert Molinaro

ATTEST:  
By:   
Karen Gonzales, Deputy City Clerk

Title: Mrs.  
By: \_\_\_\_\_

APPROVED AS TO FORM:  
  
Michael H. Roush, City Attorney

Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

~~[signatures to be notarized]~~

(aj:mydocs\agmnts\05\2<sup>nd</sup> amend landfill)

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Alameda } ss.

On 08-10-05, before me, Karen D. Gonzales, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared Nelson Falcho  
Name(s) of Signer(s)

personally known to me

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Karen D. Gonzales  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Document: Second Amendment to Agreement Approving An Expenditure of Funds to close Former Landfill.  
Document Date: 08-10-05 Number of Pages: 3

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Nelson Falcho

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

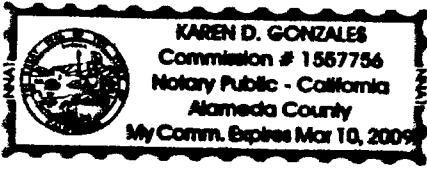
State of California

County of Alameda } ss.

On 08-10-05, before me, Karen D. Gonzales, Notary Public

personally appeared Michael Roush

- personally known to me
- proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Karen D. Gonzales  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**  
 Title or Type of Document: Second Amendment to Agreement Approving AN EXPENDITURE OF FUNDS TO Close Former Landfill  
 Document Date: 08-10-05 Number of Pages: 3

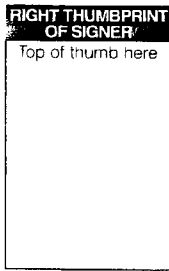
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Michael Roush

Individual  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



Signer's Name: \_\_\_\_\_

Individual  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

No. 5907

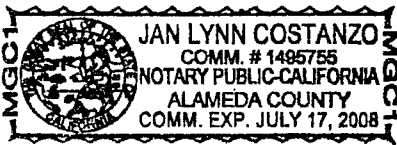
State of California

County of Alameda

On 8-11-05 before me, JAN LYNN COSTANZO  
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Robert J. Molinaro  
NAME(S) OF SIGNER(S)

personally known to me - OR -  proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

[Signature]  
SIGNATURE OF NOTARY

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY CLAIMED BY SIGNER**

- INDIVIDUAL
- CORPORATE OFFICER

\_\_\_\_\_  
TITLE(S)

- PARTNER(S)       LIMITED
- GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

**DESCRIPTION OF ATTACHED DOCUMENT**

\_\_\_\_\_  
TITLE OR TYPE OF DOCUMENT

\_\_\_\_\_  
NUMBER OF PAGES

\_\_\_\_\_  
DATE OF DOCUMENT

**SIGNER IS REPRESENTING:**  
NAME OF PERSON(S) OR ENTITY(IES)

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
SIGNER(S) OTHER THAN NAMED ABOVE

---

**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: 

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

---



---

**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

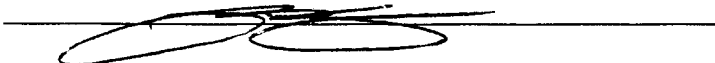
Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: 

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

---

---

**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Jan Lynn Costanzo

Commission number: 1495755

Notary Public State: California

Notary Public County: Alameda

My commission expires: July 17, 2008

Signature of Declarant: 

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

---

RECORDING REQUESTED BY:  
CHICAGO TITLE COMPANY

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:

City Clerk  
City of Pleasanton  
P.O. Box 520  
Pleasanton, CA 94566-0802



2005353314 08/18/2005 08:30 AM  
OFFICIAL RECORDS OF ALAMEDA COUNTY  
PATRICK O'CONNELL  
RECORDING FEE: 28 00



PGS

678353

2005353314

**FIRST AMENDMENT TO AGREEMENT APPROVING AN EXPENDITURE OF FUNDS TO CLOSE FORMER LANDFILL**

This First Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill is entered into this 10<sup>th</sup> day of August 2005 by the City of Pleasanton ("City") and Pleasanton Garbage Service, Inc. ("PGS").

**RECITALS**

A. PGS owns and operated a landfill for the disposal of solid waste under a franchise with the City, which was located at 2152 Vineyard Avenue, Pleasanton, which is a portion of Lot 8 and Lot 15 of the Map entitled "Map of the Property of J.A. Rose," Book 7 of Maps, Page 50 at the Alameda County Records ("Landfill Site").

B. On October 7, 1986, the City and PGS entered into an Agreement Approving an Expenditure of Funds to Close Former Landfill that was recorded with the Alameda County Recorder's Office on February 3, 1987 as Series No. 87-031791 ("Agreement") to address the costs of closing the Landfill Site.

C. Pursuant to Section 5 of the Agreement, if the Landfill Site was sold or developed, the money received from the sale was to be allocated first to PGS for its cost of the land valued at \$77,876, then second to PGS to offset future rate increases in an amount equal to the expenditures necessary for closure efforts, and third to be split equally between the City for the benefit of the ratepayers and PGS as a return on its investment in the land.

D. PGS now desires to divide the Landfill Site into Parcel 1 (approximately 20.42 acres south of Vineyard Avenue) and Parcel 2 (approximately 1.37 acres north of Vineyard Avenue) pursuant to proposed Parcel Map 8626.

E. PGS also desires to convey Parcel 2 to Mardel LLC in exchange for Lot 15 of Tract 7160 recorded August 10, 2004 in Book 277 of Maps at Pages 62-72 and has requested that Parcel 2 be released from the Agreement.

#1

F. The City agrees to release Parcel 2 of Parcel Map 8626 from the Agreement if a further amendment to the Agreement is recorded against and made applicable to Lot 15 of Tract 7160 after PGS takes title to Lot 15 and PGS is agreeable to that condition.

Now, therefore, the parties agree as follows:

1. Release of Parcel 2 from the Agreement. City and PGS hereby terminate the Agreement as to Parcel 2 of Parcel Map 8626 recorded on Aug 18 2005 in Book 284 of Maps at Pages 5-6, Alameda County Records.
2. Parcel 1 Remains Subject to the Agreement. City and PGS agree that Parcel 1 of Parcel Map 8626 recorded on Aug 18 2005 in Book 284 of Maps at Pages 5-6, Alameda County Records remains subject to the Agreement.
3. Other Terms Remain in Effect. All other terms and conditions of the Agreement shall remain in full force and effect.

In witness whereof, authorized representatives of the parties have executed this First Amendment to the Agreement Approving an Expenditure of Funds to Close Former Landfill as of the date and year first above written.

CITY OF PLEASANTON

PLEASANTON GARBAGE SERVICE INC.

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

Nelson Fialho  
Nelson Fialho, City Manager

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

Printed Name: \_\_\_\_\_

Robert Molinaro

ATTEST:

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

Karen Gonzales  
Karen Gonzales, Deputy City Clerk

Title: \_\_\_\_\_

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

Printed Name: \_\_\_\_\_

APPROVED AS TO FORM:

Michael H. Roush

Michael H. Roush, City Attorney

Title: \_\_\_\_\_

~~[signatures to be notarized]~~

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

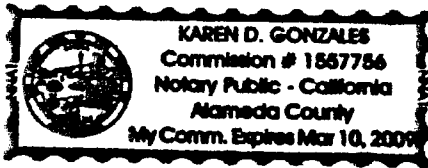
County of Alameda } ss.

On 08-10-05, before me, Karen D. Gonzales, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Nelson Falcho  
Name(s) of Signer(s)

personally known to me

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Place Notary Seal Above

Karen D. Gonzales  
Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Document: FIRST Amendment to Agreement  
APPROVING AN EXPENDITURE OF FUNDS TO CLOSE FORMER LAW FIRM  
Document Date: 08-10-05 Number of Pages: 2

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Nelson Falcho

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

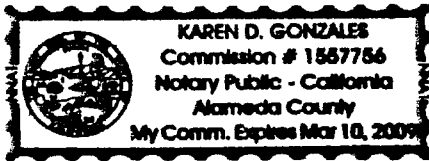
County of Alameda } ss.

On 08-10-05, before me, Karen D. Gonzales, Notary Public

personally appeared Michael Roush

personally known to me

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal

Place Notary Seal Above

Karen D. Gonzales  
Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

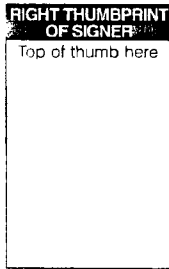
Title or Type of Document: FIRST Amendment to Agreement Approving AN EXPENDITURE OF FUNDS TO CLOSE FORMER LANDFILL  
Document Date: 08-10-05 Number of Pages: 2

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Michael Roush

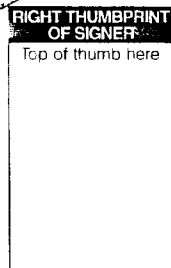
- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

No. 5907

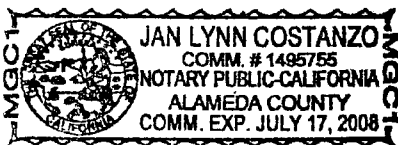
State of California

County of Alameda

On 8-11-05 before me, JAN LYNN COSTANZO  
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Robert J. Molinaro  
NAME(S) OF SIGNER(S)

personally known to me - OR -  proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

[Signature]  
SIGNATURE OF NOTARY

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY CLAIMED BY SIGNER**

- INDIVIDUAL
- CORPORATE OFFICER

\_\_\_\_\_  
TITLE(S)

- PARTNER(S)  LIMITED
- GENERAL

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
NAME OF PERSON(S) OR ENTITY(IES)

\_\_\_\_\_  
\_\_\_\_\_

**DESCRIPTION OF ATTACHED DOCUMENT**

\_\_\_\_\_  
TITLE OR TYPE OF DOCUMENT

\_\_\_\_\_  
NUMBER OF PAGES

\_\_\_\_\_  
DATE OF DOCUMENT

\_\_\_\_\_  
SIGNER(S) OTHER THAN NAMED ABOVE

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**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: \_\_\_\_\_



Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

---



**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

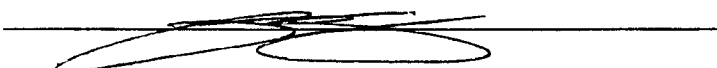
Name of Notary Public: Karen D. Gonzales

Commission number: 1557756

Notary Public State: California

Notary Public County: Alameda

My commission expires: March 10, 2009

Signature of Declarant: 

Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

---

**ILLEGIBLE NOTARY SEAL DECLARATION**

**GOVERNMENT CODE 27361.7**

I declare under penalty of perjury that the Notary Seal on the document to which this statement is attached, reads as follows:

Name of Notary Public: Jan Lynn Costanzo

Commission number: 1495755

Notary Public State: California

Notary Public County: Alameda

My commission expires: July 17, 2008

Signature of Declarant: \_\_\_\_\_



Print Name of Declarant: Ross Kennedy

City and State of Execution: Pleasanton, California

Date Signed: August 11, 2005

---

WHEN RECORDED, MAIL TO:  
City Attorney  
P. O. Box 520  
Pleasanton, CA 94566

71-031791

AGREEMENT APPROVING AN EXPENDITURE OF FUNDS  
TO CLOSE FORMER LANDFILL

013

~~October~~ THIS AGREEMENT is made and entered into this 7th day of September, 1986, by and between PLEASANTON WASTE SERVICE, INC., a California corporation (hereinafter referred to as "PGS") and the CITY OF PLEASANTON, a municipal corporation (hereinafter referred to as "CITY"). PGS and CITY agree as set forth below:

RECITALS

A. CITY pursuant to Article 9, Chapter 2, Title IV of the Ordinance Code has established an exclusive franchise for the collection of refuse in the CITY.

B. PGS previously operated a landfill for the disposal of solid waste for CITY in accordance with said franchise agreement.

C. PGS purchased the landfill site for \$77,876.00 in approximately 1969 and has never expensed the cost of the site in the rates charged for services.

D. CITY's sole relationship to the landfill site is as franchisor to PGS; the CITY does not have any real property interest in the landfill site and the landfill site is not within the city limits of Pleasanton.

E. Said landfill reached its capacity and PGS has taken steps to properly close and cease operation of the landfill.

F. Said landfill is subject to Closure Order Number 78-60 issued by the Regional Water Quality Control Board, San Francisco Bay Region, July 18, 1978.

G. Said Order 78-60 requires that the migration of methane gas be controlled as necessary to prevent the creation of any nuisance and that the existing sub-surface storm drain be removed.

H. CITY, by Resolution 81-36, Section 2(h) provided that:

Should the actual expenses necessary to properly close off the former Vineyard Avenue dump site be less than the \$100,000 projection, the unspent moneys shall be placed into the rate reserve. Should, however, said expense exceed \$100,000, the additional expense may be recovered in future rate increase.

I. Funds equal to Eighty-six Thousand One Hundred Nineteen and No/100 Dollars (\$86,119.00) have been expended on closure of the landfill site by PGS as of March 31, 1986, identified in Exhibit A attached to this agreement.

J. The costs to properly close the landfill will exceed the \$100,000.00 set aside by Resolution 81-36.

K. PGS is seeking authorization to expend said funds to be recovered out of a future rate increase.

NOW, THEREFORE, PGS and CITY agree and approve as follows:

1. PGS may expend funds in further closure efforts including the installation of a storm drain system and a methane gas control system as set forth in the July 8, 1986 letter from Brown & Caldwell, attached hereto as Exhibit D. The actual cost of these closure efforts in excess of the allotted \$100,000 shall be recoverable out of future rate increases. The presently contemplated expenditures are estimated as \$25,000 for PGS share of the storm drain line and \$122,000 to \$167,000 for the boundary control system.

2. PGS costs pursuant to the Gas Migration Mitigation Agreement between PGS and Ralph Martin and Marilyn Meclun (attached as Exhibit C) shall be recoverable in future rate increases, provided however, that if the mitigation involves a land purchase as permitted by Article VII of that Agreement, then the recoverable cost shall be reduced by the net resale value of the land. Between the time of a land purchase as referenced in Article VII and the time of resale of that land, the land purchase payments shall be a chargeable expense of the landfill closure. Upon resale, the amounts so charged shall be credited to the account for costs related to closure of the landfill site.

3. PGS shall consult with CITY concerning any future expenditures for studies, monitoring or other purposes in closure of the landfill. Any expenditures for closure of the landfill greater than \$10,000.00 shall be approved by the City Manager in order to be recoverable from the rate base. The City Manager shall not unreasonably withhold such approval.

4. PGS covenants to achieve and maintain compliance with standards established by the state and federal government regarding closure of the landfill site. The CITY will approve a transfer of the landfill site if legally adequate assurances are presented to the CITY that the transferee will have the obligation and resources to comply with state and federal requirements.

5. Should the landfill be sold and/or developed, any moneys received after costs of sale shall be allocated first to reimburse PGS for its cost of the land which value is \$77,876.00. Second, to be retained by PGS or the then current franchisee to offset future rate increases in an amount equal to the expenditures necessary for closure efforts. Third, any remaining residual moneys shall be split equally between the City for the benefit of the ratepayers and PGS as a return on its investment in the land.

6. If PGS ceases to be the city's franchisee, costs of the landfill closure including ongoing monitoring shall remain the responsibility of PGS provided, however, the City shall require that the subsequent franchisor shall reimburse ongoing costs of landfill closure to PGS from then existing garbage rates.

In the alternative, at the time of termination of the PGS franchise, City shall have the option to purchase the landfill site at the then appraised value minus the accumulated costs of the landfill closure, provided however, the City's option price shall not be less than Seventy-seven Thousand Eight Hundred Seventy-six and No/100 Dollars (\$77,876.00).

7. In the event of litigation to enforce this agreement, the prevailing party shall be entitled to reasonable attorney's fees.

8. This agreement shall be recorded in the Office of the County Recorder of Alameda County.

9. This agreement shall become effective immediately upon its execution.

PLEASANTON GARBAGE SERVICE, INC.

By Robert J. Molinaro  
Robert J. Molinaro, President

CITY OF PLEASANTON

By Frank C. Brandes, Jr.  
Frank C. Brandes, Jr., Mayor

ATTEST

James R. Walker  
James R. Walker, City Clerk

APPROVED AS TO FORM:

Peter D. MacDonald  
Peter D. MacDonald, City Attorney

ATTACH ACKNOWLEDGMENTS

RECORDED IN OFFICIAL RECORDS  
OF ALAMEDA COUNTY, CALIF.  
RENE G. DAVIDSON, County Recorder  
FEB - 3 1987  
AM 7,8,9,10,11,12,1,2,3,4,5,6 PM



PLEASANTON GARBAGE SERVICE, INC.  
 DUMP SITE FRANCHISE RATE RESERVE ACTIVITY  
 FOR THE SIX YEAR PERIOD  
 FROM APRIL 1, 1980 TO MARCH 31, 1986

#-031791

|                                    |      |         |         |         |
|------------------------------------|------|---------|---------|---------|
| ADDITIONS TO RESERVE               |      | \$      | 100,000 |         |
| EXPENDITURES CHARGEABLE TO RESERVE |      |         |         |         |
| DRILLING                           | \$ ( | 5,138)  |         |         |
| ENGINEERING                        |      |         |         |         |
| BROWN & CALDWELL                   | (    | 17,647) |         |         |
| OTHER                              | (    | 9,381)  |         |         |
| LANDFILL                           |      |         |         |         |
| DePAOLI                            | (    | 37,954) |         |         |
| OTHER                              | (    | 200)    |         |         |
| PROFESSIONAL-LEGAL                 | (    | 14,085) |         |         |
| MISCEL-REPAIRS, TESTS, ETC.        | (    | 1,654)  | (       | 86,119) |
|                                    |      |         | -----   |         |
| RESERVE BALANCE MARCH 31, 1986     |      | \$      | 13,881  | -----   |

EXHIBIT A

11-061791

**BROWN AND CALDWELL**  
CONSULTING ENGINEERS

July 8, 1986

Mr. Martin W. Inderbitzen  
Cale, Seibel, Inderbitzen  
62 West Neal Street  
Pleasanton, California 94566

11-19-2646-01/1

Subject: Methane Gas Control at  
the Pleasanton Garbage  
Service Landfill

Dear Mr. Inderbitzen:

The gas migration control system proposed in our May 9, 1986 letter consists of one extraction well located in the vicinity of borehole M-4 near the property line. The gas extraction well is connected to the vacuum pump via a header pipe. The vacuum pump discharges to either a flare or the atmosphere. The need for a flare will be determined by the regulatory agencies.

It is assumed the blower will be in an enclosed building adjacent to the flare (if required) and that these facilities are located in a flat and easily accessible portion of the site. Existing monitoring probes will be used to determine the radius of influence of the one extraction well. If methane concentrations do not drop in the monitoring probes, a second extraction well may have to be added on the Martin property to further reduce methane gas concentrations. The second extraction well will be tied into the existing header pipe and vacuum pump. Specific design requirements (for example, flare, type and size of blower and pipe, etcetera) are determined during the conceptual design phase. The design can be completed in approximately 8 weeks after authorization to proceed. Construction and system startup should take approximately 8 to 10 weeks after selection of a contractor.

The one well system proposed is intended to control further offsite gas migration and to potentially eliminate problems with gas that has already migrated offsite. The system is not intended to provide all the necessary protection for any future development on the landfill itself.

**EXHIBIT B**



Mr. Martin W. Inderbitzen  
July 8, 1986  
Page two

R-031791

I hope this answers your questions and we look forward to starting design of this system.

Very truly yours,

BROWN AND CALDWELL



Michael J. Dean  
Project Manager

MJD:mr  
cc: Mr. Larry Theison, Brown and Caldwell

BROWN AND CALDWELL

200 NORTH THIRD STREET SUITE 405 PHOENIX, AZ 85004 (602) 252-2521

GAS MIGRATION MITIGATION AGREEMENT

This Agreement is made and entered into this \_\_\_ day of \_\_\_\_\_, 1986, by and between PLEASANTON GARBAGE SERVICE, INC., a California corporation (hereafter referred to as "PGS"), and SALVX MARTIN and MARILYN E. LOGAN MOCIUN (hereinafter referred to as "OWNERS"). PGS and OWNERS agree as set forth below:

ARTICLE I

PURPOSE AND INTENT

1.01 PGS owns real property at 2512 Vineyard Avenue, Alameda County, California, more specifically identified in Exhibit A attached hereto and incorporated herein by reference. Said real property was formerly used as a landfill by PGS in connection with its franchise agreement to dispose of municipal waste for CITY. (Said real property is hereafter referred to as "LANDFILL").

1.02 OWNERS own real property adjacent to landfill at 2753 Crallin Road, Pleasanton, California, more specifically identified in Exhibit B attached hereto and incorporated herein by reference. (Said real property is hereafter referred to as "OWNERS' PROPERTY").

1.03 Methane gas is produced by the municipal waste placed in the LANDFILL. Methane gas has migrated and continues

EXHIBIT C

Gas Migration Mitigation Agreement  
 September 5, 1986  
 Page 2

to migrate from the LANDFILL onto OWNERS' PROPERTY in concentrations which are required to be mitigated under current local, state and federal guidelines.

1.04 It is the intent of the parties that FGS shall prevent the methane gas generated in the LANDFILL from migrating across the boundary of the OWNERS' PROPERTY by the installation of a boundary control system. It is further the intent of the parties that FGS shall cause as much of the methane gas that has migrated from the LANDFILL onto OWNERS' PROPERTY to be removed as soon as possible, and the methane gas be reduced to concentrations specified by local, state and federal regulations as expeditiously as possible.

1.05 FGS, through its consultant, has made an evaluation of the methane gas migration across the boundary of the LANDFILL onto OWNERS' PROPERTY.

1.06 FGS's consultant has recommended installation of a boundary control system in a report attached as Exhibit C and incorporated by reference herein (hereafter referred to as "CONSULTANT'S RECOMMENDATION").

1.07 The consultant's estimate for the installation, start-up, monitoring and operation of a boundary control system as outlined in Exhibit C is \$122,500.00 to \$167,500.00.

Gas Migration Mitigation Agreement  
September 5, 1986  
Page 3

1.08 It is the intent of PGS and OWNERS to enter into this agreement to install and maintain the proposed boundary control system, at no cost to the OWNERS, to prevent further migration of methane gas onto OWNERS' PROPERTY and to reduce any methane gas on OWNERS' PROPERTY originating in the LANDFILL to concentrations specified by local, state and federal regulations as expeditiously as possible and to remove as much of the remaining methane gas as is reasonably possible.

1.09 Pursuant to Resolution 81-36 of the City Council of the City of Pleasanton the costs to install and maintain the boundary control system described herein are recoverable costs out of future garbage rates which CITY acknowledges by separate agreement.

#### ARTICLE IX

#### DEFINITIONS

The following terms shall be used as follows in this Agreement:

2.01 PGS. Pleasanton Garbage Service, Inc. The franchisee of the City of Pleasanton for collection and disposal of municipal waste and owner of the LANDFILL.

2.02 CITY. City of Pleasanton. A general law city of the State of California in Alameda County.

Gas Migration Mitigation Agreement  
September 5, 1986  
Page 4

2.03 OWNERS. Ralph A. Martin of 2751 Crellin Road, Pleasanton, California 94566, and Marilyn E. Logen Meclun of 13864 Wheeler Acres Road, Grass Valley, California 95949, and their successors and assigns.

2.04 CONSULTANTS. Brown and Caldwell, consulting engineers, 1501 North Broadway, Walnut Creek, California.

2.05 SYSTEM. Boundary Control System recommended by CONSULTANT in its February 26, 1985 report as modified by its July 8, 1986 letter.

2.06 LANDFILL. PGE's property described in Exhibit A to this Agreement.

2.07 OWNERS' PROPERTY. OWNERS' property described in Exhibit B to this Agreement.

2.08 LOTS. The parcels to be created by the approval and recordation of a final subdivision map OWNERS' PROPERTY.

2.09 EXHIBITS. The following exhibits are attached hereto and incorporated by reference herein:

- Exhibit A Property description of LANDFILL.
- B Property description of OWNERS' PROPERTY.
- C Reports by CONSULTANT dated 2/26/85 and 7/8/86.
- D Performance Schedule.
- E Map of OWNERS' PROPERTY.
- F Right of Entry Agreement.
- G Close order #78-60.
- H Resolution 81-36-City of Pleasanton.

ARTICLE III

TERM

3.01 The term of this Agreement shall commence on September \_\_\_\_, 1986, and continue until (1) methane gas is no longer being generated on the LANDFILL by municipal waste in significant amounts and (2) methane gas already generated no longer remains on or under the LANDFILL site or the OWNERS' PROPERTY in significant amounts.

3.02 At such time as PGS believes that both conditions set forth in Section 3.01 exist and a consultant acceptable to the CITY determines that both conditions exist, PGS may send a termination notice to the CITY and OWNERS with a copy of the report setting forth the consultant's determination. If the OWNERS disagree with the determination of the consultant, the CITY shall serve as or appoint an arbitrator to determine if the termination is proper. The cost of arbitration shall be paid by PGS.

ARTICLE IV

PRIMARY MITIGATION MEASURES BY PGS

4.01 Pursuant to Order No. 72-60 issued by the Regional Water Quality Control Board for the San Francisco Bay Region, PGS has been ordered to comply with certain specifications in connection with the closure of LANDFILL. Such specifications include the requirement to install methane gas

Gas Migration Mitigation Agreement  
September 5, 1986  
Page 6

monitoring wells and the requirement that the migration of methane gas from the LANDFILL shall be controlled as necessary to prevent the creation of any nuisance. PGS agrees to take all actions necessary to prevent the creation of a nuisance on OWNERS' PROPERTY.

4.02 CONSULTANT has recommended installation of a boundary control system (the "SYSTEM") in its report. (See Exhibit C).

4.03 PGS agrees to install and maintain the SYSTEM and monitor methane gas in accordance with the requirements of its closure order No. 78-60.

PGS shall monitor the wells on the OWNERS' PROPERTY and the LANDFILL to assure that said system will reduce the levels of methane gas consistent with standards set forth in Article VI.

4.04 PGS agrees to install the SYSTEM in accordance with the Performance Schedule set forth in Section 5.01, below.

4.05 If monitoring of the SYSTEM reveals that the standards for performance set forth in Article VI, below are not met, PGS agrees to have a consultant acceptable to the CITY determine what additional mitigation measures are necessary to meet the standards.

4.06 PGS agrees to undertake the additional mitigations recommended by the consultant except as provided in Article VII.

Gas Migration Mitigation Agreement  
September 5, 1986  
Page 7

ARTICLE V

PERFORMANCE SCHEDULE

5.01 PGS shall install or cause to be installed the SYSTEM described in Exhibit C on the schedule attached as Exhibit D.

5.02 If the Standards of Performance required by Article VI are not met, but no emergency situation is in existence, PGS shall comply with the following schedule:

- (a) Employ a consultant acceptable to the City to determine necessary additional measures within 30 days of discovery of violation.
- (b) Consultant to report to CITY, PGS and OWNER within 45 days of employment by PGS.
- (c) PGS shall undertake the additional mitigation measures recommended by the consultant in its report or required by the City within 30 days of delivery of the report to CITY.

5.03 If at any time the concentrations of methane gas on OWNERS' PROPERTY create a safety hazard to people or property, PGS shall immediately take whatever steps are necessary to eliminate the danger and then shall follow the provisions of Section 5.02.



Gas Migration Mitigation Agreement  
September 5, 1986  
Page 8

ARTICLE VI

PERFORMANCE STANDARDS

6.01 Methane gas levels shall not exceed the strictest of the standards established by local, state or federal governments or this Agreement on the LANDFILL or on OWNERS' PROPERTY.

6.02 Methane gas levels shall not exceed concentrations of 1.25 percent on any proposed building site on OWNER'S PROPERTY as identified on the attached Exhibit E or any other building site subsequently identified on OWNERS' PROPERTY, provided PGS is notified of the new site.

6.03 Methane gas levels shall not exceed concentrations of 5 percent on OWNER'S PROPERTY other than identified building sites.

6.04 Methane gas levels shall not exceed concentrations of 5 percent at the boundary of the LANDFILL and OWNER'S PROPERTY.

ARTICLE VII

ALTERNATE PERFORMANCE

7.01 If the SYSTEM described in Exhibit C has not reduced the levels of methane gas to the concentrations required by Article VI after three months of continuous operation (but not later than April 15, 1987) or in the CONSULTANT'S determination reasonable progress has not been

made in the reduction of methane gas levels, PGS shall cause the CONSULTANT to determine what additional mitigations are necessary to meet said standards pursuant to Articles IV and V. CONSULTANT shall provide to PGS and OWNER an estimate of the cost of such additional mitigation measures by May 15, 1987.

IF PGS is delayed at any time in the installation of the system described in Exhibit C by any act or neglect of OWNER or by any employee of OWNER or by any separate contractor employed by OWNER or by changes ordered in the work by state, federal or local regulations or by labor disputes, fire, unusual delay in transportation, adverse weather conditions not reasonably anticipatable, unavoidable causes beyond PGS's control or by delay authorized by OWNER or by any other cause which the OWNER and PGS determine may justify the delay, then the performance standards set forth in Articles IV and V shall be extended for such reasonable times as the CONSULTANT may determine.

7.02 If the cost of the mitigation measures as estimated by CONSULTANT in accordance with Section 7.01 exceeds the value of the lots affected by methane gas migration PGS may elect to purchase those lots for the value specified in Section 7.03 below. PGS shall notify OWNERS of its election to purchase a lot or lots within 30 days of CONSULTANT'S estimate but not later than June 15, 1987. PGS shall pay OWNERS the price(s) set forth in Section 7.03 on the following terms:

Gas Migration Mitigation Agreement  
September 5, 1986  
Page 10

- (a) Down payment: 20% to be paid by July 1, 1987.
- (b) Balance evidenced by unsecured note bearing interest of 10% per year or the same interest rate as that being paid by the OWNERS on OWNERS' loan on OWNERS' PROPERTY whichever is greater.
- (c) Monthly payments: 1/12 the annual interest by the 1st day of each month.
- (d) Balance due: July 1, 1988, or 5 days prior to the date on which OWNERS pay off the loans on OWNERS' PROPERTY, whichever is earlier.

PROVIDED, HOWEVER, PGS shall not be required to purchase the lot or lots affected by methane gas migration until the Department of Real Estate ("DRE") has issued a White Report on the subdivision proposed on the OWNERS' PROPERTY, permitting the sale of lots to the public, unless the cause of the delay is the presence of methane gas on OWNERS' PROPERTY from the LANDFILL. If the DRE White Report is issued after June 15, 1987, PGS shall have 30 days to make the down payment required by subsection (a) above and one year and one month from the issuance of the Report to pay the balance required by subsection (d) above or 5 days prior to date on which OWNERS pay off the loans on OWNERS' PROPERTY, whichever is earlier. OWNERS shall continue to improve the lot or lots being purchased by PGS by grading, installing streets and utilities so that a building permit for construction of a home would be available but for the gas migration on the property.

7.03 The purchase prices for purposes of Section 7.02 for lots shown on Exhibit E shall be:

Lot #18 \$175,000

Lot #19 \$175,000

7.04 If PGS elects not to purchase the lot or lots affected, PGS shall promptly cause the additional mitigation measures to be installed at PGS's sole expense.

#### ARTICLE VIII

##### RIGHT OF ENTRY AGREEMENT

8.01 OWNERS shall execute the Right of Entry Agreement attached hereto as Exhibit F.

8.02 OWNERS shall cause the purchasers of lots 10, 11, 18 and 19 to be notified of the Right of Entry Agreement.

#### ARTICLE IX

##### FUTURE DEVELOPMENT OF LAND FILL

9.01 OWNER understands and acknowledges that future development of LANDFILL property owned by PGS is likely to occur.

#### ARTICLE X

##### SUCCESSORS IN INTEREST

10.01 This Agreement shall run with the land and be binding on and inure to the benefit of the successors in interest and assigns of PGS and the heirs, successors in interest and assigns of OWNERS.

8-031791

Gas Migration Mitigation Agreement  
September 5, 1986  
Page 13

Agreement upon sale of OWNER'S PROPERTY or any portion thereof,  
to their successor(s) in interest.

OWNERS

By \_\_\_\_\_  
Ralph A. Martin

By \_\_\_\_\_  
Marilyn E. Logan Mociun

PLEASANTON GARBAGE SERVICE, INC.  
A California Corporation

By Robert Molinaro  
Robert Molinaro

Attachments  
Exhibits A-C

**RESOLUTION NO. 18-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON APPROVING THE RATE RESERVE AGREEMENT WITH PLEASANTON GARBAGE SERVICE, INC.**

**WHEREAS**, The City of Pleasanton and Pleasanton Garbage Service, Inc. (PGS) are parties to a Refuse Collection Agreement dated Mary 16, 1989, as amended (the "Current Collection Agreement"), under which PGS has accumulated a franchise rate reserve and certain franchise rate deficits; and

**WHEREAS**, The City Council has approved, and PGS and the City have agreed to execute an Agreement for Solid Waste, Recyclable Materials and Organic Materials Collection Services (the "New Collection Agreement"), which will replace the Current Agreement effective July 1, 2018; and

**WHEREAS**, The City and PGS wish to eliminate the franchise rate reserve and deficits as described in the Rate Reserve Agreement dated March 20, 2018.

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE, AND ORDER THE FOLLOWING:**

**SECTION 1:** The City Council approves the Rate Reserve Agreement between the City of Pleasanton and Pleasanton Garbage Service, Inc. a copy of which is attached hereto as Exhibit A.

**SECTION 2:** Authorizes the Mayor to execute the above described agreement, attached as Exhibit A.

**SECTION 3:** This resolution shall become effective immediately upon its passage and adoption.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Pleasanton at a regular meeting held on March 20, 2018.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the 20<sup>th</sup> day of March 2018, by the following vote:

Ayes:  
Noes:  
Absent:  
Abstain:

\_\_\_\_\_  
Karen Diaz, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Daniel Sodergren, City Attorney

## RATE RESERVE AGREEMENT

This Rate Reserve Agreement (the "Agreement") is made as of March 20, 2018 by and between Pleasanton Garbage Service, Inc., a California corporation (the "Collector"), and the City of Pleasanton (the "City"), with reference to the following:

A. The Collector and the City are parties to that certain Refuse Collection Agreement dated May 16, 1989, as amended (the "Current Collection Agreement"), under which the Collector has accumulated a franchise rate reserve and certain franchise rate deficits.

B. The City Council has approved, and the Collector and the City have agreed to execute that certain Agreement for Solid Waste, Recyclable Materials and Organic Materials Collection Services (the "New Collection Agreement"), which will replace the Current Agreement effective July 1, 2018.

C. The parties wish to eliminate the franchise rate reserve and deficits described above under the Current Collection Agreement, in accordance with the terms described herein.

NOW, THEREFORE, in and for mutual covenants herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. For purposes of this Agreement, capitalized terms used herein shall have the following meanings:

"Collector" means Pleasanton Garbage Service, Inc., a California corporation.

"Current Collection Agreement" shall mean the Refuse Collection Agreement dated May 16, 1989, as amended.

"Deficit" shall mean the aggregate of the rate reserve deficits existing under the Current Collection Agreement as of June 30, 2018, as determined in accordance with the Current Collection Agreement based on records prepared according to GAAP (which will be \$975,317 in accordance with the Current Collection Agreement).

"GAAP" shall mean generally accepted accounting principles in the United States consistently applied.

"New Collection Agreement" means the Agreement for Solid Waste, Recyclable Materials and Organic Materials Collection Services, effective July 1, 2018.

"Profit on the Unamortized Balance" means the amount resulting from dividing the Unamortized Balance as of June 30, 2018 by 0.90 and, from the resulting quotient, subtracting the Unamortized Balance as of June 30, 2018 (which will be \$130,145).

"Reserve" shall mean the rate reserve existing under the Current Collection Agreement as of June 30, 2018, as determined in accordance with the Current Collection Agreement and this Agreement based on records prepared according to GAAP (which was \$4,298,737 as of March 31, 2017 in accordance with the audited financial statement for Collector as of such date received by the City). The amount of the Reserve at June 30, 2018 is unknowable but Collector has represented to City that, while a number of factors can affect the absolute balance, it is currently reasonable to believe that it is sufficient to provide for the Deficit, the Unamortized Balance, and

the audit fees described below, with a remaining balance of at least \$2,000,000.

“Unamortized Balance” shall mean the unamortized or undepreciated cost to the Collector and CARI, as of June 30, 2018, of equipment (as shown on Attachment A) used under the Current Collection Agreement that was purchased prior to March 31, 2017, as determined in accordance with the Current Collection Agreement based on records prepared according to GAAP (which will be \$1,171,302).

2. The Reserve will be determined, as follows:
  - a. Not later than January 1, 2019, Collector shall submit to City its proposed calculation of the Reserve along with its audited financial statement for the year ending June 30, 2018.
  - b. Within 60 days of receipt, City shall review Collector’s proposed calculation for compliance with this Agreement, consistency with the audited financial statement as well as Collector’s corresponding books of account, and mathematical accuracy.
  - c. Following City’s review of Collector’s proposed calculation, City and Collector shall meet for a period of up to 60 days to discuss any exceptions taken to the Collector’s proposed calculations.
  - d. The agreed upon calculations (or if no agreement is reached the City staff’s recommended calculations) shall be submitted to City Council for approval.
  - e. City Council shall act upon the submitted calculations within a period of 90 days following City Council receipt thereof. Prior to taking action on the request, at least one (1) noticed public hearing shall be held upon the calculations.
  
3. The Reserve will be applied, as follows:
  - a. First, as a credit to the Deficit;
  - b. Second, if any Reserve remains following step a, as a credit to the Unamortized Balance;
  - c. Third, if any Reserve remains following steps a and b, to Collector to reimburse it for the special short period audit costs for Collector and CARI under Section 2 above;
  - d. Fourth, if any Reserve remains following steps a, b and c:
    - i. Up to \$2,000,000, the entire remaining amount shall be transferred by the Collector to the City.
    - ii. Following steps a, b, c and d.i., if any Reserve remains, then 50% of the remainder shall be transferred by the Collector to the City, and 50% shall be shared with the Collector up to a maximum share to the Collector of \$130,145. For example: If, following step c there remains \$2,130,000, the City shall receive \$2,065,000 and the Collector shall receive \$65,000; or, if \$2,300,000 remains, then the City shall receive \$2,170,000 and the Collector shall receive \$130,145.
  - e. It is the intent of the City to:
    - i. First, to the extent sufficient for such purpose, apply from the Reserve an amount equal to 0.5% of the sum of the actual Gross Rate Revenues and Transfer Station Revenues each rate year to supplement the 3.5% franchise fees required under the New Collection Agreement; and, if any Reserve remains,
    - ii. To mitigate future rate increases under the New Collection Agreement.




4. This Agreement shall be deemed to be part of, or an amendment to, the Current Collection Agreement and shall be subject to the terms thereof, except to the extent such terms are inconsistent herewith.

IN WITNESS WHEREOF, the Collector and the City have executed this Agreement as of the date first above written.

THE COLLECTOR

THE CITY

By: 

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

Printed Name: Robert Molinaro

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Attachment A: Unamortized or Undepreciated Asset Values as of June 30, 2018.

**ATTACHMENT A:  
UNAMORTIZED OR UNDEPRECIATED ASSET VALUES AS  
OF JUNE 30, 2018**

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Unamortized Balance of Undepreciated Costs as of June 30,  
2018 for Assets to be Used in New Collection Agreement

| FY Ending 6/30 | PGS          | CARI      | Total        |
|----------------|--------------|-----------|--------------|
| 2019           | \$ 387,999   | \$ 17,363 | \$ 405,362   |
| 2020           | \$ 345,523   | \$ -      | \$ 345,523   |
| 2021           | \$ 215,174   | \$ -      | \$ 215,174   |
| 2022           | \$ 104,919   | \$ -      | \$ 104,919   |
| 2023           | \$ 73,659    | \$ -      | \$ 73,659    |
| 2024           | \$ 26,665    | \$ -      | \$ 26,665    |
| Total          | \$ 1,153,939 | \$ 17,363 | \$ 1,171,302 |