FRANCHISE AGREEMENT

BETWEEN

THE CITY OF MILPITAS

AND

MILPITAS SANITATION, INC.

FOR

COLLECTION OF SOLID WASTE

AND

COLLECTION AND PROCESSING OF

RECYCLABLE MATERIALS AND ORGANIC MATERIALS

FINAL AGREEMENT

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FRANCHISE AGREEMENT
BETWEEN
CITY OF MILPITAS
AND
MILPITAS SANITATION, INC.
FOR
COLLECTION OF SOLID WASTE AND COLLECTION AND PROCESSING OF RECYCLABLE MATERIALS AND ORGANIC MATERIALS

THIS FRANCHISE AGREEMENT is made and entered into as of December 8, 2016 , between the City of Milpitas, California, a political subdivision of the State of California (hereinafter "City"), and Garden City Sanitation, Inc. doing business as Milpitas Sanitation, Inc., (hereinafter referred to as the "Contractor").

RECITALS

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

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

WHEREAS; the State of California has found and declared that the amount of refuse generated in California, coupled with diminishing Disposal capacity 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 Organic Waste Recycling Act of 2014 (AB 1826), AB 1594 (Chapter 719, Statutes of 2014 [Williams, AB 1594]), the Event and Venue Recycling Act of 2004 (AB 2176), and SB 1016 (Chapter 343, Statutes of 2008 [Wiggins, SB 1016]), directed the responsible State agency, and all local agencies, to promote Diversion and to maximize the use of feasible waste reduction, re-use, Recycling, and Composting options in order to reduce the amount of refuse that must be Disposed;

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 of Solid Waste, Recyclable Materials, Organic Materials, and C&D, and other services related to meeting the City's integrated waste management goals;

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

Organic Materials, and C&D; and,

WHEREAS; the City has determined that Contractor, by demonstrated experience, reputation and capacity is qualified to provide for both the Collection of Solid Waste, Recyclables 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, therefore, desires that Contractor be engaged to perform such services on the basis set forth in this Agreement.

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

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

ARTICLE 1. GRANT AND ACCEPTANCE OF FRANCHISE

1.1 Grant and Acceptance of Franchise

By the signing of this Agreement, City grants to Contractor and Contractor accepts an exclusive franchise within the corporate limits of the City. The franchise granted to Contractor shall be for the scope of services described in Section 3.1 and Article 4 of this Agreement, subject to the limitations described in Section 1.2 and except where otherwise precluded by Federal, State, and local laws and regulations.

This Agreement and scope of this franchise shall be interpreted to be consistent with Applicable Law, now and during the Term of the Agreement. If future judicial interpretations of current law or new laws, regulations, or judicial interpretations limit the ability of the City to lawfully contract for the scope of services in the manner and consistent with all provisions as specifically set forth herein, Contractor agrees that the scope of the Agreement will be limited to those services and materials which may be lawfully included herein and that the City shall not be responsible for any lost profits or losses claimed by Contractor to arise out of limitations to the scope or provisions of the Agreement set forth herein. In such an event, it shall be the responsibility of Contractor to minimize the financial impact of such future judicial interpretations or new laws and the Contractor may meet and confer with City and may petition for a Rate adjustment pursuant to Section 8.4.

1.2 Limitations to the Franchise

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

A. **Recyclable and Organic Materials.** Other Persons shall maintain the right to: (1) accept Source Separated Recyclable Materials and Source Separated Organic Materials donated from the service recipient, or (2) to pay the service recipient for Source Separated Recyclable Materials and Source Separated Organic Materials so long as there is no net payment made by the service recipient to

such other Person;

B. **Specialty Recyclables**. Other Persons shall maintain the right to collect Specialty Recyclable Materials;

C. **Self-Hauled Materials**. A Commercial business Owner, Occupant or Resident may Dispose of Solid Waste, Recyclable Materials, Organic Materials, and C&D generated in or on their own Premises with their own vehicle;

D. **Donated Materials**. Any items which are Source Separated at any Premises by the Generator and donated to youth, civic, or charitable organizations;

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

F. **Materials Removed by Owner's or Occupant's Contractor as Incidental Part of Services**. To the extent allowed by law, Organic Materials, and/or C&D removed from a Premises by a contractor (e.g., gardener, landscaper, tree-trimming service, demolition contractor, construction contractor, Residential clean-out service) as an incidental part of the service being performed and such contractor is providing a service which is not included in the scope of this Agreement;

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

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

I. **Excluded Waste**. Excluded Waste regardless of its source; and,

J. **Materials Generated by State, County, and Federal Facilities**. Materials generated by State (including its political subdivisions, excepting City and County), County, and Federal facilities located in the City provided that the Generator has arranged services with other Persons or has arranged services with the Contractor through a separate agreement.

Contractor acknowledges and agrees that the City may permit other Persons besides the Contractor to Collect any and all types of materials excluded from the scope of this Franchise, as set forth above, without seeking or obtaining approval of Contractor. If Contractor can produce evidence that other Persons are servicing Collection Containers or are Collecting and Transporting Solid Waste, Recyclable Materials, Organic Materials, and/or C&D (collectively "Franchised Materials") in a manner that is not consistent with this Agreement or the City's Municipal Code, it shall report the location, the name and phone number of the Person or company to the City's Contract Manager along with Contractor's evidence. In such case, City may notify the Customer, Generator and Person providing service of Contractor's rights under this Agreement.

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

adjustment pursuant to Section 8.4.

1.3 Obligations of Parties

In addition to the specific performance required under the Agreement:

A. Contractor shall use its reasonable commercial efforts to enforce its rights under this Agreement by the Contractor's identification and documentation of violations of the Agreement by third parties.

B. Contractor and City shall each provide timely notice to the other Party of a failure or perceived failure to perform any obligations under this Agreement, and each shall have access to information demonstrating the Party's failure or perceived failure to perform.

C. Contractor and City shall provide timely access to the City Contract Manager and the Contractor's designated representative as applicable and complete and timely responses to requests of the other Party.

D. Contractor and City shall provide timely notice of matters which may affect either Party's ability to perform under the Agreement.

ARTICLE 2. TERM OF AGREEMENT

2.1 Term and Option to Extend

The Term of this Agreement shall commence September 6, 2017 and continue in full force for a period of approximately fifteen (15) years, through and including August 31, 2032, unless this Agreement is extended in accordance with this Section or terminated pursuant to Section 10.2. Notwithstanding the foregoing, in the event that the commencement of services hereunder is delayed beyond September 6, 2017 as the result of any Legal Challenge described in Section 2.2E below, the Term of this Agreement shall commence on the earliest feasible date after such Legal Challenge has been resolved (but not sooner than nine (9) months after Contractor orders the equipment necessary to provide the services hereunder) and continue in full force for a period of fifteen (15) years, unless this Agreement is extended in accordance with this Section or terminated pursuant to Section 10.2. The date that the Term of this Agreement commences in accordance with this Section 2.1 is referred to as the "Commencement Date."

The Term of this Agreement shall only be extended with the prior consent of both Parties. Should the Parties choose to extend this Agreement, both Parties shall meet and confer no later than one (1) year prior to the expiration of this Agreement to determine and specify the duration and terms of such extension. Between the Effective Date and Commencement Date, Contractor shall perform all activities necessary to prepare itself to start providing services required by this Agreement on the Commencement Date.

Notwithstanding the above, City may at its sole discretion and with a six (6) month notice, require Contractor to enter into a one (1) year extension of the Agreement without changes to its material provisions.

2.2 Conditions to Effectiveness of Agreement

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

A. **Accuracy of Representations.** The Contractor's representations and warranties made in Contractor's Proposal and Article 11 of this Agreement are true and correct on and as of the Effective Date.

B. **Furnishings of Insurance and Performance Bond.** Contractor has furnished evidence of the insurance and performance bond required by Article 9 that is satisfactory to the City.

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

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

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

E. **Legal Challenge.** Contractor understands and acknowledges that the award of this Agreement and related decisions may be subject to review and repeal by the City's citizens through a referendum or similar petition, and to various types of legal and environmental challenges (such referenda, similar petition and legal and environmental challenges being referred to collectively as "Legal Challenges"). Accordingly, this Agreement shall not become effective until the City reasonably determines that (1) any Legal Challenges that had been initiated as of the time of such determination have been resolved in favor of the City's award of this Agreement to Contractor; and (2) the deadline to initiate any additional Legal Challenges has expired; provided, however, that Contractor shall be entitled to rescind this Agreement upon thirty (30) days' prior written notice to the City if such determination is not made by March 31, 2017. In the event that the City becomes subject to any Legal Challenge, it shall notify Contractor and the City may: (1) rescind the action awarding the Agreement; (2) submit the action to the voters (if applicable); or (3) take any other action permitted by law in its sole discretion. If the City opts to submit the action to the voters or to oppose any Legal Challenge, it shall immediately so inform Contractor by written notice describing the City's decision. Unless Contractor elects to terminate the Agreement within five (5) days of its receipt of such notice, Contractor shall pay up to $100,000 in the aggregate of City's election costs and/or attorneys' fees and costs incurred in submitting the action to the voters or in opposing such Legal Challenges ("Contractor's Contribution"); provided, however, that the City shall indemnify, defend and hold Contractor harmless from and against any and all costs, losses and expenses incurred by Contractor in connection with such Legal Challenges (other than Contractor's Contribution). Contractor's Contribution will be reimbursed to Contractor within sixty (60) days after the City determines that the Legal Challenges have been resolved in

the City's favor; otherwise such Contribution will not be reimbursed.

The City acknowledges that Contractor must order trucks necessary to perform the services hereunder at least nine (9) months prior to the Commencement Date, that the projected September 6, 2017 Commencement Date cannot be satisfied unless such trucks are ordered by December 1, 2016, and that such orders require nonrefundable deposits of approximately $4,200,000. Contractor will not order such trucks until the City has determined that all Legal Challenges have been resolved in the City's favor and given Contractor written notice to such effect, whereupon the Commencement Date will be revised to be the date that is nine (9) months after the date Contractor receives such notice. In the event that the City later takes any action, or is forced by Legal Challenge, to rescind the award of this Agreement to Contractor, the City will immediately reimburse Contractor for the nonrefundable deposits and take title to the trucks.

ARTICLE 3. SCOPE OF AGREEMENT

3.1 Summary Scope of Services

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

A. Collecting Solid Waste, Recyclable Materials, Organic Materials, and C&D generated by and placed for Collection by Customers that are subscribers of Contractor's services pursuant to requirements of Article 4;

B. Transporting Collected Solid Waste, C&D Waste, Organic Materials, and materials collected through the on-call Bulky Item lean-up program (other than Reusable Materials collected at no cost by a third party) to the Approved Facility pursuant to requirements of Article 4;

C. Transporting to and Processing Recyclable Materials, Organic Materials, and Source Separated Recyclable C&D at the appropriate Approved Facilities;

D. Performing all other services required by this Agreement including, but not limited to, Customer billing, public education, Customer service, record keeping, and reporting pursuant to Articles 4 and 6 and Exhibits B (Public Education & Outreach) and C (Reporting);

E. Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and all other items and services necessary to perform its obligations under this Agreement;

F. Paying all expenses related to provision of services required by this Agreement including, but not limited to, taxes, regulatory fees, City fees, and utilities;

G. Performing or providing all services necessary to fulfill its obligations in full accordance with this Agreement at all times using best industry practice for comparable operations; and,

H. Complying with all Applicable Laws.

The enumeration and specification of particular aspects of service, labor, or equipment requirements shall not relieve Contractor of the duty to perform all other tasks and activities necessary to fulfill its obligations under this Agreement, regardless of whether such requirements are enumerated elsewhere in the Agreement, unless excused in accordance with Section 10.7.

3.2 Use of Approved Facilities

A. Approved Facilities

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

Contractor shall maintain accurate records of the quantities of Solid Waste, Recyclable Materials, Organic Materials, and C&D Transported to the Disposal, Processing, or Composting Facilities and will cooperate with City and any regulatory authority in any audits or investigations of such quantities.

Contractor shall pay all tipping fees and other costs associated with Transporting to and Processing and/or Disposing Solid Waste, Recyclable Materials, Organic Materials, C&D, and other materials Collected in the City at the Approved Facilities.

Contractor shall observe and comply with all regulations in effect at the Approved Facilities, and shall cooperate with and take direction from the operators thereof with respect to delivery of Solid Waste, Recyclable Materials, Organic Materials, C&D, and other materials Collected in the City. Contractor shall actively work with the Approved Facilities operators throughout the Term of this Agreement to minimize contamination of the Recyclable Materials, Organic Materials, and C&D Collected under this Agreement and delivered to the Approved Facilities.

To the extent an Approved Facility(ies) or other Facility-related services are provided by an Affiliate or Subcontractor, Contractor shall ensure compliance of that party with the provisions of Section 4.8. However, this requirement is in no way intended to limit Subcontractor compliance with all applicable provisions of this Agreement.

B. Alternative Facilities

1. **Purpose.** Contractor shall identify, and enter into arrangements with Alternative Transfer and Processing Facilities, whether an Affiliate or owned by a third-party prior to the Effective Date, and subject to review by the City upon City request in order to ensure uninterrupted service should Contractor for any reason be unable to provide or obtain services at one or more of the Approved Facilities.

2. **Alternative Facility Arrangements.** Alternative Transfer and Processing Facility arrangements must ensure that Contractor can Deliver Discarded Materials or street sweepings to an Alternative Facility within two (2) Business Days of Contractor or City notice of need to use such Alternative Facility. Contractor shall ensure that Alternative Facilities are able to accept Discarded Materials or street sweepings on a continuous basis for no less than thirty (30) Days. Should Contractor use of the Alternative Facility exceed thirty (30) Days, City may require Contractor provide additional reasonable assurances of the Alternative Facility's ability to accept Discarded Materials or street sweepings on an ongoing basis under the terms of this Agreement. Contractor may request, and City may at its discretion grant a change in an Alternative Facility owned and operated by Contractor or an Affiliate, or owned and/or

operated by a third party but then only with the third party's prior written consent.

3. **Contractor Responsibility for Additional Cost.** If Contractor is unable to, or chooses not to provide for Delivery of Discarded Materials or street sweepings to an Approved Facility for reasons other than those specified in Section 10.7, Contractor shall provide immediate notice to City of its need to use an Alternative Facility, and shall be solely responsible for incremental differences in cost due to per-ton fees charged at the Alternative Facility and any additional transportation costs incurred in Transport and Delivery of Discarded Materials or street sweepings to the Approved Facility as provided in Article 8.

4. **City Responsibility for Additional Cost.** If Contractor is unable to provide for Delivery of Discarded Materials or street sweepings, or Transport of Discarded Materials or street sweepings to an Approved Facility for a reason specified in Section 10.7, Contractor shall provide immediate notice to City of its need to use an Alternative Facility. City shall be responsible for incremental differences in cost due to per-ton fees charged at the Alternative Facility and any additional transportation costs incurred in Delivering or Transport of Solid Waste to the Alternative Facility as provided in Article 8.

5. **City Right to Terminate.** If, for any reason, the Contractor is unable to use an Approved Facility for a period greater than 30 days, the City may, at its sole discretion, terminate this Agreement as provided in accordance with Section 10.2. In the event that Contractor has reason to believe that an Alternative Facility(ies) may be needed for a period greater than 30 days, including as a permanent replacement for an Approved Facility, Contractor shall immediately notify the City Contract Manager to request consideration of a new or replacement Approved Facility.

C. Delivery to Non-Approved Facilities Prohibited

Should Contractor Transport Discarded Materials or street sweepings to a facility other than an Approved Facility or an Alternative Facility as provided in Section 3.2.B without prior City approval, Contractor shall be subject to the penalty identified in Exhibit E for "Delivery to a Non-Approved Facility".

3.3 Capacity Assurance

Contractor warrants that as of the Commencement Date it has sufficient Transfer capacity at the Approved Transfer Facility to receive, Transfer and transport all materials intended for Processing throughout the Term, and that it shall maintain that Transfer capacity through the Term.

Contractor warrants that as of the Commencement Date it has sufficient capacity at the Approved Processing Facilities to Process all materials throughout the Term, and that it shall maintain that capacity through the Term.

If at any time during the Term or an extension Contractor fails to provide the capacity needed to fulfill its obligations under this Agreement, the City may assess Liquidated Damages for each Ton of material that the Contractor is unable to Transfer or Process in accordance with the provisions of Exhibit E.

3.4 No Limitation on City Diversion Programs

The City maintains programs to reduce the amount of waste intended for Disposal. It is the City's intent to continue to improve, develop, and enhance existing programs as well as to implement new programs and services throughout the Term as it deems necessary to meet or exceed mandated Diversion program requirements and goals established by AB 939 and subsequent federal, State, County or local legislation including, but not limited to the State 75 percent recycling goal established in AB 341 and the programmatic requirements of AB 1826. Contractor acknowledges that the characterization and quantity of materials Delivered to the Approved Facilities will change over the Term and may over time be significantly different than that as of the Commencement Date of the Agreement.

Nothing in this Agreement shall prevent, penalize, or impede, in any manner, the City from continuing programs, altering programs, or developing new programs that have the effect of reducing or increasing the amount of Solid Waste Collected and Delivered to the Approved Facilities or to the Disposal Contractor including Processing of Collected Solid Waste in lieu of Delivery for Disposal.

3.5 Subcontracting

Contractor shall not engage any Subcontractors for Collection, Transportation, or Processing of Solid Waste, Recyclable Materials, Organic Materials, C&D services, or street sweeping without the prior written consent of City Contract Manager. As of the Effective Date of this Agreement, City has approved Contractor's use of those subcontractors identified in Contractor's Proposal, included herein as Exhibit I. If the Contractor plans to engage other Affiliate or related party entities in the provision of services, Contractor shall obtain written approval from City Contract Manager thirty (30) days prior to its plans to use party. Contractor shall submit written request to the City seeking approval of other Affiliate or related party entities. Such request shall include a description of its plans, name and qualifications of party, and an explanation of any potential impacts related to the quality, timeliness, or cost of providing services under this Agreement.

3.6 Responsibility for Materials

Once Solid Waste, Recyclable Materials, Organic Materials, and C&D are placed in the Contractor's Containers and at the Collection location, the responsibility for their proper handling shall transfer directly from the Generator to Contractor, with the exception of Excluded Waste if the Contractor can identify the Generator pursuant to Section 5.7.B. Once Solid Waste, Recyclable Materials, Organic Materials, C&D and street sweepings are deposited by Contractor at the appropriate Approved Facility, such materials shall become the responsibility of the Owner or operator of the Approved Facility including the Disposal Contractor in the case of Disposal, with the exception of Excluded Waste pursuant to Section 5.7.C.

Responsibility for Excluded Waste that has been inadvertently Collected by the Contractor shall remain with the Contractor if it cannot identify the Generator, and Contractor shall assume all responsibility for its proper Disposal.

3.7 Cooperation with City or County

The Contractor shall with no added compensation cooperate with the City, its agent, and/or Santa Clara County and/or its agent, or any State regulatory authority and/or its agent if the City or County or State

regulatory authority seek to collect data, perform field work, and/or evaluate and monitor Diversion program results through characterization of Solid Waste, including providing reasonably requested data, allowing visits to Approved Facilities, and allowing use of Contractor-designated areas of Approved Facilities as needed to perform Solid Waste characterizations.

Contractor shall also cooperate with City and/or County or State regulatory authority by providing requested data and review and otherwise assisting with any Disposal Reporting System Investigations or Origin Report Studies by providing documentation deemed reasonably necessary by the City Contract Manager, the County or State regulatory authority.

3.8 Carbon Offset Credits

The City reserves the right to revenues or other benefits from carbon offset credits obtained by Contractor related to services performed under this Agreement.

3.9 City-Directed Changes to Scope

City and Contractor shall meet and confer to establish the scope of any additional services or modification to existing services (which may include use of Approved Facilities) to be provided under this Agreement. In such case, Contractor shall present, within thirty (30) calendar days of City's request, a written proposal to provide such modified or additional services, including changes in Contractor's compensation.

City shall review the Contractor's proposal for the change in scope of services. City and Contractor shall meet and confer to negotiate Contractor's proposed revisions and costs and shall amend this Agreement, as appropriate, to reflect the mutually agreed-upon changes in scope.

ARTICLE 4. SCOPE OF SERVICES

Contractor shall perform the services described in this Article 4, and shall bill all Customers as provided at the Rates approved under this Agreement as provided in Section 8.1 and as specified in Exhibit L. Failure to specifically require an act necessary to perform the service does not relieve Contractor of its obligation to perform such act.

Contractor acknowledges that City is committed to Diverting materials from Disposal through the implementation of source reduction, reuse, Recycling, Composting, and other programs, and that City may implement new programs in accordance with Section 3.9 that may impact the overall quantity or composition of materials to be Collected by Contractor, subject to Contractor's right to petition for a change in City-approved Maximum Rates pursuant to Section 8.4.

Residential/Mixed Use Solid Waste Service

Solid Waste service shall be provided in carts or bins as follows:

1. Single-Family

Premises with individual units that are billed directly for service. Single-Family includes 1-4 residential units that are provided carts (single-family, mobile homes, duplex through four-plex developments, and

townhomes and row houses with accessible individual street frontage).

2. Medium Multi-Family

Premises may include single-family attached and semi-attached houses and duplexes and shall be provided with carts or bins, as determined by the Contractor and approved by the City.

3. High-Density Multi-Family

Attached row houses to triplexes and four-plexes, stacked townhomes, and walkup garden apartments and shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

4. Very High-Density Multi-Family

Row houses to townhouses to lofts and stacked flats with structured parking. Very high-density multi-family shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

5. Mixed Use

Commercial offices, retail and services, high-density residential, and public/quasi-public uses and shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

6. Valet Service

Specialized consolidation services, provided by third parties of solid waste, recyclables and/or food scraps for medium to very-high density dwellings and complexes that cannot be serviced via traditional collection vehicles. Typically, materials are collected and deposited into a centralized location in bins or compactors for collection and processing by the Contractor and approved by the City.

Figure 4-1 summarizes Contractor provision of Residential/mixed use Solid Waste and Food Scraps Collection Services.

Figure 4-1: Overview of Residential/Mixed Use Solid Waste and Food Scraps Services

Solid Waste and Food Scraps Collection	Carts	Bins
Single-Family Premises with 1-4 units	Split-Carts: {Solid Waste / Food Scraps}/ unit Total Capacity: 38-gal, 45-gal (64-gal cart with 26-gal insert solid waste), 64-gal, 96-gal Food Scraps Capacities: 19-gal (38-gal cart with solid waste insert) and 29-gal (96-gal cart)	None
Medium Multi-Family Premises	Split-Cart: {Solid Waste / Food Scraps}/ unit (with no Bin service) Food Scraps Cart per enclosure (with Solid Waste Bin service)	Solid Waste Bin
High-Density Multi-Family Premises	Food Scraps Cart per enclosure	Solid Waste Bin / Compactor Food Scraps Bin per enclosure

Very High-Density Multi-Family Premises	Food Scraps Cart per enclosure	Solid Waste Bin / Compactor Food Scraps Bin per enclosure
Valet Service (as provided by 3rd parties)	None, may vary depending upon complex arrangements with the Contractor and approved by City.	Solid Waste Bin / Compactor

Figure 4-2: Spilt-Cart Solid Waste & Food Scraps Capacities

PAY-AS-YOU-THROW SPLIT CART

38-gallon split cart
19-gallon Garbage
19-gallon Food Scraps

45-gallon split cart
26-gallon Garbage
19-gallon Food Scraps

64-gallon split cart
45-gallon Garbage
19-gallon Food Scraps

96-gallon split cart
67-gallon Garbage
29-gallon Food Scraps

Residential/Mixed Use Recycling Service

Recycling service shall be provided in carts or bins as follows:

1. Single-Family

Premises with individual units that are billed directly for service. Single-Family includes 1-4 residential units that are provided carts (single-family, mobile homes, duplex through four-plex developments, and townhomes and row houses with accessible individual street frontage).

2. Medium Multi-Family

Premises may include single-family attached and semi-attached houses and duplexes and shall be provided with carts or bins, as determined by the Contractor and approved by the City.

3. High-Density Multi-Family

Attached row houses to triplexes and four-plexes, stacked townhomes, and walkup garden apartments and shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

4. Very High-Density Multi-Family

Row houses to townhouses to lofts and stacked flats with structured parking. Very high-density multi-

family shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

5. Mixed Use

Commercial offices, retail and services, high-density residential, and public/quasi-public uses and shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

6. Valet Service

Specialized consolidation services, provided by third parties of solid waste, recyclables and/or food scraps for medium to very-high density dwellings and complexes that cannot be serviced via traditional collection vehicles. Typically, materials are collected and deposited into a centralized location in bins or compactors for collection and processing by the Contractor and approved by the City.

Figure 4-3 summarizes Contractor provision of Residential/mixed use Recycling Collection Services.

Figure 4-3: Overview of Residential/Mixed Use Recycling Services

Recycling Collection	Carts	Bins
Single-Family Premises	Split-Cart: {Fibers / Containers}/ unit	None
Medium Multi-Family	Split-Cart: {Fibers / Containers}/ unit (with no Bin service) 2 Single Carts / unit (with Solid Waste Bin service) for fibers and containers	Recyclables Bin
High-Density Multi-Family	None, may vary depending upon space constraints.	Recyclables Bin / Compactor
Very High-Density Multi-Family	None, may vary depending upon space constraints.	Recyclables Bin / Compactor
Valet Service (as provided by 3rd parties	None, may vary depending upon complex arrangements with the Contractor and approved by City.	Recyclables Bin / Compactor

Figure 4-4 summarizes Yard Waste Collection Services in general, and variation in provision of Solid Waste, Food Scraps and Recyclables Collection Services for Residential and Commercial Customers.

Figure 4-4: Variations in Service

Service Grid			
	Solid Waste / Food Scraps	**Recyclables**	**Yard Waste**
Residential	Split Cart {MSW / FS}	Split Cart {Fibers / Containers}	Cart
	Split Cart {MSW / FS}	Split Cart {Fibers / Containers}	None
	Solid Waste / Food Scraps	**Recyclables**	**Yard Waste**
Valet / MFD	Compactor	Compactor	Compactor

Service Grid			
	Front-Load Bin	Front-Load Bin	Front-Load Bin
	Front-Load Bin	Split Cart {Fibers / Containers}	Cart
	Solid Waste / Food Scraps	**Recyclables**	**Yard Waste**
Commercial	Front-Load Bin	Front-Load Bin	Front-Load Bin
	Split Cart {MSW / FS}	Split Cart {Fibers / Containers}	Cart
	MSW Cart and/or FS Cart	Container Cart & Fibers Cart	Cart

4.1 Single-Family Residential Services

See Figures 4-1 through 4-4 for summary of Single-Family Collection Services by location type.

A. Solid Waste Collection

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

Containers: Contractor-Provided split-Carts {Solid Waste/Food Scraps}

Container Sizes: 38-gallon Capacity (45-gallon split-Cart body with 19-gallon insert for Solid Waste), 45-gallon Capacity (64-gallon split-Cart body with 26-gallon insert for Solid Waste), 64-gallon or 96-gallon split-Cart {Solid Waste/Food Scraps (described in Section 4.1C.2)}, (as requested by Customer). The 64-gallon split-Cart will have 45 gallons of solid waste capacity and the 96-gallon split-Cart will have 67 gallons of solid waste capacity. The default Solid Waste split-Cart shall be 64-gallons.

Service Frequency: One (1) time per week

Service Location: Curbside standard; side- or back-yard upon Customer request at additional charge with the exception that side- or back-yard service shall be provided at no additional charge to disabled Customers in accordance with Section 4.1.I.

Acceptable Materials: Separated Solid Waste

Prohibited Materials: Recyclable Materials, Organic Materials, Excluded Waste

Additional Service: Additional Carts provided by contractor for a fee.

Overages: Overages will be collected from customers who purchase additional garbage "tags". Customer-purchased tags will be affixed to extra garbage (placed at the curb in a bag). Customers will be able to purchase these bag tags from local stores.

Other Requirements: None

B. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials in Contractor-provided split-Carts one (1) time per week

from Single-Family Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing.

Containers:	Carts
Container Sizes:	64-, or 96-gallon split-Carts, available upon Customer request.
Service Frequency:	One (1) time per week
Service Location:	Curbside standard; side- or back-yard upon Customer request at additional charge with the exception that side- or back-yard service provided at no charge to disabled Customers in accordance with Section 4.1.I)
Acceptable Materials:	Dual-Stream Recyclable Materials (collected utilizing split-Carts separating fibers from containers)
Prohibited Materials:	Solid Waste, Organic Materials, C&D, Excluded Waste
Additional Service:	None.
Other Requirements:	Contractor shall accept household batteries in the Recyclable Materials program. Batteries to be collected in a bag placed on the cart.

C. Organic Materials Collection

C.1 Yard Trimmings Collection

Contractor shall Collect Yard Trimmings in Contractor-provided Carts one (1) time per week from Single-Family Customers and Transport all Yard Trimmings to the Approved Yard Trimmings Processing Facility for Processing.

Containers:	Carts
Container Sizes:	96-gallon Contractor-provided cart
Service Frequency:	One (1) time per week
Service Location:	Curbside standard; side- or back-yard upon Customer request at additional charge with the exception that side- or back-yard service provided at no charge to disabled Customers in accordance with Section 4.1.I).
Acceptable Materials:	Yard Trimmings
Prohibited Materials:	Solid Waste, Recyclable Materials, Food Scraps, C&D, Excluded Waste
Additional Service:	Contractor will provide additional carts as requested by Customer
Other Requirements:	Contractor shall offer to each Single-Family Customer Curbside Collection of holiday trees for the two weeks beginning on the Monday following Christmas. In the event Christmas is a Monday, holiday tree Collection shall commence on the second Tuesday following Christmas and continue for ten (10) Business Days. Holiday trees shall be Collected on the Customer's regular Collection day during the designated week(s). Customer notification requirements are specified in the public education plan, Exhibit B.

C.2 Food Scraps Collection

Contractor shall Collect Food Scraps in Contractor-provided split-Carts one (1) time per week from Single-Family Customers and Transport all Food Scraps to the Approved Food Scraps Processing Facility for Processing.

Containers:	Split-Carts {Solid Waste (described in Section 4.1A)/ Food Scraps} and 2-gallon kitchen pails.

Container Sizes:	64-gallon or 96-gallon split-Cart {Solid Waste/Food Scraps}, (as requested by Customer). The default Food Scraps split-Cart shall be 64-gallons. 64-gallon Cart provides 19 gallons of Food Scraps capacity and the 96-gallon Cart provides 29 gallons of Food Scraps capacity.
Service Frequency:	One (1) time per week
Service Location:	Curbside standard; side- or back-yard upon Customer request at additional charge with the exception that side- or back-yard service provided at no additional charge to disabled Customers in accordance with Section 4.1.I.
Acceptable Materials:	Separated Food Scraps
Prohibited Materials:	Solid Waste, Recyclable Materials, C&D, Yard Trimmings, Excluded Waste
Additional Service:	Additional Carts provided by Contractor for a fee.
Other Requirements:	None.

D. Used Motor Oil and Filter Collection

Contractor shall Collect Used Motor Oil and Filters in a Contractor-provided Used Motor Oil Recovery Kit from Single-Family Customers and properly Dispose of or Recycle the Used Motor Oil and Filter.

Containers:	Used Motor Oil Recovery Kit
Container Sizes:	Various (as provided by Contractor)
Service Frequency:	Up to one (1) time per week (as requested by Customer)
Service Location:	Curbside (adjacent to Recyclable Materials Cart)
Acceptable Materials:	Used Motor Oil and Filter
Prohibited Materials:	Solid Waste, Recyclable Materials, Organic Materials, C&D, Excluded Waste
Additional Service:	Not applicable
Other Requirements:	Contractor shall provide a Used Motor Oil Recovery Kit to a Customer on the next scheduled service day after such request is made by Customer at no additional cost to Customer. Upon Collection of Used Motor Oil and Filter from a Customer, Contractor shall leave a Used Oil Recovery Kit adjacent to the Recyclables Cart. Contractor shall not be required to Collect more than one (1) Used Motor Oil Recovery Kit per individual dwelling unit per week from Single-Family Customers who request it.

E. Used Cooking Oil Collection

Contractor shall Collect Used Cooking Oil in a Contractor-provided Used Cooking Oil Recovery Kit from Single-Family Customers and properly Dispose of or Recycle the Used Cooking Oil.

Containers:	Used Cooking Oil Recovery Kit
Container Sizes:	Various (as provided by Contractor)
Service Frequency:	Up to one (1) time per week (as requested by Customer)
Service Location:	Curbside (adjacent to Recyclable Materials Cart)
Acceptable Materials:	Used Cooking Oil
Prohibited Materials:	Solid Waste, Recyclable Materials, Organic Materials, C&D, Excluded Waste
Additional Service:	Not applicable
Other Requirements:	Contractor shall provide a Used Cooking Oil Recovery Kit to a Customer on the next scheduled service day after such request is made by Customer at no

additional cost to Customer. Upon Collection of Used Cooking Oil from a Customer, Contractor shall leave a Used Oil Recovery Kit adjacent to the Recyclables Cart. Contractor shall not be required to Collect more than one (1) Used Cooking Oil Recovery Kit per individual dwelling unit per week from Single-Family Customers who request it.

F. On-Call Curbside Bulky Item/Reusable Materials Collection

Contractor shall Collect Bulky Items and other materials listed below from Single-Family Customers and Transport all Collected materials to the Approved Facility with the exception of Reusable Materials collected at no cost by a third party).

Containers:	Not applicable
Service Level:	Up to three (3) cubic yards of Solid Waste, Recyclable Materials, Organic Materials, Reusable Materials, C&D, and E-Waste OR up to one (1) Appliance or Bulky Item
Service Frequency:	Up to four (4) times per year (as requested by Customer)
Service Location:	Curbside
Acceptable Materials:	Solid Waste, Recyclable Materials, Organic Materials (including small tree stumps not to exceed 16 inches in diameter and length), Reusable Materials, Appliances, Bulky Items, E-Waste, C&D (excluding concrete), and U-Waste
Prohibited Materials:	Excluded Waste or any single item that exceeds seventy-five (75) pounds.
Additional Service:	• Contractor shall Collect additional items that exceed the required Service Level and may charge an "Additional Bulky Item" Rate not to exceed the Maximum Rate approved by the City (as requested by Customer). • Contractor shall provide additional Collection events for a Customer beyond four (4) per year and may charge an "Additional Bulky Item Collection" Rate not to exceed the Maximum Rate approved by the City.
Other Requirements:	• The Contractor shall provide the service to the Customer on the Customer's regularly scheduled Solid Waste Collection day within seven (7) Business Days of the Customer's requested service date, and such date shall be mutually agreed upon by the Customer and Contractor. • Contractor's shall notify Customers that materials shall not be placed Curbside more than twenty-four (24) hours in advance of the scheduled bulky Collection day. • Contractor shall tag any items not Collected and such tag shall indicate the reason the item(s) were not Collected and how to arrange for proper Disposal. Within twenty-four (24) hours of tagging item(s), the Contractor shall post on Contractor's website for access by the City the Premises where materials were not picked up, describing the type of material(s) and reason.

G. Seasonal Programs

Contractor shall develop and educate Customers about the availability of and participation requirements for programs dealing with seasonal or periodic waste management demands that exceed regularly scheduled Collection including, without limitation: inclusion of Halloween pumpkins in the Organic Materials Carts, holiday tree Collection instructions, and handling of materials from spring cleaning, and

fall leaves through on-call Curbside bulky clean-up collections and/or the overages program.

H. Bin-for a Day

Contractor shall offer small Bins for Single Family use as an alternative to an On-Call pickup. Contractor shall, as requested, provide the Bin within five (5) Business Days of a Customer request and shall drop-off and Collect Bins Mondays through Fridays. Accepted materials are the same as provided in Section 4.1.F. Contractor shall provide a one, two, or three cubic yard Bin upon request. Contractor shall place the Bin in a location designated by the property owner, but in no circumstance will place Bins in a location that impedes the public right-of-way (i.e., on sidewalks, in City streets, etc.). Contractor shall collect materials and remove Bin within five (5) days of a Customer request. Contractor may charge Customer a Container delivery and removal fee, as approved under this Agreement, for Bins, but may not charge a Disposal fee for the materials Collected under this program.

I. Alternative Service Locations for Seniors and Disabled Customers

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

J. Senior Rates

Contractor shall bill Customers who qualify as seniors at the Rate specified in Exhibit L, approved by City as a percentage of the Rate Contractor charges other Single-Family Customers for comparable level of service. Contractor shall verify Customer's eligibility for the Senior discount using driver's license or birth certificate and proof of residency.

K. Billing Coordination

Contractor shall work with appropriate City representatives to coordinate with water and sewer utility billing in the application of billing and service standards consistent with the City's Municipal Code. For example, and not by way of limitation, Municipal Code Section V-200-3.20 requires that service be provided to a property unless terminated due to non-occupancy. In order to comply with these requirements, Contractor must coordinate with City staff to ensure that services provided under this Agreement are not terminated unless the City has approved the change in occupancy status and that the schedule for terminating all services, including water and sewer, is coordinated.

4.2 Multi-Family Residential Services

The City's General Plan (or as modified per Milpitas City Council approval) defines a range of housing densities as follows: (1) "Medium Density" housing may include single-family attached and semi-attached houses and duplexes; (2) "High Density" housing may include attached row houses to triplexes and four-plexes, stacked townhomes, and walk-up garden apartments; (3) "Very High Density" housing may include attached row houses and townhouses to lofts and stacked flats with structured parking, and; (4) "Mixed Use" allows for commercial offices, retail and services, High Density residential and public and quasi-public uses. Mixed use buildings can contain a combination of residential and commercial uses. Specific permit conditions related to type of service may be placed on new developments as a function of density, and Contractor shall adhere to all such permit conditions.

The following changes in Multi-Family Customer service require City approval prior to implementation, and Contractor shall promptly inform City if a Multi-Family Customer requests either:

1. Conversion from use of Debris Boxes to Bins.
2. Reduction in total volume of service in excess of twenty five (25) percent or five (5) cubic yards per week.

See Figures 4-1 through 4-4 for summary of MFD Collection Service by location type.

A. Solid Waste Collection

Contractor shall Collect Solid Waste in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Solid Waste to the Approved Disposal Facility.

Multi-Family Customers with "individual" service using Carts will be provided Solid Waste Collection services for each dwelling unit as described in Section 4.1.A. Multi-Family Customers with "pooled" service using Bins and Compactors will be provided the following:

Containers:	Carts and Bins; Compactors at City-approved "high density" locations utilizing "valet service"
Container Sizes:	64-, and 96-gallon Carts (single compartment and split compartment) 1-, 1.5-, 2-, 3-, 4-,6-, and 8-cubic yard Bins 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)
Service Frequency:	Up to five (5) times per week but not less than one (1) time per week, as requested by Customer
Service Location:	Curbside or other Customer-selected service location at the Multi-Family Premises
Acceptable Materials:	Solid Waste
Prohibited Materials:	Recyclable Materials, Organic Materials, Excluded Waste
Additional Service:	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, up to the maximum Service Level and Contractor may charge an appropriate Rate for the higher Service Level at a Rate not to exceed the Maximum Rate approved by the City.
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access

and empty Containers.

B. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Customers are charged at the Multi-Family Recyclable Materials Rates approved under this Agreement and as specified in Exhibit L.

Containers:	Carts, Bins at centralized locations including at mobile home parks. Customers with Cart service for Solid Waste receive dual stream Recycling; Customers with Bin or Compactor service for Solid Waste receive single-stream Recycling.
Container Sizes:	32-, 64- and 96-gallon Carts (single or split Carts); 1-, 1.5-, 2-, 3-, 4-,6-, and 8-cubic yard Bins 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)
Service Frequency:	Up to five (5) times per week but not less than one (1) time per week (as requested by Customer)
Service Location:	Curbside or other Customer-selected service location at the Multi-Family Premises
Acceptable Materials:	Dual-stream Recyclable Materials (separating fibers from containers)
Prohibited Materials:	Solid Waste, Organic Materials, C&D, Excluded Waste
Additional Service:	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, up to the maximum service frequency and Contractor may charge an appropriate Rate for the higher Service Level not to exceed the Maximum Rate approved by the City.
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers.

C. Organic Materials Collection

C.1 Yard Trimmings Collection

Contractor shall Collect Yard Trimmings in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Yard Trimmings to the Approved Yard Trimmings Processing Facility for Processing. As a minimum standard and not by way of limitation, Contractor service shall meet all requirements of AB 1826 for provision of service to Customers on the dates specified based on level of Organics Materials or Solid Waste service, as applicable. Customers are charged at the Multi-Family Organics Rates approved under this Agreement and as specified in Exhibit L.

Containers:	Carts
Container Sizes:	64- and 96-gallon Carts 1-, 1.5-, 2-, 3-, 4-,6-, and 8-cubic yard Bins 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)

Service Frequency:	Up to five (5) days per week but not less than one (1) day per week, as requested by Customer
Service Location:	Curbside or other Customer-selected service location at the Multi-Family Premises
Acceptable Materials:	Yard Trimmings
Prohibited Materials:	Solid Waste, Recyclable Materials, Food Scraps, C&D, Excluded Waste
Additional Service:	Contractor shall provide additional Organic Materials Carts to Multi-Family Customers upon request and may charge for an "Additional Organics Cart" not to exceed the Maximum Rate approved by the City.
Other Requirements:	• Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers. • Contractor shall offer to each Multi-Family Customer Collection of holiday trees for the two weeks beginning on the Monday following Christmas. In the event Christmas is a Monday, holiday tree Collection shall commence on the second Tuesday following Christmas and continue for ten (10) Business Days. Christmas trees shall be Collected on the Customer's regular Collection day during the designated week(s). Customer notification requirements are specified in the public education plan, Exhibit B.

C.2 Food Scraps Collection

Contractor shall Collect Food Scraps in Contractor-provided Containers not less than one (1) time per week from Multi-Family Customers and Transport all Food Scraps to the Approved Food Scraps Processing Facility for Processing. As a minimum standard and not by way of limitation, Contractor service shall meet all requirements of AB 1826 for provision of service to Customers on the dates specified based on level of Organics Materials or Solid Waste service, as applicable. Customers are charged at the Multi-Family Organics Rates approved under this Agreement and as specified in Exhibit L.

Containers:	Carts
Container Sizes:	64-gallon single compartment or split-Carts; 2 gallon kitchen pails (one per unit); 1-, 2-, and 3-cubic yard Bins
Service Frequency:	Up to five (5) days per week but not less than one (1) day per week, as requested by Customer
Service Location:	Curbside or other Customer-selected service location at the Multi-Family Premises
Acceptable Materials:	Food Scraps
Prohibited Materials:	Solid Waste, Recyclable Materials, Yard Trimmings, C&D, Excluded Waste
Additional Service:	Contractor shall provide one 64-gallon Food Scraps Cart per each enclosure at the Multi-Family complex and additional Food Scraps Carts upon request and charge an "Additional Food Scraps Cart" rate, not to exceed the Maximum Rate approved by the City.
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers.

D. On-Call Bulky Item/Reusable Materials Collection

Contractor shall Collect Bulky Items and other materials listed below from Multi-Family Customers and Transport all Collected materials to an Approved Facility with the exception of Reusable Materials collected at no cost by a third party).

Containers:	Not applicable
Service Level:	Up to three (3) cubic yards of Solid Waste, Recyclable Materials, Organic Materials, Reusable Materials, C&D, and E-Waste OR up to one (1) Appliance or Bulky Item
Service Frequency:	Up to four (4) times per year (as requested by Customer) for Single-Family style properties; on-call bulky item cleanups available for a fee for Multi-Family style properties
Service Location:	Curbside or other Customer-selected service location at the Multi-Family Premises which is immediately accessible by Contractor's vehicle
Acceptable Materials:	Solid Waste, Recyclable Materials, Organic Materials, Reusable Materials, C&D (excluding concrete), Appliances, Bulky Items, E-Waste, and U-Waste
Prohibited Materials:	Excluded Waste or any single item that exceeds seventy-five (75) pounds.
Additional Service:	• Upon Customer request, Contractor shall Collect additional items which exceed the required Service Level and may charge an "Additional Bulky Item" Rate not to exceed the Maximum Rate approved by the City. • Contractor shall provide additional Collection events for a Single Family style Customer beyond four (4) per year and may charge an "Additional Bulky Item Collection" Rate not to exceed the Maximum Rate approved by the City.
Other Requirements:	• The Contractor shall provide the service to the Customer on the Customer's regularly scheduled Solid Waste Collection day within seven (7) Business Days of the Customer's requested service date, and such date shall be mutually agreed upon by the Customer and Contractor. • Contractor's shall notify Customers that materials shall not be placed adjacent to Containers more than twenty-four (24) hours in advance of the scheduled bulky Collection day. • Contractor shall tag any items not Collected and such tag shall indicate the reason the item(s) were not Collected and describe how to arrange for proper Disposal. Within twenty-four (24) hours of tagging item(s), the Contractor shall post on Contractor's website for access by the City the Premises where materials were not picked up, describing the type of material(s) and reason.

E. Seasonal Programs

Contractor shall develop and educate Customers about the availability of and participation requirements for programs dealing with seasonal or periodic waste management demands that exceed regularly scheduled Collection including, without limitation: holiday tree Collection instructions.

4.3 Commercial Services

See Figures 4-1 through 4-4 for summary of Commercial and mixed use Collection Service by location type.

A. Solid Waste Collection

Contractor shall Collect Solid Waste in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Solid Waste to the Approved Disposal Facility.

Containers:	Carts, Bins, Drop Boxes, Compactors
Container Sizes:	64-, and 96-gallon Carts 1-, 1.5-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)
Service Frequency:	Up to six (6) times per week but not less than one (1) time per week, as requested by Customer (Saturday service is available only to customers receiving service Monday through Friday)
Service Location:	Curbside; or other Customer-selected service location at the Commercial Premises
Acceptable Materials:	Solid Waste
Prohibited Materials:	Recyclable Materials, Organic Materials, Excluded Waste
Additional Service:	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, up to the maximum Service Level and ~~Contractor may charge an appropriate Rate for the higher Service Level at a Rate~~ not to exceed the Maximum Rate approved by the City.
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers.

B. Recyclable Materials Collection

Contractor shall Collect Recyclable Materials in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Recyclable Materials to the Approved Recyclable Materials Processing Facility for Processing. Customers are charged at the Commercial Recyclable Materials Rates approved under this Agreement and as specified in Exhibit L.

Containers:	Carts, Bins, Drop Boxes, Compactors. Customers with Cart service for Solid Waste receive dual-stream Recycling; Customers with Bin or Compactor service for Solid Waste receive single-stream Recycling.
Container Sizes:	64- and 96-gallon single compartment or split-Carts 1-, 1.5-, 2-, 3-, 4-,6-, and 8-cubic yard Bins 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (drop boxes and compactors must be serviced at least once every other week or Contractor may apply the City-approved rental fee)
Service Frequency:	Up to five (5) times per week but not less than one time per thirty (30) day period, as requested by Customer; not less than one time per sixth (60) day period for Compactors
Service Location:	Curbside or other Customer-selected service location at the Commercial Premises
Acceptable Materials:	Dual-stream Recyclable Materials (separating fibers from Containers)
Prohibited Materials:	Solid Waste, Organic Materials, C&D, Excluded Waste

Additional Service:	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, up to the maximum Service Level and Contractor may charge the appropriate Rate for the higher Service Level at a Rate not to exceed the Maximum Rate approved by the City.
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers.

C. Yard Trimmings Collection

Contractor shall Collect Yard Trimmings in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Yard Trimmings to the Approved Yard Trimmings Processing Facility for Processing. As a minimum standard and not by way of limitation, Contractor service shall meet all requirements of AB 1826 for provision of service to Customers on the dates specified based on level of Organics Materials or Solid Waste service, as applicable. Customers are charged at the Commercial Organics Rates approved under this Agreement and as specified in Exhibit L.

Containers:	Carts, Bins, Drop Boxes, Compactors
Container Sizes:	96-gallon single compartment Carts 1-, 1.5-, 2-, 3-, 4-,6-, and 8-cubic yard Bins 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)
Service Frequency:	Up to five (5) times per week but not less than one (1) time per week, as requested by Customer
Service Location:	Curbside or other Customer-selected service location at the Commercial Premises
Acceptable Materials:	Yard Trimmings
Prohibited Materials:	Solid Waste, Recyclable Materials, Food Scraps, C&D, Excluded Waste
Additional Service:	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, up to the maximum Service Level and Contractor may charge the appropriate Rate for the higher Service Level at a Rate not to exceed the Maximum Rate approved by the City.
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers.

D. Food Scrap Collection

Contractor shall Collect Food Scraps in Contractor-provided Containers not less than one (1) time per week from Commercial Customers and Transport all Food Scraps to the Approved Food Scraps Processing Facility for Processing. As a minimum standard and not by way of limitation, Contractor service shall meet all requirements of AB 1826 for provision of service to Customers on the dates specified based on level of Organics Materials or Solid Waste service, as applicable, as well as include all other Customers that may elect to participate. Customers are charged at the Commercial Organics Rates approved under this Agreement and as specified in Exhibit L.

Containers:	Carts, Bins, Drop Boxes, Compactors
Container Sizes:	64-gallon Carts 1-, 2-, and 3-cubic yard Bins
Service Frequency:	Up to five (5) times per week but not less than one (1) time per week, as requested by Customer
Service Location:	Curbside or other Customer-selected service location at the Commercial Premises
Acceptable Materials:	Food Scraps
Prohibited Materials:	Solid Waste, Recyclable Materials, Yard Trimmings, C&D, Excluded Waste
Additional Service:	Upon Customer request and to accommodate periodic additional service needs, Contractor shall provide Collection service at a greater frequency than the Customer's regularly scheduled service, up to the maximum Service Level and Contractor may charge the appropriate Rate for the higher Service Level at a Rate not to exceed the Maximum Rate approved by the City.
Other Requirements:	Contractor shall open and close gates, push and/or pull Containers, lock and unlock Containers, or perform other services as reasonably necessary to access and empty Containers.

4.4 Construction and Demolition Debris (C&D)

Contractor shall offer C&D Collection services. C&D Collection service shall be a temporary service, provided only at sites where construction, alteration, remodeling, repair, or demolition operations are being performed. C&D Collection services shall be provided to any Customer upon request. Contractor shall work with the Customer to provide Collection services that result in a minimum of fifty percent (50%) of the C&D Collected and Processed as Source Separated Recyclable C&D, as required by the City's Green Building Ordinance. Contractor billings to C&D Customers shall include two components: a "per-pull" charge to Transport the Drop Box to an Approved Facility, and a charge for the cost of Disposal or Processing calculated on a per-Ton basis for actual Tons delivered to the Approved Facility. Such billing shall be at rates not to exceed City-approved Maximum Rates.

Contractor shall Transport all C&D Collected under this Agreement to the Approved C&D Processing Facility, except with advance written approval from the City Contract Manager. City Contract Manager may approve such a request only to the extent the Approved C&D Processing Facility is unable to meet the LEED certification requirements of specific Source-Separated C&D Customers. Such approval may be conditioned on provision of reporting of such information as City Contract Manager may deem necessary to verify the need for the request. Contractor shall pay all tipping fees and other costs associated with Transporting and Processing C&D.

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

A. C&D Collection

Contractor shall Collect Source-Separated Recyclable C&D as homogeneous material types (e.g., all metals, all inert materials, all wood waste, etc.) or as mixed Recyclable C&D in Contractor-provided Containers at the frequency requested by C&D Customers. Contractor shall Transport all Source-Separated Recyclable C&D to the Approved C&D Processing Facility for Processing or, at Contractor's discretion, to any Person who will make a net payment to Contractor for the delivery of the Source-

Separated Recyclable C&D.

Containers:	Drop Boxes
Container Sizes:	10-, 20-, 30-, and 40-cubic yard Drop Boxes (as requested by Customer)
Service Frequency:	Up to five (5) times per week but not less than one (1) time per month, as requested by Customer
Service Location:	Curbside or other Customer-selected service location at the construction site
Acceptable Materials:	Source-Separated Recyclable C&D, Source-Separated Recyclable Materials
Prohibited Materials:	Solid Waste, Organic Materials, Excluded Waste
Additional Service:	Not applicable
Other Requirements:	Contractor shall document and report to the City Contract Manager each instance where Contractor delivers Source Separated Recyclable C&D to a Person other than the Approved C&D Processing Facility. Such report shall include the Person to whom the materials were delivered, the specific type of materials delivered (e.g., metals, wood, etc.), the number of Tons, and the amount received in payment for the delivery.

4.5 Services for City Facilities

A. Collection Services to City Facilities

Contractor shall Collect Solid Waste, Recyclable Materials, Organic Materials, C&D, Bulky Items, and Reusable Materials from City facilities in the same manner as those services are provided to Commercial Customers. Contractor shall provide service to all City facilities identified in Exhibit F as well as any future City facilities. Contractor shall provide these services at no cost to the City. Contractor shall provide Recycling technical assistance to City facilities to assist with implementation and/or expansion of Recyclable Materials and Organic Materials Collection services.

Contractor shall coordinate with Disposal Contractor as provided in Section 8.1 of this Agreement regarding the requirements of Section 8.2 of the Disposal Contractor's agreement with the City to provide Disposal at no charge for up to 500 (five hundred) cubic yards per calendar year of Solid Waste Collected from City facilities as provided in this Section 4.5 and/or from special events as provided in Section 4.6 of this Agreement. Contractor shall coordinate with Disposal Contractor and with the City to ensure that this provision applies to Solid Waste Delivered to Disposal Facility by Contractor and by City crews. City shall maintain records of such material in coordination with the Disposal Contractor documenting the use of the allocation of no charge for 500 (five hundred) cubic yards per calendar year, and shall provide the records to Contractor on request for reconciliation with Disposal Contractor invoices.

B. Reserved

C. Building Plan Review

Contractor shall, as requested provide staff with the expertise to review and comment on building plans for new Residential and Commercial development projects during the City's permit review process to verify the reasonableness of the space allocation and enclosure design for Solid Waste, Recyclable Materials, and Organic Materials Containers and the accessibility of such areas. For these plan reviews,

the Contractor may be requested to visit the site and submit written recommendations for improvements to the design. Plan reviews shall be completed within two (2) weeks of the City's request for such review.

4.6 Special Events

Contractor shall provide Solid Waste, Recyclable Materials, and Organic Materials services at up to six (6) special events per year as directed by City, and at no cost to the event or City. Contractor shall coordinate with Disposal Contractor as provided in Section 8.1 of this Agreement regarding the requirements of Section 8.2 of the Disposal Contractor's agreement with the City to provide Disposal at no charge for up to 500 (five hundred) cubic yards per calendar year of Solid Waste Collected from special events as provided in this Section 4.6 and/or City facilities as provided in Section 4.5.A of this Agreement. Contractor shall further coordinate with Disposal Contractor, and with City to ensure that this provision applies to Solid Waste Delivered to Disposal Facility by Contractor and by City crews. City shall maintain records of such material in coordination with the Disposal Contractor documenting the use of the allocation of no charge for 500 (five hundred) cubic yards per calendar year, and shall provide the records to Contractor on request for reconciliation with Disposal Contractor invoices.

Special event services include:

A. Containers

Contractor shall provide Containers for event collection stations to be placed throughout the event venue, and Containers for the aggregation of material removed from event collection stations during the course of the event. Contractor shall provide containers in sufficient number of appropriate type(s) for the needs of the event as determined by Contractor in cooperation with the event organizer. Containers must be delivered "unassembled" on a pallet, and City will break the containers down after the event and return them to the pallet. Contractor will collect the "unassembled" containers within 24 hours of conclusion of the event. City shall designate a non-profit organization as having primary responsibility for the collection of Recyclables placed into the containers during a CITY-sponsored event. Contractor shall service Containers, as agreed-upon with the event organizer, and deliver Collected materials to the appropriate Approved Facility for Processing and Disposal.

B. Public Outreach Booth

Upon request of either the City Contract Manager or the event organizer, Contractor shall staff a booth or exhibit at the event for the purpose of informing the public about the services and programs provided by Contractor under this Agreement and the benefits of source reduction, reuse, Recycling, and Composting.

C. Reporting

Within fourteen (14) calendar days of the end of the event, Contractor shall submit a report to the City Contract Manager and event organizer. The report should include, at a minimum: the number of event collection stations deployed at the event, the number of collection station monitors, the Tonnage of each material type (i.e., Solid Waste, Recyclable Materials, and Organic Materials) Collected, and a description of the public outreach provided at the event.

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

For special events that are not designated by the City as one of the six (6) required events, Contractor shall provide the above-described special event services at the request of the event organizer and may negotiate the charges for such services with the event organizer based on the specific needs of the event.

4.7 Transportation of Collected Materials

Contractor shall Transport all Solid Waste, Recyclable Materials, Organic Materials, C&D, or of other materials Collected in the City to the Approved Facilities for the purposes of Processing, or of Disposal by the Disposal Contractor of such materials, as applicable. Contractor shall maintain accurate records of the quantities of Solid Waste, Recyclable Materials, Organic Materials, C&D, and other materials Transported to the Approved Facilities and will cooperate with City in any audits or investigations of such quantities.

Contractor plans to Transport Recyclable Materials, Organic Materials, and Source Separated Recyclable C&D to Approved Facilities. If the Contractor is unable to use Approved Facilities then the Contractor shall be responsible for making other Transportation and Processing arrangements. In such event, Contractor shall not be compensated for any additional costs.

A site in the City used for material handling activities of any kind will be subject to the City's strict development permit review process.

4.8 Delivery and Processing of Collected Materials

A. Delivery of Materials to Approved Facilities

1. **Delivery.** The Contractor is responsible for Transporting Collected Solid Waste, Recyclable Materials, Organic Materials, and Recyclable C&D to the Approved Facility(ies) by direct haul. If the Contractor plans to change its Transport method, Contractor shall obtain written approval from the City prior to making the change; pay all costs; and shall not be reimbursed for any additional costs. The City shall approve the Transport method, and the duration the Transport method is expected to remain in use.

2. **Compliance with Facility Rules.** Contractor (or its Subcontractor(s)) shall observe and comply with all regulations in effect at the Approved Facilities and cooperate with the operators thereof with respect to delivery of Solid Waste, Recyclable Materials, Organic Materials, and C&D including directions to unload Collection vehicles in designated areas, accommodating operations and maintenance activities, and complying with Hazardous Waste exclusion programs.

3 **Vehicle Tare Weights.** Contractor is solely responsible for ensuring accurate weighing of all Collection vehicles entering Approved Facilities, and of Transfer Vehicles leaving an Approved Transfer Facility owned or operated by Contractor or Subcontractor under this Agreement. Within thirty (30) Days prior to the Commencement Date, Contractor shall ensure that all Collection vehicles used to Deliver Discarded Materials to Approved Facilities owned or operated by Contractor or Subcontractor under this Agreement are weighed to determine unloaded ("tare")

weights. Contractor shall electronically record the tare weight and provide a distinct vehicle identification number for each vehicle. Contractor shall provide City with a report listing the vehicle tare weight information upon request. Contractor shall ensure that additional or replacement Collection vehicles are promptly weighed prior to Contractor placing them into service. Contractor shall check tare weights at least annually, or within fourteen (14) Days of a City request, and shall retare vehicles immediately after any major maintenance service.

4. **Vehicle Tare Weights for Disposal Contractor's Approved Facility(ies).** Within thirty (30) Days prior to the Commencement Date, Contractor shall coordinate with the Disposal Contractor to ensure that all Collection vehicles used by Contractor to Deliver Solid Waste to Approved Facilities are weighed to determine unloaded ("tare") weights. Contractor and Franchise Collector shall electronically record the tare weight, identify vehicle as Franchise Collector owned, and provide a distinct vehicle identification number for each vehicle. Contractor shall provide City with a report listing the vehicle tare weight information upon request. Contractor shall promptly coordinate with Franchise Collector to weigh additional or replacement Collection vehicles prior to Franchise Collector placing them into service. Contractor shall check tare weights at least annually, or within fourteen (14) Days of a City request, and shall retare vehicles immediately after any major maintenance service.

5. **Facility Scales at Contractor's Approved Facility(ies).** For all Approved Facilities owned or operated by Contractor or Subcontractor under this Agreement, Contractor shall maintain State certified motor vehicle scales in accordance with Applicable Law. All scales shall be linked to a centralized computer recording system at each Approved Facility to record weights for all incoming and outgoing materials. Contractor shall provide back-up generator(s) capable of supplying power to the scales in the event of a power outage. Contractor shall promptly arrange for use of substitute portable scales should its usual scales not be available for whatever reason. Pending substitution of portable scales, Contractor shall as necessary estimate by material types the tonnages of Discarded Materials Transported to and from the Approved Facilities, on the basis of Delivery vehicle and Transfer trailer volumes, tare weights, and/or other available facility weight records. These estimates shall take the place of actual weights while scales are inoperable, and shall be identified as estimates in electronic records and reporting. Contractor shall upon City request, weigh and provide tare weights for City vehicles should City directly Deliver Discarded Materials to an Approved Facility owned or operated by Contractor or Subcontractor under this Agreement. Contractor shall test and calibrate all scales in accordance with Applicable Law, but at least every twelve (12) months or upon City request.

6. **Records and Reporting.** Contractor shall maintain computerized scale records and reports that provide information including date of receipt, inbound time, inbound and outbound weights of vehicles, vehicle identification number, as further provided in Exhibit C. Contractor shall also maintain computerized scale records and reports providing historical vehicle tare weights for each vehicle and the date and location for each tare weight recorded. If vehicle receiving and unloading operations are recorded on video cameras at the Approved Facilities, Contractor shall make those videos available for City review during the Facility's operating hours, upon request of the City, and shall provide the name of the driver of any particular load if available.

B. General Processing Requirements

1. **Overview.** Contractor agrees to Transport and deliver all Recyclable Materials, Organic Materials, Source Separated Recyclable C&D and Mixed C&D it Collects in the City to the Approved

Recyclables Processing Facility, Approved Composting Facility, and Approved C&D Processing Facility, respectively. Residue from the Processing and Composting activities shall be Disposed of by Contractor or the Processing or Composting Facility Subcontractor at a Disposal Facility selected by Contractor or its Subcontractor. A site in the City used for material handling activities of any kind will be subject to the City's strict development permit review process.

2. **Processing Capacity, Residue, and Facility Permits**. Contractor shall secure sufficient capacity to Process all Recyclable Materials, Organic Materials, Source Separated Recyclable C&D and Mixed C&D Collected under this Agreement and shall cause the Approved Facilities to Process and/or Compost, and market the Recyclable Materials, Organic Materials, and C&D. Contractor shall provide the City, upon request, with:

   I. Documentation demonstrating the availability of such capacity; and,

   II. Name, address and owner/operator of any transfer station used to deliver materials to such site.

Contractor shall guarantee a residue level of twenty percent (20%) or less for Recyclable Materials, twenty percent (20%) or less for Yard Trimmings, fifty percent (50%) or less for Food Scraps, and less than twenty percent (20%) for Source Separated Recyclable C&D. For the purpose of this residue guarantee, the residue level for each type of Materials shall be equal the monthly Tonnage of Processing residue from such Materials requiring Disposal divided by the total monthly Tonnage of such Materials Collected. City and Contractor acknowledge that the residue level resulting from Contractor's processing approach for each material type may vary and is largely dependent upon the composition of material placed by Customers for Collection. In the event that any Approved Facility fails to perform at or below the residue levels stated here, City may require Contractor to provide documentation of and reasonable assurances that all City materials are being processed by the Approved Facility and that materials targeted for recovery but are not being disposed of in any significant quantity.

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

3. **Contractor-Initiated Change in Facility**. Contractor may change its selection of one or more of the Approved Facility(ies) following City's written approval, but Contractor shall not be compensated for any increased Transportation and Processing costs. Contractor will bear any increased Transportation and Processing costs associated with a Contractor-initiated change in the Approved Facility(ies). In such case, Contractor shall guarantee the same net Processing Cost specified in Exhibit N or shall increase the net Processing Costs (if the amount is a net revenue) associated with the use of Processing and/or Composting facility(ies) different from the Approved Facilities. If Contractor elects to use a Processing and/or Composting facility(ies) that is different than Approved Facility(ies), it shall request written approval from the City sixty (60) calendar days prior to use of the site and obtain the City's written approval no later than ten (10) calendar days prior to use of the site.

4. **City Direction for Use of the SMaRT Station.** The Parties acknowledge that City may enter into an agreement with the city of Sunnyvale regarding use of the SMaRT Station for Processing and/or Transfer of Discarded Materials under specified contractual and pricing terms. In such instance, City retains the right, but not the obligation to direct Contractor to deliver to the SMaRT Station

one or more types of Discarded Materials Collected under this Agreement, excluding Source-Separated Food Scraps, for Processing and/or Transfer. City shall provide Contractor a minimum of ninety (90) days written notice of such direction. Such direction must be provided to Contractor by February 3rd, 2017, or may not be made until five (5) years after the Commencement Date.

Contractor compensation shall be adjusted upward or downward to reflect any difference between 1) the then-applicable per-Ton rate for the specific Discarded Material(s) as provided in Form 7 of Exhibit N, and adjusted as provided in Section 8 of this Agreement, and 2) the then-applicable per-Ton rate for the comparable Discarded Material(s) as provided in the City's agreement with the city of Sunnyvale. Contractor acknowledges that per-Ton rates for use of the SMaRT Station will be treated as pass-through expenses without profit, and that City reserves the right to adjust the Rates as necessary to compensate Sunnyvale for use of the SMaRT Station. The cost of transport to deliver any specific Discarded Material(s) shall not be adjusted. Contractor shall arrange to obtain, and shall submit to City monthly weigh tickets for all deliveries to the SMaRT Station. Parties agree to meet and confer as necessary to address any other issues related to such direction.

5. **Inability to Use Approved Facility**. If Contractor is unable to use an Approved Facility due to an emergency or sudden unforeseen closure of the Approved Facility, Contractor may use an alternative Processing or Composting facility provided that the Contractor provides verbal and written notice to the City and receives written approval from the City at least twenty-four (24) hours prior to the use of an alternative Processing or Composting facility. The Contractor's written notice shall include a description of the reasons the Approved Facility is not feasible and the period of time Contractor proposes to use the alternative facility. Contractor shall not be compensated for any increased Transportation and Processing costs and shall guarantee the net Processing Cost specified in Exhibit N or shall increase the net Processing Costs (if net revenues) associated with the use of Processing or Composting facility(ies) different from the Approved Facility. Contractor shall be entitled to an adjustment to Rates to compensate them for any increased Transportation and Processing costs associated with the use of any Facilities designated by the City.

6. **Marketing.** The Contractor shall be responsible for the marketing of materials it Collects in the City including: (i) Recyclable Materials; (ii) Yard Trimmings, Food Scraps, and/or Organic Materials; and, (iii) Source Separated Recyclable C&D. Contractor or the Approved Facility that markets such materials shall be compensated by the end users/market place for such materials at no less than fair market value. With regard to Organic Materials, Contractor or the Approved Organics Facility shall market the resulting products. Yard Trimmings shall be used for Compost or mulch and shall not be used as Alternative Daily Cover or any other use at a landfill site. Food Scraps shall be used for production of animal feed stock supplement or by-product, Compost, or other use with prior approval of City.

Upon request, Contractor shall provide proof to the City that all Recyclable Materials, Organic Materials, and Source Separated Recyclable C&D (less residue) Collected by Contractor are marketed for Recycling or reuse in such a manner that materials shall be considered as Diverted in accordance with the State regulations established by the AB 939 and AB 341. All residual material from the Processing and Composting activities that is not marketed for use shall be accounted for as Disposal Tonnage at a permitted Disposal Facility. No Recyclable Materials, Organic Materials, or C&D shall be transported to a domestic or foreign location if Solid Waste Disposal of such material is its intended use.

Upon request, Contractor shall provide a summary of its marketing plan and end markets for Recyclable Materials, Organic Materials, and Source Separate Recyclable C&D and submit it to the City for review and approval. Contractor shall provide City with a list of broker/buyers it has used during the preceding twelve (12) months, if requested by City. If Contractor becomes aware that a broker or buyer has illegally handled or Disposed of material generated by the City or elsewhere, Contractor shall immediately inform the City and terminate its contract or working relationship with such party.

7. **No Disposal.** No Collected materials other than Solid Waste shall be deposited for Disposal. No materials Collected other than Solid Waste shall be used as Alternative Daily Cover or Alternative Intermediate Cover, or used for Beneficial Reuse purposes except C&D Processing residue which may be used for Beneficial Reuse purposes without prior written authorization by the City and which permission may be terminated at any time upon notice by City.

If for reasons beyond its reasonable control, Contractor (or its Subcontractor(s)) believes that it cannot Divert the Recyclable Materials, Organic Materials, or Source Separate Recyclable C&D from Disposal, then it shall prepare a written request for approval to Dispose of such material. Such request shall contain the basis for Contractor's belief (including, but not limited to, supporting documentation), describe the Contractor's efforts to arrange for the Diversion from Disposal of such material, the period required for such Disposal, the incremental net cost increases or net cost savings (giving account to the value from the sale of the Recyclable Material, Organic Materials, or Recyclable C&D) resulting from such Disposal, and any additional information supporting the Contractor's request. In addition, the request shall describe the Contractor's proposed interim plans for implementation while the City is evaluating its request. If the City objects to the interim plans, the City shall provide written notice to the Contractor and request an alternative arrangement. The City shall consider the Contractor's request and inform Contractor in writing of its decision within sixty (60) calendar days. If the City approves such request, any difference in the net cost of such Disposal compared to Diversion shall result in an adjustment to the Maximum Rates in accordance with Section 8.4. Depending on the nature of the Contractor's request, the City may extend the sixty (60) day calendar period, at its own discretion, to provide more time for evaluation of the request and negotiation of an acceptable arrangement with the Contractor.

8. **Allocation Method**. Contractor shall develop a method of allocating Recyclable Materials, Organic Materials, and Source Separated Recyclable C&D Diverted by materials type and Processing residue to Contractor and the City. The allocation method shall be the same as that used to report Solid Waste Disposal to the State, and shall be certified by an authorized personnel or officer of that Approved Facility owner or operator. Contractor shall Collect materials generated in the City in Collection Vehicles separately from other materials generated outside the City and shall weigh each vehicle so that the Tonnage of materials Collected in the City can be documented on a per-load basis with supporting documentation (such as a certified weight ticket or tag).

Periodically, the Contractor shall review its marketing records to calculate the volume of Recyclable Materials received at the Approved Recyclable Materials Processing Facility and marketed to determine the percentage of various Recyclable Materials (e.g., glass, newspaper, cardboard, PET, HDPE, aluminum, etc.) and the City's residue level. The percentages determined from the review of marketing records shall be used to allocate the total Tonnage of Recyclable Materials Collected in the City into various categories of Recyclable Materials and residue. This

same review of marketing records and allocation of Tonnage by material type shall be performed for Organic Materials and Source Separated Recyclable C&D.

C. Recyclables Processing

1. **Approved Recyclables Processing Facility**. Below is information about the Approved Recyclables Processing Facility selected by the Contractor:

Facility Name: GreenWaste Recovery MRF

Owner: GreenWaste Recovery, Inc.

Operator: GreenWaste Recovery, Inc.

Address: 625 Charles Street, San Jose, CA 95112

Contact Person and telephone number: Frank Weigel, 408.938.4902

Allocation Method: All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

2. **Alternative Approved Recyclables Processing Facilities**. Following facilities are Approved Alternative Facilities for Processing of Recyclables as of the Effective Date:

Facility Name: Alameda County Industries Material Recovery Facility

Owner/Operator: Alameda County Industries

Address: 610 Aladdin Ave, San Leandro, CA 94577

Contact Person and telephone number: Louie Pellegrini, 650.814.9532

Allocation Method: All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

Facility Name: Sunnyvale Materials Recovery and Transfer Station (SMaRT Station)

Owner: City of Sunnyvale

Operator: Bay Counties Waste Services

Address: 301 Carl Road, Sunnyvale, CA 94089

Contact Person and telephone number: Jerry Nabhan, 408.566.1809

Allocation Method: The SMaRT Station currently utilizes a staffed scale house that results in rapid weighing and material tracking procedures. All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each

company/jurisdiction material is accurately allocated.

D. Organic Materials Processing

1. **Approved Yard Trimmings Facility.** Below is information about the Approved Yard Trimmings Facility selected by the Contractor for Processing of Yard Trimmings:

Facility Name: GreenWaste Recovery MRF

Owner: GreenWaste Recovery, Inc.

Operator: GreenWaste Recovery, Inc.

Address: 625 Charles Street, San Jose, CA 95112

Contact Person and telephone number: Frank Weigel, 408.938.4902

Allocation Method: All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

2. **Approved Food Scraps Processing Facility.** Below is information about the Approved Food Scraps Processing Facility selected by the Contractor for Processing of Food Scraps:

Facility Name: Sustainable Organic Solutions (SOS)

Owner: SOS

Operator: SOS

Address: 1080 Walsh Ave, Santa Clara, CA 95050

Contact Person and telephone number: Louie Pellegrini, 650.814.9532

Allocation Method: All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

Contractor has also identified the Blue Line Transfer Station Anaerobic Digestion Facility, located at 500 East Jamie Court in South San Francisco, CA as an alternate Approved Food Scraps Processing Facility. That Facility is an Affiliate of Contractor and shall be used (at no added cost to the City) in the event that the primary facility, identified above, is unavailable for Processing of Food Scraps.

3. **Alternative Approved Organics Processing Facilities.** Following facilities are Approved Alternative Facilities for Processing of Organic Materials as of the Effective Date:

Facility Name: East Bay Municipal Utility District Treatment Plant

Owner: East Bay Municipal Utility District

Operator: East Bay Municipal Utility District

Address: 375 11th Street, Oakland, CA 94607

Contact Person and telephone number: Steve Sherman, 510.287.0818

Allocation Method: All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

Facility Name: Sunnyvale Materials Recovery and Transfer Station (SMaRT Station)

Owner: City of Sunnyvale

Operator: Bay Counties Waste Services

Address: 301 Carl Road, Sunnyvale, CA 94089

Contact Person and telephone number: Jerry Nabhan, 408.566.1809

Allocation Method: The SMaRT Station currently utilizes a staffed scale house that results in rapid weighing and material tracking procedures. All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

4. **Food Scraps Processing Standards.** The following Processing standards shall be met by the Approved Food Scraps Processing Facility:

I. Pre-processing activities shall include, at a minimum, the inspection for and removal of Hazardous Waste and any obvious prohibited items that will not be removed by the process.

II. Food scraps shall be processed to remove large contaminants (plastic bags, cutlery, bottles, etc.), screened to eliminate smaller contaminants, and processed into food mash.

III. Food mash shall be dehydrated/treated with heat as pathogen reduction and used to create an animal feed stock supplement or by-product.

IV. All Food Scraps shall be Processed and marketed for use as animal feed and none shall be Disposed, used as Alternative Daily Cover or Alternative Intermediate Cover, or used for Beneficial Reuse purposes.

5. **Yard Trimmings Processing Standards.** The following Processing standards shall be met by the Approved Composting Facility:

I. Pre-processing activities shall include, at a minimum, the inspection for and removal of Hazardous Waste and removal of visible contaminants to the Yard Trimmings.

II. Composting shall be accomplished by the use of recognized Composting methods, which have been demonstrated to be able to consistently produce stable, mature Compost Product that is suitable for general purpose use, similar to the U.S. Composting Council's Class 1 rating.

III. Post-composting processing activities shall include screening to remove plastics and other contaminants from the Compost Product.

IV. The Composting activities shall maintain an average monthly residue level less than twenty percent (20%) where the residue level shall be equal to the monthly Tonnage of Processing or Composting residue requiring Disposal divided by the total monthly Tonnage of Yard Trimmings Collected.

V. All Yard Trimmings shall be Processed and marketed for use as Compost, mulch, or soil amendment and none shall be Disposed, used as Alternative Daily Cover or Alternative Intermediate Cover, or used for Beneficial Reuse purposes. In order to make productive use of Compost "overs", Contractor may use no more than five percent (5%) by weight of the total inbound tonnage of Yard Trimmings received at the Approved Compost Facility as Alternative Daily Cover.

VI. Contractor shall offer Compost Products to the City at a price that is limited to the cost incurred by the Contractor to purchase and Transport such material to the City. Services as of contract execution include, but may be revised, if the City and Contractor agree upon a different approach. The Contractor will collaborate with the City to deliver materials in a Drop Box Container to the City's Corporation Yard where residents can access the Compost Product twice per year.

E. C&D Processing

1. **Approved Facilities.** Below is information about the Approved C&D Processing Facilities selected by the Contractor for Processing of Source Separated Recyclable C&D and Mixed C&D:

Facility Name: Mission Trail Waste Systems MRF / Transfer Station

Owner: Mission Trail Waste Systems (MTWS)

Operator: MTWS

Address: 1313 Memorex Drive, Santa Clara, CA 95050

Contact Person and telephone number: Louie Pellegrini, 650.814.9532

Allocation Method: The MTWS MRF / Transfer Station currently utilizes a staffed scale house that results in rapid weighing and material tracking procedures. All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

2. **Approved Alternative Facilities.** Following facilities are approved as Alternative Facilities for C&D Processing as of the Effective Date.

Facility Name: Zanker Road Resource Management Facilities

Owner/Operator: Zanker Road Resource Management

Address: 675 and 705 Los Esteros Road, San Jose, CA 95134

Contact Person and telephone number: Michael Gross, 408.263.2384

Allocation Method: The Zanker Road facilities currently utilizes a staffed scale house that results in rapid weighing and material tracking procedures. All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

Facility Name: Guadalupe C&D Recovery Facility

Owner/Operator: Waste Management

Address: 15999 Guadalupe Mines Road, San Jose, CA 95120

Contact Person and telephone number: Mike Rivera, 408.323.6311

Allocation Method: The facility currently utilizes a staffed scale house that results in rapid weighing and material tracking procedures. All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

Facility Name: Sunnyvale Materials Recovery and Transfer Station (SMaRT Station)

Owner: City of Sunnyvale

Operator: Bay Counties Waste Services

Address: 301 Carl Road, Sunnyvale, CA 94089

Contact Person and telephone number: Jerry Nabhan, 408.566.1809

Allocation Method: The SMaRT Station currently utilizes a staffed scale house that results in rapid weighing and material tracking procedures. All inbound and outbound materials are weighed and all data is tracked by origin, company, material, weight and date and time, ensuring each company/jurisdiction material is accurately allocated.

F. Insurance, Indemnifications and Performance Standards

If Contractor uses an Affiliate Subcontractor to provide transfer, Processing, and/or Composting services, or enters into any contract, agreement or understanding with a party for services related to Recyclable Materials Processing and marketing, Organic Materials Processing, Composting, C&D Processing and marketing, and marketing, or Transfer Station services, Contractor shall provide that terms and conditions (such as insurance requirements, indemnifications, and Processing, Composting, marketing performance, and residue guarantees) of any contract, agreement, or other understanding Contractor has with such party can be enforced by the City as an additional insured or third party beneficiary thereof in the same manner provided in Article 9 and in a manner reasonably satisfactory to City.

If Contractor, an Affiliate, or Subcontractor owns or operates the Approved Recyclable Materials Processing Facility, Approved Composting Facility, or Approved C&D Processing Facility, Contractor shall include City as an additional insured on liability policies and defend and indemnify City in a manner satisfactory to City, and provide that any materials recovery and marketing performance standards or guarantees made to any other facility customers are made to City as well, including obligations such as

recovered product and Compost Product quality guarantees and limits on the residue level.

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

G. Compliance with Applicable Law

Contractor (or its Affiliate or Subcontractor(s)) warrants throughout the Term that the Approved Facilities (excluding the Approved Transfer Facility) selected by Contractor are respectively authorized and permitted to accept Recyclable Materials, Organic Materials, and C&D in accordance with Applicable Law and is in full compliance with Applicable Law. Contractor shall: (1) verify compliance for the Approved Facilities (that neither it nor its Affiliates own) by contacting the local enforcement agency and other regulatory agencies having jurisdiction over the Approved Facilities at least quarterly; and (2) upon City direction, shall promptly provide City with copies of the Approved Facilities' permits or notice of violations to City.

H. Transportation and Processing Costs

All costs associated with Transporting Discarded Materials and street sweepings to, and Processing of Discarded Materials and street sweepings at the Approved Facilities shall be paid by Contractor.

I. Weighing and Record Requirements

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

J. City Option to Direct Solid Waste for Processing

Unless directed by City to use the SMaRT Station as provided in Section 4.8.B.4 commensurate with the terms of an agreement between the City and Sunnyvale that provides for Processing of Solid Waste, Contractor shall, beginning at the Commencement Date make good faith efforts to arrange for the availability of capacity for Processing of Solid Waste at a specified per-Ton rate should the City need such service.

Should City direct Contractor to use the SMaRT Station as provided in Section 4.8.B.4, and should City provide notice of its intent to use the SMaRT Station for Processing of City-designated Solid Waste, Contractor shall within sixty (60) days of a written request provide for Processing of City-designated Solid Waste at the SMaRT Station. Solid Waste Processing shall meet the provisions of this Section 4.8. City shall provide Disposal Contractor with notice of such request as provided in the City's Disposal agreement. Contractor shall coordinate with Disposal Contractor as necessary regarding City-designation of Solid Waste for Processing. City may designate for Processing some or all of Solid Waste Collected from Carts,

Bins, Debris Boxes and/or Compactors, however Solid Waste Collected from a given route shall be designated either for Disposal or for Processing, but not both.

Contractor may not commence or cease Processing of Solid Waste without prior City direction or approval. City may within sixty (60) days written notice require cessation of some or all of approved Solid Waste Processing, with a commensurate adjustment to the then-current Maximum Rates to reflect net costs for Transport and Disposal of Solid Waste, as applicable. City reserves the right to require modified reporting requirements if necessary to understand the impact of such Processing on Disposal and Diversion.

4.9 Public Outreach Efforts

The public outreach activities included in the scope of services provided by Contractor under this Agreement are described in Exhibit B. Outreach activities collectively include leading development and production of a range of types of print material, maintaining a website presence, and public meetings and tours. Contractor's outreach strategy shall focus on improving Customer understanding of the benefits of and opportunities for source reduction, reuse, Recycling, and Composting. In general, Contractor-provided outreach should: (i) inform Customers about the services that are provided under this Agreement with specific focus on describing the methods and benefits of source reduction, reuse, Recycling, and Composting; (ii) instruct Customers on the proper method for placing materials in Containers for Collection and setting Containers out for Collection with specific focus on minimizing contamination of Recyclable and Organic Materials; and, (iii) clearly define Excluded Waste and inform Customers of the hazards of such materials and the opportunities for its proper handling.

Contractor, and its Subcontractors, shall cooperate and coordinate with the City Contract Manager or their designee regarding outreach activities to minimize duplicative, inconsistent, or inappropriately timed outreach campaigns. Contractor is aware that Santa Clara County conducts ongoing education regarding a variety of solid waste and related programs.

Contractor shall allow the City Contract Manager a minimum of five (5) Business Days to review, request modifications to, and approve the content for all outreach materials including, but not limited to: print, radio, television, or internet media before publication, distribution, and/or release. City may require inclusion of specific City information on print and electronic outreach materials.

The City shall maintain a budget for graphic design, printing, advertising placements, mailing and door-to-door distributions of public outreach materials. Contractor staff shall lead development (writing, graphic design), including working with graphic designers, translators and other outreach support services as designated by the City. City staff shall review drafts and facilitate printing using the City's contractor.

Contractor shall provide City prior right of review and approval for Contractor's proposed inclusion of the City name or City staff contact information on print materials or in electronic media.

Contractor shall provide City notice by phone and email no less than one (1) Business Day prior to releasing any information to the media regarding the Agreement or the services provided under it.

Contractor will regularly promote the company website. The website will feature how-to videos, digital copies of printed outreach (newsletters and billing inserts), service tips, proper hazardous waste disposal, information about local recycling ordinances and free assistance. Contractor will provide links to existing sites (such as the Recycling & Waste Reduction Division of Santa Clara County) that feature applicable

information and support regarding items such as environmentally preferred purchasing and green business programs. Social media will focus on community involvement activities, program announcements, service tips and will refer to the website for general program information. Social media outlets may include, but are not limited to: Facebook, Instagram and/or Snapchat. Due to the ever-changing social media landscape, Contractor will collaborate with the City Contract Manager annually to determine the relevance of social media outlets in use and make changes if appropriate.

As part of the Contractor's third quarterly report (required by Section 6.2 of this Agreement) for the Rate Period, Contractor shall work collaboratively with City to submit an Annual Plan outlining its public outreach efforts for the coming Rate Period. For each service audience, the plan shall list each public outreach piece (e.g., newsletters, bill inserts, flyers, newspaper advertisements, etc.) to be prepared, the purpose of the piece, the key subject(s) to be covered, and the anticipated date of issuance. In addition, the plan shall list all events the Contractor plans to attend and the public outreach it intends to provide at such event. The City shall review and approve the Annual Plan. It is recognized that changing conditions exist and that plan elements may need to be modified, such as add or delete public events and alter the manner and timing of outreach. In addition, Contractor is responsible for producing a Quarterly Schedule of outreach activities two weeks in advance of each quarter for City review, comment and approval.

4.10 Multi-Family/Commercial Technical Assistance

Contractor shall provide comprehensive recycling technical assistance to Multi-Family and Commercial Customers with the primary purpose of helping Customers increase Recycling and Organics Collection services and to assist them in complying with the requirements of AB 341 and AB 1826. The technical assistance services shall include at least one (1) annual meeting with each property manager/owner and on-site assessments of the Multi-Family and Commercial premises to improve Recycling and Organics Collection program participation. During the site visits, Contractor will be required to provide and/or restock posters, "how to" guides, personal recycling baskets/bags for Multi-Family tenants, and any other appropriate materials and provide new signage for the Recycling and Organics Containers if necessary. This program shall also involve preparation and presentation of reports to the City on the Contractor's efforts and results of the technical assistance efforts.

Throughout the term of the agreement, Contractor will continually and proactively work with commercial and multi-family customers to adopt and improve conservation strategies using creative ideas to keep commercial and multi-family customers engaged. Contractor will meet with each commercial and multi-family site during the transition and annually thereafter. Contractor-provided outreach shall inform Customers about the services that are provided, include information on the methods and benefits of source Reduction, Reuse, Recycling, and Composting and how to keep contamination of Recyclable and Organic Materials at a minimum. Customers will be instructed on the proper placement of materials in containers and the proper set out of containers for collection. Customers will be informed of the definition, hazards and proper handling of prohibited waste. Details of the technical assistance program that will assist City in achieving its diversion and compliance goals are outlined in Exhibit B.

4.11 Billing

Beginning with the Effective Date, Contractor shall meet with City billing staff as requested to ensure an orderly and smooth transition from City to Contractor billing for Single-Family Residential services.

Contractor shall bill all Customers at Rates not to exceed Maximum Rates approved by City, and

Contractor shall be solely responsible for collecting billings. Maximum Rates shall be set by the City in accordance with Article 8. Billing shall be performed on the basis of services rendered and this Agreement shall create no obligation on the part of any Person on the sole basis of the ownership of property.

Contractor's website shall provide Customers with the ability to pay their bills through an electronic check or credit card and include the ability for Customer billings to be automatically charged on a recurring basis. Contractor shall prepare, mail, and collect bills from Customers who decline to use such internet-based billing system. Contractor shall make arrangements to allow Customers to pay bills by cash, check, electronic check, money order, and credit card. Contractor shall also provide a minimum of one (1) convenient drop-off location within the Service Area to be available on Business Days from 8:30 AM to 5:00 PM for Customers to directly bring payments. Contractor shall also coordinate with City staff to collect Customer payments from a drop-off box to be located at the City Hall first floor information desk. Such service shall be provided for up to two years from the Commencement Date, as needed during the transition to Contractor billing.

Specific provisions for Customer billing include:

1. All Single-Family Customers must receive a single bill.
2. Commercial Customers that share service are solely responsible for determining which participating Customer will be billed and which will pay.
3. Mobile homes complexes may request per-unit billing of residents.
4. For mixed use complexes with Residential and Commercial Customers, Contractor shall be solely responsible for determining which party will receive and pay bills.
5. Verifying and maintaining records for residential properties that do not receive Yard Trimmings service and are not billed the Yard Trimmings service fee. Contractor shall coordinate with the City Contract Manager to determine Yard Trimmings exemptions and Contractor shall still provide Food Scraps Collection and Processing services.

If Customer requests a change in Service Level that results in a lower Rate, Contractor shall adjust Customer's billing amount within seven (7) days of the date Customer requested the change regardless of whether or not Contractor delivers the appropriate Containers or modifies the Service Level within that timeframe. However, If Customer requests change in Service Level that results in a higher Rate, Contractor shall adjust the Customer's billing amount within seven (7) days of the effective date of the actual change in Service Level. Should a Multi-Family Customer request a change in service as provided in Section 4.2, Contractor shall inform City for approval prior to making such change.

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

Contractor shall be responsible for collection of payment from Customers with past due accounts ("bad debt"). Contractor shall make reasonable efforts to obtain payment from delinquent accounts through issuance of late payment notices, telephone requests for payments, and assistance from collection agencies.

If a Customer's payment becomes more than one hundred twenty (120) days past due, Contractor may request approval from the City to reduce the Customer's service level. If the City approves such request,

the Contractor shall provide the Customer thirty (30) days written notice of its intent to reduce the service level. For Single-Family Customers, Contractor may reduce service to thirty two (32) gallons of Solid Waste Collection service and may discontinue Recyclable Materials and Organic Materials Collection by retrieving Containers from that Customer. For Multi-Family and Commercial Customers, Contractor may discontinue Recyclable Materials and Organic Materials Collection by retrieving Containers from that Customer Contractor. In no case shall service level reductions occur prior to one hundred twenty (120) days following the initial Billing date. After service level reduction, Contractor may charge the Customer a fee to restart service at a Rate not to exceed the City-approved Maximum Rate, and may require the Customer to pay all amounts due (including late payment fees), and/or make a deposit in advance equal to two (2) months of service, as a condition to recommencing service. If a Customer's service level is reduced, Contractor shall provide written notification to the City within twenty-four (24) hours and shall include in the notice to City the Customers' name and address, original date of billing, date of delinquency notice, and amount due. The City may involve their code enforcement officer in the assessment of public health and safety concerns at a Customer's premises following a service level reduction. All notifications and correspondence issued by Contractor shall be directed to the Customer and the owner of the property if the owner is a different Person or entity than the Customer.

Contractor shall verify Customer's eligibility for the Senior Rate by reviewing subscribers' driver's license or birth certificate. Contractor shall also assist the City with administration of any other special Rate programs such it may establish.

4.12 Customer Service Program

A. Program Requirements

1. **Availability of Representatives.** A representative of the Contractor who is knowledgeable of the service area, services, and Rates shall be available from 9 a.m. to 5 p.m. Monday through Friday to communicate with the public in person and by telephone. Contractor shall maintain a local or toll-free telephone number which it shall publicize. Contractor shall also maintain an after-hours telephone number allowing twenty-four (24) hour per day access to Contractor management by City Contract Manager in the event of an emergency involving Contractor's equipment or services including, but not necessarily limited to, fires, blocked access, or property damage.

2. **Telephone.** Contractor shall maintain a telephone system in operation from 7 a.m. to 6 p.m. and shall have sufficient equipment in place and staff available to handle the volume of calls experienced on the busiest days and such telephone equipment shall be capable of recording the responsiveness to calls. Contractor shall provide a dedicated phone number for use by City Customers. Recording of Contractor's responsiveness to calls shall include, at a minimum, all items included in the "Service Quality and Reliability" and "Customer Service" performance standards listed in Exhibit E. An answering machine or voicemail service shall record Customer calls and voice messages between 6:00 p.m. and 7:00 a.m.

3. **Website.** Contractor shall develop and maintain a website (or webpage) that is specifically dedicated to the City to provide customers with detailed service information and Rates. The website or webpage shall be accessible by the public. In addition, Contractor's website shall include all public outreach materials described in Exhibit B and provide the public the ability to e-mail Contractor questions, service requests, or complaints. Contractor shall update the website regularly so that information provided is current.

4. **Training.** All Persons involved in providing Customer service and/or billing support to Customers shall be well educated on and knowledgeable of all aspects of the City's Collection services, Rates, and other relevant information.

5. **Translations.** Contractor shall utilize commercial language translation services where reasonably available; if commercial language translation services are not used, shall have representatives reasonably available (through employees or subcontractors) during normal business hours who are fluent in three languages other than English

B. Service Requests, Compliments, Complaints

Contractor shall maintain a minimum of three (3) dedicated Customer Service Representatives (CSR's) at all times dedicated to services provided to City. Call center shall be within a fifty (50) mile radius of the City. Contractor shall be responsible for the prompt and courteous attention to, and prompt and reasonable resolution of, all Customer service requests and complaints. Contractor shall record in a separate log, approved as to form by City Contract Manager, all complaints, noting the name and address of complainant, date and time of complaint, nature of complaint, and nature and date of resolution. The Contractor shall retain this complaint log for the Term. Upon request by the City Contract Manager, Contractor shall compile and submit a summary statistical table of the complaint log.

Contractor shall respond to all complaints received within twenty-four (24) hours, weekends and Holidays excluded. In particular, if a complaint involves a failure to Collect Solid Waste, Recyclable Materials or Organic Materials from a Premises in the City, Contractor shall Collect the material in question within twenty-four (24) hours of receipt of the Complaint, provided that Generator has properly placed materials for Collection.

Contractor shall ensure its call center has sufficient technical and staffing capability to process the increased volume of calls that will occur prior to and subsequent to the Commencement Date, and during the start-up or expansion of services such as those required for compliance with AB 1826.

For a minimum of sixty (60) days prior to and sixty (60) days subsequent to the Commencement Date, Contractor shall ensure availability of such additional CSR's to address the volume of calls promptly and efficiently. Such CSRs shall be fully trained to provide accurate information consistent with the services to be provided under the terms of the Agreement.

Contractor's call center shall be located within a fifty (50) mile radius of the Service Area.

Customer service performance standards and penalties are specified in Exhibit E.

C. Customer Satisfaction Assessment

Contractor shall conduct a statistically reliable quantitative and qualitative commercial customer satisfaction survey on a bi-annual basis during odd-numbered years. The results of the survey shall be reported to the City within 60 days after the surveys have been completed. The design of the survey shall be to the satisfaction of the City but may include an insert with the Solid Waste bill. Contractor's survey report is due no later than December 15 of odd-numbered years. The Contractor's annual report to the City as outlined in Section 6.2 of this Agreement, shall include a summary of the survey results, a description of service improvement goals for the next year as identified by the City based on the survey

findings, identification of tasks required of Contractor during the next year to accomplish the service improvement goals, and a report of the Contractor's accomplishments for previous years' service improvement goals.

4.13 City Web-Based Access to Information

Contractor shall establish a web-based system that enables the City to access Contractor's customer service and billing system to view Customer records including service information, Rate, call history, etc., on a twenty-four (24) hour, real-time basis. Contractor shall also provide web-based access to street sweeping information including but not limited to completion of callbacks, damage to property, complaints and daily reports as provided in Sections 4.15.B.3, 4.15.D.11, 4.15.E.2, and 4.15.F.2, respectively. Contractor's customer service and billing software is a cloud-based system that allows the City to have read only access to the database and includes customer information, service history, rates, call logs, account notes, and reports.

4.14 Diversion Requirements; AB 939, AB 341, AB 1826, SB 1383

Contractor shall perform all education, outreach, monitoring, and shall prepare required reports for City review and comment for all Commercial and Multi-Family properties as required by AB 939, AB 341, and AB 1826. These activities shall, at a minimum include providing outreach to Multi-Family and Commercial Customers regarding the mandatory Diversion requirements of AB 341 and AB 1826; notifying non-compliant Multi-Family and Commercial Customers at least semi-annually; and providing the City information regarding Customer compliance with the mandates.

The Contractor shall provide all necessary reporting data requested by the City relating to the City's compliance requirements pertaining to AB 939, AB 341, AB 1826 and SB 1383 as it affects the County's Integrated Waste Management Plan and the City's SRRE. Contractor shall also provide regular reporting substantiating that it is Processing a minimum of thirty one percent (31%) of the total materials Collected, less residue and excluding C&D and street sweeping materials.

The Contractor shall cooperate in activities requested by the City to measure diversion of Solid Waste from landfills including, but not limited to, providing a location for conducting waste sorting at the Contractor's facility, and re-routing trucks on a temporary basis to facilitate composition analysis. Such reports shall include, but not necessarily be limited to, throughput, recovery rates per material type, residue, costs, Recyclable Material commodity values, and final disposition of Recyclable Materials and Organic Materials. The Contractor shall also supply any other information reasonably requested by the City Contract Manager to meet State, Federal, or County regulatory requirements as those requirements may be amended from time to time.

Contractor shall provide a comprehensive program that ensures that each customer has the correct information, tools, resources and support to reach their best diversion potential, and to assist the City in meeting their requirements under AB 341, AB 1826 and SB 1383. The City is required in their Annual Reports to CalRecycle to provide local businesses subject to the rule education, outreach and monitoring of the program and Contractor shall prepare such reports to the City. Businesses that are not in compliance will be notified by the Contractor. Contractor shall calculate total number of regulated businesses, as well as how many pounds of recyclables, organic and inorganic waste are generated per employee per week, and through a conversion process, approximately how many cubic yards and tonnage of each waste type is generated per week will be determined. The regulated businesses will be prioritized

for Technical Assistance and Outreach Services based on their compliance deadline, determined by the amount of waste generated per AB 1826.

The Parties are aware that SB 1383, the Short-Lived Climate Pollutants Act of 2016 became law on September 15 2016 (an act to add Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and to add Chapter 13.1 [commencing with Section 42652] to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions). The Parties agree that the passage of this law and the regulations required under it will not represent a Change in Law because this Agreement provides for the programs, education, outreach, and reporting required in the statute. In the event that the City requests Contractor be responsible for providing enforcement, additional services, or programs for this law under the Agreement, that shall be considered a City-directed Change in Scope and Contractor shall be entitled to appropriate compensation for such additional services.

4.15 Street Sweeping

Section 4.15 and Exhibit O of the Agreement specify City's requirements for provision of street sweeping services by Contractor.

A. Definitions

The following definitions apply to this Section 4.15 and to Exhibit O, and are in addition to the definitions contained in Exhibit A.

1. **Curb Mile** - Linear measurement of 5,280 feet of curbing or pavement edge to be used as standard unit of Scheduled Service.
2. **Street Debris** - All loose, inert, dry waste material including refuse, dirt, sand, glass, metal fragments and typical street litter (i.e. cans, bottles, leaves), but excluding bulky or putrid wastes. Street debris does not include waste materials in the catch basins of storm sewers.
3. **Sweeping Path** - Specified paved surface distance from curb line or pavement edge in which Scheduled Service is to be performed. This sweeping path is the only area to be swept in Scheduled Service.
4. **Scheduled Service** - Regularly scheduled sweeping frequency for residential, commercial and industrial areas is defined in Section 4.15.B.1. Specific routes and sweeping frequencies are also shown in the map provided in Exhibit O-5.
5. **Unscheduled Service** - That service which can be requested by the City to be performed outside the bounds of the scheduled service (i.e. sweeping after parades or major events).-

B. Scope of Work and Compensation

1. **Scheduled Service** - The Contractor will furnish Scheduled Service using modern sweeping equipment for those public streets designated by City at the time of the execution of the Agreement. After the execution of the Agreement, City may add other public streets, or portions of public streets.
2. **Unscheduled Service** - The Contractor will also provide, if required by the City, Unscheduled Service before or after major events such as parades, fairs, etc., of any street or streets, or

portions of streets. Contractor shall provide this service at no additional cost to the City twice per calendar year. Contractor shall sweep up to 11,000 Curb Miles per calendar year, including both scheduled service and unscheduled service. Unscheduled services which are within this annual allowance shall be provided at the direction of the City Contract Manager and at no additional charge to the City. This allowance shall be adjusted annually to reflect an increase or decrease in the actual number of Curb Miles swept during the previous year relative to the total Curb Mile allowance at $29.28 per Curb Mile swept (including both Contractor's direct cost and City fees), the calculation of which shall be presented by Contractor in their Annual Report. In the event that the City requests unscheduled sweeping services which exceed this allowance, Contractor shall be compensated at $25.65 per Curb Mile swept and shall invoice City directly for such services.

3. **Callbacks** – When in the opinion of the City Contract Manager following sweeping a section of street is inadequately swept, Contractor shall within 2 Business days re-sweep the section in question at no additional charge.

4. **Compensation** – Contractor's compensation for street sweeping services under this agreement is included in the Maximum Rates charged to Customers. In the event that City terminates this portion of the Agreement, under Section 4.15.H, Contractor's proposed annual cost of street sweeping services of two hundred and sixty two thousand, four hundred and sixty dollars ($262,460), plus any percentage change applied to Customer Rates after the start of this Agreement, shall be excluded from Customer Rates.

C. Frequency of Service

1. **General** - Residential areas shall be swept twice a month. Commercial and industrial areas shall be swept four times a month.

2. **Exception** - Residential Areas C, E, F, G, H, and J as shown on Exhibit O-5, shall be swept weekly during the months of November and December using vacuum type units.

D. Operations

1. **Days and Hours of Operation** – Sweeping for the purposes of the Agreement shall be Monday through Friday, only. Sweeping of residential and mixed use areas shall not start before 8:00 a.m. or continue after 5:00 p.m. Industrial/commercial areas shall be swept between 12:00 a.m. and 8:00 a.m. Exceptions to sweeping hours or days shall be only upon the mutual written agreement of the City and Contractor. If Contractor reasonably determines that an exception is necessary in order to complete sweeping due to unusual circumstances in case of emergency, such exception shall require written approval of the City, within ten working days of said emergency. If Contractor experiences a breakdown, or other reason, which prevents the completion of daily scheduled street sweeping services, Contractor shall notify City immediately and provide a plan for completing the sweeping as soon as possible.

2. **Adequate Equipment and Staffing** - The Contractor shall provide additional equipment and staff as necessary to complete the street sweeping on the frequency shown in Section 4.15.B.1 during weeks with less than normal working days. Street sweeping shall not occur on City holidays, which are New Year's Day, Monday observing Martin Luther King's Birthday, President Lincoln's Birthday, Monday observing President Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day and the day after, Christmas Eve, and Christmas Day.

Street sweeping shall not occur on any other additional holidays approved by the Milpitas City Council. In the event a holiday falls on a Sunday, the following Monday shall be the holiday instead. In the event a holiday falls on a Saturday, the preceding Friday shall be a holiday instead.

3. **Sweeping Routes** – Contractor shall develop sweeping routes for City review and comment by no later than May 1, 2017. Such schedule shall minimize changes to the existing schedule shown in Exhibit O5, and the final approved versions be inserted as the new Exhibit O-5. Contractor to provide a description of how they plan to meet the sweeping routine schedule. Contractor shall submit a map designating the routes to the City for approval. Contractor shall coordinate sweeping routes with Collection, and to the extent possible will avoid Collection and street sweeping of any area of the City on the same day. It is understood that if vehicles are parked on the streets when services are being performed by the Contractor, then Contractor's operations will be impeded and Contractor will be required to bypass said parked vehicles. In such event, Contractor compensation shall remain as provided in this Section 4.15.

4. **Sweeping Equipment** – The Contractor shall provide list of vehicles for scheduled sweeping services adequate to accomplish the sweeping effectively (broom and vacuum units). All sweeping equipment shall have proper safety markings in accordance with State Vehicle Code and subject to approval of City Contract Manager. Commercial and industrial streets shall be broom swept. Residential streets shall be broom swept, except where heavy leaf concentrations make such methods less effective as described in Section 4.15.C.2. Heavy leaf concentrations shall be vacuum swept. The Contractor may use a vacuum truck with curb broom anywhere a broom truck is permitted. Equipment shall use a wheelbase small enough to go between parked cars to sweep a minimum length between cars of eight (8) feet. All vehicles and other equipment shall be kept in good repair, appearance, and in a sanitary condition at all times. Each vehicle shall be equipped with mobile radios and hour meters. A two-way mobile radio shall be made available to the street maintenance supervisor on each work day. Each vehicle shall have clearly visible on each side the identity and telephone number of the Contractor. Sweeping equipment to be used must provide a minimum sweeping path of 72 inches and be capable of removing street debris, which lies in this path. Contractor shall sweep at speeds which minimize the amount of streaking and is required to make additional passes if necessary to remove this debris. Each vehicle shall have a dust control system which shall be utilized at all times during sweeping operations. All vehicles shall have sound control devices and shall comply with Milpitas Municipal Code - Chapter 213, Noise Abatement. Contractor shall tare weigh all vehicles upon initiation of service for the City with weights provided to all Approved Facilities used for street sweeping debris Processing or Disposal. Contractor shall provide City with a report listing the vehicle tare weight information upon request. Contractor shall promptly weigh additional or replacement Transfer vehicles prior to placing them into service. Contractor shall check tare weights at least annually, or within fourteen (14) Days of a City request, and shall retare vehicles immediately after any major maintenance service.

5. **Vehicle Speed** – Contractor shall at all times operate sweepers at no more than five (5) miles per hour, unless it can be demonstrated to satisfaction of City Contract Manager that the specified quality of service can be safely accomplished at a higher speed.

6. **Hauling** – All street debris hauled by the Contractor shall be contained, tied or enclosed so that leaking, spilling or blowing are prevented.

7. **Weather** – In the event of heavy rain or other severe weather conditions, the scheduled sweeping service may be suspended. The decision to sweep will be made by the City after consultation with the Contractor.

8. **Water** – City will provide at no cost to the Contractor access to water from City hydrants, except during periods of declared water shortage. During such shortages, water supply site(s) shall be designated by the City. Contractor shall be required to use a construction meter, provided by the City, for this purpose.

9. **Disposition of Material** – All collected street debris shall be delivered to the applicable Approved Facility for Processing or Disposal.

10. **Direct Point of Contact** – Contractor shall designate a management-level representative, including of an Affiliate or Subcontractor as appropriate, directly responsible for street sweeping service to be available to the City on an on-call basis.

11. **Damage to Property** - Any property, including, but not limited to, the existing structures, equipment, piping, pipe covering, grounds, sidewalks, curbs, gutters, driveways, fences, etc., damaged by the Contractor or its Subcontractor during provision of Street Sweeping services as a result of Contractor's (including its employees and agents) negligence shall be replaced or repaired by the Contractor in a manner satisfactory to the City and to the Contractor's expense.

E. Outreach and Customer Service

1. **Outreach** - Contractor shall provide full page advertisements describing street sweeping schedules in the Milpitas Post monthly. On an annual basis no later than January 15 of each year, or next following business day, Contractor shall provide a street sweeping calendar by service section to each single family household receiving street sweeping services. On an annual basis to be received by affected customers no later than the last Monday of October, Contractor shall provide mailed notification of the weekly street sweeping schedule to households in service areas described in Section 4.15.C.2. Contractor shall provide doorhangers to customers affected by route changes.

2. **Complaints** – All customer complaints shall be made directly to the Contractor and shall be given prompt and courteous attention. Contractor shall within three (3) Business Days of receipt of any complaint, notify City of schedule and plan for resolution of the complaint and for informing complainant of resolution, as applicable.

3. **Office** – The Contractor shall maintain an office or such other facility through which he/she can be contacted and from which he/she can maintain radio contact with sweeping vehicles. It shall be equipped with sufficient telephones and shall have a responsible person in charge from 9:00 a.m. to 5:00 p.m., Monday through Friday.

F. Recordkeeping and Reporting

1. **Recordkeeping** - Collector shall maintain street sweeping records relating to: Curb Miles swept using a broom odometer, or mileage only when cleaning and excluding driver mileage to or from an area; volume and/or weight of material removed for each cleaning day, and; areas needing more frequent routine sweeping or added sweeping prior to the rainy season.

2. **Daily Reports** – Contractor shall post a daily report of curb miles swept and cubic yards and tonnage of debris collected on the Contractor's website for City access as provided in Section 4.13. Daily reports shall use the format specified in Exhibit O-4.

3. **Monthly Reports** - Contractor shall submit to City monthly reports on or before the twenty-fifth

(25th) day following the end of each calendar month. Monthly reports shall use the format specified in Exhibit O-1. In addition, monthly reports must contain completed forms as shown in Exhibits O-2 and O-3 to track parked cars and low hanging trees that impede sweeping.

4. **Report Formats and Requirements** – City reserves the right to modify or add to reporting formats, reporting frequency, and/or content with 30 days' notice.

5. **Performance Standards** – Failure to meet the requirements of Section 4.15 and Exhibit O may result in penalties as provided in Exhibit E.

G. Wage Scale

For the purposes of this Section 4.15.G, Resolution No. 5981 of the City of Milpitas requires that any Contractor performing routine and recurring labor or services in excess of $1,000.00 on behalf of the City of Milpitas, pay not less than general prevailing wage of per diem wages as set forth in Contractor's collective bargaining agreement with its employees to all employees engaged to perform said labor or services. (This requirement shall not apply to the sale of goods or to professional services, including, but not limited to, consultant services, construction inspection services, engineering services, architectural services, land surveying services, legal services, financial services, accounting or auditing services, data processing services, administrative services, instructional services, personnel services, and services provided by other public entities.) In addition, Contractor shall pay prevailing wages as otherwise required by State law.

H. Termination

Notwithstanding the provisions of Article 10, and with or without cause, City may issue Contractor a written notice to terminate the street sweeping service with 30 days' notice.

4.16 Performance Reviews and Financial Audits

A. Performance Reviews

Performance and service quality reviews may be conducted or caused to be conducted by the City at its discretion throughout the Term and any extensions. Such reviews may be conducted from time to time during the term of this Agreement by a qualified independent consultant selected by City. The reports required by this Agreement and the Contractor's ability or inability to achieve Diversion goals may be utilized as a basis of review. Such review or audit may include, but shall not be limited to analyses of both financial and qualitative performance of Contractor and Contractor's operations. If any noncompliance with the Agreement is found, the City may direct the Contractor to correct the inadequacies in accordance with the terms of this Agreement. If the Contractor fails to correct the noncompliance items, said failure will be considered a default under this Agreement. Contractor shall cooperate fully with City in conducting such evaluations and audits. The cost of such reviews or audits shall be borne by Contractor up to a total of $200,000 during the term of the Agreement, and up to the equivalent of $50,000 per year for each year of an extension.

B. Route Audits

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

A. The route number, the date of the audit, and the starting and ending times of Collection during the audit.

B. A description of the route location, including the names of the streets covered.

C. The number of Service Recipients by category on the route.

D. The number of Service Recipients by category participating on the date of the audit and the number and type (e.g., Solid Waste, Recyclables, Yard Trimmings, Food Scraps, Used Motor Oil, Cooking Oil) of pickups in each Service Recipient category.

E. For Collection routes, the number of Service Recipients by category which set out overages and the total number of overages Collected.

F. For the Recyclables and Organics Collection routes, the number of Containers distributed by Service Recipient category.

G. For routes with Used Motor Oil Collection, the number of Used Motor Oil Containers Collected and the number of Used Motor Oil Containers distributed by Service Recipient category.

H. For routes with Cooking Oil Collection, the number of Cooking Oil Containers Collected and the number of Cooking Oil Containers distributed by Service Recipient category.

I. The number of Collection vehicles used on the route by vehicle type (e.g., rear loader Solid Waste truck, compartmentalized Recyclables truck), the weight of each vehicle, the capacity of each vehicle by weight and volume, and the number of trips made by each vehicle to Approved Facilities).

J. The tonnages or volumes by type of material Collected per vehicle trip.

K. A description of any changes in the route occurring since the immediately preceding route audit, including changes in the location of the route, the number of Service Recipients, equipment used, and Collection methods employed.

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

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

ARTICLE 5. STANDARD OF PERFORMANCE

5.1 General

Contractor shall at all times comply with Applicable Laws and provide services in a manner that is safe to

the public and the Contractor's employees. Except to the extent that a higher performance standard is specified in this Agreement, Contractor shall perform services in accordance with Solid Waste, Recyclable Materials, Organic Materials, and C&D management practices common to Northern California.

5.2 Operating Hours and Schedules

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

1. **Residential Premises.** Collection from Residential Premises shall only occur between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday.
2. **Commercial Premises.** Collection from Commercial Premises that are two hundred (200) feet or less from Residential Premises shall only occur between the hours of 7:00 a.m. and 7:00 p.m., Monday through Friday. Collection from Commercial Premises more than two hundred (200) feet from Residential Premises shall only occur between the hours of 4:00 a.m. and 7:00 p.m., Monday through Saturday, except that such pickups may begin at 3 a.m. during April through September. Contractor is encouraged to schedule Collection from Commercial Customers in close proximity to any Residential Customers after 7:00 a.m. by focusing early morning Collection service in Commercial areas away from Residential neighborhoods. Upon complaints from Residential Customers about Collection noise, the Contractor shall re-route its Collection vehicles to the extent practical and shall meet and confer with the City to agree on a proposed solution.

B. Holiday Collection Schedule. Contractor, at its sole discretion, may choose not to provide Collection services on a Holiday. In such event, Contractor shall provide Collection services on the day following the Holiday thereby adjusting subsequent work that week; however, Customer service days shall be returned to the normal schedule within one (1) week of the Holiday. The Contractor shall provide Customers notice of Holiday-related changes in Collection schedules at least two (2) weeks prior to the change.

5.3 Collection Standards

A. Servicing Containers. Contractor shall pick up and return each Container to the location where the Occupant properly placed the Container for Collection. Contractor shall place the Containers upright with lids properly secured.

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

B. Litter Abatement. Contractor shall use due care to prevent spills or leaks of material placed for Collection, Used Motor Oil, fuel, and fluids while providing services under this Agreement. If any materials are spilled or leaked during Collection and Transportation, the Contractor shall clean up all spills or leaks before leaving the site of the spill.

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

Contractor shall cover all open Drop Boxes at the pickup location before Transporting materials

to the Approved Facility.

C. **Clean-Up**. During the Collection or Transportation process, the Contractor shall clean-up litter in the immediate vicinity of any Container storage area (including the areas where Collection Bins and Drop Boxes are delivered for Collection) whether or not Contractor has caused the litter. The Contractor shall discuss instances of repeated spillage not caused by it directly with the Generator responsible and will report such instances to City. City will attempt to rectify such situations with the Generator if Contractor has already attempted to do so without success.

D. **Noise.** All Collection operations shall be conducted as quietly as possible and shall conform to applicable Federal, State, County and City noise level regulations, including the requirement that the noise level during the stationary compaction process not exceed seventy-five (75) decibels at a distance of twenty-five (25) at a height of five (5) feet from the Collection vehicle. The City may conduct random checks of noise emission levels to ensure such compliance.

E. **Damage to Property.** Any property, including, but not limited to, the existing structures, equipment, piping, pipe covering, grounds, sidewalks, curbs, gutters, driveways, fences, etc., damaged by the Contractor or its Subcontractor during the course of his work as a result of Contractor's (including its employees and agents) negligence shall be replaced or repaired by the Contractor in a manner satisfactory to the City and to the Contractor's expense.

F. **Route Changes.** On or before, May 1, 2017, Contractor shall provide City with route information and maps of the Single-Family Collection routes in sufficient detail that allows the City to plan its street sweeping routes. Route maps shall be provided in Adobe Acrobat PDF format or other format agreed upon by the City Contract Manager. Contractor shall meet and confer with the City Contractor Manager to amend the route schedule, and Contractor shall not modify scheduled Collection routes or scheduled Collection days for the first six (6) months of this Agreement. Contractor shall assess routing after the first 6 months and can change routes upon receiving written notification of approval from the City. Contractor shall ensure that if less than ten percent (10%) of all Customers will be affected by a route/day change, Customers will be properly notified well in advance of route day changes. If more than ten percent (10%) of all Customers will be affected by a route/day change, City approval is required.

G. **Dedicated Routes.** Except otherwise provided with prior City permission, Contractor shall Collect materials generated in the City in Collection Vehicles separately from other materials generated outside the City.

5.4 Vehicle Requirements

Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently perform the work required by the Agreement in strict accordance with its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection vehicle used to respond to scheduled and unscheduled maintenance, service requests, complaints, and emergencies. All such vehicles shall have watertight bodies designed to prevent leakage, spillage, or overflow. All such vehicles shall meet On-Road Heavy Duty Vehicle emissions requirements for model year 2016, regardless of the actual model year of Contractor's vehicles, and generally comply with all Federal, State, and local laws and regulations.

Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable safety and local ordinances. Contractor shall not load vehicles in excess of the manufacturer's recommendations or limitations imposed by State or local weight restrictions on vehicles. Collection vehicles shall present a

clean appearance while providing service under this Agreement. Collection vehicles shall be thoroughly washed and steam cleaned on a regular basis so as to present a clean appearance. City may inspect vehicles at any time to determine compliance with sanitation requirements. Contractor shall make vehicles available to the Santa Clara County Health Department for inspection, at any frequency it requests.

Vehicles shall be tare weighted as provided in Section 4.8.A.

Contractor's name and local telephone number shall be displayed on all vehicles in at least four (4) inch characters. Vehicles shall be equipped with sign board holders or other hardware to allow public outreach signage of no less than thirty (30) by forty-eight (48) inches to be displayed on both sides of the vehicle.

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

Contractor shall furnish the City a written inventory of all vehicles, including Collection vehicles, used in providing service, and shall update the inventory annually. The inventory shall list all vehicles by manufacturer, identification number, date of acquisition, type, capacity and decibel rating.

5.5 Container Requirements

A. General. Contractor shall provide Customers with Collection Containers as requested by the Customer to meet its desired Service Level as provided in Sections 4.1, 4.2 and 4.3. All Contractor-provided Containers shall be new as of the Commencement Date and shall be designed and constructed to be watertight and prevent the leakage of liquids. Contractor shall purchase Containers with a useful life of ten (10) years or more and shall depreciate the Containers over a fifteen-year (15-year) period. New Container purchases shall comply with the requirements of Sections 5.5.B, C and F.

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

B. Carts. Cart sizes and their availability shall conform to the requirements of Sections 4.1, 4.2 and 4.3.

C. Bins, Drop Boxes and Compactors. Contractor shall provide Bins, Drop Boxes and/or Compactors for storage and Collection of Solid Waste, Recyclables, Organic Materials, and C&D, and in conformance with the requirements of Sections 4.1, 4.2 and 4.3. Contractor shall install plastic lids on all Bin Containers owned and serviced by the Contractor. All Containers with the capacity of one cubic yard or more shall meet applicable federal regulations for Bin safety. All Bins, Drop Boxes and Compactors shall be painted the Contractor's standard color (subject to approval by the City Contract Manager). Contractor shall steam clean and repaint all Bins, Drop Boxes and Compactors as requested by Customer or as deemed necessary by Contractor to present a clean appearance. If Customer requests steam cleaning more frequently than one (1) time per year, Contractor may charge the Customer at Rates not to exceed City-approved Maximum Rates for

such service.

D. **Repair and Replacement of Containers; Inventory**. Contractor shall be responsible for repairing or replacing Containers when Contractor determines the Container is no longer suitable for service; or when the City or Customer requests replacement of Customer's Container that does not properly function, leaks, is damaged, or is otherwise not fit for service. Contractor shall be responsible for acquiring the replacement Containers. Contractor shall maintain a sufficient inventory of Containers to accommodate new Customer requests for service, requests for change in Service Levels (size, type, or number of Containers) from current Customers, and requests for replacement due to damage. All such Containers shall be provided within one (1) week of request. Contractor's failure may request in assessment of Liquidated Damages pursuant to Section 10.6.

Subject to subparagraph H below, Contractor shall repair or replace all damaged or broken Containers within a one (1) week period. If the repair or replacement cannot be completed within a week, the Customer shall be notified by Contractor and a larger Container shall be made available until the proper Container can be replaced.

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

At its sole discretion, the City may elect not to exercise its rights with regards to this Section and, in such case; the Containers shall remain the property of the Contractor upon the expiration date of this Agreement or date of its earlier termination of this Agreement. In such case, Contractor shall be responsible for outstanding depreciation, and for removing at its own cost all Containers in service from premises within five (5) Business Days of the expiration date or early termination date of this Agreement in full cooperation and coordination with the City's then-current franchised collector.

F. **New Container Standards**. Contractor shall provide Containers for storage and Collection of Solid Waste, Recyclable Materials, Organic Materials, and C&D which shall be designed and constructed to be watertight and prevent the leakage of liquids.

When purchasing plastic Collection Containers, Contractor shall purchase Containers that contain a minimum of 30% post-consumer recycled plastic content. All such Containers shall be 100% recyclable.

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

Contractor shall differentiate Containers from each other by: (i) providing Container bodies and/or lids of different colors, and/or (ii) adhering clearly-visible labels identifying the allowable material type.

G. Container Labeling. On each Container, Contractor shall label with paint, adhesive label, or white, hot-stamped lettering, the type of materials (e.g., Solid Waste, Recyclable Materials, cardboard, mixed paper, Yard Trimmings, Food Scraps, Recyclable C&D, C&D Waste, wood waste, metal, etc.) to be placed in the Container for Collection. The labeling shall be positioned on each Container so it is visible to the Customer at all times.

All Containers shall display the Contractor's name, local telephone number, and some identifying inventory or serial number. Contractor-specific information shall not be hot stamped on Containers.

H. Maintenance, Cleaning, Painting. All Containers shall be maintained in a safe, serviceable, and functional condition and present a clean appearance. Contractor shall repair or replace all Containers damaged by Collection operations, unless damage is caused by Customer's gross negligence, in which case, the Customer will be billed for repair or replacement of Container. All Containers shall be maintained in a functional condition.

Contractor shall steam clean and repaint all Containers as needed (other than Carts) so as to present a clean appearance. Contractor shall offer steam cleaning service (or clean Container exchange) to Customers requesting such service, and shall charge Customers for such cleaning (or Container exchange) at a Rate not to exceed City-approved Maximum Rates.

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

At the City's request, Contractor shall provide City with a list of Containers and the date each Container was painted and maintained.

5.6 Personnel

A. General. Contractor shall furnish such qualified personnel as may be necessary to provide the services required by this Agreement in a safe and efficient manner. Contractor shall designate at least one (1) qualified employee as City's primary point of contact with Contractor who is principally responsible for Collection operations and resolution of service requests and complaints who shall be available telephonically at all times Transfer and Disposal operations are taking place Contractor shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. Contractor shall not permit its employees to accept, demand, or solicit, directly or indirectly, any additional compensation, or gratuity from members of the public.

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

C. Safety Training. Contractor shall provide suitable operational and safety training for all of its employees who operate Collection vehicles or equipment. Contractor shall train its employees involved in Collection to identify, and not to collect, Excluded Waste. Upon the City Contract Manager's request, Contractor shall provide a copy of its safety policy and safety training program, the name of its safety officer, and the frequency of its trainings.

D. Provision of Field Supervision. Contractor shall at all times, and at a minimum maintain the City-

approved number of field supervisors specified in Exhibit N. Field supervisors shall devote at least fifty percent (50%) of their time in direct monitoring of Collection operations, including responding to complaints.

E. **Identification.** All representatives of the Contractor shall display and/or provide proper identification or documentation exhibiting their association with the Contractor while operating in the field.

F. **Hiring Displaced Employees.** Contractor shall make best efforts to offer employment to qualified employees of the prior contractor for the performance of this Agreement. Such efforts shall not be required in regard to employees who are (1) exempt under the Fair Labor Standards Act, (2) employed by the prior contractor for less than six months, or (3) convicted of a job-related or workplace crime. Contractor shall not be obligated to offer employment to more prior contractor's employees than the Contractor needs to perform the services required under the Agreement and the Contractor shall not be obligated to offer employment to prior contractor's employees that are not working prior to the Commencement Date due to a leave of absence related to disability or workers' compensation claim. Additionally, the Contractor shall not be obligated to displace any of its current employees or modify its current job performance requirements or employee selection standards. Additional employees, if needed, shall be obtained pursuant to procedures currently in effect under the collective bargaining agreement with the prior contractor. This requirement, however, shall not be applicable to management or supervisory personnel. Upon request by the City, the Contractor shall demonstrate to the City that good faith efforts that have been made to comply with this provision

G. **Wage and Benefits**. Wages and benefits applicable to employees performing work under the Agreement shall be commensurate with current compensation or in accordance with existing agreements with represented labor groups.

H. **Subcontractor Obligations**. Subcontractors shall be required to comply with the obligations stated in this Section 5.6.

I. **Labor Agreements**. Labor agreements for drivers and mechanics shall be included as Exhibit K and future modification shall be submitted to the City. The Contractor shall provide full copies of the labor agreements including any and all amendments, extensions, renewals, or other forms of modification.

5.7 Hazardous Waste Inspection and Handling

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

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

B. **Response to Excluded Waste Identified During Collection.** If Contractor determines that material placed in any Container for Collection is Excluded Waste or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to accept such material. The Generator shall be contacted by the Contractor and requested to arrange proper Disposal. If the Generator

cannot be reached immediately, the Contractor shall, before leaving the Premises, leave a tag at least two (2) inches by six (6) inches in size, which indicates the reason for refusing to Collect the material and lists the phone number of a facility that accepts the Excluded Waste or a phone number of an entity that can provide information on proper Disposal of the Excluded Waste. Under no circumstances shall Contractor's employees knowingly Collect Excluded Waste or remove unsafe or poorly containerized Excluded Waste from a Collection Container. Prior to Commencement of this Agreement, the tag that will be used to notice Customers of reason for non-Collection shall be reviewed and approved by the City Contract Manager.

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

C. **Response to Excluded Waste Identified At Disposal or Processing Facility.** Materials Collected by Contractor will be delivered to the Approved Facilities for purposes of Processing or Disposal. In the event that load checkers and/or equipment operators at such facility identify Excluded Waste in the loads delivered by Contractor, such personnel shall remove these materials for storage in approved, on-site, Excluded Waste storage Container(s). Contractor shall arrange for removal of the Excluded Wastes at its cost by permitted haulers in accordance with Applicable Laws and regulatory requirements. The Contractor may at its sole expense attempt to identify and recover the cost of Disposal from the Generator. If the Generator can be successfully identified, the cost of this effort, as well as the cost of Disposal shall be chargeable to the Generator.

5.8 City Contract Manager

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

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

In the event of dispute between the City Contract Manager and the Contractor regarding the interpretation of or the performance of services under this Agreement, the City Contract Manager's determination shall be conclusive except where such determination results in a material impact to the Contractor's revenue and/or cost of operations. In the event of a dispute between the City Contract Manager and the Contractor results in such material impact to the Contractor, Contractor may appeal the determination of the City Contract Manager to the City Council, whose determination shall be conclusive. For the purposes of this Section, "material impact" is an amount equal to or greater than thirty thousand dollars ($30,000) per year.

City Contract Manager or their designate shall have the right to observe and review Contractor operations and Processing Facilities and enter Premises for the purposes of such observation and review, including review of Contractor's records, during reasonable hours with reasonable notice. In no event shall

Contractor prevent access to such Premises for a period of more than three (3) calendar days after receiving such a request.

5.9 Cooperation with City, County

The Contractor shall with no added compensation cooperate with the City, its agent, and/or Santa Clara County and/or its agent if the City or County seek to collect data, perform field work, and/or evaluate and monitor Diversion program results through characterization of Solid Waste, including providing reasonably requested data, allowing visits to Approved Facilities, and allowing use of Contractor-designated areas of Approved Facilities as needed to perform Solid Waste characterizations.

ARTICLE 6. RECORD KEEPING AND REPORTING

6.1 Record Keeping and Audit of Records

Contractor shall maintain accounting, statistical, operational, and other records related to its performance as necessary to provide reporting under SB 1016, AB 939, AB 341 and AB 1826, and to demonstrate compliance with this Agreement. The Contractor shall maintain complete financial statements and accounting records for operations under this Agreement. Contractor shall account for revenues received and expenses incurred as a result of this Agreement separately from the accounting for other operations performed by Contractor or its Affiliates. The Gross Receipts derived from the Collection Services under this Agreement, whether such services are performed by the Contractor, by an Affiliate, or by a Subcontractor, shall be recorded as revenues in the accounts of the Contractor. Upon demand, the Contractor shall permit the City Contract Manager to examine and audit the books of account of the Contractor at any and all reasonable times for the purpose of verifying Contractor's performance under this Agreement. Upon request, the Contractor shall allow the City Contract Manager to examine the reports of Gross Receipts and the invoices pertaining to any fee or charge approved by the City Council for Services provided under this Agreement. Such request shall be made at reasonable times and with reasonable notice. City reserves the right to produce any such documents examined to any State or local regulatory or permitting authority upon request.

In the event that an extraordinary Rate adjustment pursuant to Section 8.4, such records shall be subject to review in accordance with appropriate professional standards, and inspection, for the primary purpose of reviewing changes in costs to the Contractor attributable to the extraordinary Rate adjustment request, at any reasonable time by an independent third party. The selection of the independent third party as well as the scope of work for such review shall be approved in advance by the City Contract Manager. The independent reviewer shall provide any and all drafts of its review to the City and the Contractor. The cost of such review shall be paid by Contractor and considered an allowable expense in the extraordinary Rate adjustment.

Unless otherwise required in this Article, Contractor shall retain all records and data required to be maintained by this Agreement for the Term of this Agreement plus three (3) years after its expiration or earlier termination. Records and data shall be in chronological and organized form and readily and easily interpreted. Upon request, any such records shall be retrieved in a timely manner by Contractor and made available to the City Contract Manager. Contractor shall maintain adequate record security to preserve records from events that can be reasonably anticipated such as a fire, theft, and an earthquake.

Electronically-maintained data and records shall be protected and backed-up. The Contractor shall obtain, within one hundred twenty (120) days of a request by the City Contract Manager, complete independently audited financial statements for the prior calendar year, including its balance sheet, statement of revenues and expenses, and statement of changes in cash position, and provide such financial statements to the City Contract Manager.

City views its ability to defend itself against Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), and related litigation as a matter of great importance. For this reason, City regards its ability to prove where Collected Solid Waste is taken for transfer or Disposal. Contractor shall maintain records which can establish where Solid Waste Collected was Delivered to an Approved Facility with the intent of Disposal. This provision shall survive the expiration or earlier termination of this Agreement. Contractor shall maintain these records for a minimum of ten (10) years beyond expiration or earlier termination of the Agreement. Contractor shall provide these records to City (upon request or at the end of the record retention period) in an organized and indexed manner rather than destroying or Disposing of them.

6.2 Report Submittal Requirements

Contractor shall submit monthly and quarterly reports within thirty (30) calendar days after the end of the calendar month or quarter, as applicable. Contractor shall submit annual reports no later than forty-five (45) calendar days after the end of each calendar year. Monthly, quarterly, and annual reports shall, at a minimum, include all data and information as described in Exhibit C, and shall be provided in Word and Excel.

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

Contractor shall submit (via mail and e-mail) all reports to the City Contract Manager.

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

6.3 Performance Monitoring Meetings

City and Contractor shall meet no less than quarterly to discuss reports and compliance with the Agreement. Quarterly meetings shall be held within two weeks of submittal of each quarterly report or at such time as City otherwise specifies. Nothing in this Section 6.3 or in Exhibit C relieves Contractor of the responsibility to promptly request a meeting should shall if necessary to ensure its ability to comply with any of the requirements specified in this Exhibit C.

City and Contractor shall meet twice per year to assess performance and compliance with the following service quality goals, on or before February 28th (for the immediate previous calendar year) and August 31st (for the immediately previous July 1st through June 30th).

A. Ten (10) or fewer Liquidated Damages assessed in each applicable twelve (12) month period.

B. Completion of all outreach activities by the identified dates as specified in Section 4.9, Exhibit C, or as contained in Contractor plans developed with relation to the Agreement requirements contained in Section 4.9 and Exhibit C.

C. Completion of bi-annual commercial customer satisfaction survey and analysis as provided in Section 4.12.C.

ARTICLE 7. FRANCHISE FEES AND OTHER FEES

7.1 Franchise Fee

In consideration of the rights provided Contractor herein, Contractor shall pay Franchise Fees to City each month equal to fourteen and seventeen one-hundredths percent (14.17%) of Gross Receipts for all services performed under this Agreement, as provided in Article 8.

7.2 Adjustment to Fees

City may set other fees or adjust the fees established in this Article from time to time during the Term of this Agreement and such adjustments shall be included in the adjustment of Maximum Rates as described in Exhibit D.

7.3 Payment Schedule and Late Fees

At the end of each month, during the Term of this Agreement, Contractor shall remit to City all fees for the previously completed month as described in this Article. Such fees shall be remitted to City and sent or delivered to the City Contract Manager. If such remittance is not paid to City on or before the last day of the month, all fees due shall be subject to a delinquency penalty of two percent (2%), which attaches on the first day of delinquency. The delinquency penalty shall be increased an additional two percent (2%) for each additional month the payment remains delinquent.

Each monthly remittance to City shall be accompanied by a statement listing the amount of each fee paid; calculation of each fee; and, statement of Gross Receipts, by Customer Type for the period collected from all operations conducted or permitted by this Agreement. City Contract Manager may, at any time during the Term, request a detailed calculation of Gross Receipts which may include, but is not necessarily limited to, the number of Customers charged at each Service Level and Rate for each billing period.

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

7.4 Procurement Reimbursement Payment

Within (5) Business Day of the Commencement Date, Contractor shall reimburse the City for its costs

related to the procurement and negotiation of this Agreement in the maximum amount of four hundred twenty five thousand dollars ($425,000). This amount shall be paid by Contractor and may not be recovered through Rates charged to Customers; provided, however, that, in the event the City takes action, or is forced by Legal Challenge, to rescind the award of this Agreement to Contractor after its payment of the $425,000 amount, the City shall reimburse Contractor the total amount of $425,000 within sixty (60) days.

ARTICLE 8. CONTRACTOR'S COMPENSATION AND RATE SETTING

8.1 General

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

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

Under this Agreement, Contractor shall have the right and obligation to charge and collect from Customers, Rates that shall not exceed the Maximum Rates in Exhibit L that are approved by the City for provision of services to Customers, and regardless of whether a specific type of rate is described in the Agreement other than in Exhibit L. The Maximum Rates for Rate Period One are based on the Contractor's Proposal. Contractor's proposed costs and operating assumptions for Rate Period One are presented in Exhibit N.

The Contractor or its Subcontractor(s) that operates the Approved Facilities shall retain revenues received for the sale of Recyclable Materials including California Redemption Value revenues, Organic Materials, and C&D. Such revenues have been considered in the establishment of Maximum Rates for services provided under this Agreement. Neither Contractor nor its Affiliates or Subcontractor(s) that operates the Approved Facilities are entitled to grant funds available through the Department of Resources Recycling and Recovery (CalRecycle) through its "Curbside Supplemental Payments" for registered Curbside Recycling programs or "City/County Payment Program" pursuant to Section 14581(a)(5)(A) of the California Beverage Container Recycling and Litter Reduction Act.

Contractor is solely responsible for timely payment of invoices submitted to Contractor by Disposal Contractor, for services provided by Disposal Contractor under City's agreement with the Disposal Contractor. Contractor shall coordinate with Disposal Contractor regarding the Disposal Contractor's provision of Disposal services at no charge to the City as provided in Sections 4.5.A and 4.6 of this Agreement and Section 8.2 of the City's agreement with the Disposal Contractor.

Contractor shall comply with recordkeeping and reporting requirements of Article 6 and Exhibit C.

8.2 Rates and Annual Adjustments

A. General. The City shall be responsible for approving Maximum Rates as described in this Article. A Maximum Rate has been established for each individual Service Level and the initial Rates for Rate Period One are presented in Exhibit L. Contractor may, in its sole discretion, charge Customers any amount up to and including the Maximum Rate approved by the City, but in no case exceeding the Maximum Rate. Contractor shall charge all Customers that have the same Service Level at the same Rate so that Customers are treated equitably. The comparability of Service Levels and related Rates shall be considered separately for Solid Waste, Recyclable Materials, Organics Materials, and C&D services.

If at any time during the Term of the Agreement, the Contractor determines the need for a Maximum Rate that does not appear on the City-approved Maximum Rate schedule in Exhibit L, Contractor shall immediately notify the City and request establishment of such Maximum Rate. For example, if a Customer requires Collection of Organic Materials in a fifteen (15) cubic yard Compactor five (5) times per week and the City-approved Maximum Rate schedule does not include this level of service, the Contractor must request that the City approve a Maximum Rate for this level of service.

B. Rates for Rate Period One. Maximum Rates for Rate Period One, which are presented in Exhibit L, were determined by Contractor and City and were approved by City resolution on or before the execution of the Agreement. The Maximum Rates for Rate Period One shall be effective from the Commencement Date of this Agreement through December 31, 2018.

C. Rates for Subsequent Rate Periods. Rates for subsequent Rate Periods shall be adjusted annually in accordance with this Section 8.2 and Exhibit D. Rates for Rate Periods Two, Three, Five, Six, Eight, Nine, Ten, Eleven, Thirteen, Fourteen, and Fifteen will be adjusted in accordance with Exhibit D-1, Index-Based Rate Adjustment Methodology. Rate Period Three Rates shall also be adjusted for provision of Drop Box Service to C&D Customers, as provided in Section 2.F.2 of Exhibit D-1. Rates for Rate Periods Four, Seven, and Twelve shall be adjusted in accordance with Exhibit D-2, Cost-Based Rate Adjustment Methodology.

The index-based adjustment, which is described in Exhibit D-1, involves applying the percentage change in the consumer price index and a fuel index to calculate adjusted Maximum Rates. Such Rate adjustment calculations shall be performed in strict conformance to the procedures described in Exhibit D-1.

The cost-based adjustment, which is described in Exhibit D-2, involves a review of Contractor's actual costs and projection of cost for the coming Rate Period. This cost-based Rate adjustment shall be performed instead of the index-based rate adjustment for Rate Periods Four and Eight and, if the term is extended, for Rate Period Twelve. Such Rate adjustment calculations shall be performed in strict conformance to the procedures described in Exhibit D-2.

D. Rate Structure. The City and Contractor shall meet and confer to change the relationship of individual Rates in comparison with other Rates. Any such changes would occur in conjunction with the annual Rate adjustment process described in Section 8.2.C or in conjunction with a Rate adjustment resulting from an extraordinary Rate adjustment in accordance with Section 8.4. Changes to the rates charged under the new structure shall be calculated in such a way that the

revised Rate structure generates at least the same amount of total revenue when the number of accounts at each Service Level are multiplied by the Rates charged for each Service Level and the total for all Service Levels are summed.

8.3 Reserved

8.4 Extraordinary Rate Adjustments

It is understood that the Contractor accepts the risk for changes in cost of providing services and the service levels requested by Customers and therefore the extraordinary adjustments to Maximum Rates shall be limited to a Change in Law or a City-directed change in scope. If a Change in Law or City-directed change in scope (pursuant to Section 3.9) occurs, either Party may petition City for an adjustment to the Maximum Rates in excess of the annual adjustment described in Section 8.2.

The petitioning Party shall prepare an application for the extraordinary Rate adjustment calculating the net financial effect on its operations (both increases and decreases of costs and revenues) resulting from the Change in Law or City Directed Change in Scope (but not resulting from unrelated changes in costs and revenues), clearly identifying all assumptions related to such calculations and providing the underlying documentation supporting the assumptions. The application shall be prepared in compliance with the procedures described in Exhibit D-2 and shall provide all information requested by City Contract Manager specific to the nature of the request being made. City Contract Manager shall evaluate the application for reasonableness. As part of that review, the City Contract Manager may request access to the financial statements and accounting records required to be maintained by the Contractor (pursuant to Article 6) in order to determine the reasonableness of the Contractor's application. Should the Contractor not grant such access, then the City may rely on the Contractor's Proposal and other information available to it as the basis for making reasonable assumptions regarding what those accounting and financial records would have shown and therefore the reasonableness of the Contractor's application. Contractor shall pay all reasonable costs incurred by the City, including the costs of outside accountants, attorneys, and/or consultants, in order to make a determination of the reasonableness of the requested Rate adjustment. Any such costs paid by Contractor shall be considered an allowable expense in the extraordinary Rate adjustment.

In the event of such an application for extraordinary Rate adjustment, it is understood that the City or Contractor, as the case may be, shall have the burden of demonstrating the reasonableness of the requested adjustment.

The Contractor may appeal the decision of the City Contract Manager to the City Council, which shall then make the final determination as to whether an adjustment to the Maximum Rates will be made, and if a Rate adjustment is permitted, the amount of the Rate adjustment. With respect to an extraordinary Rate adjustment requested by the City Contract Manager, the City Council shall then make the final determination as to whether an adjustment to the Maximum Rates will be made, and if a Rate adjustment is permitted, the amount of the Rate adjustment.

ARTICLE 9. INDEMNITY, INSURANCE, PERFORMANCE

BOND, AND RIGHT TO PERFORM SERVICE

9.1 Indemnification

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

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

In the event that Contractor negligently or willfully mishandles Excluded Waste in the course of carrying out its activities under this Agreement, Contractor shall at its sole expense promptly take all investigatory and/or remedial action reasonably required for the remediation of such environmental contamination. Prior to undertaking any investigatory or remedial action, however, Contractor shall first obtain City's approval of any proposed investigatory or remedial action. Should Contractor fail at any time to promptly take such action, City may undertake such action at Contractor's sole cost and expense, and Contractor shall reimburse City for all such expenses within thirty (30) calendar days of being billed for those expenses, and any amount not paid within that thirty (30) calendar day period shall thereafter be deemed delinquent and subject to the delinquent fee payment provision of Section 7.3. These obligations are in addition to any defense and indemnity obligations that Contractor may have under this Agreement. The provisions of this Section shall survive the termination or expiration of this Agreement.

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

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

D. Related to AB 939, AB 341, AB 1826, AB 1594 and SB 1383. Contractor's duty to defend and indemnify herein includes all fines and/or penalties imposed by CalRecycle if the requirements of AB 939, AB 341, AB 1826, AB 1594 and/or SB 1383 are not met by the City with respect to the materials Collected under this Agreement and/or Contractor's other obligations under this Agreement, and such failure is: (i) due to the failure of Contractor to meet its obligations under this Agreement; or, (ii) due to Contractor delays in providing information that prevents Contractor or the City from submitting reports to regulators in a timely manner.

Notwithstanding any other provision in this Agreement, Contractor's obligations with respect to the Diversion requirements set forth in this Agreement and any Diversion requirements under State Law shall be subject to the provisions of Section 40059.1 of the Public Resources Code, and Contractor shall not be liable for any indemnity obligations or penalties under this Agreement in respect of any such requirements except to the extent that indemnity obligations by Contractor are enforceable under said Section.

E. **Related to Proposition 218.** Should there be a Change in Law or a new judicial interpretation of Applicable Law, including, but not limited to, Article XIII C and D of the California Constitution (Commonly Proposition 218), which impacts the Rates for the Collection services established in accordance with this Agreement, Contractor agrees to meet and confer with City to discuss the impact of such Change in Law on either Party's ability to perform under this Agreement.

If, at any time, a Rate adjustment determined to be appropriate by both City (which determination shall not be unreasonably withheld) and Contractor to compensate Contractor for increases in costs as described in this Agreement cannot be implemented for any reason, Contractor shall be granted the option to negotiate with City, in good faith, a reduction of services equal to the value of the Rate adjustment that cannot be implemented. If City and Contractor are unable to reach agreement about such a reduction in services, then Contractor may terminate this Agreement upon one hundred eighty (180) calendar days prior written notice to City, in which case the Contractor and City shall each be entitled to payment of amounts due for contract performance through the date of termination but otherwise will have no further obligation to one another pursuant to this Agreement after the date of such termination. Should a court of competent jurisdiction determine that the Contractor cannot charge and/or increase its Rates for charges related to Franchise Fees, other City fees or payments to City, and governmental fees and charges, Contractor shall reduce the Rates it charges Customers a corresponding amount and shall be relieved from paying such Franchise Fees, fees or charges, provided that said fees, Rates and/or charges disallowed by the court were determined not to be related to the cost of providing service hereunder and had been incorporated in the Rates charged by Contractor to its Customers.

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

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

F. **Survival of Provisions**. Section 9.1 will survive the expiration or earlier termination of this Agreement and shall not be construed as a waiver of rights by City to contribution or indemnity from third parties.

9.2 Insurance

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

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

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

Commercial General Liability – $10,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.

Automobile Liability – $10,000,000 combined single limit per accident for bodily injury and property damage (include coverage for hired and non-owned vehicles).

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

Blanket Fidelity/Crime Policy – $500,000 per event covering the City for any and all acts including, but not limited to, dishonesty, forgery, alteration, theft, disappearance, and destruction (inside or outside).

General Liability and Auto Liability Limits of Insurance may be satisfied by a combination of primary and umbrella or excess insurance.

2. Additional Insured. City, its officers, agents, employees, and volunteers shall be named as additional insured on all but the workers' compensation and Blanket Fidelity/Crime Policy coverages.

3. Said policies shall remain in force through the life of this Agreement and, with the exception of professional liability coverage, shall be payable on a "per occurrence" basis unless City's Risk Manager specifically consents in writing to a "claims made" basis. For all "claims made" coverage, in the event that the Contractor/Subcontractor changes insurance carriers Contractor/Subcontractor shall purchase "tail" coverage or otherwise provide for continuous coverage covering the Term of this Agreement and not less than three (3) years thereafter. Proof of such "tail" or other continuous coverage shall be required at any time that the Contractor/Subcontractor changes to a new carrier prior to receipt of any payments due.

4. The Contractor/Subcontractor shall declare all aggregate limits on the required coverage are in place before commencing performance of this Agreement and are available throughout the performance of this Agreement.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice (10 days for non-payment) by certified mail, return receipt requested, has been given to the City. If Contractor's insurer refuses to provide this endorsement, Contractor shall be responsible for providing written notice to the City that coverage will be canceled thirty (30) days after the date of the notice or ten (10) days for non-payment.

5. The deductibles or self-insured retentions are for the account of Contractor/Subcontractor and shall be the sole responsibility of the Contractor/Subcontractor.

6. Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on insurance industry forms, provided those endorsements or policies conform to the contract requirements. All certificates and endorsements are to be received and approved by the City before work commences. "The City reserves the right to require complete copies of all required insurance policies, including endorsements evidencing the coverage required by these specifications. The Contractor shall be allowed to redact information that it considers confidential".

7. The Certificate with endorsements and notices shall be mailed to: City of Milpitas, Attention: Purchasing, 455 East Calaveras Boulevard, Milpitas California, 95035-5411.7.

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VII, unless otherwise approved by City Risk Manager.

8. The policies shall cover all activities of Contractor/Subcontractor, its officers, employees, agents and volunteers arising out of or in connection with this Agreement.

9. For any claims relating to this Agreement, the Contractor/Subcontractor's insurance coverage shall be primary, including as respects City, its officers, agents, employees, and volunteers. Any insurance maintained by City shall apply in excess of, and not contribute to, coverage provided by Contractor/Subcontractor's liability insurance policy.

10. The Contractor/Subcontractor shall waive, by evidenced endorsement to the policy, all rights of subrogation against City, its officers, employees, agents, and volunteers.

C. **Endorsements.** Prior to the Effective Date pursuant to this Agreement, Contractor/Subcontractor shall furnish City Contract Manager with certificates or original endorsements reflecting coverage required by this Agreement. The certificates or endorsements are to be signed by a Person authorized by that insurer to bind coverage on its behalf. All certificates or endorsements are to be received by, and are subject to the approval of, City Risk Manager before work commences.

D. **Renewals.** During the Term of this Agreement, Contractor/Subcontractor shall furnish City Contract Manager with certificates or original endorsements reflecting renewals, changes in insurance companies, and any other documents reflecting the maintenance of the required coverage throughout the entire Term of this Agreement. The certificates or endorsements are to be signed by a Person authorized by that insurer to bind coverage on its behalf.

E. **Workers' Compensation.** Contractor/Subcontractor shall provide workers' compensation coverage as required by State law, and prior to the Effective Date pursuant to this Agreement, Contractor/Subcontractor shall file the following statement with City.

"I am aware of the provisions of Paragraph 3700 of the Labor Code that require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing any services required by this Agreement."

"Contractor agrees to include in their subcontract the same requirements and provisions of this agreement including the indemnity and insurance requirements to the extent they apply to the scope of the Subcontractor's work. Subcontractors hired by Contractor agree to be bound to Contractor and City in the same manner and to the same extent as Contractor is bound to City under the Contract Documents. Subcontractor further agrees to include these same provisions with any Sub-subcontractor. A copy of the Contract/Agreement and Insurance Provisions will be furnished to the Subcontractor. The Contractor shall require all Subcontractor's to provide a valid certificate of insurance and the required endorsements included in the agreement prior to commencement of any work and will provide proof of compliance to the City."

"The Person executing this Certificate on behalf of Contractor/Subcontractor affirmatively represents that she/he has the requisite legal authority to do so on behalf of Contractor/Subcontractor, and both the Person executing this Agreement on behalf of Contractor/Subcontractor and Contractor/Subcontractor understand that City is relying on this representation in entering into this Agreement."

9.3 Performance Bond

Within seven (7) calendar days of the City's notification to Contractor that the City has executed this Agreement, Contractor shall file with the City a bond, payable to the City, securing the Contractor's performance of its obligations under this Agreement and such bond shall be renewed annually if necessary so that the performance bond is maintained at all times during the Term. The principal sum of the bond shall be four million, fifty seven thousand, six hundred and sixty-one dollars ($4,057,661) and shall be adjusted every three (3) years, commencing with Rate Period Three, to equal three (3) months of the prior Rate Period's annual Gross Receipts. The bond shall be executed as surety by a corporation authorized to issue surety bonds in the State of California that has a rating of A or better in the most recent edition of Best's Key Rating Guide, and that has a record of service and financial condition satisfactory to the City. The bond shall be in the form attached as Exhibit J.

As an alternative to the performance bond required above, at City's option, Contractor may deposit with City a fully prepaid irrevocable letter of credit for at least the duration of the Contract Year for which the letter of credit is deposited. Such letter of credit shall be in the amount of four million, fifty seven thousand, six hundred and sixty-one dollars ($4,057,661). The form of the letter of credit and the issuer of the letter of credit are subject to the approval of City's Risk Manager and the City Attorney. Nothing in this Section 9.3 shall in any way obligate City to accept a letter of credit in lieu of the performance bond.

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

9.4 Reserved

9.5 Emergency Conditions

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

As used in this Article 9, "Emergency Condition" means the declaration of a State of Emergency by the City Manager or the City Council resulting from a major disaster or in or proximate to the City.

A. Emergency Operations

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

the Emergency Condition, would accrue hereunder to Contractor, shall instead accrue and be payable to the Emergency Operator.

B Use of Contractor's Facilities

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

C. Indemnification

In the event that an Emergency Operator appointed by City utilizes any facilities and/or equipment of Contractor, City shall defend, indemnify and hold harmless Contractor and its affiliates from and against any and all losses, expenses, liens, claims, demands and causes of action of every kind and character (excluding those based upon the sole active or passive negligence or willful misconduct of Contractor, its officers, employees and agents) for death, personal injury, property damage or any other liability or damages, including costs, reasonable attorney's fees, and settlements arising out of, or in connection with, the use of Contractor's facilities and/or equipment.

D. Cessation of Emergency

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

E. Resumption of Service

Upon the declaration of cessation of the Emergency Condition, the Emergency Operator shall return to Contractor its vehicles, equipment, and other facilities acquired and used by it. Further, upon the declaration of cessation of the Emergency Condition, and unless City has terminated this Agreement pursuant to Article 10, Contractor shall recommence its operations hereunder and shall perform all of its duties and obligations in accordance with the provisions hereof, and shall be entitled to all of its rights hereunder, including accrual of revenues for its benefit, from and after the date upon which the Emergency Condition shall be deemed to have ceased.

F. Limitation

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

G. City Termination of Agreement

Notwithstanding the provisions of Section 9.5.E., if, upon the cessation of the Emergency Condition, the City Council determines that Contractor is not substantially able to perform its duties and obligations hereunder due to the effects of the Emergency Condition, the City Council may declare this Agreement terminated effective upon the date of the cessation of the Emergency Condition. In the event of such termination no rights shall accrue to Contractor under this Agreement from and after the date of termination.

9.6 Disaster Operations

A. Availability of Contractor's Personnel and Equipment

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

B. Temporary Possession and Employment

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

C Use of Additional Equipment

Contractor may make available, in addition to the vehicles, equipment, and personnel provided in Section 9.6.A above, equipment, vehicles, and personnel from those Contractor operations and resources not otherwise serving City pursuant to this Agreement, to the extent necessary to conduct effective Discarded

Materials Collection and removal services during any declared State of Emergency, subject to the direction and control of the City.

D. Reimbursement

City shall not be required to compensate Contractor in any manner or form for Contractor's provision of Equipment, vehicles, or personnel normally performing services under this Agreement within the City Limits, when made available during a declared State of Emergency. When additional equipment, vehicles, or personnel are provided during such an emergency, pursuant to Section 9.6.C above, City shall compensate Contractor for actual expenses incurred by Contractor in providing such equipment, vehicles, and/or personnel upon submission by Contractor to City of detailed records of costs and expenses actually borne by Contractor, and upon approval by the appropriate Federal agency of City's reimbursement of expenses incurred by Contractor during such State of Emergency.

E. Indemnity

In the event of a declared State of Emergency during which City takes possession of and utilizes the equipment, vehicles and/or personnel of Contractor pursuant to this Section 9.6, City agrees to indemnify and defend Contractor and its officers, directors, agents, and employees, and hold such parties harmless against all actions, suits, liabilities, costs, and expenses (including reasonable attorneys' fees and costs of defense) arising out of or related to City's possession and operation of all Contractor's equipment, vehicles, and facilities utilized by City to render services during any such State of Emergency.

ARTICLE 10. DEFAULT AND REMEDIES

10.1 Events of Default

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

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

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

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

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

E. Violations of Applicable Law. Contractor is found in violation of Applicable Law relative to this Agreement. Contractor may contest any alleged violations by appropriate proceedings conducted in good faith, in which case no breach or default of this Agreement shall be deemed to have occurred until Contractor has been found in violation by an authority with jurisdiction over the issue in question. During the pendency of any appeals of violations related to: i) felonious acts, ii)

fraud related to the performance of this Agreement, or iii) any violations of law related to inappropriate conduct between Contractor and a public official, the City may require Contractor to reassign any particular individuals in question such that they are not involved in management or provision of service in the City.

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

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

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

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

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

K. **Suspension or Termination of Service.** Except as set forth in Section 10.7 hereof, there is any termination or suspension of the transaction of business by Contractor related to this Agreement, including without limit, due to labor unrest by Contractor's employees, including strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action lasting more than two (2) calendar days.

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

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

N. **Failure to Provide Proposal or Implement Change in Service.** Contractor fails to provide a proposal for new services or changes to services or fails to implement a change in service as requested by the City as specified in Section 3.9.

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

City shall provide Contractor written notice of default within seven (7) calendar days of the occurrence of default or within seven (7) calendar days of the City's first knowledge of the Contractor's default, whichever occurs first.

10.2 Right to Terminate Upon Event of Default

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

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

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

10.3 City's Remedies in the Event of Default

In the event of Contractor's default, City maintains following remedies:

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

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

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

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

Contractor to perform its obligations under this Agreement.

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

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

10.4 Possession of Records Upon Termination

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

10.5 City's Remedies Cumulative; Specific Performance

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

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

10.6 Performance Standards and Liquidated Damages

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

B. **Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties further acknowledge that provision of all services specified in this Agreement in a consistent, reliable manner is of utmost importance to City and that City has considered and relied on Contractor's representations as to its quality of service commitment in awarding the Agreement

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

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

Before assessing Liquidated Damages, City shall give Contractor notice of its intention to do so. The notice will include a brief description of the incident(s) and non-performance. City may review (and make copies at its own expense) all information in the possession of Contractor relating to incident(s) and/or non-performance. City may, within ten (10) Business Days after issuing the notice, request a meeting with Contractor. City may present evidence of non-performance in writing and through testimony of its employees and others relevant to the incident(s) and non-performance. City Contract Manager will provide Contractor with a written explanation of their determination on each incident(s) and non-performance prior to authorizing the assessment of Liquidated Damages under this Section 10.6. Within ten (10) Business Days of receipt of such determination of assessment of Liquidated Damages, or within forty (40) Business Days if the assessment totals over $30,000, in such case, no liquidated damages over $30,000 may be imposed on Contractor until Contractor has been given a reasonable opportunity to respond to allegations and to meet and confer with City Manager. In such case, the decision of City Manager shall be final and Contractor shall not be subject to, or required to exhaust, any further administrative remedies. Should Contractor not exercise its right to meet and confer with the City Manager, the decision of City Contract Manager shall be final.

Except as otherwise noted in Exhibit E, all Liquidated Damages shall apply during the transition period beginning ninety (90) days prior to, and ending ninety (90) days after the Commencement Date.

C. **Two-Phase Performance Management.** The Parties desire to minimize the time and cost involved in monitoring Contractor's performance under this Agreement, particularly with regard to the assessment of Liquidated Damages. Exhibit E to this Agreement identifies each "Performance Area" for which the City desires to establish performance standards for this Agreement. Contractor's performance within each "Performance Area" shall be primarily monitored using the "Performance Indicator" described for each. The City shall not assess Liquidated Damages for the "Specific Performance Measures" identified in Exhibit E unless Contractor fails to meet the minimum standard for the "Performance Indicator" within the same "Performance Area".

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

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

F. **Repeated Failure to Meet Goals.** Should the City determine as provided in Section 6.3 that more than ten (10) Liquidated Damages have been assessed in the prior twelve (12) month period, the Liquidated Damages provided in Exhibit E shall be increased by one hundred percent (100 %) for the next twelve (12) month period.

10.7 Excuse from Performance

The Parties shall be excused from performing their respective obligations hereunder and from any obligation to pay Liquidated Damages if they are prevented from so performing by reason of floods, earthquakes, other acts of nature, war, terrorist activity, civil insurrection, riots, acts of any government (including judicial action), and other similar catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. In the case of labor unrest or job action directed at a third party over whom Contractor has no control, the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness or failure of the third party to: (i) provide reasonable assurance of the safety of Contractor's employees while providing such services; or, (ii) make reasonable accommodations with respect to Container placement and point of Delivery, time of Collection, or other operating circumstances to minimize any confrontation with pickets or the number of Persons necessary to make Collections shall, to that limited extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in performing Collection services at different times and in different locations. Further, in the event of labor unrest, including but not limited to strike, work stoppage or slowdown, sickout, picketing, or other concerted job action conducted by the Contractor's employees or directed at the Contractor, or a subsidiary, the Contractor shall not be excused from performance. In such case, Contractor shall continue to provide a reasonably satisfactory level of performance during the pendency thereof, but the Contractor shall not be required to adhere strictly to the specific requirements of this Agreement regarding routes, Collection times or similar matters; provided, however, that in no event shall more than seven (7) calendar days elapse between pickups for Residential and Commercial Customers.

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

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

The partial or complete interruption or discontinuance of Contractor's services caused by one (1) or more of the events described in this Article shall not constitute a default by Contractor under this Agreement. Notwithstanding the foregoing, however, if Contractor is excused from performing its obligations hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more, City shall nevertheless have the right, in its sole discretion, to terminate this Agreement by giving ten (10) Business Days' notice to Contractor, in which case the provisions of Section 10.4 shall apply.

10.8 Right to Demand Assurances of Performance

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

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

ARTICLE 11. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

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

11.1 Contractor's Corporate Status

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

11.2 Contractor's Corporate Authorization

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

11.3 Agreement Will Not Cause Breach

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

assets are bound, or constitutes a default hereunder.

11.4 No Litigation

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

A. Materially adversely affect the performance by Party of its obligations hereunder;

B. Adversely affect the validity or enforceability of this Agreement; or,

C. Have a material adverse effect on the financial condition of Contractor, or any surety or entity guaranteeing Contractor's performance under this Agreement.

11.5 No Adverse Judicial Decisions

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

11.6 No Legal Prohibition

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

11.7 Contractor's Ability to Perform

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

11.8 Contractor's Rights and Obligations Regarding City's Disposal Contractor

Contractor has exercised due diligence to fully familiarize itself with its rights regarding, and obligations to the City's Disposal Contractor as enumerated in this Agreement and in the City's agreement with the Disposal Contractor. Such rights and obligations include but are not limited to: Disposal of Solid Waste intended for Disposal, Disposal of Residue from City-directed Processing of Solid Waste, and payment to the Disposal Contractor. Contractor warrants that it shall fully cooperate with City and Disposal Contractor in the event that there is a change in the Disposal Contractor and/or use of an Alternative Disposal Facility is required.

11.9 Contractor's Diligence in Coordinating with City of Sunnyvale

Contractor has exercised due diligence in coordinating with the City of Sunnyvale as necessary to ensure the accuracy of information contained in this Agreement and to effectuate the services as described

herein.

ARTICLE 12. OTHER AGREEMENTS OF THE PARTIES

12.1 Relationship of Parties

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

12.2 Compliance with Law

Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits and licenses of the United States, the State, County of Santa Clara, and City and with all applicable regulations promulgated by Federal, State, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the Term.

12.3 Governing Law

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

12.4 Jurisdiction

Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Santa Clara County in the State of California, which shall have exclusive jurisdiction over such lawsuits. With respect to venue, the Parties agree that this Agreement is made in and will be performed in Santa Clara County.

12.5 Binding on Successors

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

12.6 Assignment

Contractor acknowledges that this Agreement involves rendering a vital service to City's residents and businesses, and that City has selected Contractor to perform the services specified herein based on (i) Contractor's experience, skill and reputation for conducting its operations in a safe, effective and

responsible fashion, and (ii) Contractor's and the Guarantor's financial resources to maintain the required equipment and to support its indemnity obligations to City under this Agreement. City has relied on each of these factors, among others, in choosing Contractor to perform the services to be rendered by Contractor under this Agreement.

A. City Consent Required. Contractor shall not assign its rights or delegate or otherwise transfer any or all of its obligations under this Agreement to any other Person without the prior written consent of City which may be withheld with or without cause at City's sole discretion. City may refuse to consent to a proposed assignment unless it is satisfied that the proposed assignee is ready, willing and able to provide services in a manner equal to or better than Contractor. Any assignment made in violation of this Section 12.6.A shall be void and the attempted assignment shall constitute a Contractor default.

B. Assignment Defined. For the purpose of this Section, "assignment" shall include, but not be limited to, (i) a documentary assignment of Contractor's interest in, and obligations under, this Agreement; (ii) a sale, exchange or other transfer to a third Party of substantially all of Contractor's assets dedicated to service under this Agreement; (iii) a sale, exchange or other transfer of over thirty percent (30%) of outstanding common stock of Contractor to a Person who is not a shareholder as of the Effective Date; (iv) any dissolution, reorganization, consolidation, merger, re-capitalization, stock issuance or reissuance, voting trust, pooling agreement, escrow arrangement, liquidation or other transaction which results in a change of ownership or control of Contractor (defined as more than thirty percent (30%) of the outstanding common stock); (v) any assignment by operation of law, including insolvency or bankruptcy, an assignment for the benefit of creditors, a writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and (vi) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of Contractor.

C. Consent Requirements. No request by Contractor for consent to an assignment need be considered by City unless and until Contractor has met the following requirements:

1. Contractor shall pay City its reasonable expenses for attorneys' fees, consultants' fees and other costs of investigation necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment. With its written request for consideration of assignment, Contractor shall submit a non-refundable deposit to City in the amount of $250,000 to provide City funding for its review of the assignment;

2. Contractor shall be granted no opportunity to review or approve proposed agents of the City associated with assignment process;

3. Contractor shall furnish City with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years. City, following review of financial health of the assignee, may require provision of additional performance surety, or insurance;

4. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste Transfer and Disposal management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not been the subject

of any administrative or judicial proceedings initiated by a federal, State or local agency having jurisdiction over its operations due to an alleged failure to comply with federal, State or local laws or that the proposed assignee has provided City with a complete list of such proceedings and their status; (iii) that the proposed assignee conducts its operations in a safe and environmentally conscientious manner; (iv) that the proposed assignee conducts its operations in accordance with sound Solid Waste management practices in full compliance with all federal, State and local laws regulating the Transfer and Disposal of Solid Waste and all Environmental Laws; (v) of any other information required by City to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe and effective manner; and

5. Any permitted assignee must assume Contractor's responsibilities under this Agreement.

6. Should City consent to the assignment, Contractor shall make an assignment payment to the City in the amount of 2% of the annual Gross Receipts for the services provided under this Agreement for the most recently completed calendar year.

D. No Obligation to Consider. City will not be obligated to consider a proposed assignment if Contractor is in default.

E. Retention of Records. Assignment of the Agreement in no way relieves Contractor of its record retention responsibilities under Section 6.1, nor of any and all other Contractor obligations that survive the Agreement.

12.7 No Third Party Beneficiaries

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

12.8 Waiver

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

12.9 Notice Procedures

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

If communications to the City are notices of legal action or request for public information, such communication shall be directed to:

City Clerk
City of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035

All other communications shall be directed to:

Director of Engineering/City Engineer
City of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035

If to Contractor:

Louie Pellegrini, President
Milpitas Sanitation, Inc.
1080 Walsh Avenue
Santa Clara, CA 95050

The address to which communications may be delivered may be changed from time to time by a notice given in accordance with this Section. Notice shall be deemed given on the day it is personally delivered or, if mailed, three (3) calendar days from the date it is deposited in the mail.

12.10 Representatives of the Parties

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

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

ARTICLE 13. MISCELLANEOUS AGREEMENTS

13.1 Entire Agreement

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

13.2 Section Headings

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

13.3 References to Laws

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

13.4 Amendments

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

13.5 Severability

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

13.6 Counterparts

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

13.7 Exhibits

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

{Remainder of page intentionally left blank}

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

ATTEST:

City CLERK

By Mary Lavelle
City Clerk

Date: 12/8/16

City of Milpitas ("City")

By
City Manager

Date: 12/9/16

APPROVED AS TO FORM:

City Attorney

Date: 12/8/16

APPROVED AS TO FORM:

Contractor Attorney

Date: 3/17/16

Milpitas Sanitation, Inc. ("Contractor")

By: Louie Pellegrini
Louie Pellegrini
President

Date: 3/17/2016

EXHIBIT A: DEFINITIONS

EXHIBIT A
DEFINITIONS

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

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

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

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

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

"**Accept**" or "**Acceptance**" (or other variations thereof) means the transfer of ownership of Solid Waste intended for Disposal from the Contractor to the Disposal Contractor upon Delivery to an Approved Disposal Facility, transfer of ownership of Discarded Materials other than Solid Waste from the Contractor to the owner of an Approved Facility for the purposes of Processing, and transfer of ownership of Solid Waste from the Contractor to the owner of an Approved Solid Waste Processing Facility with City direction and for the purposes of Solid Waste Processing as provided in Section 4.8.J.

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

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

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

"Alternative Facility(ies)" means the Transfer and/or Processing facility(ies) proposed by Contractor and

approved by City for use in the event that an Approved Facility is unavailable for use. City-Approved Alternative Facilities as of the Effective Date include: Aladdin Street Materials Recovery Facility for single-stream Recyclables Processing, with Transfer through the Mission Trails Waste Systems MRF / Transfer Station and the Blue Line Material Recovery Facility and Anaerobic Digestion System (Blue Line MRF) for Food Scraps Processing at 500 East Jamie Ct, South San Francisco, CA 94080, which is owned and operated by Blue Line Transfer.

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

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

"Approved Alternative Solid Waste Processing Facility" means the SMaRT Station at 301 Carl Road, Sunnyvale, CA 94089, which is owned and operated by the City of Sunnyvale.

"Approved C&D Processing Facility(ies)" means the facility(ies) pre-approved by City as provided in Section 4.8.E of the Agreement.

"Approved Disposal Facility" means the Guadalupe Landfill a 15999 Guadalupe Mines Road, San Jose, CA, which is owned and operated by the Disposal Contractor.

"Approved Facility(ies)" means any one of or any combination of the: Approved C&D Processing Facility; Approved Disposal Facility; Approved Food Scraps Processing Facility; Approved Recyclable Materials Processing Facility; Approved Transfer Facility; and/or, Approved Yard Trimmings Processing Facility.

"Approved Food Scraps Processing Facility(ies)" means the facility(ies) pre-approved by City as provided in Section 4.8.D of the Agreement.

"Approved Recyclable Materials Processing Facility" means the facility(ies) pre-approved by City as provided in Section 4.8.C of the Agreement.

"Approved Transfer Facility" means the Mission Trail Waste Systems MRF / Transfer Station at 1313 Memorex Drive, Santa Clara, CA 95050, which is owned by Mission Trail Waste Systems (MTWS).

"Approved Yard Trimmings Processing Facility" means the facility(ies) pre-approved by City as provided in Section 4.8.D of the Agreement.

"Beneficial Reuse" means use of material for beneficial reuse which shall include, but not be limited to, the following: Alternative Daily Cover, Alternative Intermediate Cover, final cover foundation layer, liner operations layer, leachate and landfill gas collection system, construction fill, road base, wet weather operations pads and access roads, and soil amendments for erosion control and landscaping.

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

"**Bulky Item**" means discarded appliances, furniture, tires, carpets, mattresses, and similar large items that require special Collection due to their size or nature, but can be Collected without the assistance of

special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. It does not include abandoned automobiles, large auto parts, or trees.

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

"Cart" means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-automated Collection vehicle. A Cart has capacity of 38, 45, 64 or 96 gallons (or similar volumes). A "split-Cart" refers to Carts with vertical dividers designed to provide for separate placement in the Cart of two types of materials, as further described in Section 4.1 and Exhibit H Cart Specifications. Contractor provides Residential split-Carts for Solid Waste and Food Scraps, and for Recyclable Materials separating fibers and containers.

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

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

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

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

"City Contract Manager" means the City representative specified in Section 5.8, who is the main point of contact for this Agreement.

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

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

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

"Compactor" means a mechanical apparatus that compresses materials together with the Container that holds the compressed materials or the Container that holds the compressed materials if it is detached from the mechanical compaction apparatus. Compactors include two (2) to eight (8) cubic yard Bin Compactors serviced by front-end loader Collection vehicles and ten (10) to fifty (50) cubic yard Drop Box Compactors serviced by roll-off Collection vehicles.

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

"Construction and Demolition Debris", "C&D Debris", "C&D" includes discarded building materials,

packaging, debris, and rubble resulting from construction, alteration, remodeling, repair or demolition operations on any pavements, excavation projects, houses, Commercial buildings, or other structures, excluding Excluded Waste. Source Separated Recyclable C&D is a subset of C&D. Mixed C&D is C&D that is not Source Separated.

"Container(s)" mean Bins, Carts, Compactors, and Drop Boxes.

"Contractor" means Milpitas Sanitation, Inc. and is organized and operating under the laws of the State and its officers, directors, employees, agents, companies, related-parties, affiliates, subsidiaries, and Subcontractors.

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

"Contractor's Proposal" means the proposal submitted to City by Contractor on October 27, 2015 for provision of Solid Waste, Recyclables, and Organic Materials services and certain supplemental written materials, which are included as Exhibit I to this Agreement and are incorporated by reference.

"County" means the County of Santa Clara.

"Curb or Curbside (or any variation thereof)" means the location of a Collection Container for pick-up, where such Container is placed on the street or alley against the face of the Curb, or where no Curb exists, the Container is placed not more than five (5) feet from the outside edge of the street or alley nearest the property's entrance.

"Customer" means the Person whom Contractor submits its billing invoice to and collects payment from for Collection services provided to a Premises. The Customer may be either the Occupant or Owner of the Premises provided that the Owner of the Premises shall be responsible for payment of Collection services if an Occupant of a Premises, which is identified as the Customer of Owner's Premises, fails to make such payment.

"Customer Type" means the Customer's sector category including, but not limited to, Single-Family, Multi-Family, Commercial, C&D, Drop Box, and City.

"**Delivered**" or "**Delivery**" (or other variations thereof) means the action of the Contractor in Delivering Discarded Materials or street sweepings to an Approved Facility.

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

"Discarded Materials" means Solid Waste, Recyclable Materials, Organic Materials, and C&D placed by a Generator in a receptacle and/or at a location for the purposes of Collection by Contractor, excluding Excluded Waste.

"Disposal or Dispose" (or any variation thereof) means the final disposition of Solid Waste at a Disposal Facility.

"Disposal Contractor" means Waste Management of the South Bay, Inc., the party separately contracted by the City for provision of Disposal services, and compensated by Contractor.

EXHIBIT A
DEFINITIONS

"Disposal Facility" means a facility for ultimate Disposal of Solid Waste.

"Diversion" (or any variation thereof) means activities which reduce or eliminate the amount of Solid Waste to be Disposed including, but not limited to, Recycling and Composting, and to Processing of Solid Waste for recovery of Recyclable or Organic Materials.

"Drop Box" means an open-top Container with a capacity of ten (10) to fifty (50) cubic yards that is serviced by a roll-off Collection vehicle.

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

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

"Exclusive Right" is the right and privilege granted by City to Contractor to be the only Franchisee that Collects, Transports, and Processes Solid Waste, Recyclable Materials, Organic Materials, and C&D in the City.

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

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

"Food Scraps" means those Discarded Materials that will decompose and/or putrefy including: (i) all kitchen and table food waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) discarded paper that is contaminated with Food Scraps; (iv) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (v) non-Recyclable paper or contaminated paper. Food Scraps are a subset of Organic Materials. For Residential Customers with Cart service, Food Scraps are Collected with Solid Waste using a split-Cart.

"Franchise Fee" means the fee paid by Contractor to City for the privilege to hold the rights granted by this Agreement.

"Generator" means any Person whose act or process produces Solid Waste, Recyclable Materials, Organic Materials, or C&D as defined in the Public Resources Code, or whose act first causes Solid Waste to become subject to regulation.

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

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

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

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

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

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

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

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

"Multi-Family" means any Residential Premises, other than a Single-Family Premises, with five (5) or more dwelling units used for Residential purposes (excluding units used for temporary residential purposes such as hotels) that receive centralized Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address. Multi-Family residences are further defined in terms of relative density and type of service as provided in Section 4.2.

"Occupant" means the Person who occupies a Premises.

"Organic Materials" means those Yard Trimmings and Food Scraps that are specifically accepted at the applicable Approved Facilities. No Discarded Material shall be considered to be Organic Materials, however, unless it is separated from Solid Waste, Recyclable Material, and C&D.

EXHIBIT A
DEFINITIONS

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

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

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

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

"Per-Ton Rate" means the per-unit compensation owed Disposal Contractor by Contractor for each ton of Solid Waste Delivered by Contractor, as initially specified in Exhibit N and as adjusted annually as provided in Article 8.

"Personal Recycling Bin" or **"PRB"** refers to a small easily portable Container with a capacity of at least three (3) gallons to be included by Contractor in the Multi-Family Move-in kit to facilitate convenient accumulation of Recyclable Materials within a Multi-Family dwelling unit.

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

"Processing" means to prepare, treat, or convert through some special method. Processing of Solid Waste requires prior City-approval as provided in Section 4.8.J of the Agreement.

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

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

"Rate Period" means a twelve (12) month period, commencing January 1 and concluding December 31, with the exception that Rate Period One shall be longer than twelve (12) months, commencing on the Commencement Date and concluding December 31 of the next succeeding year, and Rate Period Fifteen may be shorter than twelve (12) months, commencing on December 31 of the year preceding the fifteenth anniversary of the Commencement Date and ending on such fifteenth anniversary.

"Recyclable Materials" means those Discarded Materials that Generators set out in Recyclables Containers for Collection for the purpose of Recycling by the Contractor, and that are at least ninety percent (90%) Recyclable and that exclude Excluded Waste. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Solid Waste, Organic Materials, and C&D. Recyclable Materials to be Collected from Single-Family and Multi-Family Premises include, at a minimum, magazines, catalogs, phone books, shredded paper (placed in paper bags for collection), envelopes, junk mail, corrugated cardboard, brown paper grocery bags, mixed or colored paper, paperboard, paper egg cartons, office ledger paper, white plastic grocery bags, glass bottles and jars, food (bimetal) and aluminum cans, newspaper, and plastic containers #1-7 excluding #6, polystyrene in all forms. Recyclable Materials to be Collected from Commercial Generators, includes at a minimum, white paper, computer

paper, copy paper, fax paper, carbonless forms, envelopes (with or without windows), colored, white, and manila file folders, laser-printed paper, junk mail, newspapers, magazines, phone books, glossy paper, corrugated cardboard, chipboard, shredded paper, bi-metal cans, aluminum, tin, glass bottles and jars, and plastic containers #1 – 7 excluding polystyrene (#6) in all forms. For Residential and Commercial Customers with Cart service, Recyclable Materials are Collected using a split-Cart that segregates fibers and containers.

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

"Residential" shall mean of, from, or pertaining to a Single-Family Premises or Multi-Family Premises including Single-Family homes, apartments, condominiums, townhouse complexes, mobile home parks, cooperative apartments, and yacht harbors and marinas where residents live aboard boats.

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

"Reusable Materials" means items that are capable of being used again with no or minimal Processing.

"SB 1016" means Chapter 343, Statutes of 2008, Wiggins, also commonly referred to as "SB 1016", as amended, supplemented, superseded, and replaced from time to time.

"SB 1383" or the "Short-Lived Climate Pollutants Act of 2016" as signed into law in September 2016, means an act to add Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and to add Chapter 13.1 [commencing with Section 42652] to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions).

"**Senior**" means a Person sixty-two (62) years of age or older.

"Service Area" means the physical area encompassed by the jurisdiction of the City, in which the Contractor provides Collection service.

"**Service Level**" refers to the size of a Customer's Container and the frequency of Collection service.

"**Single-Family**" means, notwithstanding any contrary definition in City Code, any detached or attached house or residence designed or used for occupancy by one (1) family, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service. Single-Family includes Residential units of a duplex, tri-plex, or four-plex Residential structure provided that each unit is separately billed for their specific service level.

"Solid Waste" means solid waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191 and regulations promulgated hereunder. Excluded from the definition of Solid Waste are Excluded Waste, C&D, Source Separated Recyclable Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and Disposal of Household Hazardous Waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container, or when Solid Waste is directed by City for

Processing as provided in Section 4.8.J. For Residential Customers with Cart service, Solid Waste is Collected with Food Scraps using a split-Cart. Except as provided in Section 4.8., all Collected Solid Waste is intended for Disposal.

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

"**Source Separated Recyclable C&D**" means C&D materials which are Source Separated by the Customer or Generator and which have a Processing residue level of less than ten percent (10%) by weight.

"Specialty Recyclable Material" means material not specified in this Agreement that can be or will be Collected for purposes of Recycling. Such Specialty Recyclable Material may include, but is not limited to, scrap metal, high-grade paper (including office mixed paper), pallets, and plastic film.

"State" means the State of California.

"Subcontractor" means a Party, as approved by the City who has entered into a contract, express or implied, with the Contractor for the performance of an act that is necessary for the Contractor's fulfillment of its obligations for providing service under this Agreement. Vendors providing materials and supplies, and professional services to Contractor shall not be considered Subcontractors.

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

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

"Transfer(ring)" (or other variations thereof) means receipt, Acceptance and reloading of Discarded Materials or street sweepings at an Approved Transfer Facility for Transport for Processing or Disposal.

"Transfer Facility" means a Facility that receives and temporarily stores materials, and then transfers the materials into larger trailers for Transport to a Processing Facility or Disposal Facility.

"Transfer Vehicle" means a tractor and trailer designed to haul Discarded Materials or street sweepings from the Approved Transfer Facility to an Approved Processing Facility or Approved Disposal Facility.

"Transport", "Transportation" means the act of transporting or state of being transported.

"Used Motor Oil and Filter" means motor oil and the subsequent oil filter that has been used in a vehicle and cannot be reused.

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

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

"**Yard Trimmings**" means those Discarded Materials that will decompose and/or putrefy, including, but

not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of organic waste. Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection may not exceed six (6) inches in diameter and three (3) feet in length and must fit within the Contractor-provided Container. Yard Trimmings are a subset of Organic Materials.

EXHIBIT B: PUBLIC OUTREACH REQUIREMENTS

EXHIBIT B
PUBLIC OUTREACH REQUIREMENTS

Contractor understands and recognizes the importance of effective outreach and promotion as the key to helping residents and businesses understand more about source reduction, reuse, Recycling, and Composting. In addition to, and in coordination with the requirements of Section 4.9 of the Agreement, Contractor shall include, at a minimum, the following services as part of its public outreach program.

1. STAFFING PLAN AND STAFF ROLES

Contractor shall at all times maintain the minimum levels of staffing specified below.

To best achieve the highest possible level of public outreach and awareness, Contractor shall designate one (1) full-time Public Relations/Outreach Manager to supervise, coordinate and implement all public outreach activities in the City and oversee the one (1) full-time Recycling Coordinator. Both the Public Relations/Outreach Manager and the Recycling Coordinator shall be assigned to support the City for a minimum of 40 hours per week and shall perform the following tasks in the following four principal areas of responsibility:

A. Government and Community Relations

1. Serve as a liaison between the City and Contractor
2. Represent Contractor at City Council, City staff, City strategy development meetings and quarterly coordination meetings
3. Work with the City in partnership to develop and incorporate municipal activities into Contractor activities, and vice versa
4. Participate and represent Contractor in community activities
5. Oversee customer satisfaction of all program services
6. Ensure compliance with City and regulatory agencies
7. Support local community service organizations

B. Media Relations

1. Develop relationships with news media outlets, including online services
2. Track media coverage

C. Contract Compliance

1. Coordinate and produce annual outreach plan required by Section 4.9 of the Agreement
2. Coordinate implementation of the annual public outreach plan

The Recycling Coordinator shall provide field marketing for the Multi-family and Commercial Recycling Programs.

EXHIBIT B
PUBLIC OUTREACH REQUIREMENTS

2. SINGLE-FAMILY OUTREACH PROGRAMS

A. Initial Start-Up Public Outreach Activities

1. Lead development, writing and design of an initial mailing to Single-Family Customers explaining the change from the existing hauler to the new Contractor; changes from the existing Collection programs to new programs, with emphasis on the changes in Solid Waste options regarding use of Cart and customer-owned containers, availability of on-call Collection, use of split-Carts for Solid Waste and Food Scraps, and use of split-Carts for Recyclable Materials; date of change, etc.
2. Lead development of a "how-to" flyer describing use of the Solid Waste and Food Scraps split-Cart and the split-Carts for Recyclable Materials. Directions for proper sorting of Food Scraps, Recyclables and Yard Trimmings for Collection will be included on the flyer and describe the acceptable materials that can be included in the Containers. The flyer should emphasize any new Recyclable Materials to be included in the Recycling Cart.
3. Lead development of a "how-to" flyer describing the proper set out procedures for Collection Containers.
4. Prepare drafts and distribute public service announcements (PSA) for local radio and cable television broadcast, as well as door hangers and print advertising including editorial content for local newspapers.
5. Otherwise promote the new Food Scraps program to Single-Family Customers through appropriate methods including distribution of kitchen Food Scraps pails to all Single-Family Customers prior to the Commencement Date.

B. Continuing Programs Throughout Agreement

1. Visit homeowner associations and other groups to promote and explain the program, as requested by the associations or as scheduled by the City.
2. Lead development of annual newsletters that creatively inform residents about topics such as availability of free on-call curbside Bulky Item pick-ups, home Composting, proper handling of Household Hazardous Waste, E-Waste, and U-Waste, and environmental conservation.
3. Lead development of an annual bill insert, brochure, and/or feature quarterly newsletter articles describing how to properly sort Food Scraps, Recyclable Materials, and Yard Trimmings for Collection. Contractor shall inform residents as to the acceptable materials that can be included in the Containers and any common contaminants to be excluded from Collection to customers.
4. Produce and implement corrective actions notices for use in instances where the Resident sets out inappropriate materials.
5. Two weeks prior to Christmas tree Collection events provide written notification to each Single-Family Customer specifying event details and tree Collection schedule as

provided by Sections 4.1.C and 4.2.C of this Agreement. Notifications include preparation of local newspaper advertising, banners for the City web page and information flyers.

6. 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, Food Scraps Collection, Christmas tree Collection, etc.

7. Prepare and make available through Contractor's website "how-to" information on Recycling, Composting, and proper Container set-outs in Adobe Acrobat PDF and video format, and provide Single-Family Customers with links for additional resources.

8. Enable Single-Family Customers to access information regarding Collection days by address, as well as other Customer- or City-specific information, through its website including access to Adobe Acrobat PDF copies of newsletters and other outreach materials required herein.

9. Regularly promote the Single-Family Organic Materials programs (Food Scraps and Yard Trimmings) to Customers through the methods described in items 1 through 8 above and, at the direction of the City Contract Manager, through direct postcard mailings or door-hangers to targeted Customers on specific routes or route segments that appear to be under-participating or creating excess contamination.

3. MULTI-FAMILY OUTREACH PROGRAMS

A. Initial Start-Up Public Outreach Activities

1. Lead development of an initial mailing to Multi-Family Customers explaining the change from the existing hauler to the new Contractor; changes from the existing Collection programs to new programs; date of change, etc.

2. Lead development of a "how-to" flyer describing how to properly sort Recyclable and Organic Materials for Collection and describe the acceptable materials that can be included in the Recyclable and Organic Materials Containers. The flyer should emphasize the requirements of AB 341 and AB 1826 and how to comply as well as identify any new Recyclable or Organic Materials to be included in the applicable cart.

3. Lead development of a "how-to" flyer describing the Recyclable and Organic Materials Collection program for distribution to tenants and distribute to Multi-Family property managers for distribution to tenants.

4. Lead development of posters describing Collection programs and distribute to Multi-Family property managers for on-site use.

EXHIBIT B
PUBLIC OUTREACH REQUIREMENTS

B. Continuing Programs Throughout Agreement

1. Visit apartment managers and apartment units or home owners' association meetings or other groups to promote and explain the Contractor's Collection programs and the requirements of AB 341, and AB 1826 throughout the Term of the Agreement, as requested by the associations or as scheduled by the City.
2. Prepare annual public outreach material on Recycling, the requirements of AB 341 and AB 1826, and how to comply, and proper handling of Household Hazardous Waste, E-Waste, and U-Waste and distribute (or arrange for distribution of) materials directly to tenants of Multi-family Premises.
3. Conduct site visits and provide technical assistance as specified in Section 4.10 of this Agreement.
4. Prepare reporting of AB 341 achievements including a list of complexes out of compliance, and actions taken to improve recycling.
5. Offer and respond to requests for on-site meetings and workshops. Contractor will conduct workshops (when requested) that will show property managers and residents, in a hands-on interactive format, how to use the Recyclable and Organic Materials program and will provide resources for additional information and support.
6. Lead development of 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.
7. 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, AB 341 and AB 1826 compliance, technical assistance, on-call Bulky Item collection, etc.).
8. Two weeks prior to Christmas tree Collection event, provide written notification to each Multi-Family Customer specifying event details and schedule as provided by Section 4.2.F of this Agreement.
9. On each bill, include a brief statement to Customers providing service-related announcements such as messages about new services, complying with the requirements of AB 341 and AB 1826, the on-call Bulky Item pick-up services, proper handling of Household Hazardous Waste, Christmas tree Collection, etc.
10. As part of Contractor's website, provide tenants and property managers with access to a dedicated multi-family page which will present "how-to" information in Adobe Acrobat PDF and video formats for tenants and property managers as well as links to other resources.
11. Develop and use a corrective actions notice for use in situations where residents set out inappropriate materials.

12. For the Multi-Family Yard Trimmings program implemented as required by AB 1826, conduct the following activities, at a minimum:
    - Provide a starter kit to inform Multi-Family property owners and managers of the Multi-Family Yard Trimmings Collection program;
    - Place Yard Trimmings presentation posters in highly trafficked areas of Multi-Family complexes; and,
    - Produce and distribute periodically, but at Contractor's discretion not more than quarterly, newsletters informing Multi-Family property owners and managers about the Multi-Family Yard Trimmings Collection program.
13. At least semi-annually, prepare and distribute notices to Customers that are not compliant with the requirements of AB 341 and/or AB 1826, which identify why the Customer is not compliant and what actions Customer can take to be compliant.

4. COMMERCIAL OUTREACH PROGRAMS

A. Initial Start-Up Public Outreach Activities

1. Lead development of a flyer and/or "how-to" brochure to businesses explaining the services provided to each general business type (restaurants, office/commercial buildings, strip malls, and large commercial businesses). The brochure should emphasize the requirements of AB 341 and AB 1826 and how to comply.
2. Prepare and distribute a flyer and/or "how-to" brochure describing the Food Scraps and Organic Materials Collection services available to each business type and how to prepare Food Scraps and Organic Materials for Collection.
3. Meet with up to four (4) business associations (Chamber of Commerce, Rotary Club, etc.) in separate venues to inform businesses of the Recyclable and Organic Materials Collection programs, the requirements of AB 341 and AB 1826, answer questions, and provide service and Rate information.

B. Continuing Programs Throughout Agreement

1. Prepare and distribute a quarterly newsletter to all Commercial Customers promoting and explaining Food Scraps, Recyclable Materials and Organic Materials Collection programs and the requirements of AB 341 and AB 1826. The newsletter shall be distributed to Commercial Customers at the same time bills are issued.
2. 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., the requirements of AB 341 and AB 1826, green business recognition, Hazardous Waste management, buy-recycled policies, etc.). These materials shall be available upon request, and articles shall be published annually in the quarterly newsletter.
3. Conduct site visits and provide technical assistance as specified in Section 4.10 of this Agreement.

4. For the Commercial Food Scraps program implemented as required by AB 1826, conduct the following activities, at a minimum:
   - Lead development of a starter kit to inform businesses of the Commercial Food Scraps Collection program;
   - Conduct initial site visits to all schools, institutions, restaurants, bakeries, grocery stores, and other food scrap generators in the City to encourage participation in the program and customize the program to fit the Customer's needs;
   - Place Food Scraps presentation posters in highly trafficked areas in the City; and,
   - Produce and distribute periodically, but at Contractor's discretion not more than quarterly, newsletters or bill inserts that inform customers about the Commercial Food Scrap Collection program.
5. Attend business associations' meetings to promote and explain the Collection programs and the requirements of AB 341 and AB 1826 throughout the Term of the Agreement, as requested by the associations or as scheduled by the City.
6. Provide employee training to businesses that participate in Food Scraps, Recyclable Materials and Organic Materials Collection programs, annually upon the Customer's request.
7. Develop and use a corrective actions notice for use in situations where businesses set out inappropriate materials.
8. On each bill, Contractor shall include a brief statement to Customers providing service-related announcements such as messages about new services, Food Scraps, Recyclable Materials and Organic Materials Collection services, complying with AB 341 and AB 1826, proper handling of Hazardous Waste, etc.
9. Prepare and make available through Contractor's website "how-to" information for Commercial Generators on Recycling, Composting, and Disposal in Adobe Acrobat PDF and video format.
10. Distribute outreach materials describing the requirements of AB 341 and AB 1826.
11. At least semi-annually, prepare and distribute notices to Customers that are not compliant with the requirements of AB 341 and/or AB 1826, which identify why the Customer is not compliant and what actions Customer can take to be compliant.

5. STREET SWEEPING

Contractor shall at all times comply with the minimum outreach provisions specified in Section 4.15.E of the Agreement.

6. SCHOOL OUTREACH

Develop and implement an annual "Mini-Grants" Program to assist teachers with materials needed for instruction of how to Recycle and Compost at school and at home. Educational mini-grants in total of up to $10,000 per year shall be offered, up to $5,000 at beginning of fall semesters and up to $5,000 at beginning of spring semesters, to all elementary and middle school principals and science teachers. City

and Contractor shall collaborate to determine mini-grant scope, amount of per classroom to per school awards, notification and award schedule. Contractor shall support a curriculum of City's choosing with a minimum of six (6) presentations to schools in the City or provide on-site tours for classes from schools in the City to promote Recycling and Composting and provide age appropriate materials pertaining to Recycling and Composting. In addition, Contractor shall provide visits to schools upon request, including a recycling truck and knowledgeable driver to demonstrate equipment for school children.

7. SPECIAL EVENTS

A. Arrange and provide staff for 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 and answer questions about Collection services. Contractor will develop a stand-alone and table-top professional display for use at the City events and will provide corresponding informational components that can be used to inform Customers and the general public about Recycling in general, and Milpitas Food Scraps, Recyclable Materials and Organic Materials programs. At a minimum, Contractor shall provide this outreach service at up to six (6) events annually to be determined with input from the City.

B. Inform 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.

8. ADDITIONAL YARD TRIMMINGS PROGRAMS

Contractor shall, at a minimum provide the following programs:

A. Compost for vermicomposting activities delivered free to designated school sites.

B. Planning and implementation for up to two annual special events intended to promote Yard Trimmings programs, including:

   i. One event targeting the schools.
   ii. One event targeting Milpitas single family residents for free giveaway of up to two (2) bags of Compost in one (1) cubic foot bags per household, and including an annual "Second Chance Giveaway" with the same offer within two weeks from the scheduled free giveaway event. Contractor shall provide convenient pick-up location within or near Milpitas and shall provide a safe method to line-up and place compost into cars.

C. Speaking engagements reaching homeowners, community and civic organizations.

9. ALL SECTORS

A. Produce press releases 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 informational tours of the Approved Facilities to familiarize residents, businesses, and school children with each facility's activities.

C. Provide public outreach materials that address the multi-lingual diversity of the City through use of visual images and/or other techniques.

D. Attend community workshops as requested by City to explain Collection services and respond to questions from the community.

E. Develop and maintain a website describing services provided in the City as required by Section 4.9 of the Agreement.

F. Social Media will focus on community involvement activities, program announcements, service trips and will refer to the website for general program information. Social Media outlets may include, but are not limited to: Facebook, Instagram and/or Snapchat. Due to the ever-changing social media landscape, Contractor will collaborate with the City Contract Manager annually, or more frequently if requested to determine the relevance of social media outlets in use and make changes if appropriate.

EXHIBIT C: REPORTING REQUIREMENTS

EXHIBIT C
REPORTING REQUIREMENTS

Report Format

Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed. City reserves right to review, and to require changes to Contractor reporting formats. At City's request, Contractor shall use standardized reporting forms provided by City. Reports are intended to compile recorded data into useful forms of information that can be used to, among other things:

1. Determine and set Maximum Rates and evaluate the financial efficacy of operations.
2. Evaluate past and expected progress towards achieving the Diversion requirements specified in Section 4.14 and Exhibit E.
3. Provide concise and comprehensive program information and metrics for use in fulfilling reporting requirements under AB 939, AB 341 AB 1826 and AB 1594.
4. Determine needs for adjustment to programs.
5. Evaluate Customer service and

Monthly City Report Content

The monthly tonnage reports shall be presented by Contractor to show the following information for each month. In addition, each monthly report shall show the monthly data for the past twelve (12) months.

1. Tonnage Report

- Total tonnages collected for the month by route by material type.
- Tonnage delivered to each Approved Facility by Customer and Material Type, subtotaling and clearly identifying those Tons that are Disposed and those that are Diverted.
- Total Units of Used Oil, Used Oil Filters, E-Waste, U-Waste, and Bulky Items Collected by Customer Type and Units Recycled and Disposed.
- Tonnage of Recyclable Materials Marketed (by commodity and including average commodity value for each) and Processing Residue Tonnage Disposed.
- Tonnage of Organic Materials Marketed and Processing Residue Tonnage Disposed, provided and separately and combined for Food Scraps and Yard Trimmings.
- Tonnage of C&D Marketed and Processing Residue Tonnage Disposed.
- Total Tonnage of Solid Waste, showing Tons Disposed as provided in Sections 4.5 and 4.6 and total net of such Tons.

2. Revenue Report

- Provide a statement detailing Gross Receipts from all operations conducted or permitted pursuant to this Agreement as required by Section 8.1.
- Maintain a list of Customers that are forty five (45) or more calendar days past due and include the following information for each delinquent account: name; service address; contact information; number of days the account is delinquent; method(s) the Contractor has used to attempt collection of the bad debt including date of such attempt(s); and, identification, if, and when the Contractor plans to or did stop service to a delinquent account. Provide this list only upon request of the City.

Quarterly City Report Content

Quarterly reports shall be presented by Contractor showing the monthly information requested above plus the following information for each quarter.

1. Customer Report

- Number of Customers by Customer Type.
- Number of Containers at each Service Level by Customer Type and program summarizing the type of material Collected, total gallons of Cart service, cubic yards of Bin service, and pulls and cubic yards or Tons of Drop Box and Compactor service by Customer Type. Report should calculate the average volume of service received per: Single-Family Customer; Multi-Family dwelling unit; Commercial Customer; and, C&D Customer.
- Number of free and for-fee On-Call Bulky Item Collections by Customer Type.
- Participation percentage by program and Customer Type where the participation percentage is calculated as the number of Customers who have subscribed to or requested service under the program relative to the number of Customers of that Customer Type subscribing to Solid Waste service. Contractor shall not be required to submit participant Customer names and addresses as part of the regular reporting; however, such information shall be provided to the City Contract Manager upon request.
- Detailed Customer account data in Microsoft Excel format including, but not limited to: customer name, service location address, Solid Waste, Recyclable Materials, Organic Materials, and C&D Service Level information, contact name, address, and phone number. Such detail shall be sufficient for the City to verify Customers' compliance/non-compliance with the requirements of AB 341 and/or AB 1826. If necessary for compliance purposes, information shall be submitted on a monthly basis at the City's request.
- Other reports required by the State or as may be required in the future related to the requirements of AB 341 and AB 1826. If City necessary for compliance purposes, information shall be submitted on a monthly basis at City request.

2. Customer Service Report

Customer service reporting requirements apply to both Collection and street sweeping services.

- Number of Customer calls listed separately by complaints and inquiries (where inquiries include requests for Recycling information, Rate information, etc.) listed separately by month. For complaints, list the number of calls separately by category (e.g., missed pickups, scheduled cleanups, billing concerns, damage claims, etc.) and provide details regarding complaint resolution.
- Number of new service requests and Service Level changes for each Customer Type and program listed separately by month.
- Number of technical assistance requests and/or onsite services provided, listed by month.
- Number of events of Discarded Materials being tagged for non-Collection summarized by the reason for tagging (e.g., inclusion of non-Recyclable or non-Compostable materials, improper setout, Hazardous Waste, etc.) listed by month.
- Call center and web analytics such as hold times, number of hits and unique visitors to the Contractor's website listed by month.

3. Outreach

Outreach reporting requirements apply to both Collection and street sweeping services.

- Provide a status report of Contractor's actual activities completed compared to the annual public outreach plan. For each completed item, document the results including what date the activity was performed, how many Customers were targeted or participated, and what methods were used to accomplish the task, if different from the plan.
- Summarize the Recycling opportunity assessments/on-site meetings provided to Customers (reporting Multi-Family separately from Commercial) by identifying the number of Recycling opportunity assessments conducted each month in the most-recently completed quarter, and contact information including address, contact names, telephone number of Persons contacted, number of units (for Multi-Family), and the Solid Waste, Recyclable Materials, and Organic Materials Service Level (separately for Food Scraps and Yard Trimmings, as applicable). Include any Service Level changes resulting from such site visits.
- Dates, times, and group names of meetings and events attended.

4. Diversion Compliance

- Contractor's Diversion percentage rate for the quarter, calculated as total tons Delivered for Processing minus Residue tons divided by total tons Collected.
- Contamination and Residue rates.
- Listing of Multi-Family and Commercial Customers that are not in compliance with the requirements of AB 341 and/or AB 1826. Such list shall include, at a minimum, Customer name, service location address, Solid Waste, Recyclable Materials, and Organic Materials Service Level

information, contact name, address, and phone number, and the date(s) Contractor provided a notice of non-compliance, and a complete description of Contractor efforts to inform, and to gain compliance by each listed Customer.

5. Pilot and New Programs (If applicable)

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

6. Public Outreach Plan

Pursuant to Section 4.9, as part of the Contractor's third quarterly report for the Rate Period, Contractor shall submit a plan outlining its public outreach efforts for the coming Rate Period.

Annual City Report Content

The annual report shall include all the monthly and quarterly report information plus the following additional information.

1. Summary Assessment

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

2. Vehicle Inventory

Provide a listing of all vehicles used in performing services under this Agreement including the license plate number, VIN, make, model, model year, purchase date, engine overhaul/rebuild date (if applicable), and mileage at December 31.

3. Recyclables, Organics, and C&D Markets

Contractor shall include a listing of markets for Recyclable Materials, Organic Materials (separately for Food Scraps and Yard Trimmings), and C&D and the end use of these materials. This type of information is intended to help the City gauge the sustainability of Recycling and Organics markets.

4. Cost-Based Rate Adjustment Data

Provide the following information **only if Maximum Rates are to be determined for the upcoming Rate Period using a cost-based adjustment process** pursuant to Exhibit D2. With the exception of the "Financial Information" listed below, all other items listed may be requested by the City Contract Manager at any time during the Term of the Agreement and Contractor shall comply with that request in a timely fashion.

A. **Financial Information.** Within one hundred twenty (120) calendar days after the close of the Rate Period, Contractor shall deliver to the City two (2) hard copies and one (1) electronic copy

of the audited consolidated financial statements and profit and loss statements of Contractor for the preceding Rate Period. Financial statements shall include a supplemental combining schedule showing Contractor's results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement from others included in such financial statements. The financial statements and footnotes shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied and fairly reflecting the results of operation and Contractor's financial condition. Annual financial statements shall be audited, in accordance with Generally Accepted Auditing Standards (GAAS) by a Certified Public Accountant (CPA) licensed (in good standing) to practice public accounting in the State as determined by the State Department of Consumer Affairs Board of Accountancy, and that the CPA's opinion on Contractor's annual financial statements shall be unqualified, and shall contain the CPA's conclusions regarding the Contractor's accounting policies and procedures, internal controls, and operating policies. The CPA shall perform an evaluation and, if necessary, shall cite recommendations for improvement.

B. **Related Party Entities.** As part of the annual reporting requirement, Contractor shall provide the City with a copy of each related party entity's (whose cost of services are not pre-determined in this Agreement on a unit price basis or by a governmental contractor) audited annual financial statements and management letter for that fiscal year, or within ninety (90) calendar days of each related party entity's fiscal year-end, if timing does not coincide with the annual report date. Financial statements shall be prepared in accordance with GAAP and audited, in accordance with GAAS, by a CPA licensed in the State, and that the CPA's opinion on each related party entity's annual financial statements shall be unqualified, and that the CPA make available to the City (or the City's designated representative) such CPA's working papers related to the audit.

Contractor agrees that all financial transactions with all related party entities shall be approved in advance in writing and disclosed in a separate disclosure letter to the City, upon request. This letter shall include, but not be limited to, the following information:

- A general description of the nature of each related party entity transaction, or type of transaction (if many similar transactions exist) shall be provided, as applicable. Such description shall include for each (or similar) transaction, amounts, specific related party entity, basis of amount (how amount was determined), description of the allocation methodology used to allocate any common costs, and profit amount. Amounts shall be reconciled to the related party entity disclosures made in Contractor's annual audited financial statements referred to in this Exhibit.
- At the City's request, Contractor shall provide the City with copies of working papers or other documentation deemed relevant by the Contractor relating to information shown in the annual disclosure letter.

C. **Operational Information:** Provide the following operational information:

1. **Routes by Customer Type**
   a. Number of routes per day for each line of business.
   b. Types of vehicles.
   c. Crew size per route.
   d. Number of full time equivalent (FTE) routes.

e. Number of accounts and cubic yards scheduled per route.
f. Total route hours per Customer Type per year.
g. Average cost per route.
h. Percentage of Drop Box routes attributable to C&D Collection

2. **Personnel**
   a. Organizational chart.
   b. Job classifications and number of employees (e.g., administrative, Customer service representatives, drivers, supervisors, outreach staff).
   c. Wages by job classification.
   d. Number of FTE positions for each job classification.
   e. Number of hours per job classification per year.

3. **Productivity Statistics**
   a. Average number of accounts per route per day by Customer Type.
   b. Average number of setouts per route per day by Customer Type.
   c. Average Tons per route per day by vehicle type (e.g. side-loader, front-loader, roll-off).
   d. Average cubic yards of Collection scheduled per route.
   e. Analysis of Drop Box Collection service and calculation of the percentage of Drop Box route time attributable to C&D Collection.

4. **Vehicles**
   a. List of collection vehicles including year purchased and mileage.
   b. Average age of mobile equipment with oldest and newest.
   c. List of major maintenance and/or replacement events, including costs.

5. **Operational Changes**
   a. Number of routes.
   b. Staffing.
   c. Supervision.
   d. Collection services.
   e. Other data as applicable related to any programmatic or operational changes implemented within the Agreement.

D. **Variance Analysis.** Provide the following variance analysis for each Customer Type. For any variances greater than five (5) percent annually, Contractor shall provide sufficient rationale to support variance:
   1. Variance analysis comparing the current Rate Period to each of the prior Rate Periods of Agreement.
   2. Variance analysis comparing the current Rate Period to each of the future projected Rate Periods.

E. **Allocations.** Provide the following allocation data:
   1. Provide a concise general explanation of the various allocation methodologies used for each Rate application line item.
   2. Provide specific examples of each type of allocation used showing how an entry is reported in the general ledger and ties to the Rate application

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

F. **Projections.** Provide the following projection data:
   1. Provide support for the basis for projected Gross Receipts and line item expenses, clearly indicate the supporting calculations and assumptions
   2. Provide support for the most-recent twelve (12) months of Tonnage data for the Rate Period. Clearly indicate the supporting calculations and assumptions.

Event-Specific Requirements

A. **Special Events.** Within fourteen (14) calendar days of the end of a special event, Contractor shall submit a report to the City Contract Manager and event organizer documenting at a minimum: the number of event collection stations deployed at the event, the number of collection station monitors, the Tonnage of each material type (e.g., Solid Waste, Recyclable Materials, and Organic Materials) Collected, and a description of the public outreach conducted at the event.

B. **Litter/Spillage of Materials.** Pursuant to Sections 5.3.B. and 5.3.C, Contractor shall discuss instances of repeated spillage not caused by it directly with the Generator responsible and report such instances to City.

C. **Notice of Non-Collection.** Pursuant to Sections 5.3.H Contractor notify the City Contract Manager via email of Premises where materials are tagged by Contractor and not picked up, describing the type of material(s) and reason.

Required State Reporting

Contractor shall be solely responsible for anticipating and understanding State reporting requirements for AB 341 and AB 1826, except that it shall take direction as relates to such reporting if and as provided by the City. Contractor shall develop and submit each report for City review and comment no less than forty five (45) days prior to its required submittal date.

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EXHIBIT D:
RATE ADJUSTMENT METHODOLOGY

EXHIBIT D
RATE ADJUSTMENT METHODOLOGY

Adjustment Process

General

Subject to the terms herein, the City shall adjust all Rates on an annual basis. Contractor shall submit its application for a Rate adjustment to the City Contract Manager on or before October 1 of each Rate Period where Rates shall be adjusted using the index-based methodology described in Exhibit D1. Contractor shall submit its application on or before August 1 for any Rate Period where Rates shall be adjusted using the cost-based methodology described in Exhibit D2. Contractor's Rate application shall document all calculations and include all supporting schedules, documentation of per-Ton charges for Approved Facilities, documentation of changes in governmental fees at Approved Facilities (if applicable), and any other documentation or evidence determined by the City Contract Manager to be reasonably necessary to ensure that the calculation of Rate adjustments has been performed in strict conformance to the requirements of this Exhibit D.

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

Table 1 - Schedule of Rate Periods

Rate Period	Dates
1	September 6, 2017 - December 31, 2018
2	January 1, 2019 – December 31, 2019
3	January 1, 2020 – December 31, 2020
4	January 1, 2021 – December 31, 2021
5	January 1, 2022 – December 31, 2022
6	January 1, 2023 – December 31, 2023
7	January 1, 2024 – December 31, 2024
8	January 1, 2025 – December 31, 2025
9	January 1, 2026 – December 31, 2026
10	January 1, 2027 – December 31, 2027
11	January 1, 2028 – December 31, 2028
12	January 1, 2029 – December 31, 2029
13	January 1, 2030 – December 31, 2030
14	January 1, 2031 – December 31, 2031
15	January 1, 2032 – December 31, 2032

EXHIBIT D
RATE ADJUSTMENT METHODOLOGY

All of such Rate Periods will be adjusted if the Commencement Date is later than September 6, 2017.

Definitions

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

A. "**Annual Percentage Change**" means the average value of an index for the 12-month period ending June of the then-current Rate Period minus the average index value for the 12-month period ending June of the most-recently completed Rate Period, divided by the average index value for the 12-month period ending June of the most-recently completed Rate Period. The Annual Percentage Change shall be rounded to the nearest thousandth (1,000th).

For example, if the Contractor is preparing its Rate application for Rates to be effective for Rate Period 2, the Annual Percentage Change in CPI shall be calculated as follows: [(Average CPI for July 2017 through June 2018) – (Average CPI for July 2016 through June 2017)] / (Average CPI for July 2016 through June 2017)].

B. "**Average Index Value**" means the sum of the monthly index values during the 12-month period ending in June divided by 12 (in the case of indices published monthly), the sum of the bi-monthly index values divided by 6 (in the case of indices published bi-monthly), or the sum of the quarterly index values divided by 4 (in the case of indices published based on a 3-month percent change).

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

D. "**ECI**" means the Employment Cost Index, Total Compensation, For Private Industry Workers, in Service-Providing Industries, Service Occupations, not seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics, Index Series ID: CIU201S0003000001.

E. **"CNG Fuel Pricing Index"** means the per-therm price for Core Natural Gas Service for Compression on Customer's Premises, Schedule G-NGV1, compiled and published by the Pacific Gas and Electric Company Analysis and Rate Department and reported monthly in its "Gas RateFinder" publication (http://www.pge.com/tariffs/GRF.SHTML). The March 2015 CNG Fuel Pricing Index is $0.51999 per therm, which reflects the sum of the customer charge, procurement charge, transportation charge, and public purpose program (PPP) charge for natural gas service for compression on customer's premises as reported by Pacific Gas and Electric Company.

F. "**Motor Vehicle Maintenance and Repair Index**" 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.

G. **"Net Organic Materials Processing Cost"** means cost of Processing Organic Materials less revenues earned from sale of Compost Product.

H. **"Net Recyclable Materials Processing Revenue"** means revenues earned from sale of Processed Recyclable Materials, less the cost of Processing.

I. "**Total Calculated Costs**" means the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Calculated Costs do not reflect or in any way guarantee the Gross Rate Revenues that are to be generated by Rates or retained by the Contractor. Note that for determining Rates for Rate Period Two, Total Proposal Costs for Rate Period One shall be used for the calculations.

Table 2 provides additional information about the four indices defined above.

Table 2* - Detailed Index Information

	CPI-U	ECI	Fuel	Motor Vehicle Maintenance and Repair Index
Description	Consumer Price Index - All Urban Consumers	Employment Cost Index	Pacific Gas and Electric Company Schedule G-NGV1 Natural Gas Service for Compression On Customers Premise	Consumer Price Index – All Urban Consumers, Motor Vehicle Maintenance and Repair
Series ID	CUURA422SA0	CIU201S0003000001	Schedule G-NGV1	CUUR0000SETD
Adjusted	Not seasonally adjusted	Not seasonally adjusted	Seasonally adjusted	Not seasonally adjusted
Area	San Francisco-Oakland-San Jose Metropolitan Area	N/A	N/A	U.S. City average
Item	All items	All items	Compressed Natural Gas	Motor vehicle maintenance and repair
Base Period	1982-84=100	1982-84=100	N/A	1982-84=100
Periodicity	Bi-monthly	Monthly	12-month percent change	Monthly

*All indices except the fuel index are published by the U.S. Bureau of Labor Statistics.

Cost of Rate Adjustment Process

The City may incur costs, including consulting and legal fees, when determining adjustments to the Rates

in accordance with this Exhibit and may require the Contractor to pay for such costs within sixty (60) calendar days of receipt of the City's invoice for such costs. The Contractor shall recover such costs through the Rates by treating the costs as an allowable Pass-Through Cost. Regardless of Contractor's payment of costs associated with said review, the City shall retain full and unimpeded discretion in selection of its agents to ensure, at a minimum, that no conflict of interest arises in the review of Contractor's request. The City retains the right to select its agents on the basis of their qualifications and experience and without regard to cost.

EXHIBIT D-1: MULTIPLE INDEX-BASED RATE ADJUSTMENT METHODOLOGY

EXHIBIT D-1
INDEX-BASED RATE ADJUSTMENT METHODOLOGY

1. GENERAL

The purpose of this attachment is to describe and illustrate the method by which the City will calculate the annual adjustment to Rates to reflect changes in various cost indices and changes to Disposal and Processing costs based on Tonnages of materials Collected and changes in tipping fees. This index-based adjustment process shall be used to determine Rates for all Rate Periods beginning with Rate Period Two (FY January 1, 2019 through December 31, 2019) with the exception that the Rate adjustment process for Rate Periods Four and Seven, and Twelve, shall involve a detailed review of actual costs, pursuant to Section 8.2 of the Agreement and Exhibit D2.

The index-based adjustment involves application of indices to various costs that comprise the total proposed annual costs for Rate Period One (and to Total Calculated Costs for future Rate Periods) to determine the Total Calculated Costs for the coming Rate Period. In addition, Processing and Disposal costs shall be adjusted to reflect actual Tonnage Collected during the most-recently completed Rate Period. The index-based Rate adjustments may be approved by the City Contract Manager.

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

The Rate Adjustment Factor calculated pursuant to this Exhibit D-1 may not exceed five percent (5%). In the event that the calculation results in a calculated increase exceeding five percent (5%), Contractor may elect to either: i) accept a Customer Rate increase of no more than five percent (5%); or, ii) require that a cost-based Rate adjustment be performed under the procedures described in Exhibit D2. In the event that Contractor requires a cost-based rate adjustment, Contractor shall pay City's costs of the cost-based rate adjustment review and may not influence or control the City's selection of professional service providers to perform such review. In the event that calculated increase exceeds five percent (5%), and Contractor accepts a Rate increase of no more than five percent (5%), Contractor shall have the ability to include the excess dollar amount as an adjustment to the Total Calculated Costs in Contractor's Rate adjustment application for the following year, as described in more detail in Section F.2 of this Exhibit. However, such adjustment to the following year shall not be granted to the extent that it results in exceeding the five percent (5%) limit in that year. Under no circumstances shall any amount disallowed during the term of the Agreement as a result of the five percent (5%) limit be considered due to the Contractor by the City or Customers upon the expiration or early termination of this Agreement.

In the event that the index-based adjustment as calculated by this Exhibit D-1 results in a negative Rate Adjustment Factor, the City reserves the right to "roll-under" the Rate reduction, such that there is no Rate adjustment in the Rate Period for which the negative Rate Adjustment Factor was calculated, but the calculated Rate reduction may be deferred to the following Rate Period, as a credit against future Rate increases.

EXHIBIT D-1
INDEX-BASED RATE ADJUSTMENT METHODOLOGY

2. ADJUSTMENT OF TOTAL CALCULATED COSTS

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

A. Total Annual Cost of Operations

1. **Labor-Related Costs.** The Labor-Related Costs component of Total Calculated Costs for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the ECI.

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

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

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

4. **Net Recyclables Processing Revenue.** Contractor retains actual Recyclables Processing Revenue. Recyclables Processing Revenues are treated as a $15 per-ton credit during Rate adjustment.

5. **Net Yard Trimmings Materials Processing Cost.** The Net Yard Trimmings Materials Processing Costs component of Total Calculated Costs is calculated as follows:

   Net Yard Trimmings Materials Processing Cost = [(Per-Ton Yard Trimmings Materials Processing Cost for the then-current Rate Period - All regulatory fees identified on Form 5 of Exhibit N, (Contractor's Proposal) and included in the then-current per-Ton cost) x (1 + Annual Percentage Change in the CPI-U) + (Then-current per-Ton regulatory fees)] x (Total Tons of Yard Trimmings Materials Collected for the most-recently completed 12-month period ending June 30*)

   * Note that Tonnage calculations for Rate Period Two will be based on the estimated total Tons for Rate Period One identified in Contractor's proposal, Exhibit I, adjusted to reflect Tons for a single, complete, 12-month period.

6. **Net Food Scraps Materials Processing Cost.** The Net Food Scraps Materials Processing Costs component of Total Calculated Costs is calculated as follows:

   Net Food Scraps Materials Processing Cost = [(Per-Ton Food Scraps Materials Processing Cost for the then-current Rate Period - All regulatory fees identified on Form 5 of Exhibit N, (Contractor's

Proposal) and included in the then-current per-Ton cost) x (1 + Annual Percentage Change in the CPI-U) + (Then-current per-Ton regulatory fees)] x (Total Tons of Food Scraps Materials Collected for the most-recently completed 12-month period ending June 30*)

* Note that Tonnage calculations for Rate Period Two will be based on the estimated total Tons for Rate Period One identified in Contractor's proposal, Exhibit I, adjusted to reflect Tons for a single, complete, 12-month period.

7. **Net C&D Materials Processing Cost.** The Net C&D Materials Processing Costs component of Total Calculated Costs is calculated as follows:

Net C&D Materials Processing Cost = [(Per-Ton C&D Materials Processing Cost for the then-current Rate Period - All regulatory fees identified on Form 5 of Exhibit N, (Contractor's Proposal) and included in the then-current per-Ton cost) x (1 + Annual Percentage Change in the CPI-U) + (Then-current per-Ton regulatory fees)] x (Total Tons of C&D Materials Collected for the most-recently completed 12-month period ending June 30*)

* Note that Tonnage calculations for Rate Period Two will be based on the estimated total Tons for Rate Period One identified in Contractor's proposal, Exhibit I, adjusted to reflect Tons for a single, complete, 12-month period.

8. **Net On-Call Materials Processing Cost.** The Net On-Call Materials Processing Costs component of Total Calculated Costs is calculated as follows:

Net On-Call Materials Processing Cost = [(Per-Ton On-Call Materials Processing Cost for the then-current Rate Period - All regulatory fees identified on Form 5 of Exhibit N, (Contractor's Proposal) and included in the then-current per-Ton cost) x (1 + Annual Percentage Change in the CPI-U) + (Then-current per-Ton regulatory fees)] x (Total Tons of On-Call Materials Collected for the most-recently completed 12-month period ending June 30*)

* Note that Tonnage calculations for Rate Period Two will be based on the estimated total Tons for Rate Period One identified in Contractor's proposal, Exhibit I, adjusted to reflect Tons for a single, complete, 12-month period.

9. **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.

10. **Direct Depreciation**. Direct Depreciation is $1,255,593 per year for Rate Periods Two through Ten, and is not annually adjusted, with the exception that an adjustment shall be made when calculating Rate Period Two costs if the Contractor received grant monies to offset the capital costs of compressed natural gas (CNG) Collection vehicles. In such case the direct depreciation cost shall be $1,255,593 less one ninth of the grant monies received. This adjusted depreciation

amount shall remain fixed for Rate Periods Two through Ten. If the Agreement is extended beyond Rate Period Ten, direct depreciation shall be zero in any subsequent Rate Periods unless Parties mutually agree to a different amount.

11. **Allocated Costs (Labor, Vehicle, Fuel, and Other Costs).** The Allocated Costs (Labor, Vehicle, Fuel, and Other Costs) component for the then-current Rate Period is multiplied by one plus the Annual Percentage Change in the CPI-U.

12. **Allocated Depreciation and Start-Up Costs.** The Allocated Depreciation and Start-Up Costs shall be $77,731 per year for Rate Period Two through Ten, and are not annually adjusted. These costs shall be zero for all subsequent Rate Periods unless Parties mutually agree to a different amount.

13. **Total Annual Cost of Operations.** The Total Annual Cost of Operations for the coming Rate Period equals the sum of the costs calculated in subsections (1) through (9) above.

B. Profit

Profit for the coming Rate Period shall be calculated by dividing the Total Annual Cost of Operations for the coming Rate Period (the value calculated in Section 2.A.8 above) by an operating ratio (87%) 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. Pass-Through Costs (Excluded from the Calculation of Profit)

1. **Disposal Costs.** The Disposal Costs shall be calculated by multiplying the City-approved per-Ton Disposal fee at the Approved Disposal Facility and Approved Transfer Facility (as applicable) for the coming Rate Period by the total Tons of Solid Waste Collected for the most-recently completed Rate Period (with the exception of calculating Rates for Rate Period Two, which shall be based on the estimated total Tons for Rate Period One identified in Exhibit N).

2. **Interest Expense.** The Interest Expense amount is $603,927 in Rate Period Two through Ten, is not annually adjusted, and shall be zero in any subsequent Rate Period unless Parties mutually agree to a different amount.

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

4. **Allocated Lease Costs.** The Allocated Lease Costs amount is $0 for Rate Period Two through Ten

(including interest costs for Allocated General and Administrative of $0, Allocated Vehicle Maintenance costs of $0 and Allocated Container Maintenance of $0 is not annually adjusted, and shall remain unadjusted in any subsequent Rate Period unless Parties mutually agree to a different amount.

5. **Total Pass-Through Costs**. Total Pass-Through Costs for the coming Rate Period are the sum of the amounts in Sections 2.C.1 through 2.C.4 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/Payments (Pass-Through Fees)

1. **Franchise Fee.** Franchise Fees for the coming Rate Period shall equal fourteen and one seventeenths percent (14.17%) of Contractor's Total Calculated Costs.

2. **Rate Application Review Costs.** An amount determined by the City to reimburse the Contractor for payment of the City's costs, including consulting and legal fees associated with determination of Rates under this Exhibit. Such Rate application review costs may or may not be one-time costs and shall be included in subsequent Rate Periods if it is not a one-time cost.

3. **Total City Fees.** The Total City Fees for the coming Rate Period shall equal costs calculated in Section 2.E.1 and 2.E.2 above; provided, however, that any adjustment in any such fee shall be pass-through fees (which are excluded from the calculation of profit) and reflected in the Total City Fees/Payments.

F. Other Adjustments

1. **General.** From time to time during the Term of the Agreement, it may be necessary to make other adjustments to the compensation calculations. All such adjustments shall be subject to the approval of the City Contract Manager. For example, if the Contractor obtains grant funds or subsidies, the annual amount of funds Contractor received or is forecasted to receive shall 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 has secured funds from other sources to cover a portion of the costs required to provide service to the City.

2. **Rate Period Three C&D Drop Box Adjustment.** The following adjustment applies only to Rate Period Three, and shall be determined as defined as follows:

   a. As part of its application for Rate Period Three, for September 2018 through August 2019 for Drop Box Service provided to C&D Customers, Contractor submits total actual monthly Rate revenue for services provided on a per-pull basis, and total actual monthly Rate revenue for services charged on a per-Ton basis.

b. City adds the total per-pull revenues and per-Ton revenues from subsection a. for September – December 2018 to derive a total actual monthly Rate revenue for that period.

c. City adds the total per-pull revenues and per-Ton revenues from subsection a. for January through August 2019 to derive a total actual monthly Rate revenue for that period.

d. City applies the Rate Adjustment Factor for Rate Period Two to the figure from subsection b., and adds the resulting revenues to the January through August 2019 revenues from subsection c. to obtain one full year of "actual total revenues for Drop Box service provided to C&D Customers, adjusted for Rate Period Two".

e. City derives the projected total initial annual revenue for Drop Box service provided to C&D Customers by multiplying each applicable Rate as provided in Exhibit L by the projected subscription levels, and by the Tonnages contained in Form 2 of Exhibit N.

f. City applies the Rate Adjustment Factor for Rate Period Two to the figure from subsection e. to obtain one full year of "projected total revenues for Drop Box service provided to C&D Customers, adjusted for Rate Period Two".

g. City calculates the ratio of the figure calculated in subsection d. to the figure calculated in subsection f. If this ratio equals 0.90 or less, the ratio is a "shortfall" and is represented as a positive dollar difference in revenues. If the ratio equals 1.10 or more, the ratio is a "surplus" and is represented as a negative dollar difference in revenues. If the ratio equals between 0.900 and 1.10 it is represented as $0.00, for no adjustment.

3. **"Roll-Over" of Dollars Exceeding Rate Cap.** In the event that the calculated Rate increase exceeds five percent (5%) in any Rate Period, and Contractor accepts a Rate increase of no more than five percent (5%), Contractor shall have the ability to include the excess dollar amount as an adjustment to the Total Calculated Costs in Contractor's Rate adjustment application for the following year. Contractor's ability to "roll-over" such excess calculated costs shall not expire until the expiration or early termination of the base Term of this Agreement. In the event that there are remaining excess (i.e. "rolled-over") calculated costs which have not been included in the Rates for any Rate Period upon expiration or early termination of this Agreement, Contractor shall not be compensated for the excess 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.

3. RATE ADJUSTMENT FACTOR

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

Proposed Costs of $16,230,643 for twelve (12) months of Rate Period One.

4. ADJUSTMENT OF RATES

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

5. EXAMPLE CALCULATION

The following example illustrates the index-based adjustment method for determining Rates for Rate Period Two (January 1, 2019 through December 31, 2019). The dollar amounts shown are hypothetical amounts for Total Calculated Costs (annualized) for Rate Period One (September 6, 2017, through December 31, 2018) and the adjustment factors are based on assumed changes in the various indices between the average index values for the twelve (12) months ending June 2017 and for the twelve (12) months ending June 2018.

A. Assumptions for Example Adjustment to Contractor's Compensation:

Most-Recently Completed Rate Period = Rate Period One (September 6, 2017 through December 31, 2018)
Pending Rate Period = Rate Period Two (January 1, 2019 through December 31, 2019)
32-gallon Single-Family Rate for Rate Period Two = $35.02
Net Recyclable Materials Processing Costs per Ton for the ten-current Rate Period = -$15.00 per ton
Net Yard Trimmings Processing Costs per Ton for the then-current Rate Period = $62.00 per ton
Net Food Scraps Processing Costs per Ton for the then-current Rate Period = $92.00 per ton
Net C&D Materials Processing Costs per Ton for the then-current Rate Period = $70.00 per ton
Net On-Call Mixed Materials Processing Costs per Ton for the ten-current Rate Period = $87.50 per ton
Disposal cost for the coming Rate Period = $42.78 per ton.
Each of such amounts to be adjusted by the relevant Index.
Annual Percentage Change in the CPI-U = 0.040
Annual Percentage Change in the ECI = 0.018
Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index = 0.031
Annual Percentage Change in the Fuel Index = 0.075
Tonnages for the most-recently completed Rate Period:

- Solid Waste – 43,219 Tons
- C&D Materials – 8,438 Tons
- On-Call Mixed Materials-4,747 Tons
- Recyclable Materials – 14,449 Tons
- Yard Trimmings Materials – 5,787 Tons
- Food Scraps Materials – 5,052 Tons

Table 2:
Example – Hypothetical Calculation of Total Calculated Costs for Rate Period Two

The following table calculates a hypothetical Rate Period Two adjustment based on actual Rate Period One figures with sample adjustment factors.

	Rate Period One	Adjustment Factor*	Rate Period Two
Annual Cost of Operations			
Labor-Related Costs	$4,622,542	1.018	$4,705,748
Vehicle-Related Costs (excluding fuel)	$414,061	1.031	$426,897
Fuel Costs	$211,807	1.075	$227,693
Other Costs	$230,547	1.04	$239,769
Direct Depreciation	$1,255,593	N.A.	$1,255,593
Total Allocated Costs - Labor, Vehicle, Fuel & Other**	$1,771,263	1.04	$1,842,113
Total Allocated Costs - Depreciation & Start-Up	$77,731	N.A.	$77,731
Total Annual Cost of Operations	$8,583,545	N.A.	$8,775,545
Profit (assuming operating ratio of .87)	$1,281,407	N.A.	$1,311,288.27
Pass-Through Costs			
Recyclable Materials Proccessing Costs	($216,729)	14,449 X -$15	($216,735)
Mixed C&D Processing Cost	$590,660	8,438 X $70.00	$590,660
On-Call Mixed Materials Processing Cost	$415,363	4,747 X $87.50	$415,363
Yard Trimmings Materials Processing Costs	$358,788	5,787 X $62	$358,794
Food Scraps Materials Processing Costs	$464,779	5,052 X $92	$464,784
Transfer/Disposal Cost	$1,848,894	43,219 X $42.78	$1,848,909
Interest Expense	$603,927	N.A.	$603,927
Direct Lease Costs	$0	N.A.	$0
Total Allocated Costs - Lease	$0	N.A.	$0
Total Pass-Through Costs	$4,065,682	N.A.	$4,065,702
Total Costs before City Fees	$13,930,634	N.A.	$14,152,534
City Fees			
Franchise Fees*	$2,300,000	N.A.	$2,300,000
Other Adjustments (as needed from time to time)	N.A.	N.A.	N.A.
Total Costs	$16,230,634	N.A.	$16,452,534

*Assumes Franchise Fee of 14.17%.

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

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

Rate Adjustment Factor = $16,230,634/$16,452,534 = 1.0137
35-gallon Single-Family Rate for Rate Period Three = $35.02 x 1.0137 = $35.50, which shall be effective January 1, 2020.

6. OTHER

If an index described in in this Exhibit D is discontinued, the successor index with which it is replaced shall be used for subsequent calculations. If no successor index is identified by the Bureau of Labor Statistics or Pacific Gas and Electric Company, the index published by either organization which is most comparable shall be used.

EXHIBIT D-2: COST-BASED RATE ADJUSTMENT METHODOLOGY

EXHIBIT D-2
COST-BASED RATE ADJUSTMENT METHODOLOGY

1. GENERAL

The City shall use the cost-based Rate adjustment method described in this Exhibit D-2 to determine Rates for Rate Periods Four and Eight, and, if the Term is extended, for Rate Period Twelve. The cost-based adjustment involves review of the Contractor's actual cost of operations and operational statistics (staffing levels, routes, route hours, Customers and their service levels, etc.) to determine the Actual Allowable Total Annual Cost of Operations for the most-recently completed Rate Period and to forecast the Total Contractor's Compensation for the coming Rate Period. The difference (measured as a percentage) between the Total Contractor's Compensation for the coming Rate Period and the Projected Gross Rate Revenues (which is calculated based on most-recent Customer subscription levels at then-current Rates) is the "Rate Adjustment Factor". The Rate Adjustment Factor is applied to the then-current Rates to determine the Rates for the coming Rate Period.

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

The City Contract Manager may approve Rate adjustments if the Rate Adjustment Factor is equal to or less than five percent (5%), calculated in accordance with this Exhibit D-2. If the Rate Adjustment Factor is greater than five percent (5%), the Rate adjustment shall be presented to the City Council for approval.

In the event that the cost-based adjustment calculated in accordance with this Exhibit D-2 results in a negative Rate Adjustment Factor, the City reserves the right to "roll-under" the Rate reduction, such that there is no Rate adjustment in the Rate Period for which the negative Rate Adjustment Factor was calculated, but the calculated Rate reduction may be deferred to the following Rate Period, as a credit against future Rate increases.

2. FORECASTING TOTAL CONTRACTOR'S COMPENSATION

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

A. Forecasting Total Annual Cost of Operations

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

    a. Actual labor-related costs
    b. Actual vehicle-related costs (excluding fuel and depreciation)
    c. Actual fuel costs
    d. Actual Net Recyclable Materials Processing Revenues
    e. Actual Net Yard Trimmings Materials Processing Costs
    f. Actual Net Food Scraps Materials Processing Costs

g. Actual Net C&D Materials Processing Costs
h. Actual Net On-Call Materials Processing Costs
i. Actual other costs as specified in Exhibit N)
j. Direct depreciation costs (in the amount specified in Exhibit D1)
k. Actual allocated costs (labor, vehicle, general and administrative, and other costs)
l. Actual allocated costs (depreciation and start-up) (in the amount stated in Exhibit D1)

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

a. Labor, equipment, fuel, and start-up costs for personnel, vehicles, and facilities that are not specified in the operating statistics, staffing, and capital requirements proposal forms contained in Exhibit N.

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

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

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

e. Fines or penalties of any nature.

f. Liquidated Damages assessed under this Agreement.

g. Federal or State income taxes.

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

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

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

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

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

m. Payments to Related-Party Entities for products or services, in excess of the market value for those products or services.

n. Goodwill.

o. Unreasonable profit sharing distributions.

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

q. Administrative costs greater than the administrative costs contained in Exhibit N adjusted annually by one plus the Annual Percentage Change in the CPI-U.

r. Bad debt write-offs in excess of one percent (1%) of annual Rate revenues.

s. Transfer and Processing costs for Recyclable Materials.

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

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

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

Maintenance and Repair Index, and (ii) multiplying the result of step one once more by one plus the Annual Percentage Change in the Motor Vehicle Maintenance and Repair Index.

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

d. **Forecasted Net Recyclables Processing Revenue.** Contractor retains actual Recyclables Processing Revenue. Recyclables Processing Revenues are treated as a $15 per-ton credit during Rate adjustment.

e. **Forecasted Net Yard Trimmings Materials Processing Costs** shall be calculated for the coming Rate Period in the following manner:

Forecasted Net Yard Trimmings Materials Processing Cost = (Net Yard Trimmings Materials Processing Cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Yard Trimmings Materials Collected for the most-recently completed 12-month period ending June 30)

f. **Forecasted Net Food Scraps Materials Processing Costs** shall be calculated for the coming Rate Period in the following manner:

Forecasted Net Food Scraps Materials Processing Cost = (Net Food Scraps Materials Processing Cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of Food Scraps Materials Collected for the most-recently completed 12-month period ending June 30)

g. **Forecasted Net C&D Materials Processing Costs** shall be calculated for the coming Rate Period in the following manner:

Forecasted Net C&D Materials Processing Cost = (Net C&D Materials Processing Cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of C&D Materials Collected for the most-recently completed 12-month period ending June 30)

h. **Forecasted Net On-Call Materials Processing Costs** shall be calculated for the coming Rate Period in the following manner:

Forecasted Net On-Call Materials Processing Cost = (Net On-Call Materials Processing Cost per Ton for the then-current Rate Period) x (1 + Annual Percentage Change in the CPI-U) x (total Tons of On-Call Materials Collected for the most-recently completed 12-month period ending June 30)

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

j. **Forecasted direct depreciation expense** shall be the amount specified in Exhibit D1 for vehicles, Containers, and facilities. Direct depreciation expense is a fixed cost and is not subject to inflation.

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

l. **Forecasted allocated depreciation and start-up expense** shall be the amount specified in Section 2.A.7 of Exhibit D1 for vehicles, Containers, and facilities.

m. **Forecasted Total Annual Cost of Operations** for the coming Rate Period shall equal the sum of the following costs, which shall have been calculated in accordance with the procedures in this Exhibit D-2:

(1) Forecasted labor-related costs
(2) Forecasted vehicle-related costs (excluding fuel and depreciation costs)
(3) Forecasted fuel costs
(4) Forecasted Net Recyclable Materials Processing Revenues
(5) Forecasted Net Yard Trimmings Materials Processing Costs
(6) Forecasted Net Food Scraps Materials Processing Costs
(7) Forecasted Net C&D Materials Processing Costs
(8) Forecasted Net On-Call Materials Processing Costs
(9) Forecasted other costs
(10) Forecasted direct depreciation expense
(11) Forecasted allocated labor-related, vehicle-related, general and administrative, and other costs
(12) Forecasted allocated costs for depreciation and start-up

B. Forecast Profit

Contractor shall be entitled to Profit on Forecasted Total Annual Cost of Operations. Profit shall be calculated using an operating ratio of eighty seven percent (87%) as proposed by Contractor and specified in Exhibit N. Profit shall be calculated using the following formula:

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

For example:

1. Assuming an operating ratio of 87%
2. Assuming a Forecasted Total Annual Cost of Operations of $1,000,000
3. Profit = ($1,000,000 / 0.87) – $1,000,000 = $149,425.29

C. Forecast Pass-Through Costs

Pass-Through Costs for the coming Rate Period shall be forecasted in the following manner:

1. **Disposal Costs.** The Disposal Costs shall be calculated by multiplying the City-approved per-Ton Disposal fee at the Approved Disposal Facility and Approved Transfer Facility (as applicable) for the coming Rate Period by the total Tons of Solid Waste Collected for the most-recently completed Rate Period.

2. **Forecasted Interest Expense.** Interest Expense is $603,927 per year and shall not be adjusted over the Term of the Agreement.

3. **Forecasted Direct Lease Costs.** Direct Lease Costs are $0 per year and shall not be adjusted over the Term of the Agreement.

4. **Forecasted Allocated Lease Costs.** Allocated Lease Costs are $0 per year and shall not be adjusted over the Term of the Agreement.

5. **Cost of Rate Adjustment Process.** Costs incurred by the City related to the review of the Rate adjustment process, including consulting and legal fees. Such amounts shall be provided by the City.

D. Forecast City Fees

City fees shall be calculated in the manner described in Section 2.E of Exhibit D1.

E. Other Adjustments

1. **General.** From time to time during the Term of the Agreement, it may be necessary to make other adjustments to the compensation calculations. All such adjustments shall be subject to the approval of the City Contract Manager. For example, if the Contractor obtains grant funds or subsidies, the annual amount of funds Contractor received or is forecasted to receive shall 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 has secured funds from other sources to cover a portion of the costs required to provide service to the City.
2. **"Roll-Over" of Dollars Exceeding Rate Cap.** In the event that the calculated Rate increase exceeds five percent (5%) in any Rate Period, and Contractor accepts a Rate increase of no more than five percent (5%), Contractor shall have the ability to include the excess dollar amount as an adjustment to the Total Calculated Costs in Contractor's Rate adjustment application for the

following year. Contractor's ability to "roll-over" such excess calculated costs shall not expire until the expiration or early termination of the base Term of this Agreement. In the event that there are remaining excess (i.e. "rolled-over") calculated costs which have not been included in the Rates for any Rate Period upon expiration or early termination of this Agreement, Contractor shall not be compensated for the excess costs.

3. PROJECTED GROSS RATE REVENUE

Projected Gross Rate Revenue at then-current Rates shall reflect projected annual Gross Rate Revenues from all Customers based on then-current Rates and then-current Customer Service Levels.

4. RATE ADJUSTMENT FACTOR

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

5. ADJUSTMENT OF RATES

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

EXHIBIT E: PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

EXHIBIT E
PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

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

Defined Terms

Certain terms that are specific to this Exhibit are defined below:

"Complaint" shall mean each written or orally communicated statement made by any Person, whether to City or Contractor, alleging: (1) non-performance, or deficiencies in Contractor's performance, of its duties under this Agreement; or, (2) a violation by Contractor of this Agreement.

"Service Opportunity" shall mean each individual scheduled opportunity the Contractor has to Collect from a Container at a Customer's location. For example, a Multi-Family or Commercial Customer receiving Solid Waste Collection service three (3) times per week from two (2) Containers and Recyclable Materials Collection service two (2) times per week from two (2) Containers would have a total of ten (10) Service Opportunities each week. Service Opportunities shall be calculated based on the subscription levels presented in Contractor's most recent Quarterly Report to City. For a Single-Family Customer with three Carts for Collection of Solid Waste, Recyclable Materials, and Organic Materials, the Customer would have a total of three (3) Service Opportunities each week.

"Total Service Opportunities" shall mean the sum of all Service Opportunities in a given time period.

EXHIBIT E
PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

Performance Area No. 1: Service Quality and Reliability

Overall Performance Indicator: Contractor's service quality and reliability shall be considered acceptable by the City if the total number of calls and emails (including, without limitation: Complaints, inquiries, billing questions, service requests, and compliments) received by Contractor from Customers served under this Agreement does not exceed twenty (20) per one thousand (1,000) Total Service Opportunities in any calendar quarter. If the number exceeds this level, City may assess Liquidated Damages for the specific performance measures identified in the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Missed Collections	Each Service Opportunity where Contractor fails to Collect a Container from a Customer who properly placed said Container for Collection.	Less than fifteen (15) per one thousand (1,000) Service Opportunities	$50/Event
Failure to Correct Missed Collections	Each "Missed Collection" as defined above which is not Collected by the end of the Business Day following the receipt of the Customer Complaint about the Missed Collection.	Less than five (5) per one hundred (100) Missed Collections	$50/Event
Failure to Clean-Up Spillage	Each failure by Contractor to clean up: (1) any items or materials spilled during the Collection of a Container; or, (2) any fluids spilled or leaked from a Container or Collection vehicle prior to leaving the Collection location.	Less than fifteen (15) per one thousand (1,000) Service Opportunities	$100/Event
Damage to Property	Each event of damage to either public or private property as a result of Collection activity, including without limitation curbs, sidewalks, landscapes, Container enclosures and gates, signs, light fixtures, and overhead wires and cables.	Less than five (5) per one thousand (1,000) Service Opportunities	$250/Event
Excessive Noise or Discourteous Behavior	Each Complaint received that is related to either noise during Collection activity or the behavior of Contractor's employees.	Less than five (5) per one thousand (1,000) Service Opportunities	$250/Event

EXHIBIT E
PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Inaccurate Billing	Each Complaint received where the Contractor billed a Customer in error. Inaccurate billing may include, but is not limited to: (i) either over- or under-charging of the Customer relative to the approved Maximum Rates for services, (ii) charging the Customer a Rate that is not the same as other Customers with the same Service Level; (iii) charging a Customer for an increased Service Level prior to providing the service; (iv) not charging a Customer for reduced Service Level within seven (7) of the date Customer requested the change regardless of whether or not Contractor delivers the appropriate Containers or modifies the Service Level within that timeframe.	Less than fifteen (15) per one thousand (1,000) bills issued.	$100/Event
Failure to Perform Other Requirement	Each failure to perform any obligation of the Agreement not specifically stated above.	No acceptable failure level	$100/Event

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Performance Area No. 2: Customer Service

Overall Performance Indicator: The level of Customer service provided by Contractor shall be considered acceptable if the total number of Complaints received by City regarding Contractor does not exceed five (5) per one thousand (1,000) Total Service Opportunities in any calendar quarter. If the number exceeds this level, City may assess Liquidated Damages for the specific performance measures identified in the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Commence Service	Any failure by Contractor to deliver a Container and begin providing Collection to a Customer, at the Service Level requested by said Customer, within seven (7) calendar days of receiving such request. This may include a new Customer receiving new service or an existing Customer requesting a change in or addition to existing Service Levels. This may also include delivering Used Oil Recovery Kits to Customers upon request.	Less than one (1) per 100 Service Requests	$50/Event
Failure to Replace Container or Remove Graffiti	Any failure by Contractor to replace or repair a damaged Container within seven (7) calendar days of receiving such a request from a Customer, or any failure by Contractor shall remove graffiti from Containers within forty-eight (48) hours of identification by Contractor or notice by City or Customer if such graffiti includes any written or pictorial obscenities and otherwise within five (5) Business Days.	No acceptable failure level	$100/Event
Failure to Resolve Complaint	Any failure by Contractor to resolve or remedy a Complaint within seven (7) calendar days of receiving such Complaint.	Less than one (1) per 100 Complaints	$250/Event
Failure to Answer Phones	Any failure by Contractor to answer a telephone call from a Customer during normal business hours. A call is not considered to be answered if the Customer does not speak with a live operator. A call is considered to be answered if the Customer hangs-up or abandons the call following a hold time of less than three (3) minutes.	Less than five (5) per 1,000 Calls Received Under this Agreement	$50/Event

EXHIBIT E
PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Excessive Call Center Hold Time	Each occurrence of a call being placed "on hold" for more than two (2) minutes.	Less than two (2) per 1,000 Calls Received Under this Agreement	$50/Event
Unauthorized Hours of Operation	Each occurrence of Contractor Collecting from Customers during unauthorized hours.	Less than two (2) per 1,000 Service Opportunities	$250/Event

Performance Area No. 3: Outreach

Overall Performance Indicator: Contractor's street sweeping shall be considered acceptable if service meets the requirements of Section 4.9, Exhibit C and the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Perform Public Outreach Activities	Each individual failure by Contractor to develop, produce, and distribute public outreach material or perform community outreach activities in the form and manner required under Exhibit B to this Agreement.	No acceptable failure level	$500/Activity
Failure to Provide Targeted Technical Assistance	Each individual failure to provide targeted technical assistance to a Commercial or Multi-Family Customer in the manner required under Exhibit B to this Agreement.	No acceptable failure level	$50/Customer

Performance Area No. 4: Diversion

Overall Performance Indicator: Contractor's Diversion performance shall be considered acceptable if based on monthly report data, Contractor Diverts the minimum amounts described in Section 4.14.B.1 of the Agreement. If the calculated percentage is less, City may assess Liquidated Damages for the specific performance measures identified in the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Failure to Maintain the Contractor's Minimum Required Diversion Level	Failure to meet minimum Diversion percentage in any month.	No acceptable failure level	$100/Ton of material that would have needed to be Diverted to meet the requirement for the given month

Performance Area No. 5: Facilities

Overall Performance Indicator: Contractor's performance relative to facilities shall be considered acceptable when one hundred percent (100%) of all material types Collected by Contractor shall be Delivered to the appropriate Approved Facility as required under Sections 4.7 and 4.8 of this Agreement. If Contractor fails to meet this level of performance, City may assess Liquidated Damages for the specific performance measures identified in the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Delivery to Non-Approved Facility	Each individual occurrence of delivering materials to a facility other than the Approved Facility designated for each material type under Sections 4.7 and 4.8 of this Agreement.	No acceptable failure level	$100/Ton
Disposal of Material Targeted Diversion	Each individual occurrence of Disposal rather than Processing of Recyclable Materials, Organic Materials, C&D, or Reusable Materials set out for Collection by the Customer.	No acceptable failure level	$500/Ton

EXHIBIT E
PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Mixing Material Types During Collection	Each individual Container that is Collected by Contractor in a vehicle intended or designated for the purpose of Collecting a different material type (e.g. Recyclable Materials Collected in Solid Waste vehicle, Solid Waste Collected in Organic Materials vehicle, etc.)	No acceptable failure level	$100/Container

Performance Area No. 6: Reporting

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

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

Performance Area No. 7: Street Sweeping

Overall Performance Indicator: Contractor's street sweeping shall be considered acceptable if service meets the requirements of Section 4.15, Exhibit O and the following table.

Specific Performance Measure	Definition	Acceptable Performance Level	Liquidated Damage Amount
Service	Two or more callbacks for substandard service within a thirty (30) day period	One (1) callback for substandard service within a thirty (30) day period	$500/Each Callback after the Second
Complaints	Failure to report action taken on complaints within three (3) working days	No acceptable failure level	$250/Event

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

Contractor Initial Here: _____

City Initial Here: _____

STEVE PANGELINAN
ACTING CITY MANAGER

EXHIBIT F:
LIST OF CITY FACILITIES

EXHIBIT F
LIST OF CITY FACILITIES

City Facilities

- City Hall complex
- Community Center
- Senior Center
- City Public Works Corporation Yard
- Police stations
- Fire stations
- Sports Center
- Vehicle Maintenance Facility
- Milpitas Public Library
- Santa Clara County Library
- Midtown Parking Garage
- Higuera Adobe Park

Contractor shall provide Collection service to other similar facilities which City may acquire during the term of the Agreement.

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EXHIBIT G:
RESERVED

EXHIBIT H:
CART
SPECIFICATIONS

EXHIBIT H
CART SPECIFICATIONS

The Cart specifications provided in this Exhibit H shall pertain to all Carts provided by the Contractor to Customers on the Commencement Date of this Agreement and during the Term of the Agreement.

1. CART DESIGN REQUIREMENTS

A. General

The Carts shall be manufactured by injection molding and meet the Cart design and performance requirements as specified below. Contractor shall purchase Carts that contain 30% 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.

Split-Carts will be provided to separately collect Solid Waste and Food Scraps and Recyclables (fibers separate from containers).

Solid Waste / Food Scraps Split-Carts: 38, 45, 64-, or 96-Gallon split-carts will be provided to collect solid waste and food scraps. 64-gallon carts will be the default cart size for solid waste and food scraps and the divider to separate the two commodities will be inserted to separate approximately 70/30. A 38-gallon split-cart will provide 19-gallons of solid waste capacity and 19-gallons of food scraps capacity. A 45-gallon split-cart will provide 26-gallons of solid waste capacity and 19-gallons of food scraps capacity. A 64-gallon split-cart will provide 45-gallons of solid waste capacity and 19-gallons of food scraps capacity. A 96-gallon split-cart will provide 67-gallons of solid waste capacity and 29-gallons of food scraps capacity. A 45-gallon "insert" can be placed inside the solid waste portion of the 64-gallon cart to provide customers with a smaller garbage capacity (26-gallons), leaving 19-gallons of food scraps capacity. The graphic below depicts the solid-waste and food scraps split-cart sizes and capacities.

Recyclable Materials Split-Carts: 64-, or 96-Gallon split-carts will be provided to collect recyclables. The recyclables split-cart will be split 50/50 to separate fibers from containers. The graphic in Section 4 of the Agreement depicts the recyclables split-cart capacity.

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, Food Scraps, Recyclable Materials, and Yard Trimmings, subject to City's written approval and available space on the Container lid/body as described in this Exhibit. Subject to City approval, Contractor shall display Contractor's name and telephone number using labels, decals, or other acceptable method. 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 single material Cart and each split-Cart shall be provided with a lid(s) 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 and Food Scraps split-Cart, Recyclable Materials Cart, and Yard Trimmings Cart 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 (e.g., Solid Waste, Food Scraps, Recyclable Materials, and Yard Trimmings). Solid Waste split-Cart bodies and lids shall be black. Recyclable Materials Cart bodies and/or lids shall be blue/gray. Yard Trimmings Cart bodies and lids shall be green. Contractor may propose other colors for Cart lids or Cart bodies, which are subject to written approval by the City. 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. Information specific to the Contractor (e.g., name, phone number, etc.) may not be hot stamped or otherwise permanently affixed such that such markings cannot be easily covered by decals. An arrow hot stamped in white color shall be placed on the lid indicating the direction of Cart placement along with the phrase:

PLACE CART WITH ARROW FACING
STREET FOR COLLECTION

The same phrase shall also be provided in Spanish, Vietnamese and Chinese. Additional markings on the

Container lid and/or body will be subject to City approval and available space.

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
64	130
45-gallon insert (inside 64-gallon cart)	70
38	

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 (e.g., 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 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 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. Serviceability

Minor cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts shall be readily serviceable 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 I: CONTRACTOR'S PROPOSAL

I-1. Contractor's Proposal
I-2. Contractor's Responses During Clarification

EXHIBIT I-1: CONTRACTOR'S PROPOSAL

COVER LETTER

October 27, 2015

Peter Deibler
HF&H Consultants, LLC
201 North Civic Drive, Suite 230
Walnut Creek, California 94596

RE: Proposal for Milpitas for Solid Waste, Recycling, and Organics Collection Services

Dear Mr. Deibler,

Garden City Sanitation, Inc. (Garden City) is pleased to submit this response to the City of Milpitas' Request for Proposals (RFP) for Solid Waste, Recyclables and Organics Collection, Processing and Disposal Services. Garden City is comprised of three groups of active members of Northern California's solid waste and recycling industry. The groups are: the Pellegrini Group, led by Louie Pellegrini; South San Francisco Scavenger Company, led by Doug Button; and the Arata Group, led by Don Arata. There are seven collection companies under the purview of Garden City partners, managing the nearly 600,000 tons of waste annually in 12 jurisdictions.

Our experience, dedication and unique proposal offers the City of Milpitas the following benefits:

- A tailored collection and processing system specifically designed for the City of Milpitas that maximizes efficiencies, provides consistency throughout the City, and reduces waste sent to landfill.
- "State-of-the-Art" Material Recovery Facility (MRF) with guaranteed processing capacity, diversion rates, and possibly a partnership with SMaRT Cities.
- The financial capability and security of Garden City, affiliate companies, and our subcontractor.
- The stability and know-how gleaned through managing successful long-term municipal relations in all jurisdictions served.
- Localized and expedient decision making.
- An exemplary past performance and safety record.
- A clear understanding of how to meet or exceed, all existing and future regulatory requirements.
- Stable and long-term agreements with landfills, composting and recycling facilities that provide enhanced diversion of materials for the City of Milpitas, while reducing the negative impacts, such as odor, for Milpitas residents.

Our custom ***Hybrid-Alternative Proposal*** is the most cost-effective collection and processing program, with the lowest carbon footprint, the best option to provide compliance with AB 341 and AB 1826, and **does not include contingent pricing.**

Also, the Company's collection and transition experience renders Garden City a worthy and able contender for providing a smooth and successful transition, but also excellent customer service, informative, innovative outreach and diversion programs to all residents and businesses. These attributes have allowed our affiliates to provide collection and processing services for more than a century!

We have conducted due diligence to confirm material facts upon which this proposal is based. With submittal of this Collection Proposal, Garden City Sanitation, Inc. acknowledges and accepts all terms and conditions of the Collection Agreement, except for any exceptions taken in *Section 5* of our proposal. The following addenda were issued through this RFP process and were downloaded and fully reviewed by Garden City Sanitation, Inc.:

- ☐ **Addendum 1** | Issued August 13, 2015
- ☐ **Addendum 2** | Issued September 21, 2015
- ☐ **Addendum 3** | Issued September 29, 2015

As per the Secretary's Certificate provided in *Section 7 | Other Proposal Forms*, and the Board of Directors of Garden City Sanitation, Inc., I certify that I am the contact person in reference to this submittal. If successful in this RFP process, we will more than likely create a new entity with common shareholders and partners of Garden City.

We appreciate the opportunity to respond and look forward to teaming up with the City of Milpitas to provide environmentally and economically sustainable collection operations.

Sincerely,

Louie Pellegrini, Jr.
President
Garden City Sanitation, Inc.

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EXECUTIVE SUMMARY

Garden City Sanitation, Inc. (Garden City) is pleased to submit this response to the City of Milpitas' Request for Proposals (RFP) for Solid Waste, Recyclables and Organics Collection, Processing and Disposal Services. Garden City is comprised of three groups that share immense experience and are active members in the solid waste and recycling industry. The groups are: *the Pellegrini Group*, led by Louie Pellegrini, Jr.; *the South San Francisco Scavenger Company*, led by Doug Button; and *the Arata Group*, led by Don Arata.

There are seven collection companies under the purview of Garden City partners, managing nearly 600,000 tons of waste annually in 12 jurisdictions. Our group of companies is also well versed in new service initiations as shown by our years of experience as well as implementation of new service rollouts and innovative collection programs to more than 350,000 residential and commercial customers throughout the San Francisco Bay Area.

The innovative approach to collection services outlined in this proposal underscores our commitment to the City of Milpitas to provide superior collection and proven diversion programs. As a part of our commitment to Milpitas, we have included our ***Hybrid-Alternative Proposal***, which directs all materials to the Sunnyvale Materials and Recycling Transfer (SMaRT) Station in Sunnyvale for processing. By **processing all waste streams,** we encourage sustainable management of our precious resources and stand apart from the competition by remaining unmatched in our ability to provide exceptional and economical services, sharing our local expertise while maximizing diversion.

We look forward to working with the City of Milpitas to provide convenient and reasonably priced collection services that support the City's goals stated in the RFP as well as meeting the State's diversion mandates. Garden City is committed to protecting public health and safety while providing reliable and efficient service rendered with professionalism, as reflected in the Company's mission statement:

> Garden City is committed to providing waste management services of the highest quality, delivered with pride and professionalism to our customers, utilizing environmentally sensitive equipment that is safe, efficient, reliable, and appropriate to the work performed. In carrying out our mission, we intend to provide and maintain the best possible work environment for our employees, fully cooperate with all governing and regulating agencies, and do our part to create a sense of partnership between the Company and the communities we serve.

Proposal Highlights

It is our pleasure to draw attention to several significant and unique benefits specifically designed for the City of Milpitas:

- ☐ A tailored collection and processing system specifically designed for the City of Milpitas that maximizes efficiencies, provides consistency throughout the City, and reduces waste sent to landfill;
- ☐ Processing of all waste streams to ensure compliance with State diversion mandates under our ***Hybrid-Alternative Proposal;***
- ☐ Unrivaled & Local Experience;
- ☐ Low Carbon Collection Fleet;
- ☐ Partnership with material management facilities that will enhance the diversion of materials from landfill without negative impacts, such as odor, on the residents and businesses in Milpitas;
- ☐ Proven and Proactive Community Education, Outreach & Technical Assistance Programs;
- ☐ Superior Customer Service;
- ☐ Continued Financial Stability, and;
- ☐ Prudent Preparedness.

Hybrid-Alternative Proposal with MRF Processing & Maximum Diversion | By teaming up with our subcontractor, the City of Sunnyvale – owners of the Sunnyvale Material Recovery and Transfer Station (SMaRT Station) – we are proposing to process all material waste streams and only landfill residue under our ***Hybrid-Alternative Proposal***. By **processing all waste streams,** we encourage sustainable management of our precious resources and provide exceptional and economical services, sharing our local partnerships in order to maximize diversion. State recycling mandates are requiring 75% by 2020 and this fully permitted facility is less than 10 miles from Milpitas City Hall and has recently been upgraded to achieve high diversion rates. In addition, the use of this facility, and regional composting facilities, provides the City with enhanced diversion opportunities without contributing to nuisances, such as odors, to the residents of Milpitas.

Unrivaled & Local Experience | Garden City has at its helm an extensively experienced management team and involved group of owners. These are people who have been collecting and processing waste locally for generations—as is best exemplified by South San Francisco Scavenger Company—which began collecting waste at the turn of the last century and opened its first transfer station in South San Francisco in 1968. Not only does the Garden City team have unrivaled waste handling experience, we have also been

instrumental in furthering responsible environmental policy and stewardship standards statewide.

Low Carbon Collection Fleet | Routes will be designed with efficiency in mind — lots of rights turns means less idling in left turn lanes. Our yard will be conveniently located in order to minimize vehicle miles traveled, and wear and tear on roads. Plus, CNG trucks will be used from the start of service, reducing our carbon footprint of collection compared to current operations.

Proven and Proactive Education, Outreach & Technical Assistance Programs | We will utilize newsletters, service guides, billing inserts, posters, event displays, and a user-friendly website to inform, inspire and educate the community of Milpitas. Our energetic outreach team will also utilize every opportunity to host interactive community workshops and events. Hands-on recycling opportunity assessments, technical assistance, and cooperation with the City will be at the core of our outreach to multi-family and commercial customers, ensuring compliance with AB 341 and AB 1826.

Superior Customer Service | We understand that customer satisfaction is key to providing excellent collection services. Therefore, employees are trained to do things right the first time and understand that courtesy counts. Customer requests are handled in a prompt and professional manner by our friendly and knowledgeable staff. We pride ourselves in delivering all of our customers with the best service in the industry as demonstrated by our decades of history and complements, contract extensions, and numerous awards and recognition.

Continued Financial Stability | Although Garden City is fairly new, our affiliate companies have been doing business for many decades and are owned by three investment groups, consisting of Shareholders that bring financial strength and security, as well as a wealth of industry experience.

Prudent Preparedness | We have found that extensive planning and employee training assures a smooth transition. The draft Transition Plan included in this Proposal reflects a number of planned tasks including: employee and supervisor training on all aspects of the Franchise Agreement; driver training; customer service database integration; outreach and public education development and roll-out; container and collateral distribution; and coordination with the City of Milpitas to ensure a fluid transition with minimal disruption to customers. Over the past few years, we have had the opportunity to partner with other

privately held hauling companies to provide successful transitions in the Cities of Los Altos, Livermore and San José with minimal interruptions due to our thorough training programs and well thought out and designed transition planning. We are ready and willing to deliver a thorough and well-executed transition for the City of Milpitas.

Benefits to the City of Milpitas

- A tailored collection and processing system specifically designed for the City of Milpitas that maximizes efficiencies, provides consistent collection containers and vehicles, and reduces waste sent to landfill.
- Processing at the SMaRT Station, ensuring the most diversion potential through our ***Hybrid-Alternative Proposal***;
- Local experience and thoughtful decision-making;
- Established financial capability;
- Exceptional performance, environmental and safety records;
- Widespread and comprehensive public education, outreach and technical assistance plans; and,
- Environmental enhancements that will assist the City in reaching its GHG emission reductions and sustainability goals, while minimizing local odor impacts.

Looking beyond the framework set by the RFP itself, Milpitas has an opportunity to become a partner, along with Sunnyvale, Mountain View and Palo Alto, in the award-winning Sunnyvale Materials Recovery and Transfer Station (SMaRT Station). In addition to processing and marketing source-separated materials, the SMaRT Station uses a recently updated Materials Recovery Facility to reduce by 25% or more the disposal of the mixed solid waste received at the facility.

Benefits of peer-to-peer partnership, with Milpitas joining the 290,000 residents of Mountain View, Palo Alto and Sunnyvale as a full participant in the SMaRT Station MOU, include a full share of the recycling revenues generated by SMaRT and a seat at the table when the Cities discuss how best to use the facility to meet future recycling and solid waste processing and disposal needs. The urgency of this last topic is sharpened by the recent California Air Resources Board announcement of its intent to ban the disposal of organics by the year 2025. Popular services provided to SMaRT Cities residents include: an attractive, paved facility for receipt of self-hauled waste and recyclables; free compost pickup; drop-off of Universal Wastes, paint, hypodermic needles and other "sharps"; a popular beverage container redemption center; and confidential document shredding events.

We look forward to forging a strong and lasting partnership with the City of Milpitas to provide excellent collection and diversion programs, highlighting outstanding customer service, while increasing diversion and providing collection and processing services that are both economically viable and sustainable.

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1. COMPANY DESCRIPTION

A. Business Structure

Garden City Sanitation, Inc. (Garden City) is a California Corporation that is authorized to do business in the State of California. Garden City was formed in March of 2006 to respond to the City of San José's residential solid waste collection RFP. After a City Council vote of 10-0, Garden City was awarded the contract to provide exclusive solid waste collection services commencing on July 1, 2007 to more than 163,000 San José residents.

Although Garden City is fairly new, our partnership is not; the founders, owners and key management personnel have dedicated their professional careers to provide and develop innovative solutions to the management and recovery of resources. Garden City partners are local to Northern California and have been in the business of collecting and managing various municipal solid waste streams for generations.

Garden City's seamless transition in the City of San José was a result of the dedication and experience of the founders and Shareholders: *the Pellegrini Group* (40% shareholder), *South San Francisco Scavenger Group* (40% shareholder), and *the Arata Group* (20% shareholder). These industry veterans have come together again to offer the City of Milpitas our superior service and innovative collection and diversion programs. Garden City is governed by the following individuals, each of whom has over ten percent (10%) ownership:

- ☐ Don Arata (Arata Group) | Director, Vice President
- ☐ Louie Pellegrini (Pellegrini Group) | Director, President

As of October 1, 2015, Garden City has one creditor (California Pollution Control Financing Authority (CPCFA)) with debt greater than ten percent (10%) of the company's total assets.

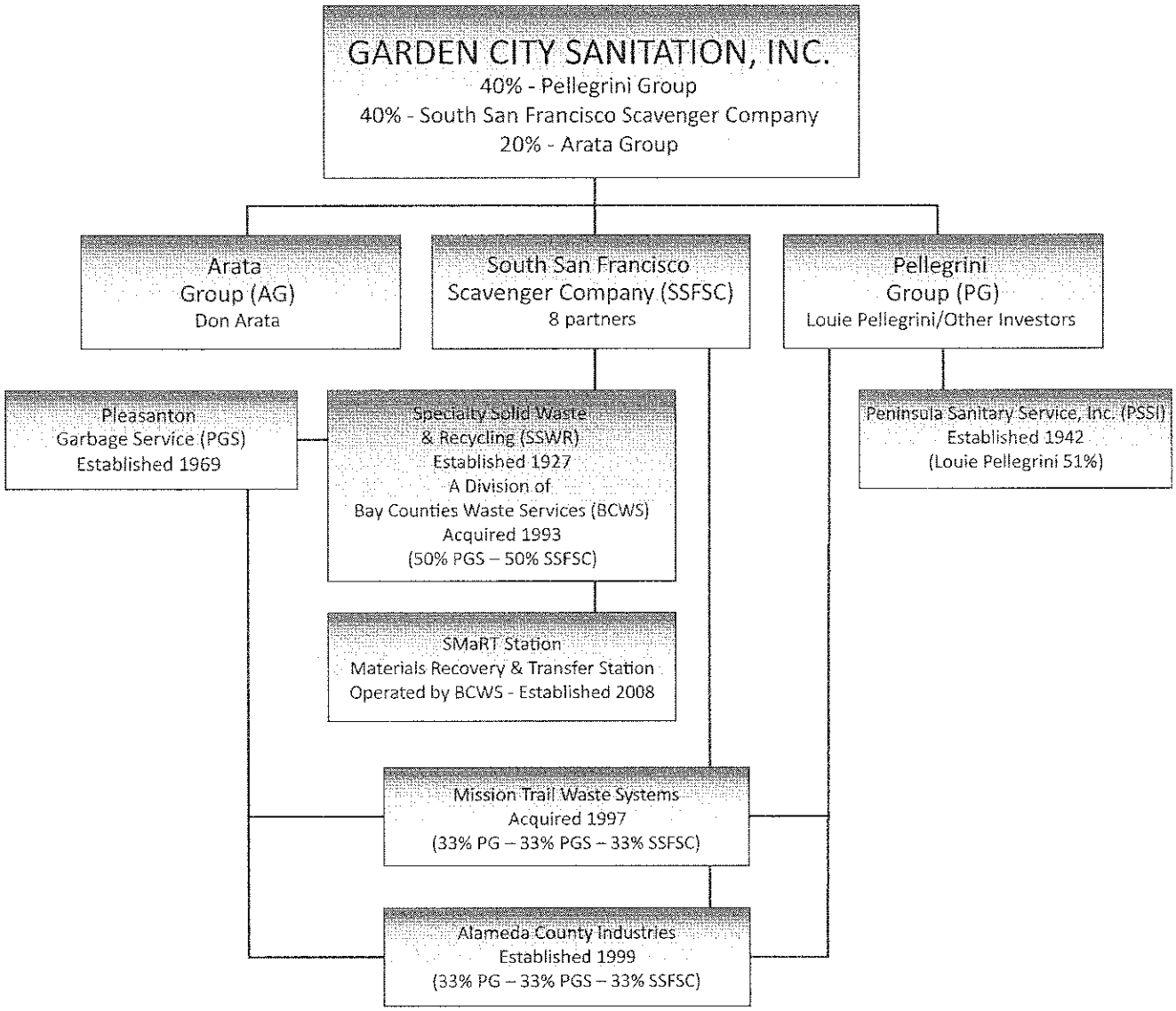
The table below lists the companies that are owned and operated by the Shareholders of Garden City, the jurisdictions in which they provide service, the shareholder / partners involved and the date in which each entity was formed.

Garden City Partner / Affiliate Companies Table

Company	Jurisdictions Served	Shareholders / Partners	Date Formed
Alameda County Industries (ACI)	Alameda San Leandro Operation of the ACI MRF	➢ Pellegrini Group SSFSC Other Investors	1997 2000
Garden City Sanitation (GCS) - Livermore Sanitation (LS)	San José Livermore	➢ Arata Group Pellegrini Group SSFSC	2007 2010
Mission Trail Waste Systems (MTWS)	Los Altos Santa Clara Operation of the MTWS MRF/Transfer Station	➢ Pellegrini Group SSFSC Other Investors	2010 1998
Peninsula Sanitary Service Incorporated (PSSI)	Stanford University Street Sweeping throughout entire campus and at affiliate company's facilities Operation of the PSSI Recycling and Transfer Station	➢ Louie Pellegrini Peninsula Sanitary Group	1942
South San Francisco Scavenger Company (SSFSC)	Brisbane, Colma, Millbrae, South San Francisco, SFO Operation of the Blue Line Transfer Station	➢ 8 Partners	1914
Specialty Solid Waste and Recycling (SSWR) - Bay Counties SMaRT	Sunnyvale Operation of SMaRT Station	➢ SSFSC Other Investors	1993

As shown above, a variety of business partnerships, primarily overlapping ownership interests, exist among Garden City's owners and shareholders and other similar business entities. The reason these smaller, local companies have formed partnerships amongst themselves, is to acquire similar local companies and bid competitively on municipal collection contracts. Since the owners of these companies prefer to have management roles in their companies, all business partners genuinely understand the solid waste and recycling industry, and therefore add valuable experience and expertise for new endeavors.

The graphic below depicts Garden City's relationships with affiliate companies. A description of each company referenced, along with examples of collection and service initiation experience, follows in Section 1.B.



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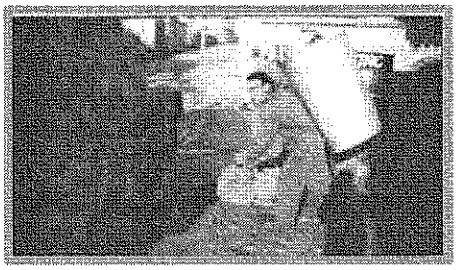
B. Collection & Street Sweeping Experience

Although a relatively new company, Garden City's experience is unrivaled in Northern California as demonstrated by its affiliate companies' **decades** of collection and processing experience. South San Francisco Scavenger Company began operations more than one hundred years ago in 1914!

At the turn of the century, waste was collected using open-top back-end dump trucks with crews of three men. The trucks were outfitted with a ladder of five rungs that drivers climbed to empty the waste into the truck. The drivers and collectors would set aside recyclable materials, such as rags/clothing, glass bottles and jars, motor oil, and metals. Non-recyclable waste was carried on the back in either pack cans or burlap sacks and emptied into the dump truck. A worker stationed in the back of the truck sorted recyclable items into special bins and racks along the sides of the truck.



A century later, we have graduated to collecting waste and recyclables using state-of-the-art CNG-fueled trucks with compactor blades, hydraulic arms and multiple compartments. We collect more recyclable and compostable materials than ever before and we do so faster, quieter, safer, with smaller crews and minimize our carbon footprint.

Garden City and our affiliates have accumulated an excellent track record in developing and implementing technically, environmentally, and financially sound collection and processing operations. We are well acquainted with the demographics of Milpitas and we believe this knowledge is vital to providing exceptional collection services coupled with innovative outreach and education programs.

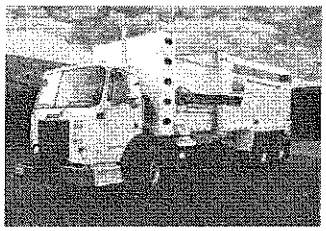
The following jurisdictional references for collection, material processing and street sweeping services have been implemented in other jurisdictions that are similar to the demographics and size of Milpitas. Included with each jurisdictional reference are the services performed, jurisdiction representative contact information, total number of customers served, and term of the agreements.

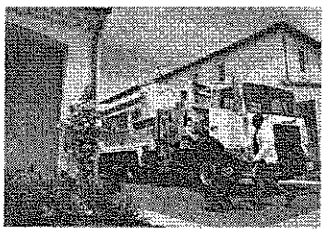
Garden City Sanitation

CITY OF SAN JOSÉ
served since 2007 | contract expires 2021

SERVICES PROVIDED:
Collection of MSW from more than 163,000 SFDs and directly haul to the City's designated landfill.

CONTACT:
Jeff Anderson | Environmental Services Dept
City of San Jose, 200 E. Santa Clara St, San Jose, CA 95113
408.975.2518



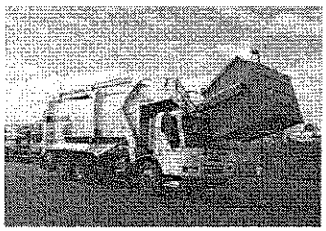


Livermore Sanitation

CITY OF LIVERMORE
served since 2010 | contract expires 2020

SERVICES PROVIDED:
MSW, Recyclables (single-stream), mixed organics collection and processing to 25000 SFD, 4900 MFD and 1450 commercial customers.

CONTACT:
Judy Erlandson | Public Works Manager
City of Livermore, 3500 Robertson Park Rd, Livermore, CA 94550
925.960.8002



ALAMEDA COUNTY INDUSTRIES

Alameda County Industries

CITY OF ALAMEDA

served since 1997 | contract expires 2022

SERVICES PROVIDED:
MSW, Recyclables (single-stream), mixed organics collection and processing to 18200 SFD, 870 MFD and 850 commercial customers.

CONTACT:
Maria DiMeglio | Program Specialist
City of Alameda, 950 W. Mall Square, Alameda, CA 94501
510.749.5893

CITY OF SAN LEANDRO

served since 2000 | contract expires 2022

SERVICES PROVIDED:
MSW, Recyclables (single-stream), mixed organics collection and processing to 12800 SFD, 450 MFD and 1500 commercial customers.

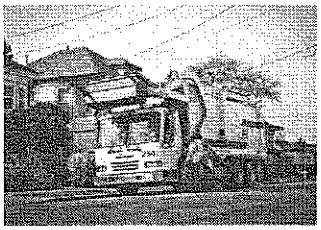
CONTACT:
Jennifer Auletta | Administrative Analyst
City of San Leandro, 835 E. 14th Street, San Leandro, CA 94577
510.577.6022

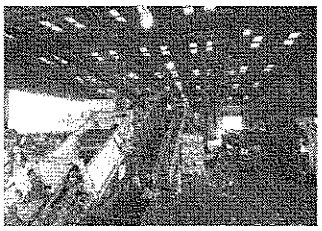
ACI MRF/TRANSFER STATION

opened in 1998, upgraded in 2010

SERVICES PROVIDED:
50,000 sf MRF to recycle single-stream recyclables, and trasnfer MSW and organics to nearby processors. Closed to public.

CONTACT:
Arthur Surdilla | LEA Inspector
Alameda County Envrionmental Health
510.567.6868





Mission Trail Waste Systems

CITY OF LOS ALTOS

served since 2010 | contract expires 2020

SERVICES PROVIDED:
MSW, Recyclables (single-stream), mixed organics collection and processing to 9370 SFD, 110 MFD and 360 commercial customers.

CONTACT:
Susanna Chan
Public Works Director
City of Los Altos, 1 N. San Antonio Rd, Los Altos, CA 94022
650.947.2621

CITY OF SANTA CLARA

served since 1998 | contract expires 2021

SERVICES PROVIDED:
MSW and mixed organics collection and processing to 17000 SFD, 5600 MFD and 1820 commercial customers. Exclusive waste hauler for Levi's Stadium.

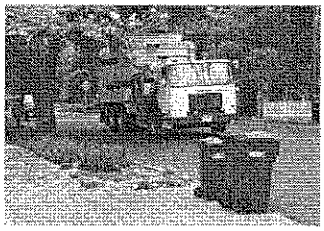
CONTACT:
Dave Staub | Public Works Director
City of Santa Clara, 1700 Walsh Ave, Santa Clara, CA 95050
408.615.3080

MTWS MRF/TRANSFER STATION

opened in 1998

SERVICES PROVIDED:
11,000+ sf MRF/Transfer Station that is open to the public to receive garbage, recycling, C&D, wood waste, and transfer station.

CONTACT:
Roel Meregillano | LEA Inspector
Santa Clara County Dept of Environmental Health
408.918.1962



Peninsula Sanitary Service Inc.
Refuse Collection & Recycling Services

Peninsula Sanitary Service, Inc.

STANFORD UNIVERSITY

served since 1942 | 6 year evergreen contract

SERVICES PROVIDED:
Collection of recyclables, compostables, and solid waste, processing of recyclables, operation of Direct Transfer Facility, operation of Agricultural Material Storage and Handling Facility and street sweeping services to Stanford University.

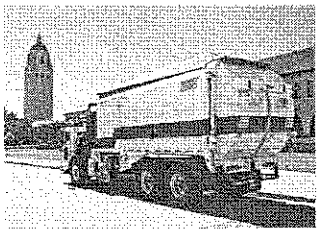
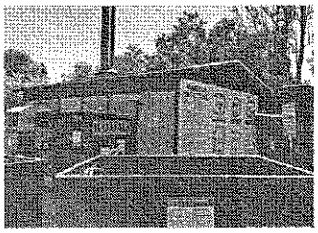
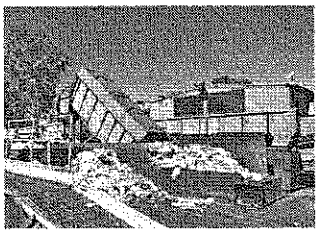
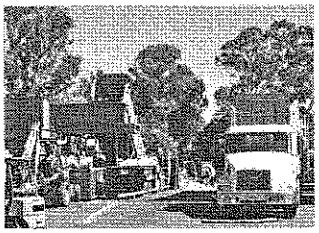
CONTACT:
Ted Tulochski | Director of Grounds Services
221 Bonair Siding Road, Stanford, CA 94305
650.723.3383

PSSI RECYCLING FACILITY

opened in 1992

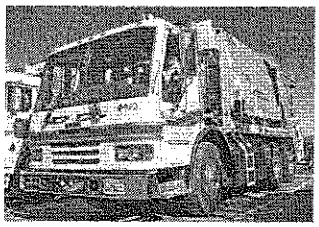
SERVICES PROVIDED:
Stanford Recycling Center and Direct Transfer Facility is used to process recyclables and transfer recyclables and landfilled trash from frontloaders to transfer trailers. Open to Stanford only. PSSI's Agricultural Material Storage and Handling Facility (permitted in 2005) handles the horse manure coming from the Stanford Barn and surrounding community.

CONTACT:
Jasi Murage | LEA Inspector
Santa Clara County Dept of Environmental Health
408.918.3405

SOUTH SAN FRANCISCO SCAVENGER COMPANY, INC.

South San Francisco Scavenger Company



CITY OF BRISBANE

served since 1930 | contract expires 2034

SERVICES PROVIDED:
MSW, Recyclables (dual-stream), mixed organics collection and processing to 1200 SFD, 430 MFD and 260 commercial customers.

CONTACT:
Ms. Maria Saguisag-Sid | Analyst/Special Projects
City of Brisbane, 50 Park Place, Brisbane, CA 94005
415.508.2115

CITY OF MILLBRAE

served since 1949 | contract expires 2033

SERVICES PROVIDED:
MSW, Recyclables (dual-stream), mixed organics collection and processing to 5600 SFD, 2900 MFD and 485 commercial customers.

CONTACT:
Nick Nguyen | Public Works Director
City of Millbrae, 621 Magnolia Ave, Millbrae, CA 94030
650.259.2418

SF INTERNATIONAL AIRPORT

served since 1930 | contract expires 2016

SERVICES PROVIDED: Collection of more than 25,000 tons of MSW and recyclables annually as well as the sanitation of all international wastes, per Federal regulations.

CONTACT:
Liborio Yap | Project Manager
SFO, PO Box 8097, SSF, CA 94128
650.259.2418

COLMA

served since 1914 | contract expires 2016

SERVICES PROVIDED:
MSW, Recyclables (dual-stream), mixed organics collection and processing to 500 SFD and few commercial customers.

CONTACT:
Sean Rabe | Town Manager
Town of Colma, 1198 El Camino Real, Colma, CA 94014
650.997.8318

South San Francisco Scavenger Company

South San Francisco Scavenger Company

SOUTH SAN FRANCISCO
served since 1914 | contract expires 2035

SERVICES PROVIDED:
MSW, Recyclables (dual-stream), mixed organics collection and processing to 14800 SFD, 6000 MFD and 2000 commercial customers.

CONTACT:
Mike Futrell | City Manager
City of South San Francisco, PO Box 711, SSF, CA 94080
650.877.8500

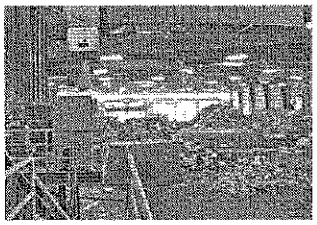
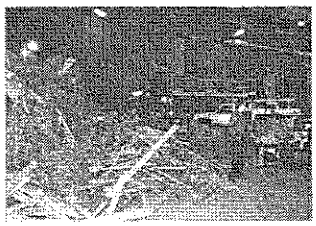
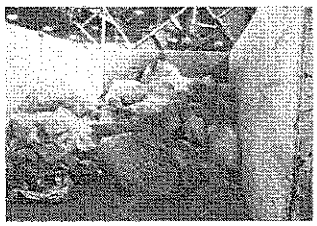
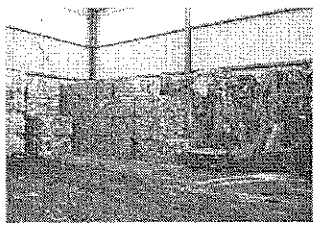
Blue Line Transfer, Inc.

Blue Line Transfer, Inc.

BLUE LINE TRANSFER STATION
open to the public since 2000

SERVICES PROVIDED:
100,000 sf MRF to recycle dual-stream recyclables, mixed C&D, wood waste processing, CRV buyback, County-run HHW drop off center, and MSW transfer. Includes newly commissioned first in the nation dry AD Facility that produces carbon-negative biogenic CNG for SSFSC fleet.

CONTACT:
Greg Schirle | LEA Inspector
San Mateo County - Environmental Health

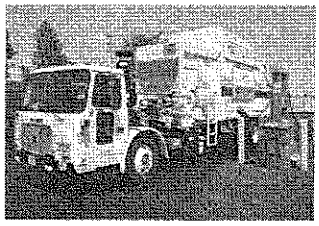
Specialty Solid Waste & Recycling
A DIVISION OF BAY COUNTIES WASTE SERVICES, INC.

Specialty Solid Waste & Recycling

CITY OF SUNNYVALE
served since 1993

SERVICES PROVIDED:
Collection of dual-stream recyclables, mixed MSW, and yard waste. SSWR was an early adoptor of CNG and third-party verifies its annual GHG emissions and have achieved a 20% reduction in their footprint from implmenting various efficient routing and technology standards.

CONTACT:
Mark Bowers | Solid Waste Program Manager
City of Sunnyvale, PO Box 3707, Sunnyvale, CA 94088
408.730.7421



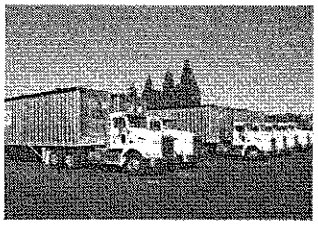
Bay Counties SMaRT OF SUNNYVALE

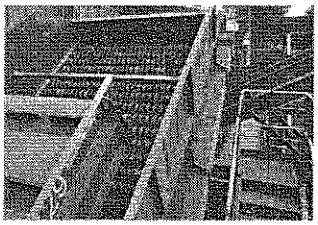
Bay Counties SMaRT of Sunnyvale

SMaRT STATION
awarded contract in 2007 and again in 2014

SERVICES PROVIDED:
The SMaRT Station processess mixed Municipal Solid Waste (MSW), dual-stream recyclables, yard waste, construction and demolition (C&D), transfer operation utilizing a garbage compactor, BCWS "Reuse Trailer", HHW and self-haul drop off, and California Redemption Value (CRV) buyback.

CONTACT:
Debbie Sargent | Solid Waste Contract Administrator
City of Sunnyvale, 301 Carl Road, Sunnyvale, CA 94089
408.730.7673





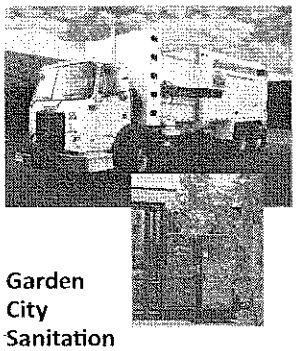
C. Service Initiation Experience

Garden City and our affiliate companies possess a level of experience and enthusiasm during new service initiations that is unrivaled in the Bay Area. Our management team has used their inimitable drive and expertise to successfully commence new and innovative collection services in numerous jurisdictions. Knowing how to utilize the lessons learned from past transitions and program rollouts has made our group of companies highly successful in initiating new contracts and rolling out successful, new diversion programs. Described in this Section are several recent examples of our experience initiating new contracts and rolling out new diversion programs.

Initiation of New Agreements

The strategies implemented and challenges overcome when transitioning in the Cities of San José, Livermore, and Los Altos by Garden City and affiliate company, Mission Trail Waste Systems (MTWS), are detailed herein.

CITY OF SAN JOSÉ
INITIATION OF NEW
FRANCHISE AGREEMENT



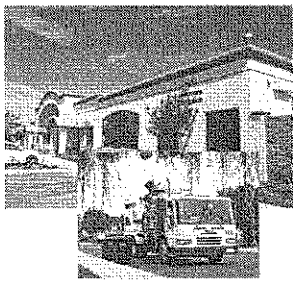
Garden City Sanitation

Commencement date: July 1, 2007
Contract expires: 2021

SERVICES PROVIDED AND CUSTOMERS SERVED:
SFD solid waste collection to more than 163,000 customers. Direct haul to City's designated landfill.

CONTACT:
Jeff Anderson
Environmental Services Dept
City of San Jose
200 E. Santa Clara St.
San Jose, CA 95113
408.975.2518

CITY OF LIVERMORE
INITIATION OF NEW
FRANCHISE AGREEMENT



Garden City Sanitation dba Livermore Sanitation

Commencement date: July 1, 2010
Contract expires: 2020

SERVICES PROVIDED AND CUSTOMERS SERVED:
Universal rollout of recycling, organics and garbage collection to more than 29,000 residents and 1,500 commercial customers.

CONTACT:
Judy Erlandson
Public Works Manager
City of Livermore
3500 Robertson Park Rd.
Livermore, CA 94550
925.960.8002

Example #1 | Cities of San José & Livermore | Garden City Sanitation

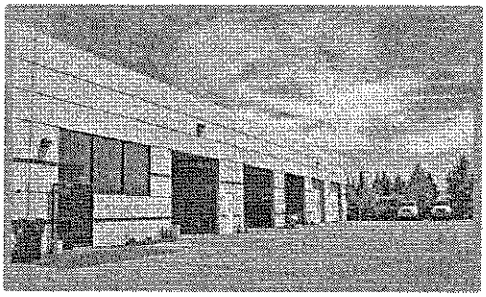
With assistance from former California Waste Management Board member and Garden City's General Manager Steven Jones, Garden City was created in 2006 by owners and partners of affiliate companies, as depicted in the *Garden City Partner / Affiliate Companies Table* provided earlier in *Section 1.A*. Garden City provides garbage collection services to more than 163,000 Single-Family Dwellings (SFDs) in San José. All solid waste is directly hauled to the City's specified disposal facility.

Because of the successful transition in San José, Garden City decided to offer

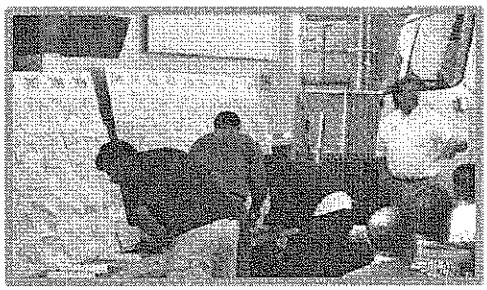
collection services to the City of Livermore. After the procurement process and negotiations, we were awarded the 10-year contract to provide collection and processing services to the entire City of Livermore, under the dba Livermore Sanitation (LS). The transition included a universal rollout of new color-coded collection bins and carts for recyclables (blue), organics (green), and garbage (gray). A new food scraps program was rolled out that included a kitchen pail delivered with new residential carts along with an expanded list of acceptable recyclables.

City of San José Transition Highlights | The following aspects of our seamless transition into the City of San José are described below:

- Coordination with City Staff | The City of San José coordinated outreach with input from all franchise haulers and the City continued to handle billing and operate the main call center. We met with City staff and staff from the previous hauler before and during the transition. Together we worked on press releases, community presentations, unforeseen service issues, public outreach and equipment delivery schedules. The transition timeline set forth in our original proposal was adhered to closely.
- Managing Implementation Schedules | During the transition period, project management software was continuously used to detail and refine the general timeline and implementation schedule. Major tasks included coordination of meeting schedules, property and building acquisition and redevelopment (including permits and construction), equipment procurement and delivery, regulatory and environmental permits (i.e. EPA, storm water, motor carrier, etc.), public outreach planning and activities, hiring and related tasks, routing, and information and internal systems development.

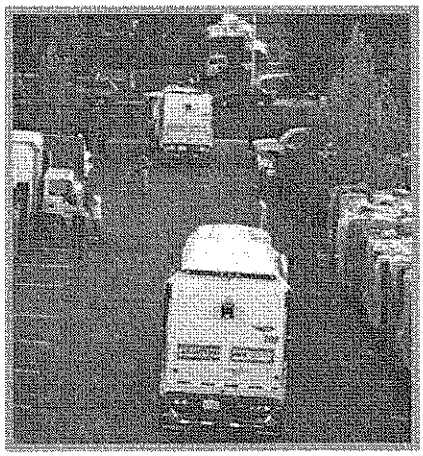


- Property & Equipment Procurement | A new property was purchased where we were able to develop all necessary facilities. Permitting and construction of the office, maintenance facility, truck wash, and vehicle staging area was completed prior to the start date. With a fleet of 50 vehicles to procure, participation from Don Arata, of the Arata Group, was a major benefit. Detailed schedules and updates were provided on a regular basis and all vehicles were delivered well in advance to train drivers on their operation and features.
- Hiring Displaced Workers | We used the union-authorized approach to successfully acquire and train displaced drivers. An informal job fair was held, job offers were made, and multiple paid training sessions were conducted. Training modules covered pre-employment orientation,



company policies and procedures, environmental stewardship, general safety, equipment training, and daily operating procedures. We also hired a number of other displaced workers including a route supervisor, dispatcher and several customer service representatives and brought over some operations, customer service and outreach staff from our affiliate companies. All staff was trained together to provide cohesive services specific for the San José collection contract.

- **Efficient Route Planning** | We created balanced and efficient routes using route shadowing, industry software, GPS, and expert experience. Previously established service days were not changed and routes are continuously monitored and balanced to ensure maximum productivity.
- **Communication with Residents** | We created www.GardenCitySanitation.com to complement the City's website, and features program information, helpful publications and links, resources for teachers, frequently asked questions and answers, and more. In coordination with the City and other haulers, we sent out press releases and multilingual direct mail brochures to introduce us and announce the service transition.



On July 2, 2007, Garden City trucks rolled out for the first time to provide residential solid waste collection services in San José. City Council issued a proclamation congratulating Garden City for the smoothest service transition in recent history. The photo shows our new trucks leaving the yard as local news camera crews reported.

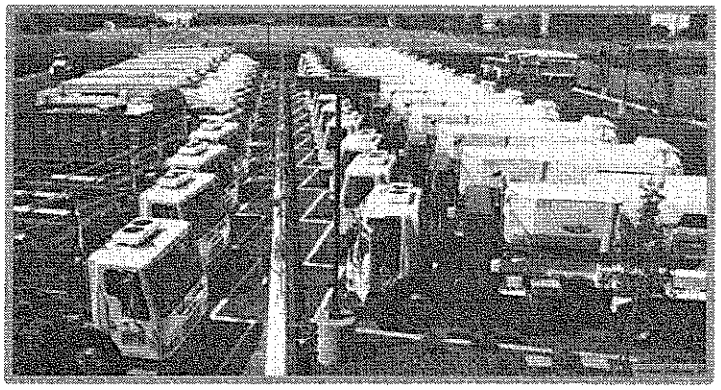
City of San José Transition Challenges | Although we were commended for our amazing work and dedication during the transition, a few challenges did arise and were quickly remedied. Many previous San José contractors had overestimated their operating efficiencies and underestimated cart weights and freeway traffic. We spent months reviewing every weight tag from the previous year trying to associate truck numbers to specific areas within the daily footprint of the service areas. Even given the City's requirement of no collection day changes, GCS was able to execute exceedingly well-planned routes within day boundaries resulting in 44 routes that, with the exception of 4, are completed within 8 hours each day.

Since the drivers were still working for the outgoing contractor, the hiring and training

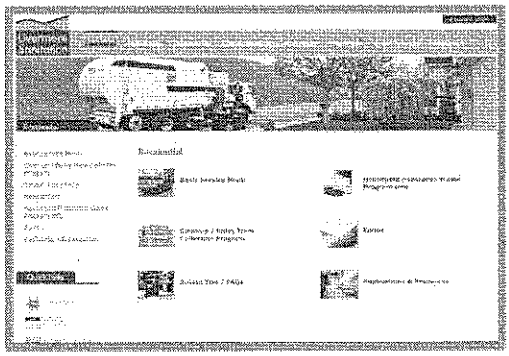
of displaced workers required excellent planning around various schedules. Two orientation sessions were held and during one session, a senior employee (having been a driver in the City since 1968) explained the scope of changes the drivers had been through with hauler changes every several years. We were able to communicate and demonstrate to the drivers that we respected their lives and positions, and that the Company was committed to creating a workplace they would want to go to everyday. The respect that the Garden City management team has continually shown, and the investment they have made in the drivers through this training program, has resulted in a positive and safe workforce.

City of Livermore Transition Highlights | The following aspects of our seamless transition into the City of Livermore are described below:

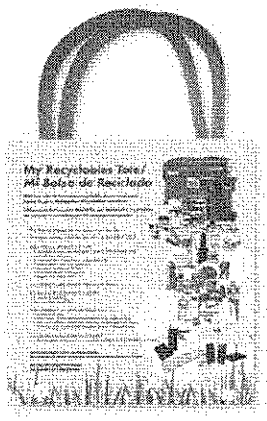
- **Coordination with City Staff** | LS transition management staff met with City staff and the outgoing hauler's representative on a regular basis before and during the transition. The group worked together on press releases, community presentations, unforeseen service issues, outreach, equipment delivery schedules, and more. The group adhered closely to the transition timeline set forth in our original proposal.
- **Property, Equipment & Container Procurement** | Prior to the commencement of services, we purchased a property and completed development, permitting and construction of the office, transfer station, yard, and CNG fueling station. We also ordered, purchased and received all new CNG vehicles. We pre-ordered, received and delivered collection containers in a staggered manner over a two-month period. SFD carts and kitchen pails were delivered according to route starting in mid May 2010. Commercial and MFD containers (including MFD reusable tote bags for recyclables) were delivered throughout the month of June and into early July 2010. We contracted with Container Pros to handle the delivery and exchange of old/new bins and carts.



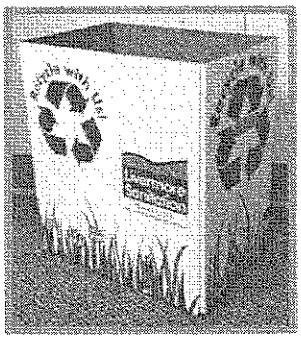
- **Hiring Displaced Workers** | Just like in the San José transition, we used the union-authorized approach to successfully acquire and train displaced drivers.



- **Billing System Implementation** | We took over all billing functions where data was provided by the previous hauler and integrated into our billing system. County records and site visits were also used when verification of rural areas was needed. Paperless billing options were immediately offered to all customers and online bill pay was setup via the LS website. We created www.LivermoreSanitation.com to keep customers apprised of all pertinent information regarding the service transition and the new programs now offered. The website features program information, rates, helpful publications and links, account access, frequently asked questions/answers, numerous outreach videos and newsletters and more.
- **Efficient Route Planning** | We created balanced and efficient routes using route shadowing, industry software, GPS, and expert experience. Few established service days were changed and routes are continuously monitored and balanced to ensure maximum productivity.
- **Community Outreach** | We conducted commercial and multi-family property site visits prior to the service start date, ensuring that each customer subscribed to appropriate service levels and frequencies. Each MFD unit was provided with a reusable tote bag for recyclables. We also staffed community information tables at a variety of events leading up to and beyond the service start date.



Custom trainings were offered to residents and businesses to educate them on our new, expanded services. Our outreach team created a special desk-side recycling container (made out of recycled content cardboard) for businesses to use in their offices. We also direct mailed introductory information to all customers in advance of the service transition. "How-To" program guides were sent to customers as services began and new residential carts and kitchen pails arrived with outreach materials attached.



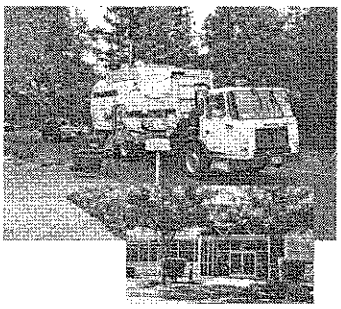
We also sent out press releases and informational postcards, and placed multiple paid advertisements during the weeks before, during

and right after the service transition and began distributing quarterly residential and commercial newsletters in July 2010. The newsletters, as well as billing inserts, postcards, and invoice messages constantly keep customers informed of available programs and services. **Attachment F** contains numerous transition outreach collateral, designed and distributed during the very successful transition in 2010.

City of Livermore Transition Challenges | Overall, the Livermore transition went smoothly; however, two challenges surfaced:

1. More residents opted for the 20-gallon garbage cart than anticipated. We had to place a rush order for additional carts and temporarily charge the 20-gallon rate to customers using a 32-gallon while they were waiting for the 20-gallon cart to arrive.
2. The City's rate structure changed, making commercial recycling more expensive and several customers contemplated canceling service. Through site visits, community education and printed outreach, our Outreach Team demonstrated that participating in the recycling program was still beneficial and recycling participation ended up increasing as a result.

CITY OF LOS ALTOS
INITIATION OF NEW FRANCHISE AGREEMENT



Mission Trail Waste Systems

Commencement date: Sept. 2010
Contract expires: 2020

SERVICES PROVIDED AND CUSTOMERS SERVED:
MSW, Recyclables (single-stream), mixed organics collection and processing to 9370 SFD, 110 MFD and 360 commercial customers.

CONTACT:
Susanna Chan
Public Works Director
City of Los Altos
1 N. San Antonio Rd.
Los Altos, CA 94022
650.947.2621

MISSION TRAIL WASTE SYSTEMS

Example #2 | City of Los Altos | Mission Trail Waste Systems

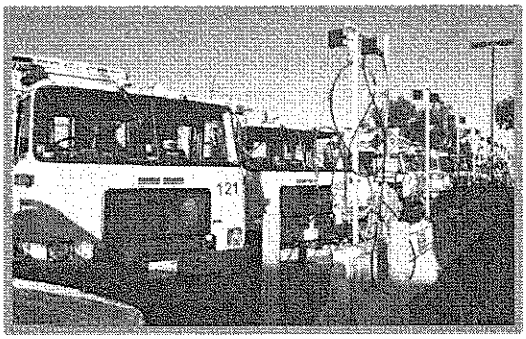
Garden City affiliate company, Mission Trail Waste Systems (MTWS), was awarded the collection and processing contract for the City of Los Altos in 2010. This new service transition included a universal rollout of new color-coded collection containers for recyclables (blue), organics (green), and garbage (gray) and the introduction of food scraps. As in Livermore, a kitchen pail was delivered along with every residential organics cart along with an expanded list of accepted recyclables.

City of Los Altos Transition Highlights | The following aspects of our seamless transition into the City of Livermore are described below:

- ☐ **Coordination with City Staff** | Our transition management staff met with City staff and the outgoing hauler's representative on a regular basis

before and during the transition. The group worked together on press releases, community presentations, unforeseen service issues, outreach, equipment delivery schedules, and more. The group adhered closely to the transition timeline set forth in our original proposal.

- **Equipment & Container Procurement** | We purchased and received all new CNG vehicles prior to the service start date and reorganized our existing yard to accommodate a new CNG fueling station and increased vehicle staging and parking. We preordered, received and then delivered collection containers in a staggered manner over just a one-month period.



For residents, organics carts (and kitchen pails for food scraps) were delivered during the first two weeks of August, recyclables carts were delivered the last week of August 2010, and garbage carts were delivered during the last week of September. Commercial and MFD containers were delivered in late September and early October. We contracted with Container Pros to handle the delivery and exchange of old/new bins and carts.

- **Hiring Displaced Workers** | We used the union-authorized approach as demonstrated by Garden City in San José and Livermore to successfully acquire and train displaced drivers.
- **Efficient Route Planning** | We created balanced and efficient routes using route shadowing, industry software, GPS, and expert experience as demonstrated by our transitions in San José and Livermore.
- **Billing System Implementation** | We also took over all billing operations and data was provided by the previous hauler and integrated into our billing system. County records and site visits were also used when verification was needed. Paperless billing options were immediately offered and online bill pay was setup via the MTWS website. We created a special section of www.MissionTrail.com to keep Los Altos customers apprised of all pertinent information regarding the service transition and new collection programs. The website features program information, rates, helpful publications and links, account access,

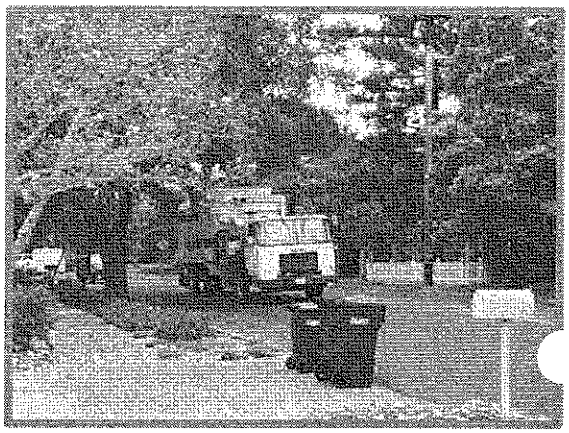
frequently asked questions/answers, numerous outreach videos and newsletters and more.

- ☐ **Community Outreach** | We conducted commercial and MFD site visits prior to the commencement of services. Visits ensured that each customer subscribed to appropriate service and that each MFD unit was provided with a reusable tote bag to transport their recyclables to their bins. We also staffed community information tables at a variety of events leading up to and beyond the service start date, as well as offered custom trainings were also offered to residents and businesses on new and expanded programs.

"How-To" program guides were sent to customers as service began and the organics carts and kitchen pails arrived with educational information attached. We sent out a press release and placed multiple paid print advertisements in the weeks before, during and right after the service transition. We began distributing quarterly residential and commercial newsletters in October 2010 to keep customers informed of available programs and services. Bill inserts and invoice messages are also used to educate customers of the new and exciting changes in their community. **Attachment F** contains numerous transition outreach collateral, designed and distributed by MTWS during the very successful transition in 2010.

City of Los Altos Transition Challenges | Overall, the Los Altos service transition went smoothly. Only two challenges surfaced, which were quickly and easily remedied.

1. Just as in Livermore, more residents opted for the 20-gallon garbage cart than anticipated. We had to place a rush order for additional carts and temporarily charge the 20-gallon rate to customers using a 32-gallon while they were waiting for the 20-gallon cart to arrive.



2. During the first week of new collection

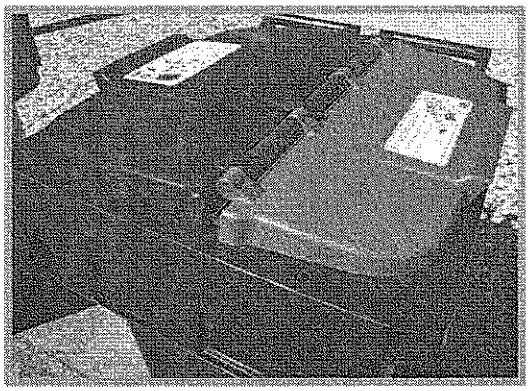
services, homes in a small portion of the City had rear alley access and were accustomed to service being provided in the alley by the previous hauler. We were contracted to provide street-side service and was not informed the previous hauler serviced alleyways. Consequently, we did not have a small enough vehicle to safely drive down the alley, let alone efficiently service containers in such a tight space. Our management team worked with residents and City Staff to ensure that service would be provided without damaging the vehicles, roadways or private property. Our solution was to have drivers walk through the alley and empty carts into special rolling carts. This has resulted in a slight decrease of productivity and a corresponding adjustment to routes, but (more importantly) residents are pleased with our accommodations and are happy with MTWS as their new hauler.

Implementing New Programs

Garden City and our affiliate companies also have a great wealth of experience successfully rolling out new and innovative collection programs in both pre-established and newly adopted service areas. Each program rollout has resulted in extremely successful customer participation, which in turn increased the jurisdiction's diversion rates and compliance with local and State mandates like AB 939 and AB 341.

San José Pilot Program | Garden City recently rolled out a residential food scraps collection pilot program to more than 6,500 single-family residents in San José. The goal of this pilot program is to rescue approximately 8 pounds of food scraps per week from each garbage container. Prior to the pilot program, food scraps were collected in garbage carts and hauled directly to the City's landfill.

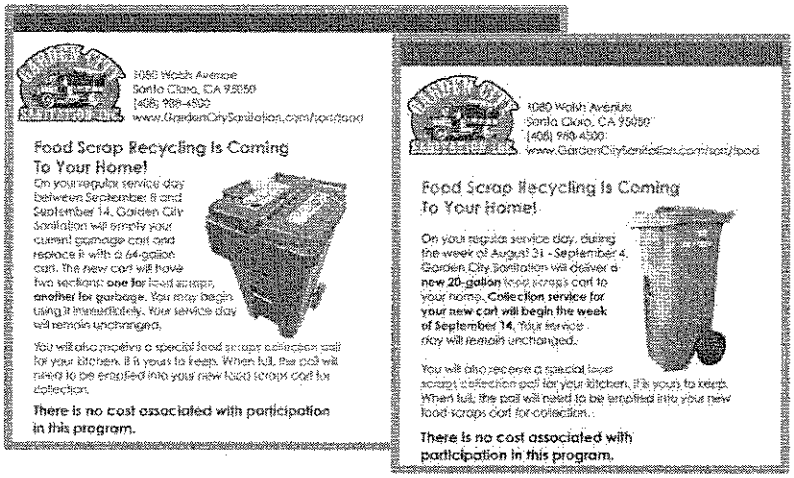
In order to determine the most efficient and user-friendly collection system, Garden City offered 2 different collection scenarios: a designated 20-gallon food scraps cart (shown in the photo on the left) OR a split-cart with 48-gallons of capacity for garbage and the remaining 16-gallons for food scraps (shown in the photo on the right).



Residents with the designated food scraps cart were

provided their new container and accompanying outreach materials during the week of August 31, 2015. The following week, residents in the other service area were provided the new split-cart when their old garbage cart was removed.

Participants in both service areas received an interior kitchen pail along with their new carts. Pails and carts all feature graphic-rich labels indicating what materials belong inside in English, Spanish and Vietnamese. Collection began the week of September 14, 2015 utilizing vehicles from our existing fleet of CNG vehicles. The truck used to service the split carts was retrofit with a split-body hopper and auger attachment to easily collect and empty food scraps. Garden City's President, Mr. Louie Pellegrini, designed and founded the Sustainable Alternative Feed Enterprises (SAFE) processing and dehydrating system that is capable of removing large contaminants and successfully processing food scraps into animal feed, fats, oils and grease (FOG), and reclaimed water. All food scraps loads are being delivered to SAFE facility at MTWS in Santa Clara. Additional information regarding the SAFE process is included in **Attachment D**.


1080 Walsh Avenue
Santa Clara, CA 95050
(408) 988-4500
www.GardenCitySanitation.com/postcard

Food Scrap Recycling Is Coming To Your Home!

On your regular service day between September 8 and September 14, Garden City Sanitation will empty your current garbage cart and replace it with a 64-gallon cart. The new cart will have two sections: **one for** food scraps, **another for garbage.** You may begin using it immediately. Your service day will remain unchanged.

You will also receive a special food scraps collection pail for your kitchen. It is yours to keep. When full, the pail will need to be emptied into your new food scraps cart for collection.

There is no cost associated with participation in this program.

1080 Walsh Avenue
Santa Clara, CA 95050
(408) 988-4500
www.GardenCitySanitation.com/app/food

Food Scrap Recycling Is Coming To Your Home!

On your regular service day, during the week of August 31 - September 4, Garden City Sanitation will deliver a **new 20-gallon** food scraps cart to your home. **Collection service for your new cart will begin the week of September 14.** Your service day will remain unchanged.

You will also receive a special food scraps collection pail for your kitchen. It is yours to keep. When full, the pail will need to be emptied into your new food scraps cart for collection.

There is no cost associated with participation in this program.

Prior to cart delivery, residents of the service areas received an introductory postcard with a brief summary of the program and instructions for where to obtain additional information. A special pilot program page was added to www.GardenCitySanitation.com and our CSRs were trained on how to respond to calls and emails regarding the pilot program.

During the weeks of cart and pail delivery, Garden City contacted council members from pilot program service areas. Newsletter article text and links to outreach (including translations into Spanish and Vietnamese) were provided. Council members helped to distribute pilot information to their culturally and economically diverse constituents. To gain customer buy-in to the pilot, outreach pointed out the following:

- ✓ Participants would enjoy an increase in overall waste capacity.
- ✓ The yard trimmings and recycling collection programs would remain unchanged.
- ✓ Collection days would remain unchanged.

- Food scraps collected through the pilot program would be processed into an ingredient for animal feed utilizing SAFE's patented system.
- Participation would actively save resources, reduce pollution and greenhouse gas emissions, and promote sustainability.

During the course of the pilot, participation and contamination data is gathered via visual audits and weights from certified scales. Pilot participants occasionally receive feedback through specially designed, tri-lingual cart hangers attached to the handle of the cart lid. **Attachment F** includes outreach collateral designed and developed by Garden City's in-house graphic design and outreach team.

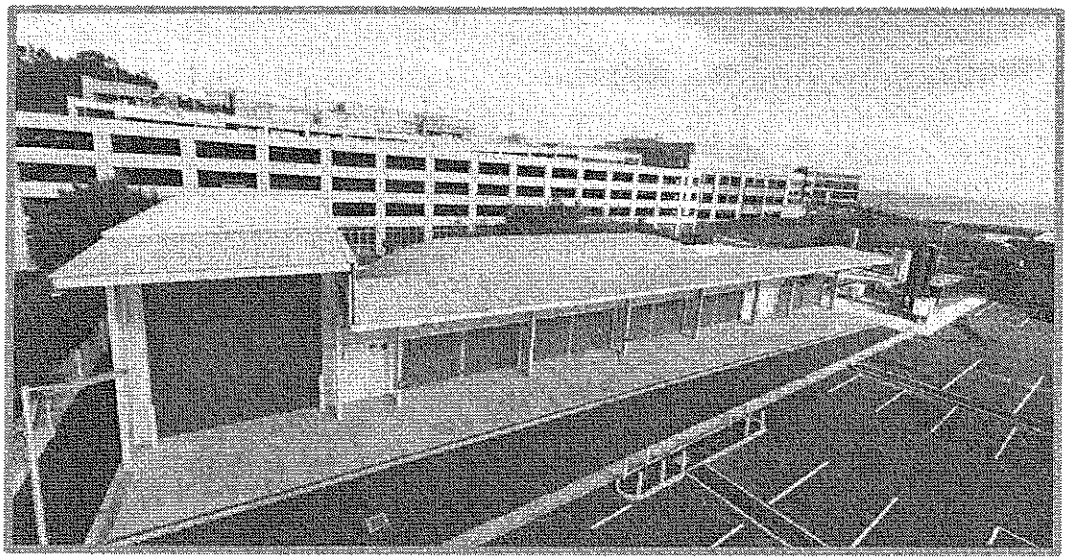
Landfill diversion and improvements in recycling are both being tracked by Garden City and it is anticipated that a decrease in recycling contamination may be an additional benefit of the pilot program. Data collected will be used to determine the cost effectiveness of the 64-gallon split-cart option versus the 20-gallon designated cart option and citywide implementation. We have offered this program to San José in an effort to divert additional food waste from landfills and to provide a highly desirable feedstock for the SAFE system that incorporates a higher and best use of food discards.

SSFSC Food Scraps to AD & Biogenic CNG Fueling Station | Beginning in early 2014, SSFSC began developing a new, expanded organics collection program designed specifically for the ***BLTS Anaerobic Digestion (AD) Facility and Biogenic Compressed Natural Gas (CNG) Fueling Station***. SSFSC successfully rolled-out a food scraps collection program to commercial businesses and single-family residents, achieving high participation rates. They worked diligently with their Cities, outreach staff and an advertising firm to ensure successful implementation and maximum customer participation.

In January of 2015, SSFSC provided residents with a kitchen pail and extensive outreach materials (like the Residential Food Scraps Guide shown on the right and included in **Attachment F**) to ensure participation and success in diverting organics from the landfill. Businesses in the service areas also continue to be visited by our Outreach Team and receive informative program guidelines and posters. Commercial outreach collateral is also included in **Attachment F**. The focus thus far has been on the nearby warehouses and industrial parks that prepare food for SFO and other larger commercial complexes in the area.

SSFSC has offered this program to their jurisdictions in an effort to divert additional food waste from landfills and to provide a highly desirable and digestible feedstock for the ***AD***

Facility and Biogenic CNG Fueling Station located at BLTS in South San Francisco. The BLTS AD Facility and Biogenic CNG Fueling Station provides a local, sustainable fuel source from the materials collected each day and diverts food waste from landfills to provide another valuable resource from the material stream: energy. By processing organic waste in the low oxygen environment of the anaerobic digesters, the once harmful methane gas is transformed into CNG and harnessed to power a carbon negative collection fleet. The photo that follows is of the newly constructed and fully operational BLTS AD Facility that generates biogenic CNG for SSFSC's fleet.

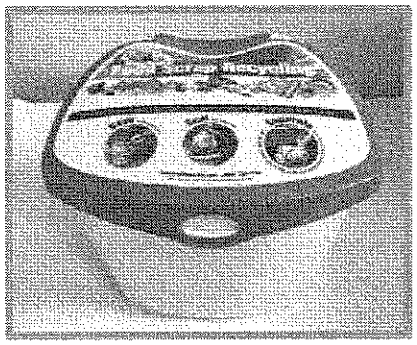


Additional information on the ***BLTS AD Facility and Biogenic CNG Fueling Station*** is provided in **Attachment F** along with outreach collateral distributed by SSFSC during the initiation of the newly expanded food scraps collection and processing program.

Food Scraps Pilot Program | City of Sunnyvale | In late 2014, the City of Sunnyvale implemented a food scraps pilot program with assistance from industry consultants and Garden City's affiliate company, Specialty Solid Waste and Recycling (SSWR). The current residential dual-stream garbage collection program includes a 96-gallon wheeled cart for collection of plant trimmings; a split 64-gallon cart for fiber on one side and other recyclables (containers) on the other side; and a cart for garbage. Five pilot service areas, each with just over 100 households, were selected to test the concept of collecting food scraps separately from garbage in different demographic areas. In the pilot areas, residents were asked to continue managing their plant trimmings and recyclables in the same way; and their single compartment garbage cart was replaced by SSWR

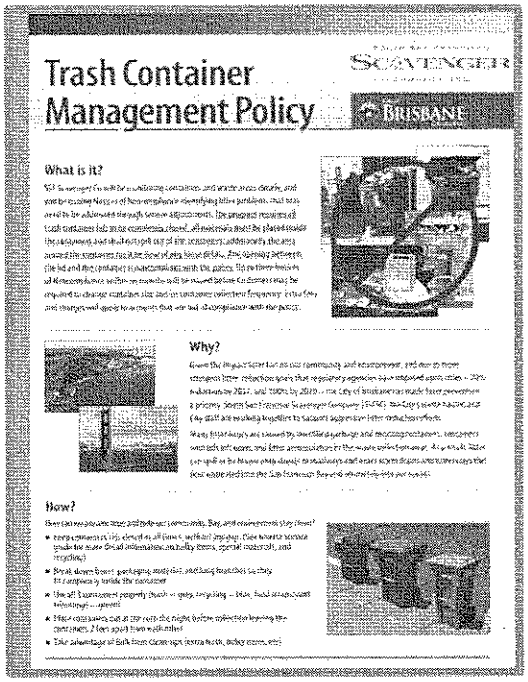
with a split body cart that had different colored lids. Residents were requested to put kitchen waste (food and food soiled paper) in the side with the yellow lid and other household garbage (including pet waste and diapers) in the side with the black lid.

Most households were given 64-gallon split-carts. Households that generated more garbage than would fit in the 64-gallon cart were provided a 96-gallon cart. A new cart with a 70% (garbage) - 30% (food scraps) split was ordered and tested in one of the five pilot areas. Program participants were also provided with an interior kitchen pail to keep food scraps separate while inside the home, as shown in the photo on the right.



Audits of the contents of the split garbage carts have shown that over 85% of the households in the pilot area participate in the food scrap program. Residents are separating up to 12 pounds of materials each week and the average contamination rate is less than 20%. The food scraps pilot program in the City of Sunnyvale has successfully diverted one-third of what the residents in the pilot service area are still putting in their garbage cart. Food scraps are being delivered to the SAFE processing and dehydrating facility and to a local compost facility. Also, it appears that as a result of requesting residents to keep their wet wastes separate from other wastes, fewer recyclable materials are disposed of in the garbage.

Trash Container Management Program | City of Brisbane | Beginning in early 2015, SSFSC worked with the City of Brisbane to implement a new system that deters overfilling containers while reducing litter in the neighborhoods. The Brisbane Trash Container Management Policy monitors and assesses a non-compliance fee for customers that continually violate the City's litter reduction policy by leaving container lids open, accumulating debris in collection areas and/or excessively overfilling containers. SSFSC is currently working alongside with the City to design and develop a program-specific Non-Compliant Notice, program brochure, and informational letter that clearly describes the policy and includes methods to deter litter from spilling and/or blowing onto streets and eventually entering the San Francisco Bay.


Trash Container Management Policy

BRISBANE

What is it?

Why?

How?

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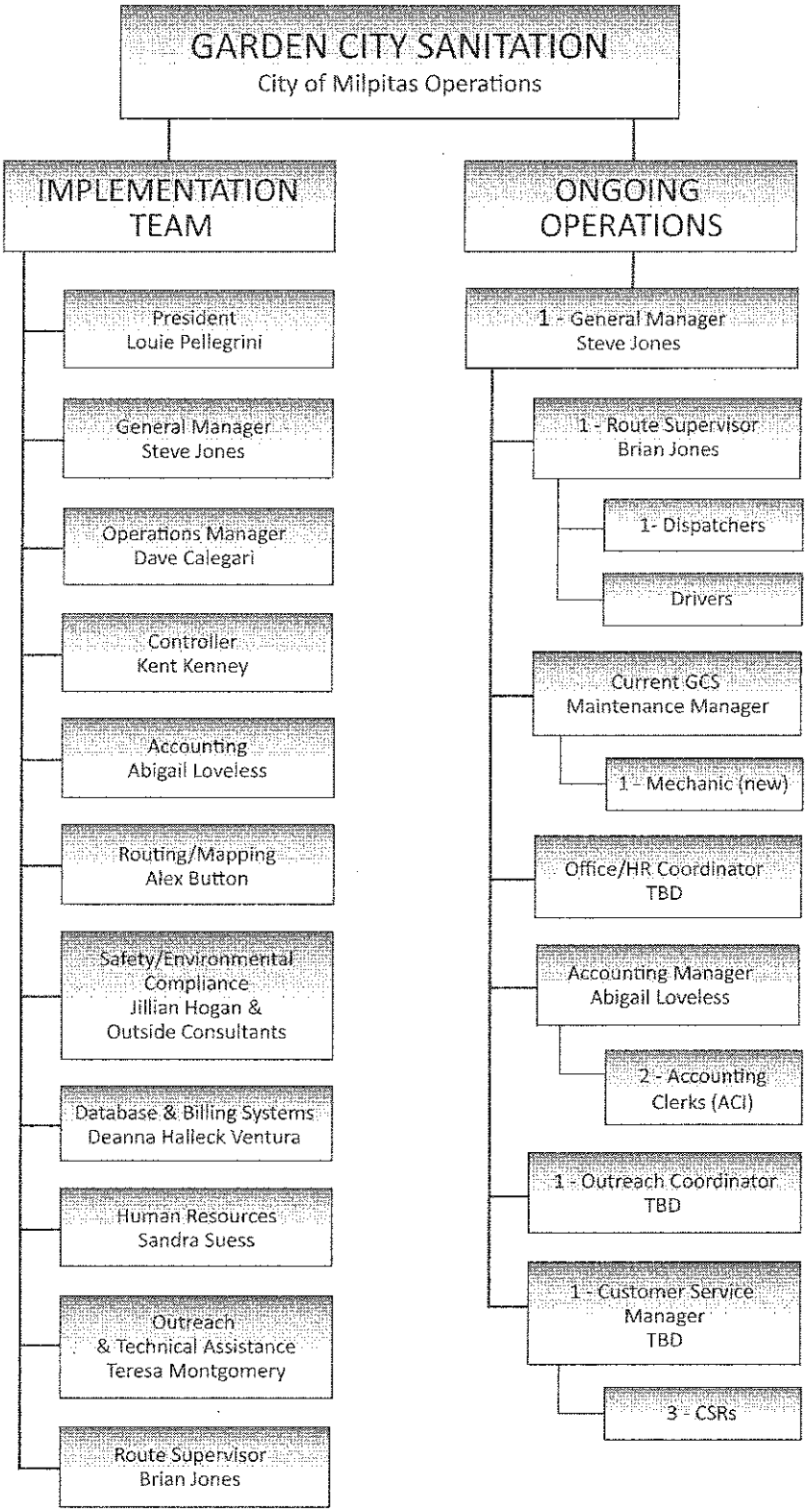
D. Key Personnel

We recognize that establishing a successful partnership with the City of Milpitas is extremely important and we are committed to recruiting and retaining highly qualified individuals for each position. Garden City's partners, owners and management team have knowledge, familiarity, and experience with all aspects of recycling and material management as well as with the associated regulations and mandates. We are committed to providing superior collection services and innovative outreach programs to the City of Milpitas. Garden City's partners and owners have demonstrated experience in developing and implementing innovative solutions to the evolving challenges associated with increasing diversion, promoting environmental stewardship and affecting behavior change, with the overall goal of achieving zero waste.

Garden City Transition Team | the following management staff will lead our transition efforts:

- Louie Pellegrini | Implementation & Contract Matters
- Doug Button & Don Arata | Equipment Procurement
- Kent Kenney & Abigail Loveless | Financial Planning & Accounting Operations
- Steve Jones & David Calegari | Operations & Driver Training
- Deanna Halleck Ventura | Information & Database Systems
- Alex Button | Route Development & Customer Service
- Brian Jones | Route Supervisor & Facility Compliance
- Teresa Montgomery | Public Education, Outreach & Technical Assistance
- Jillian Hogan | Facility Design, Development & Environmental Compliance
- Sandra Suess | Human Resources

Garden City's Ongoing Management Team | The organizational chart on the following page shows the initiation team and ongoing operations team that will be instrumental in the City of Milpitas operations.


GARDEN CITY SANITATION
City of Milpitas Operations
IMPLEMENTATION TEAM
President
Louie Pellegrini
General Manager
Steve Jones
Operations Manager
Dave Calegari
Controller
Kent Kenney
Accounting
Abigail Loveless
Routing/Mapping
Alex Button
Safety/Environmental Compliance
Jillian Hogan &
Outside Consultants
Database & Billing Systems
Deanna Halleck Ventura
Human Resources
Sandra Suess
Outreach
& Technical Assistance
Teresa Montgomery
Route Supervisor
Brian Jones
ONGOING OPERATIONS
1 - General Manager
Steve Jones
1 - Route Supervisor
Brian Jones
1- Dispatchers
Drivers
Current GCS
Maintenance Manager
1 - Mechanic (new)
Office/HR Coordinator
TBD
Accounting Manager
Abigail Loveless
2 - Accounting
Clerks (ACI)
1 - Outreach Coordinator
TBD
1 - Customer Service
Manager
TBD
3 - CSRs

The following provides detailed descriptions of the invaluable experience of Garden City partners and owners followed by key management personnel that demonstrate our ability to direct, support, and facilitate a smooth transition and ongoing management.

LOUIE PELLEGRINI, JR.

VICE PRESIDENT/GENERAL MANAGER: ALAMEDA COUNTY INDUSTRIES
VICE PRESIDENT/MAJORITY SHAREHOLDER:
PENINSULA SANITARY SERVICE, INC.
PRESIDENT/SHAREHOLDER: GARDEN CITY SANITATION
PRESIDENT/SHAREHOLDER: MISSION TRAIL WASTE SYSTEMS

Mr. Pellegrini has over 40 years of experience in the solid waste and recycling industry. He has been involved as an owner and manager in five well-regarded hauling companies and is active in numerous trade organizations.

Louie's experience includes planning and implementing collection and processing systems, routing, data flow and capture, efficiency analysis, diversion monitoring and reporting, processing and collection equipment procurement, execution of recyclables market agreements, negotiation of municipal and union contracts, and more. He also has expertise in the development of equipment, he holds two patents for collection vehicles.

Vice President, General Manager
Alameda County Industries
2000 – Current
- Mr. Pellegrini helped organize six garbage and recycling companies into Alameda County Industries in January 2000.
- He oversaw all aspects of the transition into the new company: contract negotiations, start of Alameda recycling operations, city relations, privatization of City of San Leandro's garbage collection, redesign of collection systems, procurement of new equipment, productivity increases in processing facility, etc.
- Mr. Pellegrini implemented citywide organics collection—accepting yard trimmings, food scraps and food-soiled paper—a notable first in the State of California.

President, Shareholder
Garden City/Livermore Sanitation
2007 – Current
- As documented, Garden City/Livermore Sanitation is a collaborative venture between the Pellegrini Group and South San Francisco Scavenger. Mr. Pellegrini was key in the creation of the venture, and many of the ideas expressed in the proposals. He was also responsible for general oversight of both transitions.

President, Shareholder
Mission Trail Waste Systems
1997 – Current
- Mr. Pellegrini, along with a group local industry professionals, purchased Mission Trail Waste Systems in 1997.
- He helped the City of Santa Clara move from an outdated manual residential collection system to a fully automated, co-collection system, where one truck collects both residential garbage and yard waste, overseeing the distribution of 44,000 carts. In doing so, he helped privatize the City of Santa Clara's residential yard waste collection program.
- He has overseen a smooth transition in the City of Los Altos. The transition included new trucks and collection carts/bins, and several enhanced services.

Vice President, Majority Shareholder
Peninsula Sanitary Service, Inc.
1972 – Present
- Acquired the Stanford Recycling Center, pioneered multi-family recycling and expanded recycling programs throughout the university, including the Stanford Linear Accelerator Center (SLAC).
- Designed a semi-automated sort line to streamline recycling center operations.
- In 1987 he implemented Stanford University's first curbside recycling program to faculty and staff residential districts, and has overseen the expansion of the program through the years.
- Seeing the need to expand recycling to multi-family housing, he retrofitted a straight frame frontload collection vehicle, dividing the body into three compartments and retrofitting the arms with a divided workbucket to simultaneously collect three types of materials. He patented the design which is in wide use. The patent was sold to Heil in the mid 1990s.
- Mr. Pellegrini expanded this program by offering to conduct pilot programs in the Cities of San José and Sunnyvale—which led to the adoption of permanent programs.

Founder, General Manager
GreenTeam of San José
1991 – 1998
- Mr. Pellegrini is a founder of GreenTeam of San José. He served as General Manager from 1991 through 1998, and was the City's key contact during those years.

-continued

LOUIE PELLEGRINI, JR.

VICE PRESIDENT/GENERAL MANAGER: ALAMEDA COUNTY INDUSTRIES
VICE PRESIDENT/MAJORITY SHAREHOLDER: PENINSULA SANITARY SERVICE, INC.
PRESIDENT/SHAREHOLDER: GARDEN CITY SANITATION
PRESIDENT/SHAREHOLDER: MISSION TRAIL WASTE SYSTEMS

-continued

- He was instrumental in the implementation of automated collection and data capture (utilizing on-board computing technology) to a customer base of over 400,000 people.
- He helped develop the curbside recycling set-out configuration and likewise aided in the retrofit of the curbside recycling vehicles to match.
- Mr. Pellegrini led GreenTeam's investigation into making plastic lumber. He invested considerable time and resources into finding a market for the residue and miscellaneous plastic material from the processing line. He found that he could use the by-product as raw material to make plastic lumber for housing, roofing shingles, fence posts, retaining walls, railroad ties, and pallets. He determined equipment needs, designed the manufacturing process, and developed a marketing plan.

INDUSTRY/CIVIC INVOLVEMENT

- Mr. Pellegrini has been a Past President and serves on the executive committee of the California Refuse and Recycling Council (CRRC), an independent solid waste and recycling trade organization.
- He has also served as President of the Clara-Mateo Garbage Collector's Association.

AFFILIATE COMPANY INVOLVEMENT

President, Shareholder
Garden City Sanitation/Livermore Sanitation: 2007 – Current

Vice President, General Manager
Alameda County Industries: 2000 – Current

President, Shareholder
Mission Trail Waste Systems: 1997 – Current

Vice President, Majority Shareholder
Peninsula Sanitary Service: 1972 – Present

DOUG BUTTON

PRESIDENT AND GENERAL MANAGER
SOUTH SAN FRANCISCO SCAVENGER COMPANY AND BLUE LINE TRANSFER, INC.

Mr. Button has worked in the solid waste and recycling industry for over 30 years. He actively participates in the leadership of five companies. In addition, he commits considerable time and energy to the communities served.

EXPERIENCE

Shareholder, President, CEO, and General Manager
South San Francisco Scavenger Company and Blue Line Transfer, Inc.
1985 – Present
- Oversees and manages labor relations.
- Prepares and reviews productivity reports.
- Acts as municipal liaison to the jurisdictions served.
- Responsible for all contract negotiations.
- Acts as project manager for the company, developing and implementing large scale projects such as curbside recycling programs.

Shop Foreman
South San Francisco Scavenger Company
1981 – 1985
- Supervised the mechanical maintenance and repair of 29 collection vehicles.
- Provided direction and supervision to six shop mechanics.
- Provided regular assistance to driver training and safety awareness programs.
- Procured new equipment and parts.

INDUSTRY AND CIVIC INVOLVEMENT
- Past President and Vice President - California Refuse and Recycling Council
- Past President - Clara Mateo Garbage Association
- Member - Daly City-Colma Chamber of Commerce
- Member - Millbrae Chamber of Commerce
- Member - South San Francisco Chamber of Commerce
- Member - Brisbane Chamber of Commerce
- Member - Millbrae Lion's Club
- Past Director - Millbrae Lion's Club
- Member - Italian Catholic Federation, Millbrae Chapter
- Past Director - Italian Catholic Federation
- Member - Knights of Columbus, Millbrae Chapter

AFFILIATE COMPANY INVOLVEMENT

Board Secretary, Shareholder
Garden City/Livermore Sanitation: 2007 – Present
- Mr. Button maintains labor relations and conducts Union negotiations.
- Assists in development and implementation of new service programs.
- Assists in technical research and procurement of new collection vehicles.

Board Secretary, Shareholder
Alameda County Industries: 2000 – Present
- Mr. Button maintains labor relations and conducts Union negotiations.
- Assists in business development, technical research and procurement of new collection vehicles.

Board Secretary, Shareholder
Mission Trail Waste Systems: 1997 – Present
- Mr. Button is responsible for maintaining labor relations and Union negotiations.
- Assists in decision making and business development.

Vice President, Shareholder
Bay Counties Waste Services: 1993 – Present
- Mr. Button maintains labor relations and conducts Union negotiations.
- Assists in research, decision making, and development of new collection systems.

EDUCATION/SPECIAL COURSEWORK
- BS degree from California State Polytechnic University, San Luis Obispo, CA
- Labor Relations
- Stress Management
- General Business Management

DON ARATA

PRESIDENT/OWNER: ARATA EQUIPMENT COMPANY
SHAREHOLDER: GARDEN CITY SANITATION
SHAREHOLDER: LIVERMORE SANITATION, INC.

Having spent 45 years in the family business, Don has a tremendous amount of experience. He is an expert on equipment acquisition and operations. Don's background and education, along with his hands-on experience is invaluable.

EXPERIENCE

Don Arata is president and owner of Arata Equipment Company (A.E.C.) located in San Carlos. A.E.C. has been in the business of mobile refuse and recycling collection equipment sales for over 60 years. Arata Equipment has spanned into the fourth generation with Mr. Arata's sons Danny and Nick joining the team.

Born and raised in Redwood City, Mr. Arata graduated from the Menlo College of Business Administration in 1975. Beginning in high school and continuing full-time after college, Mr. Arata worked in his family business—then called Arata Motor Sales. At that time the business consisted of car dealerships—which had several locations and represented several manufacturers as well, and an equipment business, specializing in refuse equipment.

The refuse equipment business was started by Don Arata's grandfather. Don's father, Al Arata, sold the trucks and parts; Don Arata followed in his father's footsteps, becoming the parts manager. After many years he became a truck and equipment salesman. Then, when his father retired, Mr. Arata took over the equipment business, to which he has added many lines over the years.

Arata Equipment has been located in San Carlos for over 20 years.

INDUSTRY/CIVIC INVOLVEMENT

- President of Arata Equipment
- Member, Clara Mateo Garbage Collector's Association
- Member, California Refuse Removal Council
- Member and annual contributor to the CHP 1199 Foundation
- Member in good standing, San Carlos Rotary Club
- Member and sponsor, SF International Airport Rotary Club
- Chairperson, Sharon Heights Golf & Country Club Italian Day Gold Tournament
- Member in good standing, California Refuse and Recycling Council
- Member in good standing, Royal Order of Can Carriers
- Father, Active Supporter, Loyola Marymount University, Los Angeles
- Supporter and Donor, Sequoia Hospital Foundation

KENT KENNEY

CONTROLLER: GARDEN CITY SANITATION, LIVERMORE SANITATION, INC.,
PENINSULA SANITARY SERVICE, INC.,
CONTROLLER/MANAGING PARTNER: ALAMEDA COUNTY INDUSTRIES

Mr. Kenney possesses over 20 years of experience in the solid waste and recycling industry, and over 30 years experience in financial management. Kent has expertise in accounting, forecasting, financial analysis, pricing impact models for the oil and gas industry, and complex solid waste rate setting models.

EXPERIENCE

He has designed, developed, and implemented both financial and operational reporting systems for ACI and PSSI. Mr. Kenney has been successful in creating and implementing reliable reporting and data collection systems for internal management that satisfy municipal reporting requirements. He is an expert at specifying, procuring, customizing, and implementing computerized information systems for smooth data flow between the field, the accounting department, and ultimately for municipal reporting.

Controller and Managing Partner
Alameda County Industries
2000 – Present

- Mr. Kenney is responsible for all aspects of financial and administrative management at ACI, including forecasting, budget management, contract compliance, and financial reporting/analysis.
- Administrative responsibilities include information systems planning, management, and development.
- Provided oversight and manages the transfer of billing responsibilities of over 30,000 residential and commercial accounts from the prior contractor and city-managed billing systems in 2002.

Controller
Peninsula Sanitary Service
1992 – Present

- Mr. Kenney is responsible for financial and administrative management of the company, including financial compliance, forecasting, budget management, and financial reporting/analysis.
- Developed an innovative rate-making model which has been adopted and in current use by Stanford University.

EDUCATION

- BA Business Administration,
  St. Mary's College, Moraga

STEVEN R. JONES

GENERAL MANAGER/PARTNER
GARDEN CITY SANITATION

Garden City Sanitation began collecting garbage from 157,000 single family dwellings on July 2, 2007. Under Mr. Jone's direction, the company has performed successfully from day one through the present. Garden City was awarded a certificate from the San José City Council for the best transition in the history of the San José Recycle Plus program.

EXPERIENCE
General Manager/Partner
Garden City Sanitation
July 2006- Present
- Responsible for all aspects of company administration and operations including site acquisition and property improvements.
- Worked with City of San José representatives to determine the timelines for a smooth transition.
- Planned and oversaw employee training, route creation, safety programs, and more.

District Manager
Waste Management of Nevada County
May 2005 –July 2006
- Worked to stabilize collection workforce and maintenance operations.
- Worked with local staff in an effort to grow diversion programs in each jurisdiction.
- Led efforts with company staff to clean up the WM of Nevada Co. recycling program operations at the McCourtney Road Transfer Station.
- Met all projected financial goals and improved operating efficiencies. After resigning, Steve trained his replacement while working on the San José service contract.

Gubernatorial Appointee
California Integrated Waste Management Board January 1997 – March 2004
January 1997 – by Governor Pete Wilson
February 2000 – by Governor Gray Davis
- Full-time Board member, holding the seat reserved for a person with experience in the private sector waste management industry.
- Each of the two terms required full Senate hearings and confirmation - the vote was unanimous on both occasions.

The CIWMB shared responsibility with local governments for solid waste management.
- Statewide solid waste policy as directed by legislation or need.
- Regulations to implement legislation.
- Education on environmental issues.
- Market development for recovered recyclables, and waste tire programs from cleanup to grants for new technologies using recycled tires.

Chief Executive Officer
Cal Sierra Disposal, Inc.
June 1993 – January 1997
- Working in tandem with owner, responsible for directing a range of company activities, including: governmental affairs; contracts; design, build and operation of new materials recovery and transfer station; day-to-day company operations; profitability and business development.
- Awarded long term Exclusive Franchise Agreements with Tuolumne County and the City of Sonora for collection, recyclable recovery, and transfer of waste to out of area landfills.

General Manager; Assistant General Manager
Auburn Placer Disposal Service, Inc.
Norcal Waste Systems Company
April 1991 – May 1993
- Responsible for all company operations, environmental compliance, governmental and community relations, business development and profitability.

Note: Steve's assignment to Auburn Placer Disposal from Norcal Corporate was a personal request prompted by a death in the family. While at Auburn Placer Disposal, Mr. Jones retained his position as a member of the five-member Norcal Waste Systems Employee Stock Ownership Plan (ESOP) Administrative Committee: Responsibilities included appointment of directors to the Norcal Waste Systems Board; administering to the lending community the ESOP debt and payment programs; and distribution of stock and payments to the employee participants.

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STEVEN R. JONES

GENERAL MANAGER/PARTNER
GARDEN CITY SANITATION

-continued

Vice President of Operations
Norcal Waste Systems, Inc.
January 1990 – April 1991
- Member, six-person Norcal Executive Team; member, five-person Norcal Employee Stock Ownership Plan (ESOP) Administrative Committee.
- Responsible for the following corporate divisions: Operations; Recycling; Landfill Engineering; Facility Engineering and Construction.
- Ultimately responsible for management of 26 operating collection and recycling companies including 16 landfills, and 14 transfer stations, materials recovery and recycling facilities; 2,500 employees and 1,800 pieces of equipment.
- Negotiated collective bargaining and franchise agreements.
- Responsible for the profitability and health of Norcal Company operations, which produced revenues in excess of $250 million per year.

Director of Operations
Norcal Waste Systems, Inc.
January 1988 – December 1989
- Responsible for review and analysis of Norcal's operating companies, particularly under-performing entities.
- Implemented "work-out" plans at various company operations to improve efficiencies.
- Served as Liaison to community, governmental and private industry associations.

Director of Parts and Shop Operations
Norcal Waste Systems, Inc.
January 1986 – December 1987
- Responsible for maintenance of all equipment and rolling stock (in excess of 1,600 pieces) at 15 maintenance facilities.
- Developed and implemented a fully integrated computerized information system to track all maintenance, repairs, parts, driver and service records; system resulted in significant company-wide savings.

Refuse Collection, Mechanic and Parts Manager
Golden Gate Disposal Company/San Francisco
A Norcal Waste Systems company
1975 – 1985
- Began career in waste management as a refuse collector, tire and suspension worker before subsequent promotion into company management.

INDUSTRY/CIVIC INVOLVEMENT
- Member, Clara Mateo Garbage Collector's Association
- Treasurer, California Refuse Removal Council

DAVID CALEGARI
OPERATIONS MANAGER
GARDEN CITY SANITATION

Mr. Calegari has been in the solid waste management field since 1971. He specializes in Performance Metrics and Operations Logistics. He was actively involved in the start-up of Garden City Sanitation.

EXPERIENCE

Operations Manager
Garden City Sanitation
2007 - Present
- Responsible for 44 residential routes in District A and C and 2 cart delivery routes in the City of San José.
- Supervises 2 route managers, 2 dispatchers and 61 drivers.
- Successfully developed and trained of drivers during transition period for preparation of start up.
- Responsible for the development of route audits and time studies for residential routes for 168,000 plus customers in San José.
- Utilized route managers and dispatch personnel to efficiently build and balance 220 work days (44 routes) for maximum efficiency.
- Manages daily activities to ensure highest level of production and service standards are achieved.
- Manages all aspects of the operation to ensure compliance of city contract.
- Planning of weekly tailgate and monthly safety meetings with route managers, drivers and office personnel.
- Ensures compliance with OSHA and ANSI standards.
- Maintain an excellent working rapport with city staff.
- Maintains good working relations with drivers as well as union personnel.
- Continues to enhance and develop along with the route managers, establishing and maintaining a high standard of service and integrity with the drivers.
- Continues to manage and coach ensuring our employees are supplied with the tools and equipment to perform their jobs safely, productively and profitably.

Operations Supervisor
Alameda County Industries
2003 - 2007
- Directly responsible for 19 solid waste and recycling drivers daily.
- Oversaw cart deliveries, exchanges and repairs.
- Plans weekly and monthly driver safety and general meetings with drivers.
- Ensured completion and accuracy of vehicle inspections.
- Maintained an excellent working rapport and open communications with City staff.
- Continually coached drivers to supply customers with an impeccably high level of service and integrity.

Operations Manager
Norcal Waste Systems - San José
2002 - 2003
- Responsible for oversight of 34 residential routes in District A.
- Managed all aspects of service to ensure contract compliance.
- Responsible for monitoring daily productivity to maintain/enhance profitability.

District Operations Manager
Waste Management of Alameda County
1971 - 2002
- Responsible for all aspects of commercial and residential divisions - which included 125 residential routes, 35 commercial routes, and 30 roll-off units with a customer base of 250,000.
- Directly supervised a staff of 15 individuals and was responsible for 230 drivers.
- Developed a successful training program to introduce and educate employees to the One-Pass collection vehicle.
- Provided oversight of the implementation of semi-automated curbside collection programs, including recycling and green waste collection in eight jurisdictions.
- Responsible for all transfer station operations.
- Provided oversight of the city-wide annual cleanup event.
- Managed cart delivery in eight jurisdictions with a population totaling 300,000.

INDUSTRY/CIVIC INVOLVEMENT
- CRRC Next Generation Program participant
- Vice Presdient, Clara Mateo Garbage Collector's Association
- Presdient, Clara Mateo Garbage Collector's Association

EDUCATION
Completed courses in:
- Coaching the Refuse Drivers
- Accident Reconstruction & Injury
- Professional Management Series on Effective Supervision

BRIAN JONES
ROUTE MANAGER/FACILITY COMPLIANCE
GARDEN CITY SANITATION

Mr. Jones understands and works well within group culture. He respects and understands organizational hierarchy and continually practices the art of listening. He works to identify and assess the needs, values, interests, strengths, and weaknesses of individuals.

EXPERIENCE

Route Manager/Facility Compliance
Garden City Sanitation
2007 - Present
- Directly oversees 40 collection route drivers as well as pool drivers.
- Conducts weekly Safety Meeting with all drivers to ensure drivers are provided the proper tools and training to perform their job safely.
- Planned original route design and development as well as re-route of 166,000 residential customers weekly.
- Oversees and maintains site compliance plans, logs, and programs.
- Directs Construction of Tenant Improvement; including a CNG Fueling Station and Truck Wash at Garden City Sanitation.

MRF/Transfer/Roll-Off Manager
Alameda County Industries
2006 - 2007
- Managed transfer and roll-off drivers.
- Responsible for all MRF operations and scale house.
- Responsible for transfer loads of MSW and yard waste to designated facilities and backhauls of single stream recyclables to ACI, and roll-off line of business for the franchised cities (San Leandro and Alameda).

Operations Manager
El Dorado Disposal
2005 - 2006
- Hired as MRF Manager, responsible for all MRF operations, scale house operations, and buy back operations.
- Promoted to Operations Manager, responsibilities included oversight of MRF as well as collection operations which included residential, commercial, and roll-off drivers.

Plant Manager/ General Manager
California Waste Solutions
2002 - 2005
- Managed daily operations and throughput at one of North America's largest single stream recycling facilities.
- Delegated task to plant supervisors and roughly 90 union laborers.
- Ensured quality of processed materials.
- Developed and implemented preventive maintenance schedule at three CWS processing facilities.
- Directed all CWS maintenance personal and mechanics.

Customer Service
United Rentals
2001
- Assessed and evaluated costumer needs.
- Efficiently met multiple demands in a fast-paced environment.

Placer County
Building Maintenance/ Student Intern
1997 - 1999
- Exhibited self-motivation and a positive attitude.
- Demonstrated ability to learn quickly and assess and evaluate situations effectively.
- Trained and worked in various divisions of the building maintenance arena.
- Worked as a team with HVAC technicians, electricians, plumbers, and craft mechanics.

Cal Sierra Disposal
Garbage Collector - Helper
1996
This job provided me with a foundation from which I learned the value of hard work and teamwork, and furthered my experience in the operational side of the waste industry

Auburn Placer Disposal
Transfer station laborer
1992 - 1994
This job provided me with a foundation from which I learned the value of hard work and teamwork, and furthered my experience in the operational side of the waste industry

INDUSTRY/CIVIC INVOLVEMENT
- Graduate, California Refuse and Recycling Council Next Generation Program

EDUCATION
California State University, Chico - 2002
Bachelor of Arts in Communication Studies
Focus: Speech Communication

ALEX BUTTON

IT SPECIALIST & ROUTE MAPPING/DESIGN
SOUTH SAN FRANCISCO SCAVENGER COMPANY

Alex has been involved in the garbage industry most of his life. He is an expert in the planning of efficient route mapping and design. He is also an accomplished IT specialist and can troubleshoot a variety of issues.

EXPERIENCE

IT Specialist and Route Mapping/Design
Livermore Sanitation, 7000 National Drive,
Livermore, CA
2010-Present

- Designed all routes for Residential, Commercial, and Multi-family for all offered commodities.
- Created GIS maps for drivers and management.
- Managed an Air-Trak GPS system for operations use.
- Worked with vendors to create and maintain a SQL customer database.
- Maintains employees computers, phones, tablets, and servers.
- Problem solves route issues with employees and city representatives.

Scale House Attendant
South San Francisco Scavenger Company
and Blue Line Transfer, Inc.
2008-2010

- Worked closely with the public as a Cashier.
- Accurately recorded material and weights.
- Created monthly material reporting.
- Scheduled employee calendar.
- Maintained efficiency for expedited service and customer satisfaction.
- Quickly and effectively solved customer service issues.

Dispatch, Route mapping, and IS Specialist
Garden City Sanitation, 1080 Walsh Ave.,
Santa Clara CA
2007-2008

- Problem solving with city officials and sanitation engineers.
- GIS map work for residential garbage routes.
- Daily Route Collection Design.
- Dispatched and routed collection serves.

ADDITIONAL SKILLS

- Proficient with MS Office (excel, word, power point, access).
- Skilled with GIS software (ESRI ArcGIS, QGIS).
- Advanced knowledge of PCScale Tower.
- Expert Knowledge of Air-Trak GPS software and hardware.
- Extensive experience with asset tracking and monitoring.
- Knowledge of python and other scripting languages.
- Proficient with SQL databases and Crystal Reports.
- Employee relation and management skills.

INDUSTRY/CIVIC INVOLVEMENT

- Member of California Refuse Recycling Council--and graduate of the Next Generation, Leadership and Management Program

EDUCATION

California Polytechnic University San Luis Obispo, Ca

- B.S. Agricultural Business
- Minor in Information Systems

DEANNA HALLECK VENTURA

ACCOUNTS RECEIVABLE MANAGER/ INFORMATION SYSTEMS MANAGER

Ms. Halleck Ventura possesses over 20 years of experience in the solid waste and recycling industry and and nearly 25 years in accounting.

She is the systems specialist for the Tower software used at ACI, Garden City/Livermore Sanitation, Mission Trail Waste Systems, and Peninsula Sanitary Service. She acts as the liaison between PC Scale/Tower and each sister company. She is an expert at procuring, customizing, and implementing computerized information systems that provide a smooth data flow from service, to accounting, and ultimately to municipal reporting.

Accounts Receivable Manager/Information Systems Manager
Peninsula Sanitary Service, Inc
1996 – Present

- Implemented use of Tower software to manage all operational and accounting functions.
- Maintains billing functions for all University customers – including residential sites, Stanford University, Stanford Linear Accelerator Center and commercial customers.
- Designed data capture and processing for all operational functions.
- Trains users on Tower software and is responsible for all software maintenance and updates.

Accounts Receivable Manager/Systems Specialist
Alameda County Industries, Inc
2006 – Present

- Lead conversion project from RAMS software to Tower for both San Leandro and Alameda databases.
- Trained all staff on departmental functions of new software and designed data flow between departments.
- Manages the billing department responsible for over 35,000 active customers in the cities of Alameda and San Leandro.
- Designs procedural guidelines for department data collection and processing. She is also responsible for the continued maintenance of these procedures.
- Serves as liaison to City of Alameda in relation to City's lien policy. Also manages City's tracking of vacant and not-serviced sites.
- Responsible for resolving customer billing service disputes and interacts with the City of Alameda Public Works staff as appropriate.

Systems Application Specialist
Garden City Sanitation, Inc.
2007 – Present

- Worked with Tower software developers to design system that seamlessly interfaces with the City of San José billing system.
- Managed all aspects of system design for new Tower installation for use with City of San José billing system and ftp data site.
- Trained all users on Tower software, as well as, operational/data procedures and policies to insure all contractual obligations are met.
- Serves as liaison with City of San José contract managers on technical and billing issues.
- Manages the customer database consisting of over 160,000 active customers in the city of San José.
- Provides daily supervision of city and hauler generated transactions through Tower software and ensuring completion of orders within contractual guidelines.

Accounts Receivable Manager/Information Systems Manager
Livermore Sanitation, Inc.
2010 – Present

- Lead data conversion from current haulers database into Tower software.
- Trained all staff on departmental functions of new software and designed data flow between departments.
- Manages the billing department responsible for over 20,000 active customers in the city of Livermore.
- Designs procedural guidelines for department data collection and processing. She is also responsible for the continued maintenance of these procedures.
- Serves as liaison to City of Livermore in relation to City's lien policy. Also manages City's tracking of vacant and not serviced sites.
- Responsible for resolving customer billing service disputes.

-continued

DEANNA HALLECK VENTURA

ACCOUNTS RECEIVABLE MANAGER/ INFORMATION SYSTEMS MANAGER

-continued

Billing Manager / Systems Application Specialist
Mission Trails Waste Systems – Los Altos/Santa Clara
2010 – Present

- Lead data conversion from retired Tower software to updated Tower software for both the City of Los Altos and the City of Santa Clara.
- Trained all staff on departmental functions of new software and designed data flow between departments.
- Manages the billing department responsible for over 9,000 active customers in the city of Los Altos.
- Designs procedural guidelines for department data collection and processing. She is also responsible for the continued maintenance of these procedures.
- Responsible for resolving customer billing service disputes and interacts with the City of Los Altos public works staff as appropriate.

EDUCATION

- BS, Special Major – Environmental Business, San Francisco State University

ABIGAIL J. LOVELESS

ACCOUNTING SUPERVISOR
ALAMEDA COUNTY INDUSTRIES, GARDEN CITY SANITATION,
LIVERMORE SANITATION,INC., PENINSULA SANITARY SERVICES, INC.,
SUSTAINABLE ORGANIC SOLUTIONS

Abigail's knowledge, experience and background in the industry makes her an invaluable part of our financial team. Her skills include comprehensive auditing and managerial accounting.

EXPERIENCE
Accounting Supervisor
Alameda County Industries, Inc.
January 2012 – Present

Senior Associate Accountant
Hayashi & Wayland Accounting & Consulting, LLP
September 2007 – December 2011

- Responsible for the completion of monthly/yearly general ledger transactions and preparation of financial statements for board meetings
- Supervising other accounting staff and their daily activities
- Preparing compliance items and financial projections for the bank
- Preparing RRI and rate calculations annually

AUDITING:
- Preparing compilations, reviews, and audits for small to large businesses.
- Supervising team members and instructing them on audit procedures and compliance.
- Provide general ledger account and procedural analysis, preparing journal entries, preparing financial statements and foot notes according to generally accepted accounting principles.
- Inspecting and testing client's internal controls and assessing areas of weakness.
- Taking a key role in the planning and execution of an audit and determining the scope of an audit engagement.

TAX:
- Provide tax preparation services for individual, non-profit and corporate entities. (Experienced and knowledgeable in: individual, partnership, corporate, non-profit, and trust returns.)

ACCOUNTING AND BOOKKEEPING SERVICES:
- Provide consultation accounting services.
- Hands on organization of daily workflow and accounting processes including bank and cash reconciliations, accounts payable and receivable, as well as, general ledger set up and management.
- Provide consultation, design and implementation of managerial reporting.
- Assisting in preparing for annual financial audits.

EDUCATION
Sonoma State University
BS in Business Administration with an emphasis in Accounting - 2007

CONTINUING EDUCATION
- Formal audit training by McGladrey & Pullen, the 6th largest accounting firm in the U.S.
- Cal CPA taxation Federal & State
- CPA Candidate
- Completed California Refuse and Recycling Council (CRRC) Next Generation Program - 2014

TERESA MONTGOMERY

PUBLIC EDUCATION SPECIALIST

Ms. Montgomery has over fifteen years of experience in the solid waste and recycling field. She has a broad background in marketing and has developed and carried out a number of successful public information campaigns.

EXPERIENCE

She has created a variety of print and electronic outreach materials including newsletters, bill inserts, door and cart hangers, posters, newspaper advertisements, service guides, and more. In addition, she has directed the creation and maintenance of company websites. She has extensive experience in the public and private sectors, and is an outstanding public speaker.

Public Education Specialist
Alameda County Industries: 2005 – Present
Garden City/Livermore Sanitation: 2007 – Present
Mission Trail Waste Systems: 2010 – 2014

- Ms. Montgomery acts as a liaison to the jurisdictions served.
- She gives presentations to educate the public about company programs and services.
- Oversees the development, production, and distribution, of printed and online outreach materials as required by municipal contracts or as deemed necessary.
- Ensures compliance with company agreements relative to relations and education.

Associate II
Brown, Vence, and Associates
2003 – 2005

- Ms. Montgomery worked with municipal clients to procure solid waste and recycling services.
- Developed RFP packets and franchise agreements.
- Created outreach materials (on waste diversion/ reduction programs) targeted toward businesses and residents.
- Conducted waste audits/assessments and waste characterization studies.
- Monitored permitted haulers for AB939 and municipal code compliance on behalf of municipal clients; submitted reports for clients.
- Evaluated efficiency of municipal collection services.
- Conducted market research for solid waste, recyclables, green waste, food scraps, and bio-solids.

Communications and Marketing Coordinator
City of Diamond Bar
1999 – 2002

- Ms. Montgomery promoted City programs and services.
- Designed, composed, and distributed newsletters, advertisements, press releases and other publications.
- Wrote text and created graphic layouts for portions of the City's website.
- Developed, organized, and maintained the City's Community Coordinating Committee and Community Calendar.
- Evaluated the effectiveness of public information campaigns.
- Participated in civic and business functions.

Recycling Director
South San Francisco Scavenger Company
1997 – 1999

- Managed implementation and monitoring/maintenance of new and old programs.
- Assisted with the selection and acquisition of appropriate equipment for new programs.
- Created and managed distribution of newsletters and program brochures.
- Organized/implemented waste and recycling programs for city offices, schools, and businesses.
- Assisted with development and production of jurisdiction reports.
- Gave recycling facility tours and participated in community, civic, and business events.

EDUCATION

- Masters, Public Administration, CSU, Long Beach
- BA (Law and Society), UC Santa Barbara
- Graduate, California Refuse and Recycling Council Next Generation Program

INDUSTRY/CIVIC INVOLVEMENT

- Member, Clara Mateo Garbage Collector's Association
- Member, California Refuse and Recycling Council
- Member, California Resource Recovery Association
- Financial Secretary, Abbott Middle School Spanish Immersion Advisory Committee
- President, Abbott Middle School Drama Boosters

JILLIAN HOGAN

ENVIRONMENTAL COMPLIANCE MANAGER
ALAMEDA COUNTY INDUSTRIES AND AFFILIATE COMPANIES

Ms. Hogan began her career in solid waste management after graduating with honors from San José State University. She holds a Bachelor's Degree in Environmental Studies and a minor in Economics, with a concentration in resource management and environmental compliance.

EXPERIENCE

Ms. Hogan is an expert at keeping all company facilities, fleets, and new construction projects fully permitted and in compliance with applicable environmental regulations.

Environmental Compliance Manager
Alameda County Industries, Inc. San Leandro, CA
Jan 2013 – present

- Manages all Federal, State, and local environmental permits and regulations for all company operations (garbage hauling and Material Recovery Facility processing operations).
- Reports directly to the Vice President and develops, designs, and submits successful collection proposals and contracts.
- Maintains compliance with stormwater, hazardous waste, air, and other environmental and solid waste regulations.

Environmental Compliance Manager
GreenWaste Recovery, Inc. San Jose, CA
Jan 2010 – Dec 2012

- Managedall Federal, State, and local environmental permits and regulations for company operations (garbage hauling and Material Recovery Facility processing operations).
- Reported directly to the Chief Operating Officer and developed, designed, and completed many successful collection proposals and contracts.
- Managed and maintained compliance with on-road and off-road diesel fleet inventories of more than 300 vehicles.
- Led team in designing, developing and producing GreenWaste/Zanker's first Sustainability Report.
- Maintained compliance with stormwater, hazardous waste, air, and other environmental and solid waste regulations.

Environmental Engineering Assistant
Zanker Road Resource Management, Ltd.
San Jose, CA
Feb 2007 – December 2010

- Assisted Landfill Engineer with ensuring compliance with all Federal, State, and local permits and environmental regulations as well as CEQA compliance with expansion projects.
- Designed and conducted numerous plant and equipment efficiency studies to determine diversion rates and developed ideas to increase efficiencies with ownership and Landfill Engineer.
- Responsible for monthly, quarterly, and annual landfill taxes and reporting.

EDUCATION

- San Jose State University San Jose, CA
- Bachelor of Arts – Environmental Studies with an Economics Minor
- Dean's List - 3.75 GPA Graduated June 2006
  Relevant Coursework: Environmental Economics, Environmental Law, Environmental Impact Assessment, Cost-Benefit Analysis, Environmental Health & Safety, and Resource Management

INDUSTRY/CIVIC INVOLVEMENT

- CRRC Next Generation Program Graduate
- Clara Mateo Garbage Collector's Association Member
- Member of Keep Hayward Clean and Green Task Force

AFFILIATE COMPANY INVOLVEMENT

- Assists Mission Trail Waste Systems and Garden City Sanitation with facility environmental compliance
- Assists with RFP responses for all affiliate companies.

SANDRA SUESS

HUMAN RESOURCES/PAYROLL MANAGER
GARDEN CITY SANITATION, SUSTAINABLE ORGANIC SOLUTIONS

With over 25 years of experience, Sandra has proven her ability to interact within all levels of the company. She is a detail-oriented team player that thrives on challenges and achieves results.

EXPERIENCE
Human Resources/Payroll Manager
Garden City Sanitation
2007-Present

- Processes weekly payroll and distributes checks under established procedures.
- Maintains and creates records and documents for personnel transactions such as new hires and terminations.
- Mantains personnel and other HR files ensuring compliance with regulation and Company policy.
- Administers and tracks leaves of absences including determining eligibility, creating paperwork timely and answering questions regarding leaves.
- Assists managers with gathering approvals for requisitions and hiring's, reviewing applications, initiating and tracking background checks, coordinating pre-employment exams, and creating offer letters, ans conducting new hire orientations.
- Reviews monthly union invoices to confirm accuracy for union pension, health insurance and union dues. Approves invoices and forwards to AP for timely processing.
- Provides support in workers compensation areas including maintaining workers compensation files.
- Responds to all employment verifications per company policy.
- Performs other HR coordinator duties as required.
- Follows established company policies as required.
- Maintains confidentiality.

HR/Payroll Coordinator
Norcal Waste Systems of San José
2005-2007
Mrs. Seuss had virtually the same responsibilites at Norcal as listed above for Garden City.

Human Resources
Waste Management San José, CA
2002-2005

- Responsible for Employee Benefits and HR Administration for the South Bay Market Area, Non-Union/Union.
- Responsible for employee relations including but not limited to, internal investigations, employee training, recruitment, leave of absences and managing personnel files.
- Responsible for payroll backup.
- Managed Comsys Temporary Help.
- Assisted with legal compliance issues.

Payroll Benefit Administrator/HR
Waste Management, San Jose, CA
1997-2002

- Responsible for payroll, benefits and human resource administration for San José, Santa Clara and the recycling plant.
- Ensured that payroll was completed on time and accurately each week for all sites.
- Supplied monthly payroll reports to the district controller.
- Entered all new employee benefit information into the system.
- Maintained Union pension and benefit accounts for Union employees.

E. Labor Agreements and Wages

Included in **Attachment B** is a Memorandum of Understanding between Garden City and the Sanitary Truck Drivers and Helpers Teamsters Local Union 350.

F. Past Performance Record

Litigation and Regulatory Actions

Over the past ten (10) years, and as of October 1, 2015, neither Garden City nor any subsidiary, nor director or officer, nor key personnel has been involved in any civil, legal, regulatory, and/or criminal actions (including arrests, indictments, litigation, grand jury investigations, etc.).

Payment of Fines, Penalties, Settlements, or Damages

Over the past five (5) years and as of October 1, 2015, Garden City has not been issued any fines, penalties (including liquidated damages or administrative fees in excess of $25,000 in one calendar year), settlements or damages of any kind to public agencies.

G. Financial Information

Financial Statements

Audited financial statements for the most-recently completed fiscal year for the legal entity that would execute the Franchise Agreement are included in a separately sealed envelope labeled **"Audited Financial Statements"**. All such statements were prepared in accordance with Generally Accepted Accounting Principles applied on a consistent basis and were audited in accordance with Generally Accepted Auditing Standards by an Accountant certified in the State of California. Also included with the financial statements is a statement by the Chief Financial Officer (CFO) of Garden City that there has been no material adverse change in such condition or operations as reflected in the submitted balance sheet and income statements since the date on which they were prepared.

Financing Plan

All financing for the Franchise Agreement shall come from a combination of internally generated funds and commitments from external sources. Garden City intends to contribute **$2,000,000.00** in capital for start-up and operating of collection operations, with additional funding for rolling stock, containers, and equipment utilizing CPCFA funding. Garden City and affiliate companies have utilized CPCFA funding for over $67,000,000 of project costs over the past 15 years.

The table below displays the Sources and Uses of Funds format for the proposed collection operations as requested in the RFP.

Sources & Uses of Funds	
Sources	
CPCFA Bonds	$18,000,000.00
Cash Equity	$2,000,000.00
Total Sources	**$20,000,000.00**
Uses	
Start-up Costs	$550,000.00
Rolling Stock	$9,891,420.00
Containers	$7,990,607.00
Miscellaneous Equipment & Support	$1,567,973.00
Total Uses	**$20,000,000.00**

A letter from our financing firm is included with our Financial Statements (in a separate envelope) to demonstrate our ability to implement the financing plan.

2. TECHNICAL PROPOSAL FOR BASE PROPOSAL

Note: In order to provide the City of Milpitas with the most innovative, efficient and cost effective approach to collection services, we have included a *Hybrid-Alternative Proposal*, which includes consistent containers serviced by automated collection vehicles. All materials will be delivered to the Sunnyvale Materials and Recycling Transfer (SMaRT) Station in Sunnyvale for processing. By processing all waste streams, we encourage the most cost-effective sustainable management of our precious resources. In order to be responsive to the City's RFP, we have included a proposal for the base although we encourage the City to judiciously review and select our *Hybrid-Alternative Proposal* included in *Section 3*.

In accordance with section 7.2 of the RFP, we are providing a base proposal and there is no contingent pricing for either base or alternative proposals.

A. Collection

Solid Waste Collection Services

Single-Family Residential Solid Waste Collection

Solid waste will be collected from Single-Family Dwellings (SFDs) on a weekly basis utilizing semi-automated collection vehicles that can collect carts and customer-owned cans.

Multi-Family Dwelling Solid Waste Collection

Solid waste will be collected from Multi-Family Dwellings (MFDs) up to six times per week with a minimum of once per week utilizing semi-automated and automated collection vehicles, depending on the type of containers at the premises.

Commercial Solid Waste Collection

Solid waste will be collected from commercial customers, at a minimum, on a weekly basis in bins or carts serviced by a variety of vehicles that have been chosen to efficiently service containers.

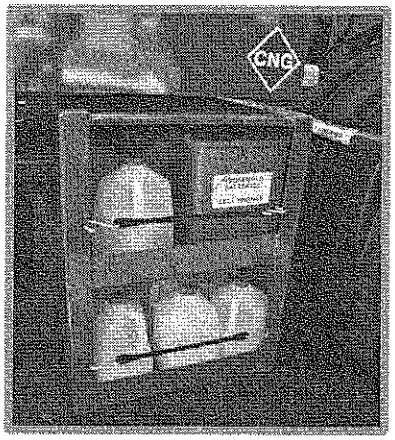
All collection vehicles will be new and powered by Compressed Natural Gas (CNG). Container and vehicle specifications are described in detail in *Section 3* of this proposal and manufacturer's brochures are included in **Attachment C**.

Recyclable Materials Collection Services

Single-Family Residential Recyclable Materials Collection

Recyclables will be collected from Single-Family Dwellings (SFDs) on a weekly basis utilizing automated collection vehicles that can service wheeled carts.

Used motor oil and oil filters, household batteries (in clear plastic bags placed on top of the recyclables container), and cooking oil will be collected from SFDs. Residents who call our Customer Service Representatives (CSRs) to request the Used Motor Oil and Filter Recovery Kit and/or the Used Cooking Oil Recovery Kit will be provided with kits on their next scheduled collection day. The residents will be instructed to place the kits next to their recyclables container on their collection day.



To collect additional curbside recyclables, our collection vehicles are equipped with a special compartment, similar to the one shown in the photo. This compartment provides sufficient space to safely transport used motor oil, filters, household batteries, and cooking oil.

Multi-Family Dwelling Recyclable Materials Collection

Recyclables will be collected from Multi-Family Dwellings (MFDs) up to six times per week with a minimum of once per week utilizing semi-automated and automated collection vehicles, depending on the type of containers at the premises.

Commercial Recyclable Materials Collection

Recyclables will be collected from commercial customers, at a minimum, on a weekly basis in bins or carts serviced by a variety of vehicles that have been chosen to efficiently service containers.

All collection vehicles will be new and powered by Compressed Natural Gas (CNG). Container and vehicle specifications are described in detail in *Section 3* of this proposal and manufacturer's brochures are included in **Attachment C**.

Organic Materials Collection Services

Single-Family Residential Organic Materials Collection

Organic materials will be collected from Single-Family Dwellings (SFDs) on a weekly basis utilizing automated collection vehicles that can service wheeled carts.

Holiday trees will be collected the two weeks following Christmas. Residents will be instructed to remove all decorations and the tree stand before placing at the curb.

Multi-Family Dwelling Organic Materials Collection

Organic materials will be collected from Multi-Family Dwellings (MFDs) up to six times per week with a minimum of once per week utilizing semi-automated and automated collection vehicles, depending on the type of containers at the premises.

Commercial Organic Materials Collection

Organic materials will be collected from commercial customers, at a minimum, on a weekly basis in bins or carts serviced by a variety of vehicles that have been chosen to efficiently service containers.

All collection vehicles will be new and powered by Compressed Natural Gas (CNG). Container and vehicle specifications are described in detail in *Section 3* of this proposal and manufacturer's brochures are included in **Attachment C**.

Additional Collection Operations

In addition to the proposed collection operations previously discussed, we would like to detail our commitment to worker safety and environmental sustainability. We believe safety is everyone's responsibility and we take the necessary measures to ensure a safety culture in all of our operations, from inside the administrative offices, to the

operations yard, on the route, at the processing facilities, and during interactions with the public and the community.

One of our founding companies began in 1914 as a collection company and over the years has transitioned into premier multi-faceted solid waste collection and recycling companies. Many of our employees are second, third, and fourth generation; which instills a sense of family within our company and reaffirms our belief that Garden City and our affiliate companies are an enjoyable place to work – as evident by virtually zero employee turnover!

Our employee turnover rate is almost non-existent as our employees are satisfied with working for us. We provide numerous employee incentives like frequent onsite BBQs and taco feeds, annual company holiday party, and an invitation to an annual family oriented truck rodeo and kids carnival. Employees are also provided with custom jackets, an annual boot allowance and free cleaning service for work uniforms. We also provide compliment rewards where employees that receive a compliment are provided with a special treat.

The secret to our success in keeping employees happy is due to the fact that we genuinely care about everyone we work with. We provide comprehensive safety training and additional incentives for all of our staff ensuring their safety, the safety of the community and protection of the beautiful environment of the City of Milpitas.

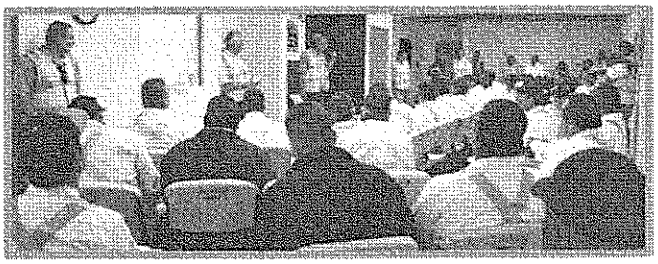
Our dedicated and experienced Operations Manager, Mr. Calegari, whose resume is included in *Section 2.D | Key Personnel*, works in partnership with our insurance broker and their experts in the fields of safety, risk management and safety culture. We are engaged in a range of activities from: auditing, on and off truck training, hazard analysis and communication, risk assessments and facility inspections, root cause analysis, management development, and designing and executing change management systems.

Safety Training Program

We believe in maintaining a healthy and safe workplace for all employees that is integrated into the driver's daily operations. We implement an ongoing and cohesive safety and training program that encompasses the following key elements:

- ☐ New Employee Orientation | New employees are required to read and show comprehension of the following training documents:
  - ✓ Employee Handbook
  - ✓ Safety Policies & Procedures Manual
  - ✓ Injury and Illness Prevention Program (IIPP)
  - ✓ DOTs Alcohol and Drug Booklet & Testing: *Drivers are required to take and pass pre-employment and post-accident drug and alcohol tests, as well as both random and reasonable suspicion drug and alcohol tests and will be enrolled in the DMV employer "Pull Notice Program."*

- ☐ Safety Meetings | Mandatory monthly safety meetings are held to discuss various OSHA and safety topics and how to prevent incidents and accidents. Weekly tailgate meetings are held to discuss current safety or service issues - these tailgate meetings typically last 5 to 10 minutes and keep safety as a focal point of the driver's daily duties.



- ☐ Safety Postings & Signage | All required safety postings and signage are displayed in high-traffic employee areas. Posting and signage are in both English and Spanish and include miscellaneous safety reminders, upcoming safety events, and employee rights/benefits.

Driver Training

All collection personnel will be properly trained prior to the start of services. Properly trained drivers and staff reduce the likelihood of incidents, including accidents and missed pick-ups, resulting in an effective, efficient and safe workforce. The highest priority is placed on providing a safe work environment and our safety and training program reflects this philosophy. Our rigorous Driver Training Program consists of **5 modules** that cover the following topics:

Module 1 Content:

- ✓ Introduction to the Company by partners
- ✓ Tour of facility and locker assignment
- ✓ Comprehensive overview of training sessions
- ✓ Initial paperwork (bilingual assistance is available)
- ✓ Records check to ensure accuracy of intake forms
- ✓ License and medical card check
- ✓ Further instructions and on-site physicals

Module 2 Content:

- ✓ Review of Company policies and procedures
- ✓ Distribution and acknowledgement of Employee Handbook
- ✓ General safety presentations

Module 3 Content:

- ✓ Spill Response Procedures
- ✓ Fire Response Procedures
- ✓ Unpermitted Waste Screening Protocol
- ✓ Pre-Trip & Post-Trip Inspections
- ✓ On-Route Safety Procedures

- ✓ Accident/Incident Reporting

Module 4 Content:

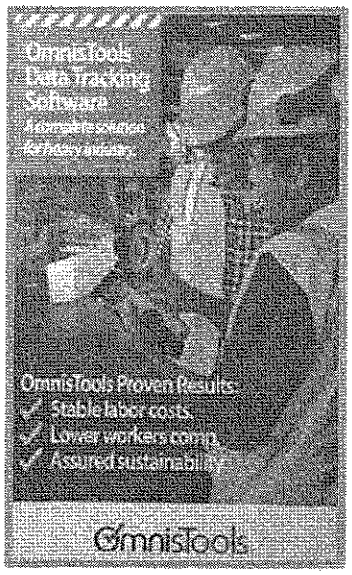
- ✓ Equipment introduction and demonstration
- ✓ Small group training
- ✓ Additional hands-on training as necessary

Module 5 Content:

- ✓ Route paperwork distribution
- ✓ Day One: step-by-step discussion
- ✓ Review of safety and policy procedures

Driver training sessions mentioned above will be held well before the commencement of collection services. Driver training modules are conducted by our General Manager (Steve Jones), Operations Manager (Dave Calegari), Route Supervisor (Brian Jones), Maintenance Manager, and outside risk consultants provided by our insurance broker.

Behavior Data Software | Our insurance broker has developed an online behavior data software program that has the ability to track daily conversations between Supervisors and employees through customized checklists. The data is downloaded into our online database and tracks behavioral observations and conversations with employees as well as training records and other safety related records. We can run reports and see the potential risk exposure before the occurrence. Once a risk exposure or trend is identified, management can focus on that risk before it becomes an occurrence. The system also allows us to see trends of positive behavior with employees and whenever possible, positive behavior is rewarded. Garden City and our affiliate companies all utilize this software and we have experienced substantial improvements in safety performance and upon implementing the program, we have seen a decrease in avoidable accidents.



Driver Appearance & Conduct | Drivers will be provided with clean uniforms, present a neat appearance and conduct themselves in a courteous manner. Driver's uniforms will be clean and have the Garden City name/logo along with the driver's name. All drivers are required to carry their valid California Class B driver's license and medical card. It is important that each driver acts in a professional and respectful manner and complies with all local, state, and federal laws and regulations.

Employee Work Performance | Once initial training is complete and the drivers have demonstrated a thorough understanding of our safety program and training documents,

the driver will be evaluated and assessed to make certain all safety procedures are understood and followed properly.

Alcohol & Drug Testing | We will perform alcohol and drug testing per the DOT's testing procedures under the following circumstances:

- ✓ **Pre-Employment Testing:** We require alcohol and drug testing after hiring and prior to commencement of work.
- ✓ **Post-Accident Testing:** Alcohol and drug testing is required as soon as possible after any accident involving any employee and we reserve the right to continue testing attempts up to 32 hours after the time the accident occurred.
- ✓ **Random Testing:** All employees who drive Company vehicles are subject to random alcohol and drug testing.
- ✓ **Reasonable Suspicion Testing:** We will require alcohol and drug testing based on a Supervisor's personal observations of the employee's appearance, behavior, speech, performance, manner, and/or body odor. Likewise, we provide training for Managers and Supervisors on identification of symptoms and behaviors of alcohol and/or controlled substance use or abuse.
- ✓ **Return-to-Work Testing:** In the case where an employee has taken a leave of absence to participate in an approved drug or alcohol abuse rehabilitation program, the employee must submit to alcohol and drug testing prior to returning to work. Refusal to submit to alcohol and drug testing may result in immediate termination. An outside firm manages all testing.

Hazardous Waste Screening Protocol

The goal of our Hazardous Waste Screening Protocol is to prevent hazardous or unpermitted waste from entering the waste stream through our collection operations and/or safely manage forbidden waste inadvertently collected. Fully-automated collection systems protect drivers from coming into direct contact with wastes; however, these systems make it more challenging to detect hazardous or unpermitted wastes from entering the vehicle. In order to detect and deter hazardous waste, we have developed the following programs and training for drivers and operations personnel.

- ☐ Hazardous Waste Inspection Program & Training: All drivers are trained to identify hazardous wastes and are reminded about the importance of our hazardous waste screening protocol at safety meetings. We also include identification training of hazardous and unpermitted wastes with special emphasis on hazardous wastes, flammable, combustible and explosive materials. We also educate customers about hazardous and unpermitted wastes through our outreach materials and interactions with the community.
- ☐ Response to Identification of Hazardous / Unpermitted Wastes During Collection: If hazardous / unpermitted wastes are found prior to collection, the

container will not be collected and a notice will be attached detailing the reason for the non-collection. Every occurrence will be documented and the driver will provide proper hazardous waste handling and disposal procedures to the customer. If hazardous / unpermitted waste is found in a collection container or area that could possibly result in imminent danger to people or property, drivers are instructed to immediately contact the Fire Department.

In the event that any hazardous / unpermitted waste is disposed in the waste stream, immediate and appropriate action will be taken to contain and remove it. Our risk management team maintains OSHA qualified onsite responders to hazardous materials incidents and periodic training is provided in order to ensure skill proficiency.

The following procedure is used for identifying and handling hazardous / unpermitted waste by drivers:

- ✓ Notification of hazardous / unpermitted waste disposed of in the waste stream is communicated to Supervisors.
- ✓ Simultaneous contact will be made with the maintenance department for the spill response team to assemble and disburse.
- ✓ Coordinating instructions will be issued and executed.
- ✓ Trained personnel will be assigned the task of inspecting any materials suspected of containing hazardous/unpermitted waste. Inspection involves identification of both labeled and unlabeled hazardous/unpermitted waste containers and materials.
- ✓ Proper emergency response agencies will be notified, if oversight and assistance is determined necessary to ensure public safety.
- ✓ An appropriate course of action and customer education based on the seriousness of the waste involved will be decided upon and taken.

Should the driver determine without any question or doubt that the unpermitted waste is not hazardous, the following procedure is used:

- ✓ The unpermitted / non-hazardous item will be removed, placed safely back onto the premises and tagged with a non-collection notice indicating the reason.
- ✓ The driver will immediately call dispatch and report the incident, including location and time the item was detected.
- ✓ Dispatch will relay this information to a CSR.
- ✓ A CSR will contact the customer to inform them of the event, why the item was left, direct them to proper alternatives for handling or disposal of the item, and respond to any questions the customer may have.

Spill Response Plan ¦ If hazardous materials are spilled or a hazardous materials container is accidentally broken, the Supervisor will be notified immediately, and the collection crew will make every reasonable effort to safely contain the spill. After inspection by the Supervisor, the materials may be cleaned up by the collection crew, or in the case of a serious or dangerous hazardous waste spill, a specially trained and equipped hazardous waste contractor using State and Federally approved methods will be deployed. The Supervisor will maintain all necessary emergency response, notification, and response procedure records.

Fire Reporting & Response Plan ¦ These guidelines are to be followed in the event a vehicle fire breaks out in the body of the collection vehicle. These types of fires can be caused during compaction where hazardous or combustible materials are inadvertently and unknowingly collected.

Driver's Responsibilities Include:

- ✓ Identify origin of fire: whether it is related to the electrical system, the motor, or the hopper.
- ✓ Immediately call dispatch, then 911 for Fire Department Response.
- ✓ Continue sweeping the blade or using the packer if the fire is inside the truck body until you have found a safe place nearby to safely eject the load.
- ✓ DO NOT eject loads near schools or shopping center parking lots, near businesses, on the freeway, or near trees or overhead wires.
- ✓ Keep radio clear for emergency communications.
- ✓ Stay calm, the Fire Department and your Supervisor will be there shortly.

Note...the most important safety consideration is your own life and the lives of others. The Company's collection equipment can be replaced; a life cannot.

Disaster Relief Assistance Services

We have the ability to provide disaster relief assistance in the case of wartime, natural, physical or other disaster in or proximate to the City limits resulting in the declaration of a State of Emergency. We will survey the affected service areas, travel routes from the yard to the service area and from there to the processing facilities to determine the condition of not only the areas but our equipment and the ability and/or inability to service the residents and businesses in Milpitas.

Garden City and our affiliate companies have considerable reserve equipment to put into service for special and/or disaster related services, if requested. All reserve equipment is registered, licensed, insured and ready to be utilized within a few hours. Because of the active status of our shareholders, we have many relationships with independent hauling companies in the industry, from which we have the ability to rent collection vehicles and other types of equipment during times of need, if affiliate company resources cannot be utilized for some unforeseeable reason.

Recycling & Diversion Policy

We don't own landfills and therefore we don't look at recycling and diversion as a hindrance to our operations. In fact, recycling and diversion programs do quite the opposite – the less garbage and residual tonnage we generate, the lower our costs of disposal. We actively embrace community outreach, advancing our diversion technology and actively marketing our commodities to ensure we are fully able to provide the best diversion opportunities for the communities we serve.

In an effort to promote recycling markets and help reduce waste within our office, we have designed and implemented an internal Environmentally Preferable Purchasing Program (EPPP). A copy is available in **Attachment D**. Through this program, we purchase when available, the most environmentally and socially responsible products like recycled content paper, soy-based ink for printed materials, least toxic cleaning supplies, low VOC paint, recycled content carpet and electronics. Upon implementation of our EPPP, we discovered that most of our existing office supplies already met the standards set in the EPPP. Also, as a facility-wide policy, equipment and products are always upgraded and replaced with the most environmentally friendly and efficient options available.

B. Recyclables Materials Processing

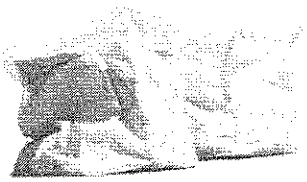
Under the Base Proposal, single-stream recyclables will be processed at Garden City's affiliate company, Alameda County Industries' single-stream Material Recovery Facility (MRF) in San Leandro. ACI is fully permitted to accept up to 412 tons per day (tpd).

C. Organic Materials Processing

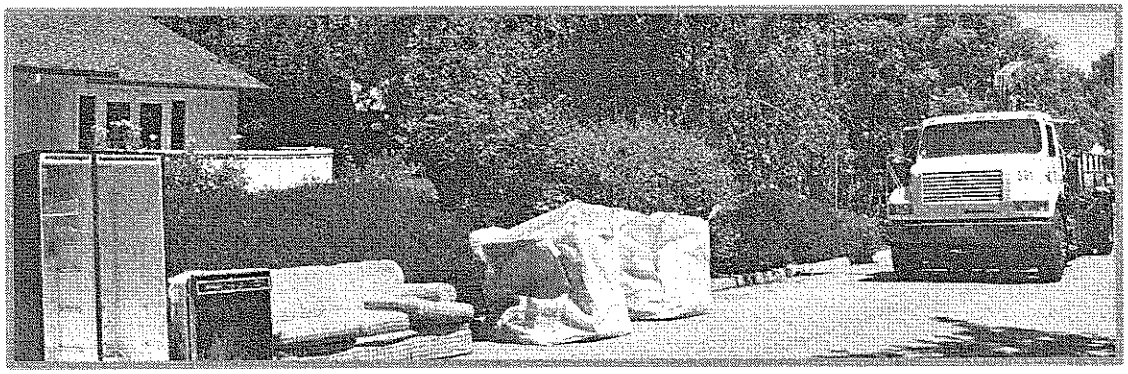
Under the Base Proposal, organics will be collected and delivered to the Sunnyvale Materials Recovery and Transfer Station (SMaRT Station) in Sunnyvale for processing. Refer to *Section 3.F* for details on processing operations at the SMaRT Station.

D. Residential On-Call Bulky Item Clean-Up Events

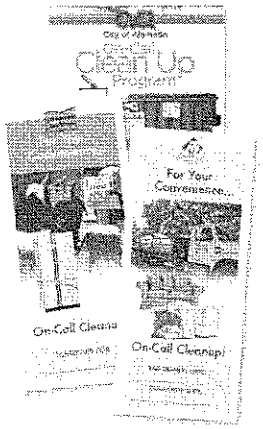
In order to assist the City of Milpitas in meeting their goal of increasing diversion and maximizing reuse of bulky items, we are proposing to offer a Bulky Item Clean-Up Program that is similar to what is utilized in Los Altos by our affiliate company, Mission Trail Waste Systems (MTWS). MTWS offers an on-call cleanup/bulky item collection program using heavy-duty "bulky bags". Before the bags are delivered, detailed instructions are provided on the brochure that is mailed (electronically or hardcopy) to the customer after they have called to schedule their appointment. The brochure lists acceptable and unacceptable items and how to place items in the bags or adjacent to them, for easy collection.



Our Bulky Item Clean-Up Program is designed specifically for the City of Milpitas to increase the recoverability, reusability and recyclability of bulky items from SFD and MFD residents. Under our program, two (2) Bulky Bags totaling 3 cubic yards (a 1-cubic yard bulky bag and a 2-cubic yard bulky bag) will be delivered to customers and are collected the following week along with up to three (3) bulky items like furniture, mattresses, appliances, etc., similar to the photo shown below.



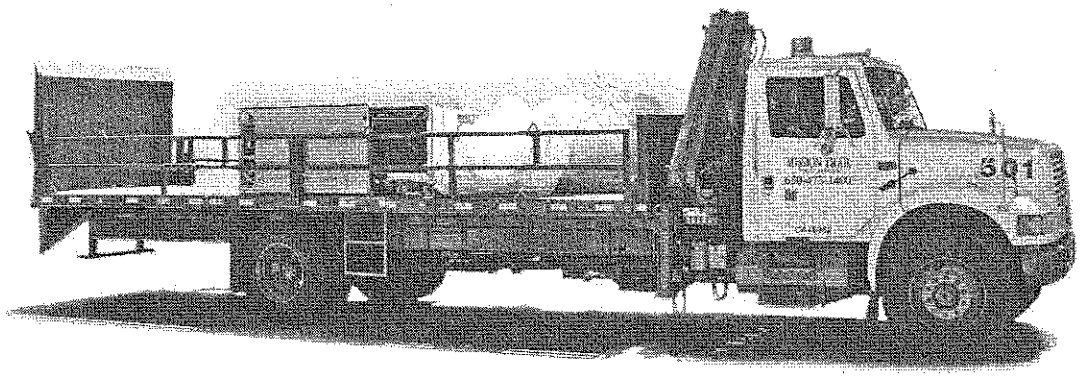
Included in **Attachment F** are samples of on-call cleanup guides provided by MTWS (utilizing Bulky Bags) and shown here, along with ACI on-call annual clean up events utilizing 2-cubic yard bins and LS' conventional curbside program. MTWS also created a special "how-to" video for Los Altos residents, describing the Bulky Bag Program. It can be viewed online at: http://www.missiontrail.com/LosAltos/residential-cleanup.html.



We are proposing to implement our on-call bulky item collection service utilizing Bulky Bags to collect large bulky items, appliances, electronic wastes,

universal wastes, solid waste, recyclables, organics, mixed C&D (excluding concrete) and reusable items from both SFD and MFD customers to maximize citywide diversion potential.

We will utilize a flatbed truck equipped with an arm/grapple attachment that allows for efficient loading so the bulky items will remain intact, increasing their reusability and recyclability. Based on our experience with the Bulky Bag program in Los Altos, we anticipate a high level of participation due to the flexibility of our collection methodology, clear instructions and setout guidelines, website promotion, and consistent interactions between CSRs and residents when scheduling services.



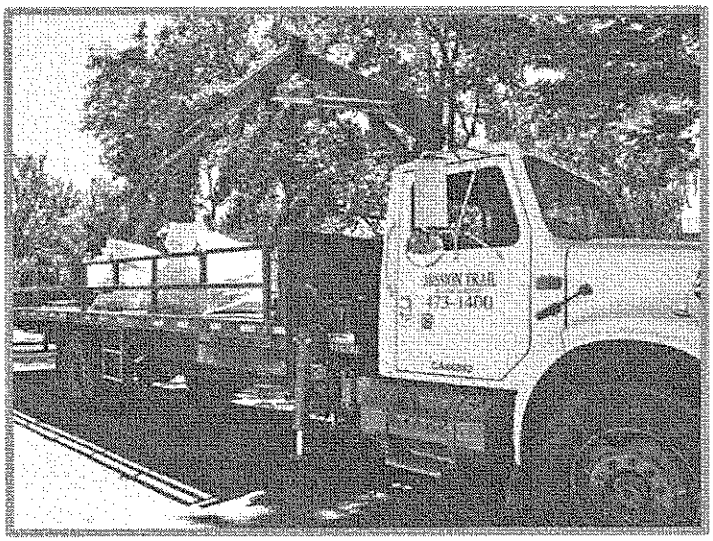
In Milpitas, customers will be required to contact our CSRs in advance to request the Bulky Bag delivery. CSRs will query customers, based on a standard script, to ensure each resident knows exactly what type and amount of materials are accepted and how to place them out for proper collection. CSRs will very clearly indicate that conscientious sorting is requested in order to facilitate recycling, if applicable. The CSR creates a work order request and the Bulky Bags are delivered and then collected the following week by the flatbed driver.

At MFDs, we request that property owners/managers call to schedule Bulky Bag service for their complex in order to reduce confusion and ensure the bulky items are collected as efficiently as possible. They will be asked to provide a clear and detailed description of the location they will use the Bulky Bags. This location will be entered in the work order as a note for the driver. CSRs will remind the customer of the details of our Bulky Bag program and will encourage the complex owners/managers to maintain a neat neighborhood appearance and instruct tenants to follow the instructions provided when the Bulky Bags are delivered. Depending upon the MFD complexes, we can modify our Bulky Bag collection program to fit properties' specific needs. If Bulky Bags can't be

utilized at certain MFD complexes due to space constraints, items can be collected loose in the street, near enclosures or on the curb using the same flatbed, depending upon the restraints and/or need of the MFD complex.

Our goal is to provide bulky item collection that deters illegal dumping, maintains a neat neighborhood appearance, and maximizes the reusability of unwanted items.

The arm/grapple attachment and a lift gate on the flatbed truck allow for efficient collection, as the items remain intact, increasing their recyclability. The flatbed driver will document the amount and type of bulky items collected on their work orders and a CSR enters the information into our customer service software system to track participation. Any hazardous materials, other unacceptable materials, and overages that are not accepted in the program will be tagged and left. After leaving a tag, the driver will notify dispatch, who will direct a CSR to telephone the customer/complex manager to notify them of the appropriate corrective action to take to properly recycle/dispose the items.

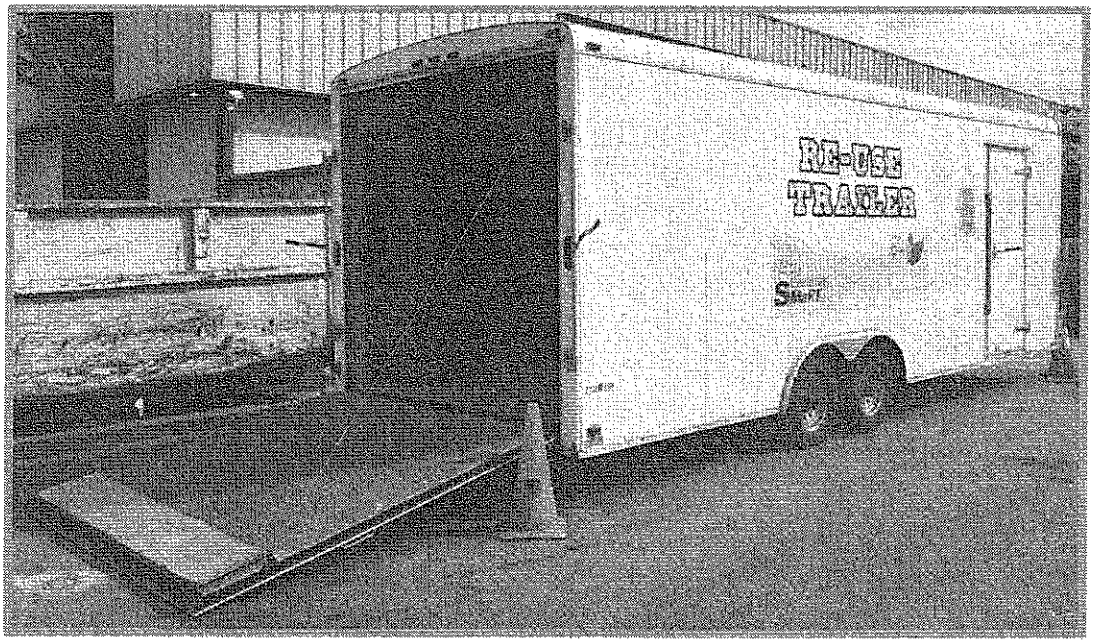


Utilizing these Bulky Bags reduces the potential to cause negative impacts on storm water quality, minimizes setout limitations, reduces scavenging and illegal disposal, limits the resident to the size of the bag(s), and results in much more efficient collection, and more importantly results in increased diversion, especially at MFD complexes.

Each Single-Family style property will be provided up to four (4) on-call bulky item cleanups per year at no charge. Additional on-call bulky item collections will be charged the "Additional Bulky Item" approved rate. Multi-Family style properties will be charged the City-Approved Rate for each on-call bulky item cleanup.

Reusability and recyclability of bulky items can be achieved through delivering all bulky items to the SMaRT Station. Currently at the SMaRT Station, bulky items that are still salvageable are set aside and placed in the BCWS "Reuse Trailer" and displayed for the

public to take at no cost. The SMaRT Station Reuse Trailer is a fairly new program that is continuing to grow. It has been successful in diverting materials from the landfill where the SMaRT Station is estimating to achieve 54 tons of diversion in its first year. We will work closely with the SMaRT Station and our affiliate company, BCWS, to recover reusable items collected from bulky cleanups and from the Bulky Bags.



E. Public Outreach

We are committed to designing, implementing and maintaining public outreach programs that are compatible with customer needs, will successfully achieve diversion goals, and are effectively integrated with our operations. We are dedicated to providing commercial businesses and MFDs with the tools needed for achieving compliance with California's Mandatory Commercial Recycling Regulation (AB 341) and Mandatory Commercial Organics Recycling Rule (AB 1826).

Our goals are to educate customers on all collection systems and diversion opportunities, provide instruction on how to effectively participate, make recommendations for maximizing diversion, advise how to integrate program goals into ongoing operations and infrastructure improvements, affect behavioral change, and exceed the City's diversion and sustainability goals.

At Garden City and our affiliate companies, we develop outreach so that new services begin seamlessly and participation in ongoing programs improves steadily throughout the term of the contract. Our outreach includes the following:

- ✓ Enthusiastic suggestions for how to reduce, reuse, recycle and rot/compost (the "4Rs");
- ✓ Thorough descriptions of our collection programs and processing systems;
- ✓ Clear instructions regarding proper material sorting and container set outs;
- ✓ Easy methods for receiving program assistance; and,
- ✓ Frequent promotion of sustainable practices and environmental stewardship.

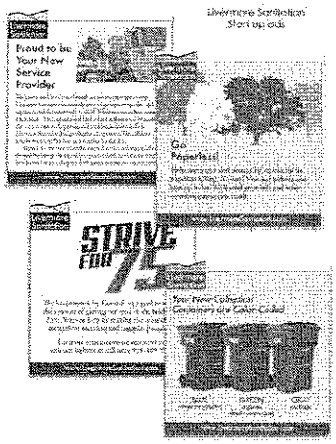
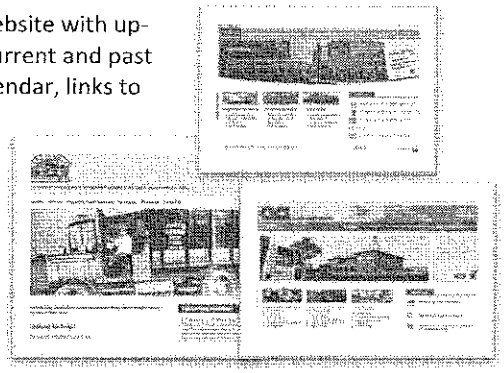
In addition, our outreach is created as a collaborative effort with input from the community, City staff, and our own outreach, customer service, and operations team. The quality and effectiveness of our outreach is improved through this team collaboration.

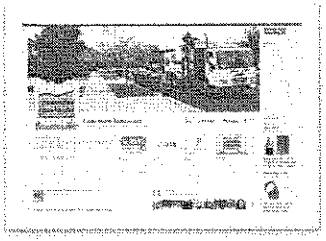
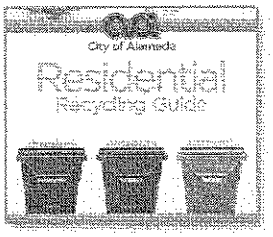
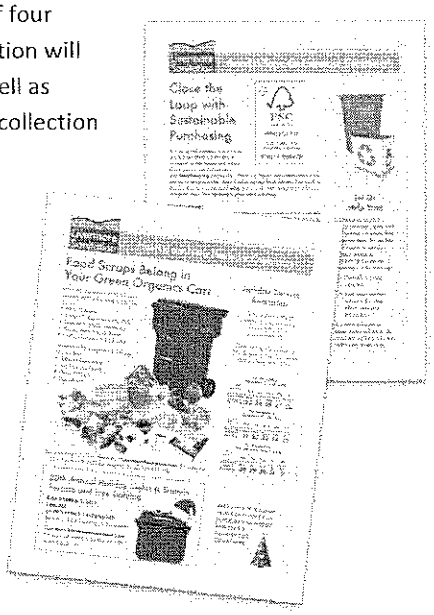
Throughout the term of the Agreement, we will assess, review, modify, and adapt our outreach to keep it fresh and current, and to have it complement the outreach efforts of Santa Clara County. Our outreach will reflect the evolving needs and capabilities of customers, the continually evolving State legislation and goals, as well as any advancements made in collection and processing systems.

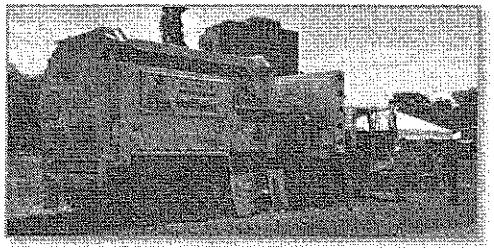
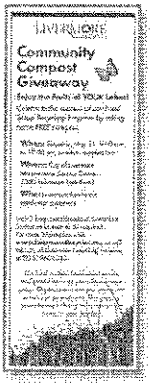
The Outreach Program outlined in this Section has been customized to fit the unique needs of Milpitas and showcases several methods and tools already proven successful in the jurisdictions we serve. Fundamental to our program design is an understanding of potential obstacles to participation, a commitment to reaching diversion goals and targets, and a desire to anticipate and meet regulatory requirements.

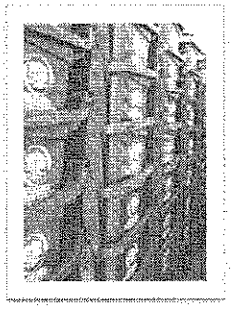
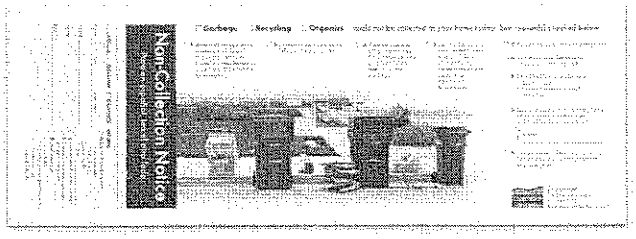
We strive to continually improve our collection and processing services, outreach programs, and customer service. Our goal is to provide a level of customer satisfaction and landfill diversion that is unparalleled. The result of our outstanding customer support is maximized participation.

Our Public Education and Outreach Plan contain key elements summarized in the ***Public Education & Outreach Plan Activities Table*** below.

Public Education & Outreach Plan Activities	
Initial Multi-Media Campaign	A series of city-approved messages will go out via a variety of methods that might include cart or door hangers, direct mail, public service announcements, newspaper advertisements, radio and television spots, internet marketing (via websites, e-mail, social media), and more. Messages will have a consistent and positive tone and feature a call to action. That initial call will encourage customers to visit our website or event booth, and to watch the mail for more information. 
Website	A user-friendly, Milpitas-specific website with up-to-date service menus and rates, current and past outreach, how-to videos, event calendar, links to additional resources, and our contact information will be created and online well before the commencement of services. The website will be mobile responsive, easy to navigate and frequently updated. 

Press Releases & Advertisements	Information tied to specific events will be distributed to local media outlets, as needed.
Social Media	Facebook and Instagram will be used to post city-approved events, tips, reminders, how-to videos, articles promoting sustainability, and more. A Milpitas-specific hash tag and Facebook page name will be chosen, and advertised on outreach as appropriate. The Facebook page will be frequently monitored and updated. Our LS Facebook page has been successful and can be viewed at: https://www.facebook.com/livermoresanitation. 
Container Labeling	Consistent color-coding and terminology will be used to help customers learn what materials belong in each container. Container color-coding will be consistent to ensure comprehension throughout the City.
Service Guides	 Service Guides will be developed for single-family residential, multi-family residential, and commercial customers. Each version of the Guide will list the materials that belong inside each container as well as setout instructions and other important service-related information.
Newsletters	Newsletters will be created a minimum of four times per year for all customers. Each edition will offer waste reduction and reuse tips as well as instructions on how to make the most of collection services. We will also educate customers on proper methods for recognizing, handling and disposing of household hazardous waste (HHW). Some editions will feature seasonal information regarding holiday services and collection schedules. Other editions may feature waste reduction and recycling success stories from local residents or businesses. All editions will share a consistent look and positive tone, and will be customized according to customer type.  Newsletters can be distributed by direct mail, as a bill insert, and/or electronically. All editions will be posted on our website.

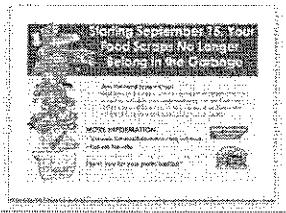
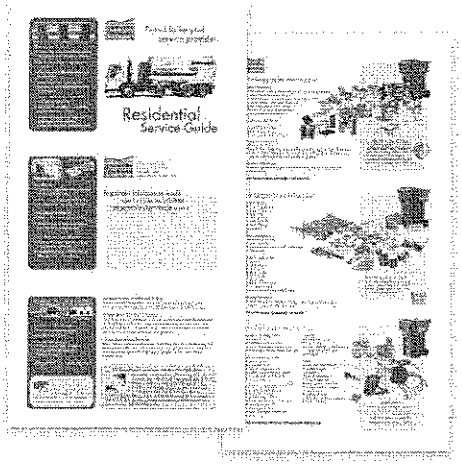
Bill Inserts	Bill inserts will be used as needed to announce important developments. Customers subscribing to paperless billing will receive an electronic copy or a link to the information on our website.
School & Community Presentations	Presentations regarding our services and directly related topics (waste reduction, current/proposed legislation like AB 341 & AB 1826, jobs in the waste industry, etc.) will be given as needed or requested. We will provide schools with "Mini-Grants" to assist teachers with materials needed for teaching how to recycle and compost at home and at school. On request, we can provide a truck demonstration. 
Special Events	Informational event booths will be constructed and staffed at all appropriate events. Collection service and monetary support may also be provided. We will work with the City to identify appropriate events and determine how best to provide support. A guide listing the requirements of AB 2176 and providing direction on how to comply will be developed and provided to event organizers. A sample event guide from ACI can be viewed online at: https://alamedacountyindustries.com/alameda/files/ACI%20event%20flyer.pdf.
Compost Giveaway	 Community Compost Giveaway We will provide an annual compost giveaway event to distribute compost to residents.
Tours	We will facilitate the scheduling of tours at the SMaRT Station. During the tours visitors will learn how the materials are processed and diverted from the landfill.

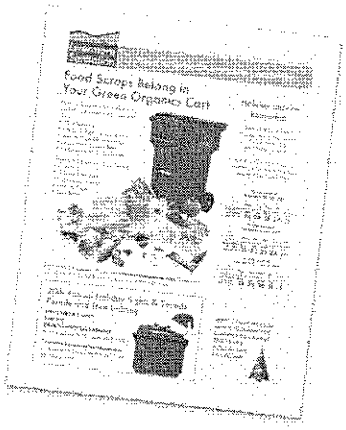
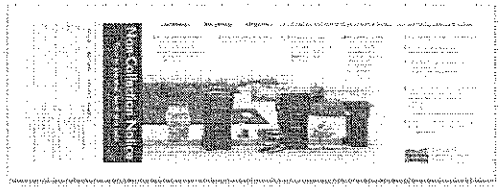
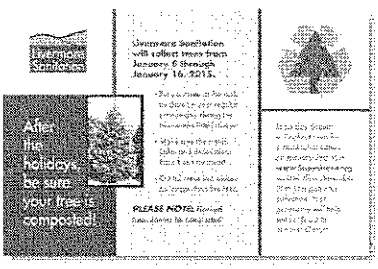
Technical Assistance	Comprehensive recycling technical assistance will be provided to multi-family and commercial customers.
Service Level Changes	As site audits are conducted and right sizing of service is needed, we will expeditiously make container exchanges/deliveries and implement new services. Collection containers will be continuously stocked and a delivery route maintained to ensure service level changes are completed in a timely manner. 
Monitoring Customer Setouts & Contamination	Our drivers and route supervisors will regularly look for contamination in recyclables and organics collection containers, as well as for improperly disposed hazardous materials and for otherwise incorrect container set outs. Significant issues will be reported to our dispatcher and documented in our database. A Milpitas-specific Non-Collection Notice (NCN) will be left on any rejected residential container; the NCN will be developed and approved by City staff. A CSR or our Diversion Coordinator will follow-up with any customer who receive numerous NCNs for cause. 

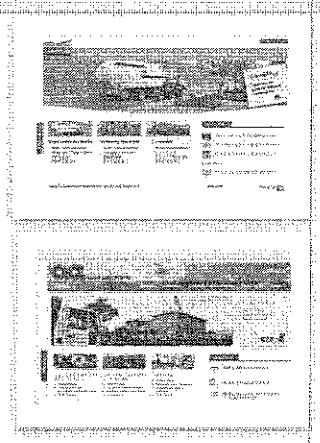
Every customer experiences unique recycling and diversion opportunities and challenges; therefore, we develop sector-specific outreach. The charts that follow describe the major components and activities performed for single-family residential, multi-family residential and commercial customers. Our Outreach Plan is built from an assessment of current conditions, evaluation of current and proposed programs, understanding of diversion goals and targets, identification of potential hindrances, and anticipation of future legislative and regulatory requirements.

We will conduct public education activities in accordance with *Section 4.9 and Exhibit B of the Franchise Agreement*. All written outreach materials will feature our contact information, be approved by City staff, and be posted on our website for viewing and printing. We will produce graphic-rich outreach in English and in other languages, when requested.

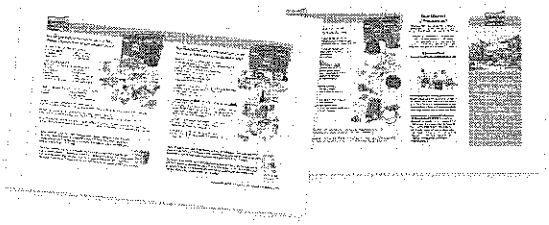
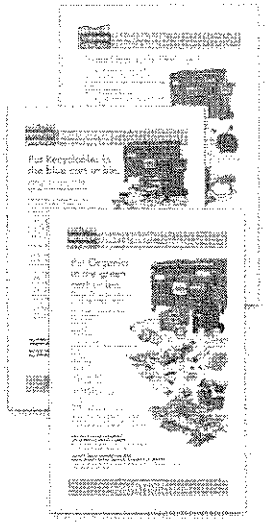
Public Education & Outreach Activities | Single-Family Residential Customers

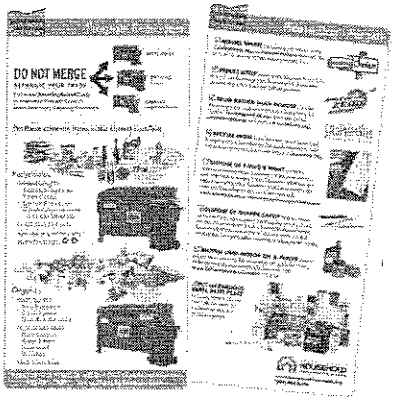
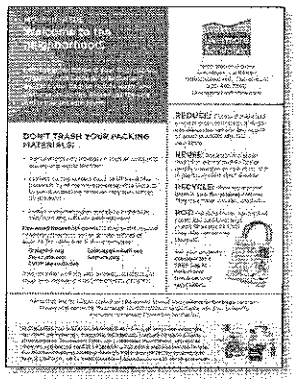
Activity	Description	Distribution / Frequency
Initial Mailer	Create and mail notice explaining any changes to existing collection programs and describing all new programs. This mailer may take the form of an over-sized postcard or an 8.5"x11" newsletter. 	One (1) time on or before Commencement Date via Bulk Mail - Postal Customer Local. One (1) per household.
Single-Family Residential Service Guide	Create and provide graphic-rich Service Guide with instructions for proper sorting. This piece will be an important reference tool kept by many residents and reviewed often. It will also be available on our website for residents to download and view. 	One (1) time on or before Commencement Date via direct mail. One (1) per household. After Commencement Date, Guide will be updated as needed, and mailed on request and to new residents.
Cart or Door Hangers	Create and distribute cart or door hangers with pertinent set out instructions.	One (1) time on or before Commencement Date. One (1) per household.

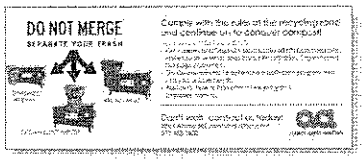
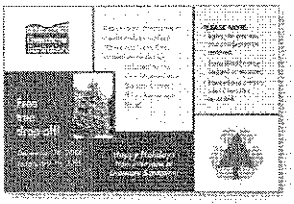
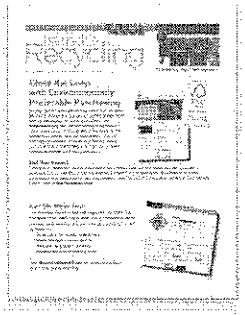
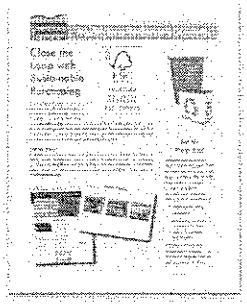
Activity	Description	Distribution / Frequency
Public Service Announcements & Advertisements	Create and submit to herald all service changes. PSAs will be distributed to local radio and cable television stations as well as to the newspaper. In addition, paid advertisements will be placed in the local newspaper.	As needed during start-up and throughout the term of the Agreement.
Community Presentations & Tours	Promote and explain the 4Rs, our collection programs, and related programs and topics to a variety of homeowners' associations and other community groups. Presentations can be given at any location in the City and tours can be scheduled at SMaRT.	As requested on or before Commencement Date and throughout the term of the Agreement.
Newsletters	Create and provide newsletters to inform residents about available collection services, teach the 4Rs, and invoke desired behaviors. Featured topics would include source reduction, reuse, proper sorting, bulky item collection, buying recycled, seasonal collection programs, e-waste and HHW disposal, and much more. 	Four (4) Newsletters created annually on a schedule approved by the City. One (1) per household. To be distributed by direct mail one (1) time per year and as a bill insert three (3) times per year.
Invoice Announcements	Include brief statement with service-related information.	One (1) per invoice.
Non-Collection Notices (NCNs)	Create and utilize a NCN to clearly explain how to correct the set out, receive service, and avoid future set out problems. NCNs will be at least 2-inches by 6-inches and easy to utilize out in the field. 	Attached as needed around the handle of any cart not properly set out. Used throughout the term of the Agreement.
Christmas Tree Collection Notice	Provide residents with written notice of tree collection schedule. 	One (1) newspaper ad per year, banners for city website, and one (1) newsletter, bill insert or postcard per household.

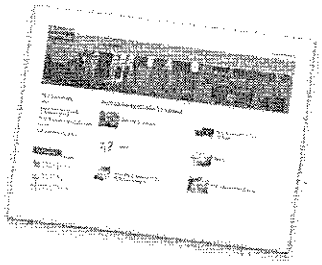
Activity	Description	Distribution / Frequency
Website	Maintain a section of our website specifically for residents of single-family homes. Section to include service menu and applicable rates, current and past outreach, how-to videos, links to additional resources, and allow residents to submit inquiries and complaints. The customer "login" feature on our site will allow customers to view their collection day, change or order service, pay invoices, and more. 	Launched well before the Commencement Date, updated as needed, and maintained throughout the term of the Agreement.
Street Sweeping Notification	Provide residents with written notice of street sweeping schedule.	One (1) full-page advertisement in the Milpitas Post each month. One (1) bill insert or postcard per household per year. One (1) additional postcard per household in designated weekly sweep area.

Public Education & Outreach Activities | Multi-Family Dwelling Customers

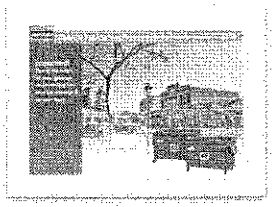
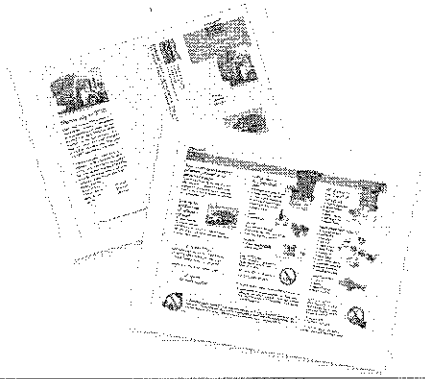
Activity	Description	Distribution / Frequency
Initial Mailer	Create and mail notice explaining any changes to existing collection programs and describing all new programs.	Sent one (1) time on or before Commencement Date via direct mail to each account holder.
Multi-Family Service Guides	Create and provide a graphic-rich Service Guide for Multi-Family customers. Guide will include instructions for proper sorting and set out, and details regarding AB 341 and how to comply. 	Sent one (1) time on or before Commencement Date via direct mail to each account holder. Property owners/ managers also provided with one (1) copy per multi-family living unit during site visits. Additional copies provided to new customers and when requested. Updated as needed and available throughout the term of the Agreement.
Recyclables, Organics & Garbage "How-To" Posters	Create one (1) poster indicating what belongs in the Recyclables, one (1) poster indicating what belongs in the Organics, and one (1) poster indicating what belongs in the Garbage. Posters to go up in waste collection and other common areas. 	Provided during site visits (the first to occur before Commencement Date) and when requested. Updated as needed and available throughout the term of the Agreement.

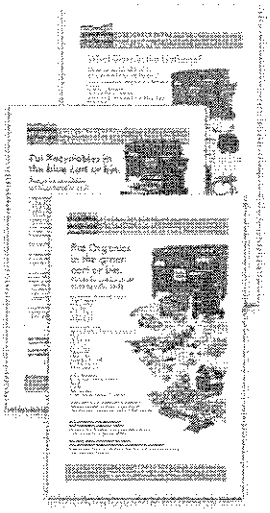
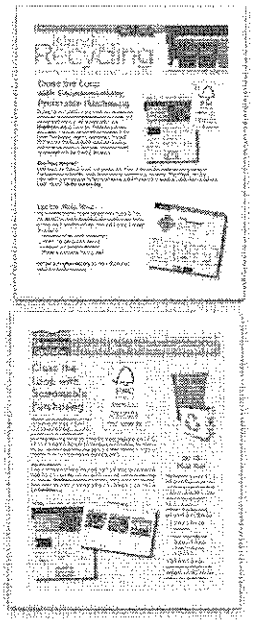
Activity	Description	Distribution / Frequency
Multi-Family Program Reminders	Create and distribute flyer summarizing collection programs and providing waste reduction tips and HHW/e-waste/u-waste disposal information. 	One (1) copy per living unit provided to multi-family property owners/managers during site visits. Additional copies provided to new customers and when requested. Updated as needed and available throughout the term of the Agreement.
Move-In & Move-Out Guides	 Create a list of waste reduction, reuse, and recycling tips for residents to refer to when moving.	Copies provided as needed to multi-family property owners/managers during site visits. Updated as needed and available throughout the term of the Agreement.
Site Meetings & Workshops	Visit customer sites to meet with owners, managers, and/or tenants to promote and explain collection programs and AB 341. Open discussion and/or hands-on demonstration provided.	Provided as needed and requested throughout the term of the Agreement.
Site Visits / Technical Assistance	Provide comprehenseive recycling technical assistance with the primary purpose of increasing recycling and organics collection and complying with AB 341. Property owner/manager to be contacted, waste and service levels to be assessed, and outreach supplies to be replenished.	Conduct one (1) time per year at each site throughout the term of the Agreement.
Multi-Family Move-In Kits	Build "move-in" kits for property owners/ managers to give to new tenants. To include Service Guide, Move-In Guide Recyclables Tote Bag, and Kitchen Pail.	Provide as needed at site visits.

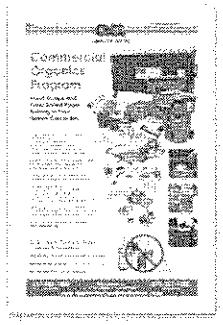
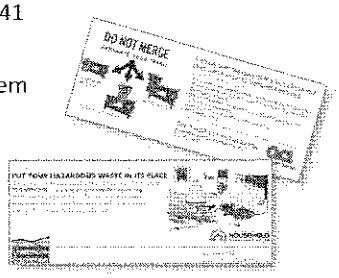
Activity	Description	Distribution / Frequency
Bill Inserts	Prepare and distribute bill inserts that focus on a key subject like AB 341 compliance, Bulky Item collection, technical assistance, HHW disposal, or other appropriate topic. 	Create two (2) times per year.
Christmas Tree Collection Notice	 Provide account holders with written notice of tree collection schedule.	Provide each account holder with one (1) notice per year via postcard, bill insert, or newsletter.
Invoice Announcement	Include brief statement with service-related information.	One (1) per invoice.
Newsletter	Create and provide newsletters to inform account holders about available collection services and to promote the 4Rs. Featured topics might include source reduction, reuse, bulky item collection, buying recycled, e-waste and HHW disposal, holiday service schedules, and others. Newsletters will also be used to review the requirements of AB 341 and show how utilizing available services will assure compliance.  	Created four (4) times each year throughout the term of the Agreement on a schedule approved by the city. To be distributed as a bill insert.

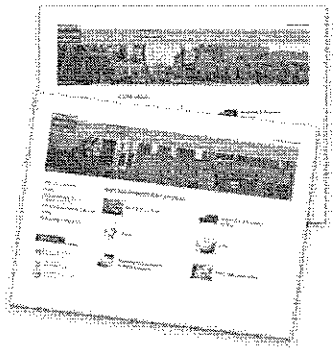
Activity	Description	Distribution / Frequency
Website	Maintain a section of our website specifically for multi-family customers. Section to include service menu and applicable rates, current and past outreach, how-to videos and documents, links to additional resources, and allow customers to submit inquiries and complaints. 	To be launched well before the Commencement Date, updated as needed, and maintained throughout the term of the Agreement.
Non Collection Notices (NCNs)	Create and utilize a NCN to clearly explain how to correct the set out, receive service, and avoid future set out problems. Customers will be contacted by a CSR or our Diversion Coordinator any time an NCN is issued.	Attached as needed to any collection container not properly set out. Used throughout the term of the Agreement.
Yard Trimmings Program Starter Kit	Create and complile Yard Trimmings Program poster for use in high-traffic areas.	Provided during site visits (the first to occur before Commencement Date) and when requested. Updated as needed and available throughout the term of the Agreement.
AB 341 Reporting	Compile report of AB 341 achievements including a list of those not in compliance.	Conduct one (1) time per year or as requested.
Non-Compliance Letters	Prepare and distribute notices to customers that are not AB 341 compliant. Notices will explain what is needed to comply.	Created two (2) times per year and direct mailed as a letter or postcard.

Public Education & Outreach Activities | Commercial Customers

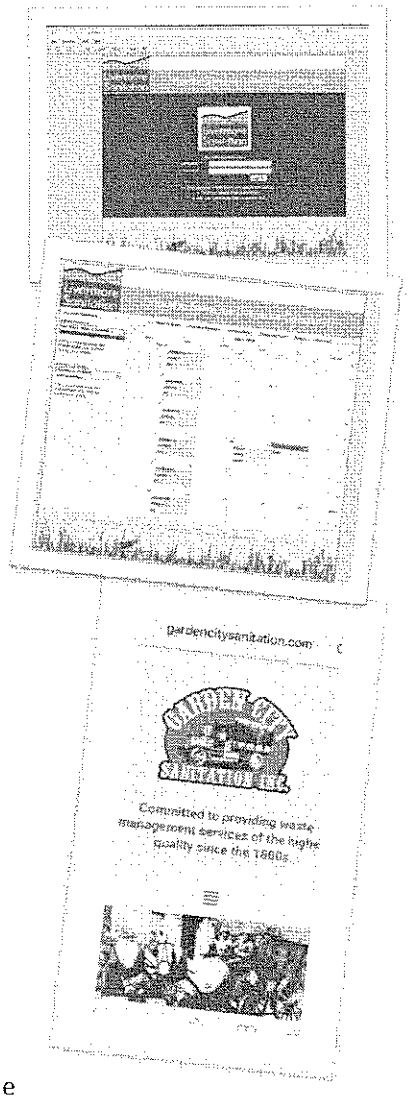
Activity	Description	Distribution / Frequency
Initial Mailer	Create and mail notice explaining any changes to existing collection programs and describing all new programs. 	Sent one (1) time on or before Commencement Date via direct mail to each account holder.
Commercial Service Guides	Create and provide a graphic-rich Service Guide for Commercial customers. Guide will include instructions for proper sorting and set out, and details regarding AB 341 and AB 1826 and how to comply. 	Sent one (1) time on or before Commencement Date via direct mail to each account holder. Multi-family property owners/ managers also provided with one (1) copy per multi-family living unit. Additional copies provided to new customers, during site visits and when requested. Updated as needed and available throughout the term of the Agreement.

Activity	Description	Distribution / Frequency
Recyclables, Organics & Garbage "How-To" Posters	Create posters indicating what belongs in the Recyclables, Organics, and Garbage. Posters to go up in waste collection and other high-traffic areas. 	Provided during site visits (the first to occur before Commencement Date) and when requested. Updated as needed and available throughout the term of the Agreement.
Business Association Presentations	Meet with business associations to promote and explain collection programs and AB 341 & AB 1826. Open discussion and/or hands-on demonstration provided.	Provided as needed and requested throughout the term of the Agreement.
Newsletter	Create and provide newsletters to inform account holders about available collection services and to promote the 4Rs. Featured topics might include source reduction, reuse, bulky item collection, buying recycled, e-waste and hazardous waste disposal, holiday service schedules, and others. Newsletters will also be used to review the requirements of AB 341 and AB 1826 and show how utilizing available services will assure compliance. 	Created four (4) times each year throughout the term of the Agreement on a schedule approved by the city. To be distributed as a bill insert.

Activity	Description	Distribution / Frequency
Site Visits / Technical Assistance	Provide comprehenseive recycling technical assistance with the primary purpose of increasing recycling and organics collection and complying with AB 341 & AB 1826. Property owner/manager to be contacted, waste and service levels to be assessed, outreach supplies to be replenished, and employees trained.	Conduct one (1) time per year at each site throughout the term of the Agreement.
Food Scraps Program Starter Kit	Create and distribute a poster indicating how food waste should be sorted and collected from a cafeteria, restaurant, bakery, grocery store or other food scrap generator. Also provide graphic-rich labels for interior collection containers. 	Provided during site visits (the first to occur before Commencement Date) and when requested. Updated as needed and available throughout the term of the Agreement.
Bill Inserts	Prepare and distribute bill inserts that focus on a key subject like AB 341 and AB 1826 compliance, Bulky Item collection, technical assistance, HHW disposal, or other appropriate topic. 	Create two (2) times per year.
Invoice Announcement	Include brief statement with service-related information.	One (1) per invoice.

Activity	Description	Distribution / Frequency
Website	Maintain sections of our website specifically for commercial and multi-family customers. Sections to include service menu and applicable rates, current and past outreach, how-to videos and documents, links to additional resources, and allow customers to submit inquiries and complaints. 	To be launched well before the Commencement Date, updated as needed, and maintained throughout the term of the Agreement.
Non-Collection Notices (NCNs)	Create and utilize a NCN to clearly explain how to correct the set out, receive service, and avoid future set out problems. Customer will be contacted by a CSR or our Diversion Coordinator any time an NCN is issued.	Attached as needed to any collection container not properly set out. Used throughout the term of the Agreement.
Non-Compliance Letters	Prepare and distribute notices to customers that are not AB 341 and AB 1826 compliant. Notices will explain what is needed to comply.	Created two (2) times per year and direct mailed as a letter or postcard.

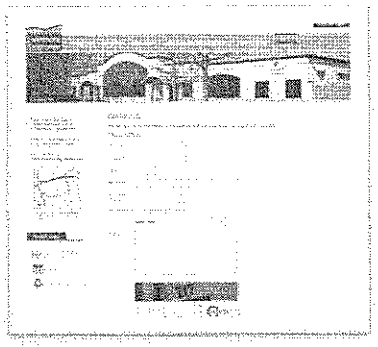
Website



The websites developed for Garden City Sanitation, Livermore Sanitation, and our affiliate companies were designed to complement our outreach and educational materials. We promote website use as a tool for more detailed information dispersal and to reduce wasteful paper consumption. We recently updated GardenCitySanitation.com to include the latest billing and program information and to be more responsive to mobile devices. For Milpitas, we will begin with a dedicated site that is mobile responsive and features content that is specific to the City. The following information will be available online:

- ✓ *Services provided and approved rates*
- ✓ *List of materials accepted in each container*
- ✓ *Setout instructions*
- ✓ *Collection schedules*
- ✓ *Answers to Frequently Asked Questions (FAQs)*
- ✓ *Outreach materials (current and past)*
- ✓ *Links to additional resources*
- ✓ *Office location and customer service phone number*
- ✓ *Contact form for compliments, complaints and inquiries*

Using the online application (a subprogram to the customer service software system discussed in *Section 2.K | Management and Customer Service Systems*), we can also offer customers an online method to view and pay invoices online, request a change in service, view their service history and view and download outreach. In addition, our website will allow us to track the number of visitors and page visitation counts. For a clear idea of the type of website we will host, please visit our site along with our affiliate's sites at the following URLs:



- ☐ *www.GardenCitySanitation.com & www.GardenCitySanitation.com/sort/food/*
- ☐ *www.LivermoreSanitation.com*
- ☐ *www.AlamedaCountyIndustries.com*
- ☐ *www.SSFScavenger.com*

- *www.MissionTrail.com*
- *www.SSWR.com*

Our Milpitas website will be an important tool throughout the duration of the contract. During the transition, it will act as a "one-stop shop" for current information. We will post all pertinent information to the website and all transition outreach will list the website as the place to go for details.

Transition Outreach | During and leading up to the transition, we will work closely with the city on our website development, the creation and distribution of the cart or door hangers, initial mailers, service guides, and other outreach described previously based on service recipient sector.

Ongoing Outreach | Much of the outreach distributed before or during the transition will be updated and distributed as needed throughout the term of the contract. Those items include Non-Collection Notices, posters, service guides and more. Customer newsletters will be another key part of our ongoing outreach, as will the press releases, advertisements generated to announce events, enhancements, and changes, and a constant social media presence.

Budget

We have determined the funds needed to fully design and implement our Public Outreach Program. Based on our experience in providing similar transition and ongoing outreach, our initial start-up expenses and annual ongoing budgets are included in the *Cost Proposal Forms in Section 6* and are summarized below.

- **Start-up Expenses** | We will employ a half-time Public Outreach Manager and a full-time Diversion Coordinator through the transition and the term of the Agreement. Costs during the transition consist of outreach and website development, printing and distribution of initial outreach, production of container labels and event displays, and the purchase of supplies and equipment. We have included a budget of $50,000 for start-up expenses.
- **Annual Budget** | The annual budget covers expenses associated with providing the ongoing services and materials described in our Public Education and Outreach Plan. The budget will also cover our Diversion Coordinator's expenses for traveling to businesses, events, and throughout Milpitas to provide additional outreach activities throughout the term of the Agreement.

We have included a budget of $50,000 per year for the ongoing implementation of our public outreach programs.

Active Participation in the Community

Garden City and affiliate company staff are active community citizens in San José, Livermore, Alameda, Santa Clara, Los Altos, South San Francisco, Brisbane, Millbrae and throughout Santa Clara County. We provide facility tours, classroom presentations, truck demonstrations, and workshops, and we actively participate in and support a variety of service clubs and business associations. In the City of Milpitas we will also become active members of the community and participate in many community/City events.

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F. Multi-Family/Commercial Recycling Technical Assistance

In our experience, Technical Assistance is personal, interactive, empowering, and key to a successful Public Education and Outreach Program. Our experienced and highly motivated Outreach Team will provide Technical Assistance to all multi-family and commercial customers in the City of Milpitas.

Our goal is to provide a Technical Assistance Program that ensures each customer has the information, tools, resources and support to reach their diversion potential.

Throughout the term of the contract, our Outreach Team will continually and proactively work with customers to adopt and improve conservation strategies using creative ideas to keep businesses and MFDs engaged. All commercial customers will be "touched" during the transition and at annual, or more frequent, follow up site visits by our Diversion Coordinator. This degree of individualized customer service and diversion assistance is unique and will be essential in helping Milpitas achieve their diversion goals and reach compliance with AB 341 and AB 1826.

Although some businesses may be prioritized and proactively targeted for reasons of non-compliance, diversion potential, complexity and need, all customers will have the same opportunity to take advantage of our outreach and technical assistance resources. Our Diversion Coordinator will regularly promote the availability of free assistance through our website, newsletters, social media, community involvement activities, and other outreach.

Initial Technical Assistance

Our approach includes reaching out to every customer, sending positive messages and facilitating participation to keep customers engaged. To initiate contact, we will send out bill inserts and newsletters listing diversion and regulatory requirements and resources for achieving compliance. Samples of initial technical assistance outreach from our affiliate companies are included in **Attachment F**.

We will also encourage participation in diversion programs by providing and promoting the following comprehensive services:

- ✓ **Coordination with Business Owners/Managers** | Our Diversion Coordinator will work cooperatively with the owner, manager, or other designated representative at each business or MFD complex. This will ensure that

program buy-in is achieved and supported at a high level. It will also help us to develop a reliable point of contact for future outreach efforts.

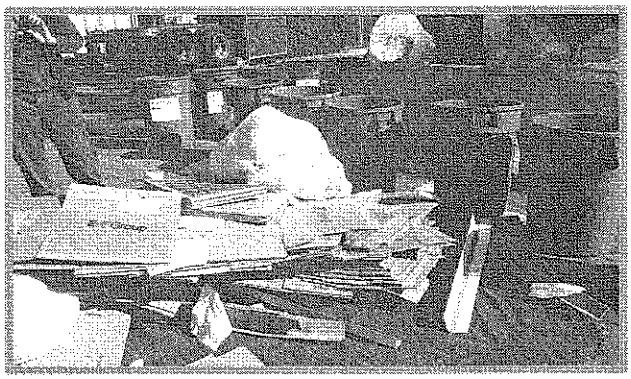
- ✓ **Initial Site Visit** | Our Diversion Coordinator will contact each commercial business by direct mail or telephone to schedule a site visit to perform a complete walk-through and identify opportunities for greater recycling and diversion.
- ✓ **Waste Assessments** | Our Diversion Coordinator will conduct a comprehensive waste assessment of the following:
  - Current service levels
  - Recycling, organics, and garbage volumes generated
  - Current and proposed program signage
  - Need for staff training
  - Opportunities for increasing diversion
  - Interior and external container feasibility
  - Waste audits, as necessary
- ✓ **Distribution of Collateral** | Our Diversion Coordinator will provide managers with a report outlining suggestions for improvement, a "Starter Kit" that includes a service guide, posters, and labels for containers. Samples of commercial outreach collateral are included in **Attachment F**.
- ✓ **Conduct Diversion Workshops & Presentations** | Our Diversion Coordinator will host instructional workshops to maintenance staff and employees of individual businesses, business and homeowner associations, service organizations, and any civic/community groups. Workshops will cover the principles of the 4Rs, specific collection services, and outreach and technical assistance support that apply to the audience. By collaborating with community and business groups, we will foster increased participation and diversion.

Ongoing Technical Assistance

We understand that public education, outreach, and technical assistance must be continued over the course of the contract, as businesses, individuals and service requirements can change. We therefore offer a robust program that ensures we continue to maintain contact with our customers and stay ahead of their needs. Our program focus is clear communication, engagement and education.

- ✓ **Corrective Action Notices & Comprehensive Labels** | Corrective Action Notices are a basic component of outreach and may be utilized during annual waste audits to educate customers of proper participation. They may also be used whenever a driver observes contaminants in containers, including the presence

of recyclable and compostable materials in the garbage cart. Unpermitted / Hazardous Waste Notices are also utilized to alert the customer that unpermitted waste material was found in one of their containers and provides a listing of unpermitted wastes and information about the programs available for proper disposal. Appropriate and inclusive container labels encourage good recycling behaviors that assist in reducing contamination.



- ✓ **Site Visits & Audits** ¦ Contamination audits (annual and spot checks) together with the use of NCNs and follow-up appointments will play a critical role in determining participation in diversion programs and decreasing contamination levels.
- ✓ **Proactive & Comprehensive Education, Outreach & Technical Assistance** ¦ This plan has two parts: 1) transition education and outreach and 2) ongoing customer education and outreach. Initial outreach and education components are utilized to inform all customers during the transition and new customers of programs, and upcoming events, such as cart delivery, program start dates, special collection events and so forth. Another objective is to increase diversion over time and motivate customers to be environmentally aware. A clear and concise message repeated consistently and through a number of effective media outlets, produces the best results for affecting behavior change and increasing diversion.

We also recognize that some individuals need reasons to alter behavior. To better motivate these customers, we include interesting facts about the benefits of recycling and organics diversion, along with living sustainably in most of our outreach materials. We acknowledge and agree that all promotional and outreach materials will be approved by the City prior to printing, distributing, or mailing. Samples of ongoing outreach collateral are included in **Attachment F**.

Additional Support

We believe in making and taking every opportunity to encourage successful customer participation in available diversion programs.

- ✓ **On-Hold Telephone Messages** ¦ We can take the opportunity to relay important diversion information to customers for the short time they are on hold for a CSR, allowing for yet another means to communicate important information to our customers.

- **Community Involvement & Recognition** | A standout feature of our approach to our education program is our commitment to, and investment in, the communities we serve. Going well beyond the dictates of any current Franchise Agreement, we set out to educate and express our good will as a corporate citizen in innumerable ways:
  - **Vehicle Billboards** | We equip our collection vehicles with frames for billboards and collaborate with the jurisdictions we serve to develop signage that promotes recycling and diversion programs, as well as promote a sustainable community.
  - **Tours of SMaRT** | We facilitate MRF tours to promote sustainability. Children, teachers, students, and other guests can observe the state-of-the-art sorting processes at the SMaRT Station.
  - **Special Event Campaign Materials** | We will work closely with the City to create outreach materials for special events. We aim to encourage recycling, as well as provide appropriate containers and signage to make it easy for individuals to recycle.
- **Recognizing Business Recycling/Composting ALL STARS** | We will recognize recycling/composting ALL STARS in the community and highlight their efforts in our newsletters. We have found in our other jurisdictions that businesses use this as a competitive advantage and can influence other companies to follow-suit and participate in diversion programs.
- **Monitoring, Record Keeping & Reporting** | We will fully comply with the record keeping and reporting requirements specified in *Section 6 of the Franchise Agreement*. Reporting allows the City in partnership with Garden City to make educated decisions about how to evolve the Pubic Education and Outreach Program to meet diversion and sustainability goals.

Our affiliate companies currently visit hundreds of commercial sites each year and every multi-family complex twice per year. During site visits, our Diversion Coordinator:

- ☐ Conduct "Recycling Opportunity Assessments;"
- ☐ Suggest service improvements;
- ☐ Provide free training assistance;
- ☐ Distribute posters and guides;
- ☐ Distribute recycling tote bags and kitchen pails to multi-family customers, and desk-side recycling containers and organics "slim jims" to commercial customers;
- ☐ Document all activity in our customer service database; and,

- ☐ Refer customers to our website library containing how-to videos, newsletters, bill inserts, the Green Business Program, hazardous waste disposal, environmentally preferred purchasing, and local recycling ordinances.

As an example of the depth and effectiveness of our outreach experience, our affiliate company, Livermore Sanitation, works closely with the City of Livermore and County of Alameda to inform commercial and multi-family customers about the requirements of the Alameda County Waste Management Authority's Mandatory Recycling Ordinance (MRO), which is more stringent that AB 341 and AB 1826. Livermore Sanitation provides updated customer information to help with MRO outreach and enforcement. All of these efforts are regularly tracked and reported to the jurisdictions.

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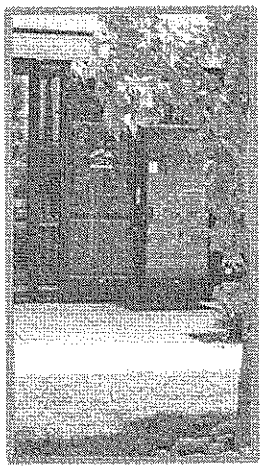
G. Customer Service

Garden City is committed to providing excellent customer service to all Milpitas residential and commercial customers with the utmost professionalism and courtesy from all of our Customer Service Representatives (CSRs), drivers and management staff.

Customer Service Philosophy

Our company culture reinforces that we are in the service industry and without great service, none of our companies would have been in business as long as we have. We have learned that people not only care about their garbage, but also rely on it being regularly collected. If the company fails to deliver this service as promised, our customers may become disappointed. We strive to avoid this by asking all supervisors, staff, and drivers to think like customers.

Customer Service Call Center Location



Our Customer Service Call Center will be located at the Garden City Administrative Office located at 1080 Walsh Avenue in Santa Clara. Our CSR Call Center is specifically designed to suit customer service operations, creating an environment where there is ease of communication between our CSRs, operations staff, customers, and the City's Contract Manager.

Customer Service Representative (CSR) Staffing

We are proposing to utilize three (3) full-time CSRs who will be knowledgeable of the service area, services, rates and operations for the City of Milpitas. CSRs will be available from 9:00am to 5:00pm Monday to Friday to communicate with the public. The CSR Manager will oversee the CSRs and provide backup during breaks or high call volume. We will respond to customer inquiries, compliments or complaints within twenty-four (24) hours, excluding weekends and holidays. Our telephone system will be available from 7:00am to 6:00pm from Monday to Friday where sufficient equipment and staff will be available to handle all calls. We will maintain a local/toll-free telephone number that will be publicized and an answering machine or voicemail service will record customer calls and voice messages left between 6:00pm and 7:00am. In the case of an emergency pertaining to equipment and services, a twenty-four (24) hour emergency contact line where the City Contract Manager can reach management will be established.

Based upon our experience with new service initiations, we have determined that a ratio of approximately one (1) CSR per 5,500 customers is proper to ensure adequate coverage. With this ratio of CSRs to customers, we reach a target call volume ratio of approximately sixty (60) calls per day per CSR. By allotting approximately seven and a half (7.5) minutes per call, we ensure that CSR's have enough time to appropriately listen to a customer, analyze the customer's issue, propose a solution and provide a response while fully documenting the details of the call.

CSR Training | Training is conducted by our Management Team. Our CSR Training Program builds on a basis for each CSR to understand not only HOW we make a business decision, but also WHY we make a business decision. The *CSR Training Schedule Table* below lists the required 6 training modules each CSR has completed and demonstrated comprehension with all of our Customer Service operations and collection services, rates and other pertinent information, specific to the City of Milpitas.

CSR Training Segment
Module 1
✓ Company Welcome, Overview & Tour
✓ Company Expectations & Core Values
✓ Department and Position Overview
✓ Training Overview & Forms Completion
✓ Distribution of AMCS Resource Manual
Module 2
✓ Review of Company Policies & Procedures
✓ Records Check
✓ Distribution of CSR Training Materials & Employee Handbook
Module 3
✓ Review | AMCS Resource Manual (Self Study)
✓ Inter-Department Relations & Communication
✓ Review | Key Policies & Procedures
Module 4
✓ Operations Logistics | Generator & Service Types
✓ Contract Compliance Overview
✓ AMCS Lab I: Hands-On Training
Module 5
✓ Day One | Step-by-Step Discussion
✓ Recap | Customer Service Training
✓ AMCS Lab II: Hands-On Training
Module 6
✓ Review | Key Policies & Procedures
✓ Customer Service Situational Roll-Playing
✓ Superior Customer Service Recap

CSR Call Center Operations | Upon receipt of a call, the CSR opens the conversation with a friendly introduction and greeting. CSRs are trained to fully listen to the customer's request, ask clarifying questions, and then repeat the details back to the customer. Once the CSR has verified that they understand the nature of the call, they propose a solution. Once the issue has been resolved to the customer's satisfaction, the CSR then inputs all appropriate details into the customer service software system (AMCS).

In order for us to handle the multiple types of comments, concerns, and driver's feedback received on a daily basis, we have set up a standardized method to input all operational data into AMCS. As each driver returns to the yard, they bring back either their notes from their route sheets and/or a section of the Non-Collection Notices (NCNs) that lists the comments, service issue, or concern from the route. The NCN and other route information is then input into AMCS by the CSRs. We are then able to query our database by code and generate reports, allowing us to quickly obtain data and run reports listing concerns and outcomes for a certain issue within a certain timeframe and by route. Additional features of our CSR Call Center operations include the following:

- **Multilingual Assistance:** Our CSR Call Center currently has bilingual capabilities (English and Spanish) to communicate efficiently with residents and businesses in Milpitas. As needed, we will utilize a vendor (Language Line or similar company) that provides interpreter services for more than 150 languages. Additional information about Language Line is available online at www.languageline.com.
- **Staggered Shifts:** In order to accommodate breaks and enhance CSR coverage throughout the day, we stagger CSR start and end times, some CSRs begin at 7:00am and others begin at 9:00am.
- **Call Log:** Our integrated database and phone system records and imports data from calls: date, time, duration, name of caller, reason for call, and action taken. CSRs will be trained to use the proper database codes to facilitate the tracking and reporting of useful and required information.

Website

As mentioned previously, our newly designed website will provide customers with the following:

- Schedule services: on-call bulky item collections, extra/overage collections, service level changes, debris box service, and service terminations;
- Online bill payments;
- Find answers to Frequently Asked Questions;
- Review current rates and service guidelines;

- ✓ Access current and past outreach materials;
- ✓ File complaints and concerns; and,
- ✓ Contact CSRs via email (and receive a response within 24 hours – weekends and holidays excluded).

Using the online application (a subprogram to the AMCS software system discussed in *Section 2.K | Management and Customer Service Systems*), Garden City will also be able to offer customers the ability to view and pay invoices online, request a change in service, and view their service history. This system also allows all customers to start, stop, or modify service and view documents such as employment applications, move in/out forms, credit applications, service request forms, service change request forms, recycling guidelines, and bill payment option forms on our website. The website will track and record visitor logs, page visitation counts, the number of web-based bill payments per month, the number of website-submitted complaints per month, a summary of customer complaints and resolution reporting. This data will be included in regular reports to the City. Also, current and past outreach will be available on our website.

City Access to CSR Data

Our CSR software system allows us the ability to provide read-only access so the City can log into our database to view real-time work orders, current account data, service levels, notes, number and type of complaints/complements received, and collection days.

H. Customer Billing

All Customers will be billed at rates not to exceed Maximum Approved Rates set by the City of Milpitas in accordance with *Article 8 of the Franchise Agreement*.

Initial Customer Service & Billing Database Development

We will begin building our initial billing database and billing procedures by integrating available customer service and billing data from the previous hauler. If the previous hauler does not provide us with a complete and accurate database, we will utilize City and County records and site visits/audits to determine and verify customer information. Prior to the start of service, every customer will receive a service confirmation notice stating the service level we plan to provide. This notice will provide customers with a variety of response methods (phone, email, standard mail) for requesting a change in service levels. All Customers will be encouraged to make the most of the recycling and organics programs we offer. We also request that customers contact us directly with any desired changes immediately to ensure there is no disruption in service or a billing dispute.

Current Billing Services

Garden City and its affiliate companies have decades of experience in managing billing activities for numerous jurisdictions. The table below describes how our affiliates currently manage billing for local jurisdictions:

Billing Services		
Company	**Jurisdiction & Contact Information**	**Billing Cycle**
Alameda County Industries, ACI	**Alameda** Maria DiMegilo Program Specialist 510.747.7958	Residential: Quarterly, staggered: 1st month of quarter in advance, 2nd month mid-stream; 3rd month in arrears. Commercial/Multi-Family: Monthly in arrears.
	San Leandro Jennifer Auletta Recycling Specialist 510.577.6026	Residential: Quarterly, staggered: 1st month in advance, 2nd month mid-stream; 3rd month in arrears. Commercial/Multi-Family: Monthly in arrears.
Peninsula Sanitary Service Inc., PSSI	**Stanford University** Mike Rohrs Operations Manager 650.736.7215	Residents: Quarterly, 2 months in advance. Contractors In arrears. University Sites: Billed to University, Individual Sites/Accounts Notated.
Mission Trail Waste Systems MTWS	**Santa Clara** Dave Staub Assistant Director of Streets & Services 408.615.3086	Commercial/Multi-Family: Monthly.

	Los Altos Chris Lamm Engineering Services Manager 650.947.2624	Residential: Quarterly, 2 months in advance. Commercial/Multi-Family: Monthly in arrears.
Livermore Sanitation LS	**Livermore** Judy Erlandson Public Works Manager 925.960.8002	Residential: Quarterly, staggered as in the case of ACI, above. 2nd month of quarter mid-stream; 3rd month in arrears. Commercial/Multi-Family: Monthly in arrears.
South San Francisco Scavenger Company SSFSC	**Brisbane** Clay Holstine City Manager 415.508.2110	Residential: Quarterly, staggered: 1st and 2nd months in arrears; 3rd month advanced. Commercial/Multi-Family: Monthly in arrears.
	Colma Sean Rabe Town Manager 650.997.8318	Residential: Quarterly. Commercial: Monthly in arrears.
	Millbrae Marcia Raines City Manager 650.259.2334	Residential: Quarterly, staggered: 1st and 2nd months in arrears; 3rd month advanced. Commercial/Multi-Family: Monthly in arrears.
	South San Francisco Mike Futrell City Manager 650.877.8500	Residential: Quarterly, in two portions of the City: section 1 – billed in advance; section 2 – 1 month in arrears and 2 months in advance. Commercial/Multi-Family: Monthly in arrears.
	San Francisco International Airport Art Lee 650.821.5921	Airport: Monthly, Lump Sum Vendors: Monthly in arrears.

NOTE: the current contract with the City of San José does not include billing services because the City is responsible for billing the services provided by Garden City.

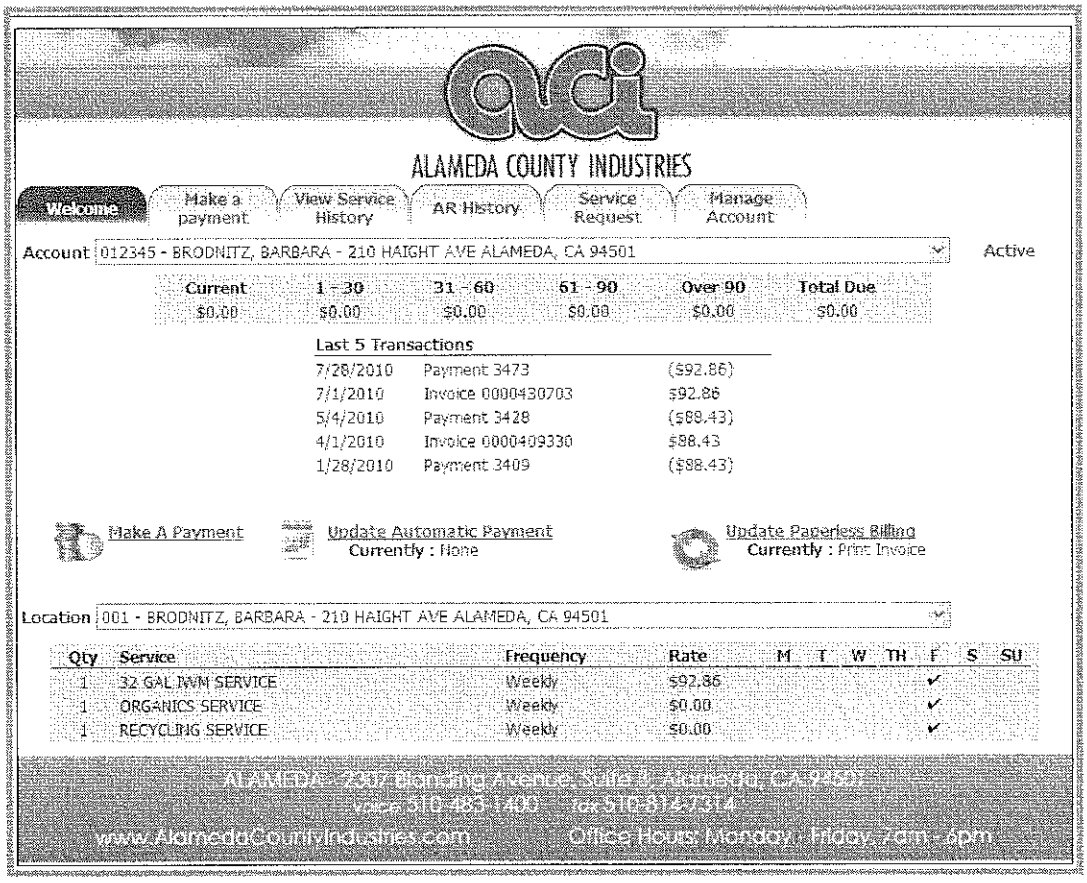
Included in **Attachment E** are sample customer billings.

Billing & Payment Procedures

For all billing services in the City of Milpitas, residential invoices will be staggered billing and sent out in three "waves" to help flatten call volume and payment intake. MFD and commercial invoices will be sent out monthly in arrears and billing will be performed on the basis of services rendered. When a customer requests a service change, billing will be adjusted as per *Section 4.11 of the Franchise Agreement*. All billing operations will be integrated into current functions that are managed by Kent Kenney and Deanna Halleck Ventura at our affiliate company ACI's facility in San Leandro. We anticipate hiring two (2) additional billing / accounting clerks to assist with billing operations in

Milpitas. ACI's billing department manages all aspects of billing for ACI, LS, MTWS and PSSI.

Electronic Billing Options | By utilizing the AMCS software system, we are able to utilize the on-line portal which has the ability to accept payments by electronic check or credit card. In addition, it offers an automatic payment option on a recurring basis. After the customer initially sets up their account, they can handle most tasks online that normally would be handled via a telephone call. The customer will be able to pay their bills, request changes in service, schedule additional pick-ups and sign-up for paperless billing, as shown in the AMCS screenshot for affiliate company, ACI.



Customers with multiple locations (like property managers) will be able to create an account that handles all of their properties at once.

In-person Billing Options | We will provide a convenient drop-off location within the service area between the hours of 8:30am to 5:00pm Monday through Friday so

customers may pay bills directly. Customers will be able to make payments by cash, check, money order, and credit card.

Customer Billing Inquiries | Ensuring customers are satisfied with our services helps minimize customer complaints. Our goal is to provide superior service that is best achieved by discussing directly with customers how we may increase customer satisfaction. This proactive customer service often translates into enhanced program participation, as customers are willing and able to provide feedback. CSRs are trained to handle most customer inquiries regarding billing. In the event that an account is grossly past due or there is an exceptionally difficult billing issue, our Accounting Manager at ACI and/or Garden City will assist to alleviate any issue or dispute.

Accounts Receivable | The ability of collections staff to manage outstanding accounts receivable while updating all customer interactions is critical. Using AMCS, our accounting staff can query customers based upon the amount of outstanding receivables, the length of time accounts are outstanding, and the status of account, among many other items. There are numerous safeguards in place within AMCS, including the ability to automatically check for duplicate accounts and to track all changes to an account. By auditing the data prior to processing, then having a secondary process in place to check billing batched, we will keep billing errors to a minimum.

- ☐ **Late Fees:** Any account that becomes more than forty-five (45) days past due shall be subject to a monthly late fee equal to $15 (for monthly accounts) and $20 (for quarterly accounts) until paid in full.
- ☐ **Past Due Accounts & "Bad Debt":** Delinquent accounts will first be issued a collection letter explaining payments have not yet been received and are due immediately. After 30 days (from receipt of initial invoice) of non-payment, the Company sends a second invoice reflecting past due amount and assessed late fee. Following the late payment notice, accounting staff will make telephone requests for payment. After 60 days (from receipt of initial invoice) of non-payment and/or after second invoice reflecting past due balance with a late fee, the Company sends a "10 Day" letter to the property owner and tenant (if not the same). If the Company does not receive a response to the above letter within ten (10) days, garbage service for a SFD residential customer is reduced to a 32-gallon container, serviced one time per week and recyclables and organics containers are removed. MFD and commercial customer garbage service remains the same; however, all recyclables and organics containers are removed. If payment is still delinquent, we will then turn the account over to a collection agency. If the customer pays and wishes to re-start service, or change the level of garbage service, we will impose a re-start fee and may require a deposit in advance equal to two (2) months of service.

Copies of billings and receipts of payment will be maintained in chronological order for the term of the Agreement and will be available for inspection and verification by the City Contract Manager.

As mentioned previously, **Attachment E** contains sample customer billings.

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I. Multi-Family and Commercial Recycling and Organics Plan

Garden City, as well as affiliate companies, is an active participant in local and State regulatory and legislative groups that stay abreast of new and emerging regulations and laws affecting the solid waste and sustainability fields. As Executive Members of the California Refuse Recycling Council (CRRC) since its inception in the late 1960s, we have been on the forefront of various California mandates and statutes like California's Integrated Waste Management Act (AB 939), California's Global Warming Solutions Act (AB 32), Sustainable Communities Strategies (SB 375), California's Mandatory Commercial Recycling Regulation (AB 341), AB 1594, which is banning the use of organics as Alternative Daily Cover (ADC) at landfills, and most recently passed by Governor Brown, California's Mandatory Organics Recycling Regulation (AB 1826).

In addition, we are working to meet Phase Two of AB 32, which is planning to eliminate organics from landfills if no other legislation is enacted, starting in 2015. We have, and are continuing to, significantly reduce GHG emissions from our operations, which will keep us in line with the GHG reduction goals outlined in this next phase of AB 32. By sustaining an active and energetic membership with CRRC, we are assuring our jurisdictions comply with current and future laws.

AB 32, established by the California Air Resources Board (CARB), along with numerous State mandates and statutes, set many initiatives to reduce GHG emissions throughout the State, impacting local jurisdiction's solid waste, recycling, and organics programs. In addition to reducing GHG emissions through environmentally sustainable fuel choices, we want to reduce the amount of waste disposed in landfills through improved management and conservation of resources to meet the State's goal of 75% recycling, as established in AB 341.

By fully understanding the complexities of both AB 341 and AB 1826 (along with other mandates that impact local solid waste, recycling, and organics programs), we ensure the City of Milpitas that Garden City will provide all program elements required under these laws and we are the most prepared and involved group of companies that truly care about sustainability and responsible resource management for future generations.

AB 341 | Mandatory Commercial Recycling Rule (MCR)

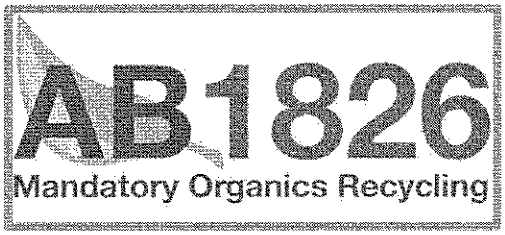
One of our goals is to assist the City of Milpitas in achieving the State's 75% Recycling Goal as well as compliance with State mandated reporting and monitoring requirements (as specified in AB 341). In order to meet these goals, we will capture and recover additional recyclable materials through front-end collection and back-end processing,

will reduce the amount of waste disposed in landfills. AB 341 went into effect on July 1, 2012 and requires jurisdictions to comply with the following:

- State-wide 75% waste diversion goal by 2020;
- Mandatory commercial recycling by certain businesses and public entities;
- Modification to the process of amending Non-Disposal Facility Elements;
- Changes the due date of state agency annual reports; and,
- Modification of enforcement agency notification requirements for revisions to a solid waste facility permit.

AB 1826 | Mandatory Commercial Organics Recycling Rule (MCOR)

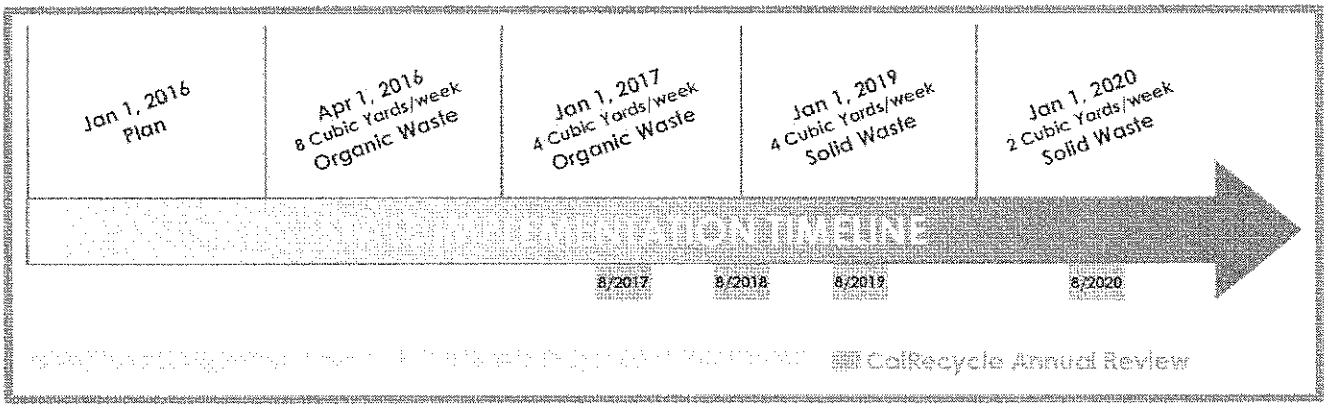
We are also expanding our commercial and MFD organics collection, recycling and outreach programs to assist our jurisdictions with AB 1826 compliance. The law phases in the requirements on businesses, including MFDs, over time based on the amount and type of waste produced on a weekly basis. Additionally, the law contains a 2020 trigger that will increase the scope of affected businesses, if waste reduction targets are not met by the jurisdiction. The implementation schedule is as follows:



- **January 1, 2016** | Local jurisdictions shall have an organic waste recycling program in place. Jurisdictions shall conduct outreach, education, and technical assistance to inform businesses how to recycle organic waste, and monitoring to identify those not recycling and inform them of the law and how to recycle organic waste.
- **April 1, 2016** | Businesses that generate **8 cubic yards of organic waste** per week shall arrange for organic waste recycling services.
- **January 1, 2017** | Businesses that generate **4 cubic yards of organic waste** per week shall arrange for organic waste recycling services.
- **August 1, 2017 & Ongoing** | Jurisdictions shall provide information about their organic waste recycling program implementation in the annual report submitted to CalRecycle.
- **Fall 2018** | After receipt of the 2016 annual reports submitted on August 1, 2017, CalRecycle shall conduct its formal review of those jurisdictions that are on a two-year review cycle.
- **January 1, 2019** | Businesses that generate **4 cubic yards or more of commercial solid waste** per week shall arrange for organic waste recycling services.

- ☐ **Fall 2020** | After receipt of the 2019 annual reports submitted on August 1, 2020, CalRecycle shall conduct its formal review of all jurisdictions.
- ☐ **Summer/Fall 2021** | If CalRecycle determines that the statewide disposal of organic waste in 2020 has not been reduced by 50% of 2014 disposal levels, the organic recycling requirements on businesses will expand to cover businesses that generate 2 cubic yards or more of commercial solid waste per week.

AB 1826 State Implementation Timeline



Compliance with AB 341 & AB 1826 | City of Milpitas

The outreach and education requirement of the Mandatory Commercial Organics Recycling Program (MCOR) mimics the requirements to the Mandatory Commercial Recycling Rule (MCR) stated in AB 341. The City is required in their Annual Reports to CalRecycle to provide local businesses subject to the rule education, outreach and monitoring of the program. Further, the program requires that businesses be notified if they are not in compliance.

Our goal is to provide a comprehensive program that ensures each customer has the correct information, tools, resources and support to reach their best level of diversion potential that is practical and best suits their needs and assist the City in meeting their requirements of AB 341 and AB 1826.

Similarly for AB 1826 reporting, CalRecycle requires jurisdictions to provide information on both the number of regulated businesses that generate organic waste and the number that are currently diverting these materials in a collection or diversion program. Guidance has been provided to jurisdictions to use the North American Industrial Classification System's (NAICS) codes along with CalRecycle Waste Characterization Studies to determine exactly which businesses are subject to AB 1826 on the basis of

employment. In addition, upcoming regulations like AB 876 require jurisdictions to estimate generation of organics and estimate capacity of processing facility and operations for 15 years.

In order to guarantee compliance with AB 1826, AB 341 and upcoming legislation, we have already begun to determine the businesses affected in Milpitas. Existing customer data provided by the current hauler and adjusted NAICS codes have been gathered to most accurately reflect current collection programs and existing customers in the City of Milpitas.

This process looks at both compliance obligations (AB 341 and AB 1826) separately. Total regulated businesses were calculated, as well as how many pounds of recyclables, organic and inorganic waste are generated per employee per week, and through a conversion process, approximately how many cubic yards and tonnage of each waste type is generated per week. **Attachment D** contains additional details on the methodology and calculations used to determine compliance with AB 341 and AB 1826 specifically for the City of Milpitas.

Commercial Account Analysis | City of Milpitas

We have gone above and beyond to analyze the impacts of AB 341 and AB 1826, both of which mandate recycling and composting services to commercial businesses that meet the regulated threshold. Using NAICS codes for the City of Milpitas and employment data, we are able to estimate the number of businesses that will be impacted by both regulations. In addition, we can estimate total tonnage generated from these businesses and have planned our operations and available processing capacity accordingly. This data will be confirmed, adjusted, and used to assist the City in their Annual Reporting, if we are awarded the collection contract.

Based on our calculation methods we assume *just over 1,000 accounts must be provided recycling service, or demonstrate recycling programs*, in order to fully satisfy the requirements of AB 341. The table on the following page shows the breakdown of business types. Note that the largest category is 'uncharacterized businesses.' This category provides a conservative estimate of the number of businesses not captured with the NAICS model[1].

[1] The NAICS model accounts for 33,581 of 43,442 census-reported employees in Milpitas. The remaining 23% are extrapolated into uncharacterized businesses, which is the largest sector due to it being a catchall category.

Businesses that Require Recycling Programs per AB 341

AB 341 Characterized Businesses (2006 Industry-Specific Waste Characterization)	Total Businesses	Qualified Businesses
Fast-Food Restaurant	0	0
Building Material & Gardening, Other Stores	0	0
Gasoline Stations (Modeled as all other)	1	0
Retail, Big Box Stores	5	5
Gasoline Stations (Modeled as Other Retail)	17	2
Manufacturing	18	7
Building Material & Gardening, Big Box Stores	20	16
Non-Durable Wholesale Distributors	23	21
Arts, Entertainment, and Recreation	23	4
Durable Wholesale Distributors	24	16
Large Hotels (Includes Small Hotels)	25	23
Food Stores	27	26
Medical & Health	27	11
Durable Wholesale and Trucking (Excludes 423)	33	27
Services - Repair and Personal	35	12
Tobacco Products and Food Manufacturing	49	15
Hotels and Lodging	89	60
Services - Professional, Technical, Financial	202	17
Other Retail	219	49
Other Manufacturing	258	36
Full Service Restaurants	298	238
Public Administration	308	105
Services - Management, Administrative, Support	457	84
Uncharacterized Business*	634	227
Totals	2,792	1,002

**Conservative estimate of non-categorized businesses.*

In addition, we used CalRecycle approved methodology to determine the number of businesses subject to AB 1826, Mandatory Commercial Organics Collection. As mentioned previously, this program has phase-in requirements starting at 8 cubic yards of organic waste in 2016 and phasing toward mandating organics collection for businesses that have 2 cubic yards of solid waste per week in 2020. The table on the following page shows *approximately 22 businesses require organics collection in 2016 and 58 will require organics collection in 2017.*

Businesses that Require Organics Collection Programs per AB 1826

AB 1826 Characterized Businesses (2006 Industry-Specific Waste Characterization)	2016 8 CY Organics /Week	2017 4 CY Organics /Week
Fast Food Restaurants, Cafeterias, and Nonalcoholic beverages	0	0
Misc. Durable Goods Merchant Wholesalers (Durable Wholesale Distributors)	0	0
Nursery, Garden, and Farm Supply Stores (Other Building and Garden Stores)	0	0
Gasoline Stations (Modeled as all other)	0	0
Arts, Entertainment, and Recreation	0	0
Durable Wholesale and Trucking (Excludes 423)	0	0
Education	0	0
Manufacturing	0	1
Other Manufacturing	0	2
Medical & Health	0	1
Public Administration	0	0
Services - Repair and Personal	0	1
Building Material and Supply Dealers (Big Building and Garden Stores)	1	2
Non-Durable Wholesale Distributors	1	1
Department Stores (Retail Big Box Stores)	1	1
Tobacco Products and Food Manufacturing	1	1
Other/Unclassified	2	4
Services - Management, Administrative, Support	2	6
All Restaurants/Cafes/non-alc beverages	2	15
Services - Professional, Technical, Financial	2	7
Supermarkets	3	6
Hotels and Lodging	3	5
Other Retail	4	7
Totals	22	58

Attachment D provides a detailed report on how these numbers were assembled.

Using CalRecycle's 2006 waste characterization, the most recent publically available document, we are able to estimate tonnages collected from commercial businesses for both of these programs (AB 341 and AB 1826). The Table that follows outlines what current curbside collection programs would consider 'low hanging fruit' recycled tonnage from eligible businesses under AB 341. This is approximately 4,900 tons per year, where another potential 10,400 tons are currently being recycled through "other" programs. This is predominantly cardboard and metals which tend to be self-hauled and heavily scavenged prior to collection. These tonnages may be diverted through a curbside program through enhanced outreach and technical assistance programs and

potential City ordinances. In addition, we estimate another 15,500 tons of available recyclable tonnage, which can be recycled and are likely ending up in the current waste stream. We will systematically target these materials through enhanced outreach programs, and through effective curbside collection and processing options proposed in our ***Hybrid-Alternative Proposal***, as described in *Section 3* that follows.

Total Tons of Recyclables by Type Potentially Diverted Through Our Hybrid-Alternative Collection Program

	Current Curbside Tons - "low hanging fruit"	Current Recycling Tons - "other" programs	Potential Recycling Tons - Advanced Programs
Glass	284	218	892
Metal	88	4,565	1,628
Plastic	471	123	5,773
Paper	4,064	5,516	7,216
Total	4,907	10,422	15,509

Additionally, our AB 1826 model shows us that 2,862 tons of organics exist from businesses eligible under Phase 1 of AB 1826 in 2016 (8 cy organics/week) ramping up to 8,094 tons by Phase 2 in 2017 (4 cy organics/week). These tons represent the total approximate tonnage generated by these businesses, where our ***Hybrid-Alternative Proposal*** provides the best opportunity to divert the majority of these materials. Our outreach program is designed to educate businesses on the importance of diverting materials, and our collection program would strategically target organics at each business, where food waste and yard waste would be collected separately. In addition, processing of rich organic materials would further enhance this diversion practice.

Total Tons of Organics Diverted by Business Type for AB 1826

AB 1826 - Eligible Tons per Year		
	2016 8 CY Organics/week	2017 4 CY Organics/week
Fast Food Restaurants	0	0
Misc. Durable Goods Merch. Whole	0	0
Nursery, Garden, and Farm Supply	0	0
Gasoline Stations	0	0
Arts, Entertainment, and Recreation	0	0
Other Durable Wholesale	0	7
Education	0	0
Manufacturing	0	57
Other Manufacturing	0	111
Medical and Health	0	61
Public Administration	0	0

Services – Repair and Personal	0	109
Tobacco Products and Food Mfg.	129	203
Big Building and Garden Stores	149	338
Non-Durable Wholesale	170	260
Department Stores	182	280
Other Unclassified	187	422
Services – Management, Admin,	204	603
Hotels and Lodging	275	560
Services – Professional, Technical	281	737
Supermarkets	365	930
Full Service Restaurants	426	2,453
Other Retail	494	964
TOTAL	2,862	8,094

Our detailed **AB 341 & AB 1826 Compliance Plan** (included in **Attachment D**) also provides general information on the recently signed AB 876, which requires jurisdictions to estimate total amount of organics generated within the jurisdiction up to 2030 and calls upon the jurisdictions to provide current, and estimate future, organics processing capabilities. Our estimates prepare for the potential 90% ban on organics to landfill which could be possible under SB 605 for all organic materials, including commercial, residential and self-hauled materials. The table below shows the total diversion necessary to achieve the diversion goals under AB 1826 and SB 605 and the required capacity needed to process these tons.

Total Organic Generation and Diversion, 2014 - 2030

	2014 Baseline	AB1826	SB605	SB605
	2014	2020	2025	2030
GOALS	Assumed No-Disposal	50% diversion of organics from 2014	90% diversion of all organics to landfill	90% diversion of all organics to landfill
Commercial Diversion (tons)	0	10,120	16,002	16,862
Residential Diversion (tons)	0	2,355	7,425	7,824
Self-Haul Diversion (tons)	0	1,093	3,445	3,630
Total Diversion (tons)	0	13,568	26,872	28,316
Total Disposal (tons)	28,233	17,543	5,647	5,647

Implementing AB 341 and AB 1826 Programs

Our approach to addressing the requirements of AB 341 and AB 1826 is best outlined in our ***Hybrid-Alternative Proposal*** included in *Section 3* that follows. Under our ***Hybrid-Alternative Proposal***, businesses will be offered the most advanced automated

collection services, coupled with a best in class Outreach Team and "state-of-the-art" material processing systems. This includes implementing programs and service options that best meet the needs of the customer and engaging them in the diversion program, ensuring they have adequate and appropriate service levels and continuing to monitor the effectiveness of the program. The outreach to these businesses will be tracked, ensuring the City has met their Annual Reporting burden to CalRecycle and, in partnership with Garden City, can continue to look for ways to enhance programs for customers throughout the term of the contract.

Our Experience

We have worked closely with our existing jurisdictions to ensure full compliance with AB 341. In the City of Brisbane, SSFSC has a confirmed 86% compliance rate among the commercial businesses, which are within the compliance requirements. In the City of South San Francisco currently 88% of businesses within the threshold are known to be in compliance. We consider compliance when a business has either recycling services with SSFSC or have recycling services on their own. Businesses that are 'out of compliance' may have recycling programs but have not communicated those programs to our Outreach Team. In all our jurisdictions, our recycling services are offered to a wide range of businesses, regardless if they fall below what the mandated collection requirements. We continually track, evaluate, personally reach out and connect to businesses in an effort to keep recycling programs an integral part of their day-to-day operations. In the City of Alameda, our affiliate company, ACI provides all Commercial and MFD customers will bill inserts that provide details on AB 341 as well as the Alameda County Waste Management Authority's MCR Ordinance. Along with the bill insert, all commercial customers are reminded to read our online commercial newsletter that is available on ACI's website when the Recycling Coordinator meets with each commercial customer in the service area.

In addition, this tracking allows us to report our successes to our jurisdictions. We recognize that significant decreases in the total amount of materials destined for the landfill can take time and sustained effort. We initially expect a significant increase in the total number of customers subscribing to recycling and organics collection services, and then an increase in the volume of subscriptions as an indicator of program participation.

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J. Subcontractors

We will be subcontracting with Alameda County Industries for single-stream recyclables processing under the base proposal and the SMaRT Station in Sunnyvale for dual-stream recycling and organics processing under our ***Hybrid-Alternative Proposal*** described in detail in *Section 3* that follows. Included in **Attachment A** is a processing commitment letter from the City of Sunnyvale, detailing the necessary processing and disposal arrangements.

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K. Management and Customer Service Systems

This section describes proven technical tools that Garden City will implement for operations in the City of Milpitas. Our affiliate companies have used these tools for years in similar municipal contract situations with excellent results. The backbone of our solution for maintaining collection performance, route management, and customer service systems is one developed and supported by AMCS (formally PC Scale Tower). Waste industry professionals designed the software and it can be customized based on our specifications and City preferences. We have utilized AMCS for decades because it offers a multitude of benefits, including:

- Optimized for the waste industry;
- Easy to use while containing multiple and dynamic features;
- Allows hierarchical data structures that add security and the ability for read only access; and,
- Offers support 24/7 so someone is always able to help with issues.

All daily collection operations and billing functions at ACI, GCS, LS, MTWS, PSSI, SSWR and SSFSC are managed through AMCS.

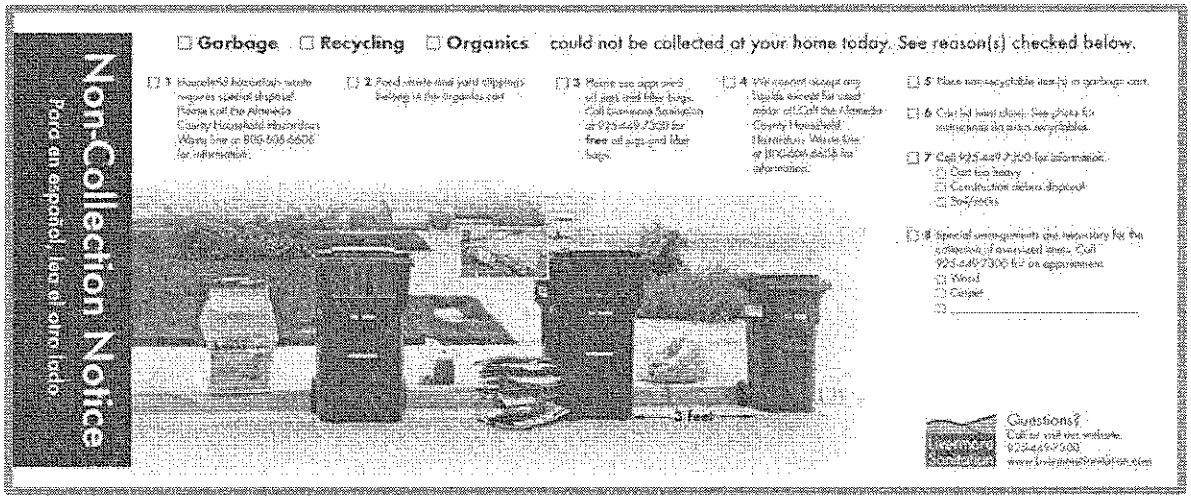
Ensuring that customers are satisfied with our services helps minimize customer complaints. In order to increase overall program effectiveness, customer satisfaction and interaction is key. AMCS integrates all aspects of our collection, routing and billing operations to seamlessly and efficiently provide excellent customer service. **Attachment C** contains information on the AMCS database and customer service software system.

Utilizing AMCS, we can collect data that allows us to itemize specific issues for our operations team so they can monitor issues and ensure that any operational issues are handled and remedied quickly. A few examples of the issues and resolutions that we experience and specifically track include the three most common, described below:

- Missed pickups | Our goal is to have zero missed pickups; however, this is not always realistic. Our policy is that as long as we still have a driver in the area at the time a missed pickup is reported, we will return to service the customer that day. In the event we have left the area, we will send a Supervisor to get the missed items. On the rare occasion that we are unable to pick up the material on the same day, we will either pick up the material the next day or pick up double material the following week, at the customer's discretion.
- Noise Complaints | Noise complaints tend to occur when we have an intersection of commercial routes near residential areas. We have found by working with the businesses, residents, and jurisdictions, we are usually

able to re-route services to prevent noise complaints. We make every effort to service all commercial businesses abutted by residential areas later in the day. However, now that most of our fleets run on CNG, noise complaints are rare. In fact, we have seen some residents forget to put their carts out on their service day because they no longer hear the truck approaching.

☐ Non-Collection Notices (NCNs) | NCNs for cause include contamination, improper set out or other action that would prevent collection. Drivers are sent out with NCNs that have two corresponding parts: one that is left with the customer and another that is submitted to dispatch, as shown in the NCN below that is utilized by our affiliate company, Livermore Sanitation. Communicating in a written manner and annotating all communication in the AMCS system allows us to make sure we are informing our customers in a timely manner. If the customer contacts us regarding the NCN, CSRs can quickly lookup the exact reason for non-collection and provide appropriate assistance. **Attachment F** contains an NCN we use in the City of San José.



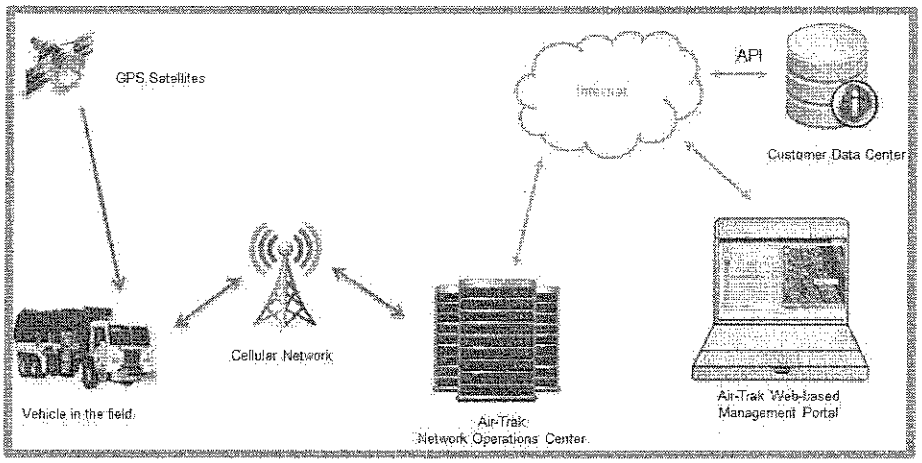
Jurisdiction Accessibility | Accessibility to the CSR database for off-site users are managed through terminal services. Network access is granted and users of the system are assigned access rights, which are limited based on department and position. Appropriate staff will be assigned an AMCS user ID with access rights to view real-time work orders, current account data, service levels, notes, numbers and types of complaints and/or compliments, and collection days.

Customer Service Call Center | Our Customer Service Call Center is located at our Administrative Office at 1080 Walsh Avenue in Santa Clara, approximately 10 miles from Milpitas City Hall. Our centralized Customer Service Call Center is specifically designed to suit all customer service functions, creating an environment where there is ease of communication between our CSRs, our staff, drivers, customers, and the jurisdictions

we serve. We prefer to operate individual Call Centers staffed by local residents who understand the challenges and unique qualities of the regions being served. The table below lists Garden City and affiliate company's Centralized Call Centers and website information.

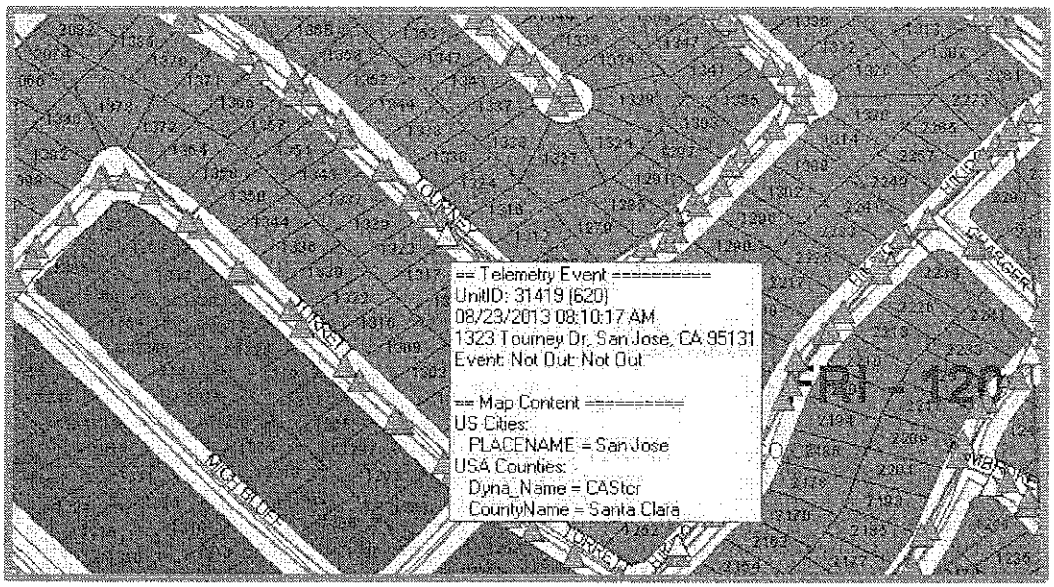
Garden City & Affiliate Company's Call Centers & Websites		
Referenced Company Call Center Location	Centralized Call Center	Jurisdictions Served Telephone Numbers Web Addresses
Alameda County Industries 610 Aladdin Avenue San Leandro, CA 94577	Yes	Alameda | 510.814.7314 San Leandro | 510.357.7282 www.alamedacountyindustries.com Rates Posted on Website
Garden City Sanitation 1080 Walsh Avenue Santa Clara, CA 95050	Yes	San José | 408.988.4500 www.gardencitysanitation.com Rates Not Posted on Website
Livermore Sanitation 7000 National Drive Livermore, CA 94550	Yes	Livermore | 510.449.7300 www.livermoresanitation.com Rates Posted on Website
Mission Trail Waste Systems 1060 Richard Avenue Santa Clara, CA 95050	Yes | Los Altos Only	Santa Clara | 408.737.5365 Los Altos | 650.473.1400 www.missiontrail.com Los Altos Rates Posted on Website
Peninsula Sanitary Service 339 Bonair Siding Road Stanford, CA 94305	Yes	Stanford University | 650.321.4236 http://recycling.stanford.edu Rates Not Posted on Website
South San Francisco Scavenger Company 500 E. Jamie Court South San Francisco, CA 94080	Yes	Brisbane, Colma, Millbrae, San Francisco International Airport, & South San Francisco | 650.589.4020 For All www.ssfscavenger.com Rates Posted on Website

System Interfaces | AMCS integrates with our geocoding and mapping software systems (ArcView and AirTrak), providing a complete management and customer service system that is unparalleled in the industry. Garden City along with our affiliate companies, utilize advanced geocoding technology in order to monitor collection vehicles in real-time, as well as perform accurate routing and mapping. When coupled with AMCS, the result is complete customer service and accountability. The graphic on the following page depicts how the numerous systems interface between the trucks on the route and our dispatch and customer service software program.



ArcView is a desktop GIS program that is impeccably precise and works in tandem with AMCS to generate accurate maps that make routing easier and more efficient. Not only is mapping exact by utilizing ArcView, but also when tied to the Air-Trak GPS systems installed on collection vehicles, any truck may be monitored in real-time. Because each collection is recorded and time-stamped, collection vehicles leave a "breadcrumb" trail that can be reviewed by Supervisors when a driver checks out at the end of the work day to ensure each route was completed and no customers were missed.

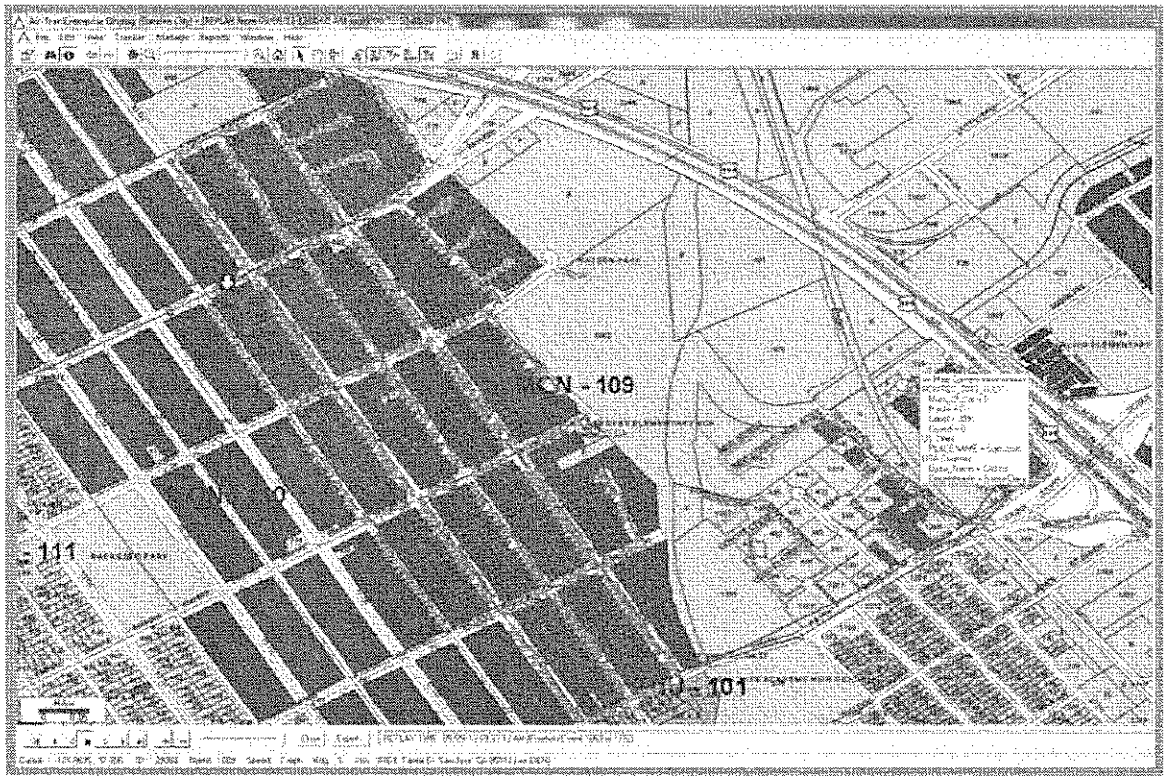
This system is simple and efficient for drivers to use. Four sensors are installed on the truck arm that records each time the arm empties a container and sends a signal to the GPS, recording the exact time, longitude, and latitude of the event. Upon completion, an orange triangle appears on the Air-Trak screen, as shown in the graphic below.



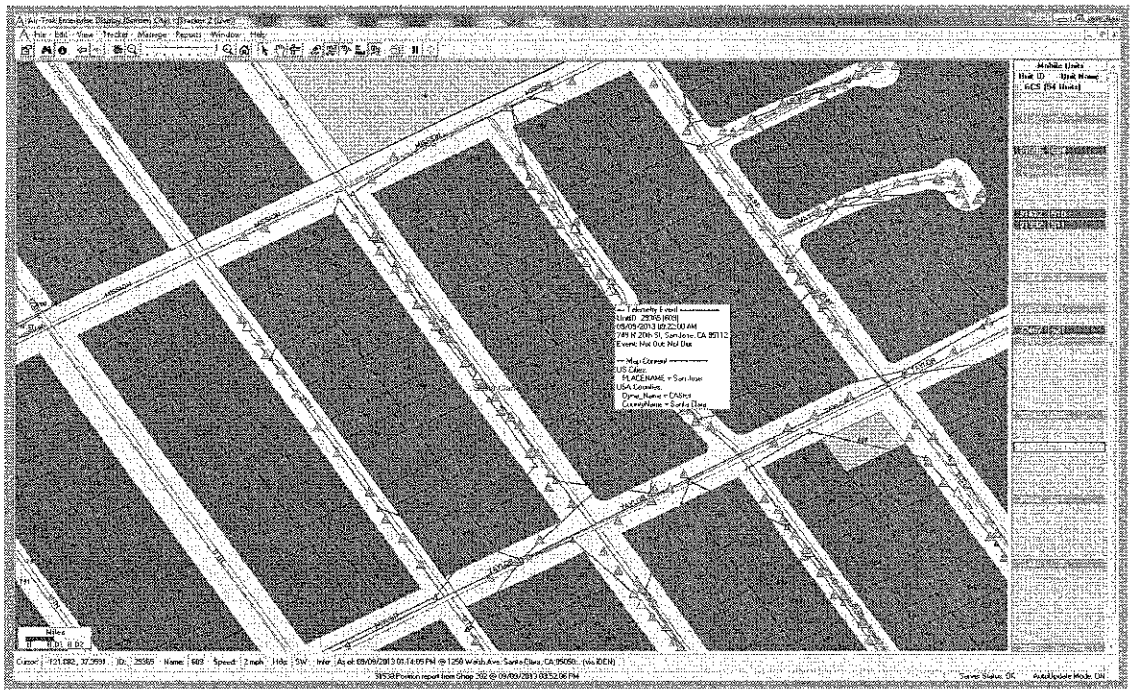
When the driver encounters an address where the container is not out, a button is pushed that transmits and records that the container was not out at that exact moment, along with the longitude and latitude, so CSRs can easily verify the service address. If the driver gets to a property and the container is not serviceable, due to blockage or excessive contamination, there is a second button that the driver presses, which again transmits a signal stating that the container was not serviceable and a yellow triangle appears on the Air-Trak screen at the exact time.

Route Supervisors monitor all "breadcrumb" trails from each route and evaluate customer calls. To do so, each Supervisor has a laptop or tablet from which they can view the entire fleet and confirm services are provided and at exactly what time. When a driver calls to "clear their route" at the end of the day, their Supervisor checks the breadcrumb trail to make sure they completed the route. In the example that follows, if the driver called to clear their route, their Supervisor would look over the route (all the color-coded parcels, in this example, the route is green) and check for service at each location.

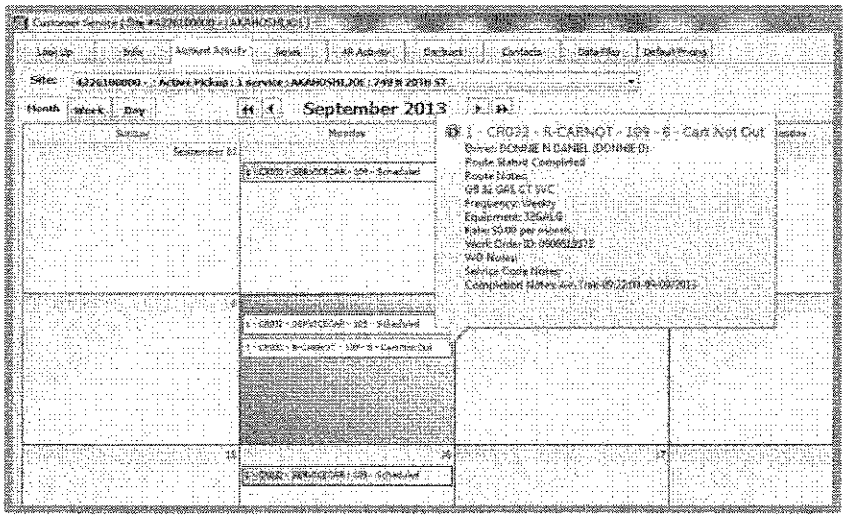
If the route was not finished, the Supervisor would tell them that they missed a street, and request that they go back and complete it. In this example below, 702 to 794 North 18th Street is void of orange and yellow triangles, indicating this location was not serviced.



The process has been simplified for CSRs because the GPS system is incorporated with AMCS and each parcel that has service has been geocoded, so when any event is triggered by the GPS (arm lift, not out button, not serviceable button), the longitude and latitude of the event are compared to the database of geocoded customers and the closest address is assigned to that event with a time stamp. The following screenshot displays that at 749 North 18th Street, the driver hit the not out button at 9:22am, as depicted by the yellow triangle.

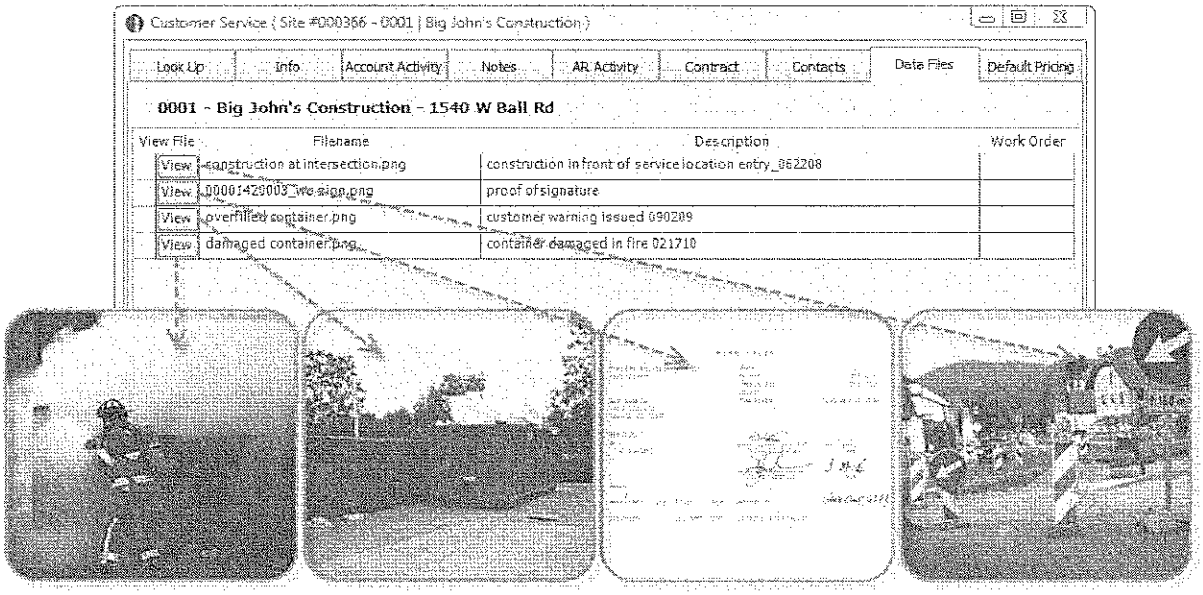


If this customer was to call our CSRs and state that they weren't serviced that morning, the CSR would look up the address through AMCS, (as shown in the screenshot below), and tell the customer that the cart was not out when the driver was outside the location at 9:22am. The CSR can then inform the customer that the driver will go back as a courtesy today and service the cart, but in the future please have carts out before collection begins.



We also use Air-Trak when a truck breaks down, so a mechanic can easily be sent directly to the truck.

Use of this system has kept call volumes to a minimum and our actual cart misses have been significantly reduced. Supervisors can replay any route from the first day of collection through the current date, which is extremely helpful for accident or damage claims. Photographs can also be incorporated into AMCS, which allows for additional proof of service and/or assistance in determining accidents and investigations into potential damage from the collection vehicle. This also enables us to quickly access customer information like special service limitations, damages to equipment, proof of signature, customer warnings, NCNs issued, and other pertinent information, as shown in the graphic below.

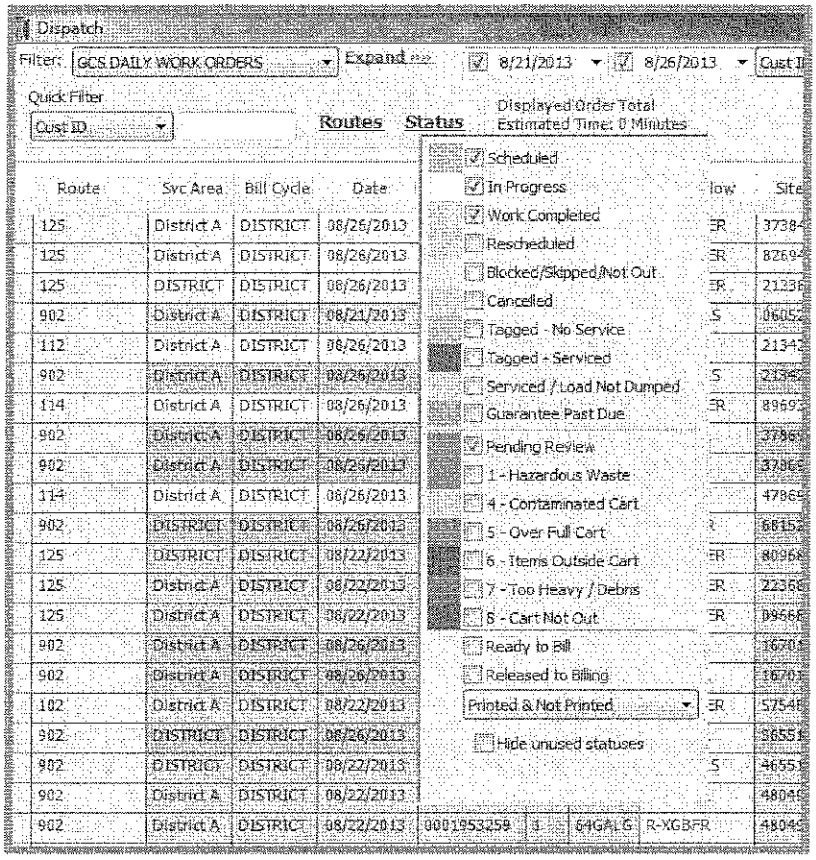


Drivers also like the ease of simply pressing a button when a cart is not out, as well as the security of knowing that most of the accident claims received are easily resolved using AMCS and other safety mechanisms and tools available. Driver route sheets are generated through AMCS and the following details are included on the route sheets:

- **New Starts, Reschedules & Vacation Reports** | printed and distributed to drivers daily, alerting them to route changes, vacation holds and other details.
- **Residential Route Sheets** | includes information such as driver name, date, route, in/out times, load information, total number of stops, total containers, and other route statistics. Updates are generally printed and distributed to drivers once per month.
- **Commercial Route Sheets** | includes information like driver name, date, route, in/out times, load information, total number of stops, total containers, and other route statistics, such as service levels, gate codes, etc.

- **Roll-Off Schedules** | managed through a work order system that lists all of the driver's stops for the day.

Dispatch | The dispatch function in AMCS is a useful tool for monitoring open items and moving a work order through the cycle from creation, completion, review, and billing, as necessary. Each department has a role in the cycle of each work order and each step of the process is tracked through AMCS. The key element of the dispatch screen is the status settings; all users can see each update to a work order. The dispatcher uses this screen to capture daily work orders for printing. Once a work order is printed, the status is updated to *"in progress"* and *"printed."* All users are then able to see this status change and also identify which user printed it and when. As completed work orders are returned by drivers at the end of the day, the status is then updated to one of the following: *"complete," "blocked," "skipped," "not out," "tagged-serviced," "tagged–no service."* Customized statuses can also be created and are currently in use by our affiliate companies to fulfill contractual requirements for jurisdictional-specific service reports.



Internal Performance Standards | The tools and experience Garden City and affiliates have come to bear are relative to this contract in many ways. Especially evident is the ability to detect, resolve, and prevent performance lapses with the management and customer service systems described throughout this Section. Safety training is also critical to ensuring serious performance lapses do not occur as well as an overall comprehension by all employees on contract requirements. We believe that success is rooted in proactive and preventative behaviors: *doing things right the first time!*

The *Garden City Performance Measures Table* that follows includes the typical performance targets that can be used to measure our performance and compliance with the Franchise Agreement as well as the effectiveness and responsiveness of our CSRs.

Garden City Performance Measures Table		
Non-Performance Event	Tracking Mechanism(s)	Management Measures
		COLLECTION QUALITY
Unauthorized Hours of Operation	Integrated time clock information to approved report format.	✓ Use of sophisticated time tracking system. ✓ Operations Manager present at start times. ✓ Dispatcher present 1 hour prior to start times. ✓ Yard locked prior to first start time. ✓ Use of progressive employee discipline.
Inadequate Care of or Damage to Private Property	GPS/route management system and field observations.	✓ Use of GPS/route/customer management systems. ✓ Supervisors in field each day. ✓ Safety meetings discussion topic and reminders. ✓ Use of progressive employee discipline.
Failure to Resolve Property Damage Claims	Administrative file kept and outside risk manager software tracking to report.	✓ Use of claims reporting software (Omnis Tools) provided by insurance carrier. ✓ Internal tracking and reporting by administrative personnel; GM ensures prompt claims closure. ✓ Assertive property damage claims reduction through excellent safety program.
Improper Container Placement Complaints	AMCS system to report.	✓ All customer concerns and complaints are tracked in AMCS as standard procedure. ✓ Use of progressive CSR discipline upon discovery of improper notation. ✓ Drivers trained and reminded of proper placement of containers. ✓ Field observations and discussion topic at safety meetings. ✓ Use of progressive employee discipline.
Failure to Perform Non-Collection Noticing	AMCS system to report & NCNs provided to Town.	✓ On-board computing system interfaces with AMCS to track corrective action notice distribution. ✓ Supervisor observation and periodic setout checks; discussion topic at safety meetings. ✓ Use of progressive employee discipline.
Missed Pick-up Events: Initial Complaints	AMCS system to report.	✓ All customer missed pick-up complaints are tracked in AMCS as standard procedure. ✓ Drivers trained and reminded to use on-board computing system to track no setouts and other reasons for non-collection. ✓ Field observations and discussion topic at safety meetings. ✓ Use of progressive employee discipline.
Missed Pick-up Events: Failure to Collect	AMCS system to report.	✓ All customer concerns and complaints are tracked in AMCS as standard procedure. ✓ Use of progressive CSR discipline upon discovery of no collection if driver was informed to go back before 5pm. ✓ Field observations and discussion topic at safety meetings. ✓ Use of progressive employee discipline.

Excessive Noise Complaints	AMCS system to report.	✓ All customer concerns and complaints are tracked in AMCS as standard procedure. ✓ Use of progressive CSR discipline upon discovery of improper notation. ✓ Drivers trained and reminded of noise reduction policies. ✓ Selection of collection equipment based on noise reduction as a decision factor. ✓ Field observations; discussion topic at safety meetings. ✓ Use of progressive employee discipline.
Unacceptable Employee Behavior	AMCS system to report. Personnel file notation to report (privacy laws abided by).	✓ All customer concerns and complaints are tracked in AMCS as standard procedure. ✓ Field observations; discussion topic at safety meetings. ✓ Use of progressive employee discipline. ✓ GM Intervention: Zero Tolerance Policy for Unacceptable Employee Behavior.
Spills of Discarded Materials: Failure to Clean Up	Internal incident tracking and reporting. AMCS system to report.	✓ All customer concerns and complaints are tracked in AMCS. ✓ Field observations; discussion topic at safety meetings. ✓ Use of progressive employee discipline. ✓ Standard procedure is to clean up discarded materials as soon as they are noticed or reported.
Spills of Vehicle Fluids	Internal incident tracking and reporting. AMCS system to report.	✓ All customer concerns and complaints are tracked in AMCS. ✓ New, reliable equipment and our rigorous maintenance program will ensure minimization of fluid leaks. ✓ Immediate response is standard protocol.
CUSTOMER SERVICE QUALITY		
Failure to Achieve Avg. Phone Times: Answer Times & Dropped Calls	Chronicall system to report. GCS to submit electronic report annually.	✓ Use of Chronicall system. ✓ Use of progressive CSR discipline upon discovery of continuous incidents of customer waiting longer than specified in the Agreement. ✓ Discussion topic at CSR meetings.
Untimely Response & Resolution to Complaints & Inquires	AMCS system to report. GCS to submit electronic report annually.	✓ All customer concerns and complaints are tracked in AMCS as standard procedure. ✓ Use of progressive CSR discipline upon discovery of untimely responses/resolutions. ✓ Discussion topic at CSR meetings.
Failure to Initiate New Service or Service Changes	AMCS system to report. GCS to submit electronic report annually.	✓ Use of AMCS system; work orders must be closed out by response time indicated in contract. ✓ Driver paperwork check-in procedure at the end of each route. ✓ Use of progressive employee discipline.

Reports | We currently generate quarterly and annual reports as required by the various Franchise Agreements with Garden City and our affiliate companies. Reports generally include tonnage, customer account data, summary of public education and outreach activities, billing data and/or discrepancies, complaint logs, missed pickups and more. Sample quarterly and annual reports from Garden City and our affiliate companies are included on a CD in **Attachment E**. All required reports will include all data and information as described in *Article 6 and Exhibit C of the Franchise Agreement* and will be provided in a mutually-agreed upon format.

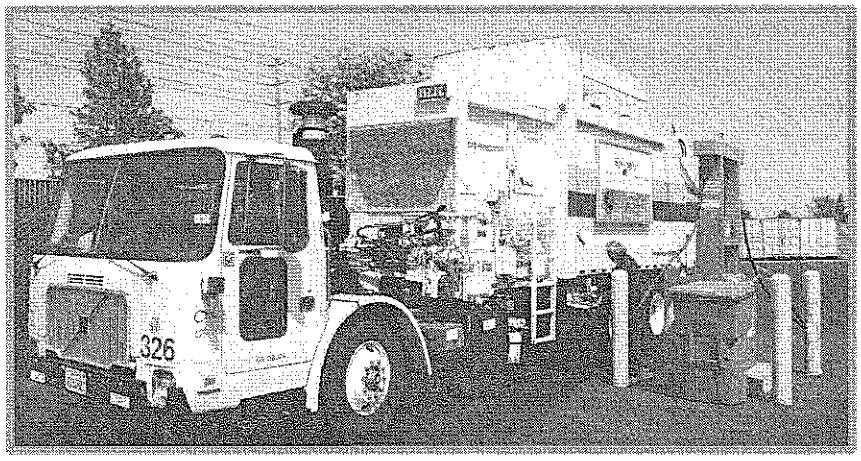
L. Corporation Yard and Maintenance Facilities

Garden City and our affiliate companies have experience in locating, acquiring, permitting and developing corporation yards and operations/administrative facilities for new collection contracts. Our current corporation yard in Santa Clara was acquired, permitted, remodeled, and new upgrades were installed well before the commencement of services. The Livermore Sanitation yard located in Livermore and the Mission Trail Waste Systems existing yard located in Santa Clara were obtained, constructed, remodeled, and upgraded under new contracts. Both of these facilities were completed within a relatively short timeframe and well in advance of commencement of services.

We are proposing to locate our corporation yard for collection vehicle parking, fueling, container storage, employee parking and facilities at our affiliate company, Specialty Solid Waste and Recycling (SSWR), yard in Santa Clara. Currently, the site houses SSWR's Sunnyvale collection operation that includes: truck parking, fast-fill CNG fueling station, and maintenance shop and container storage area and has sufficient space to accommodate our operations for Milpitas.

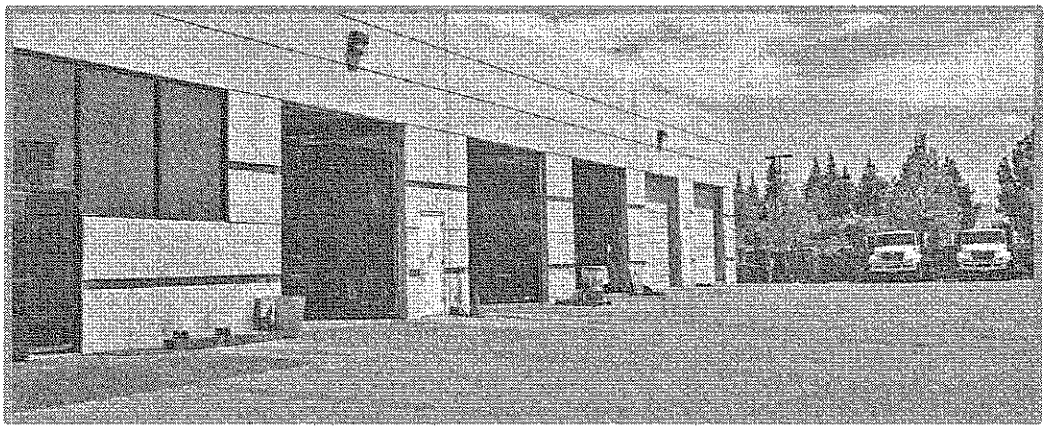
Specialty Solid Waste & Recycling
A DIVISION OF BAY COUNTIES WASTE SERVICES, INC.

Vehicle & Container Parking/Storage at SSWR | Immediately following contract award, we will begin working with SSWR to seamlessly integrate our Milpitas operations, while minimizing disruption to their current operations. We will work with vendors to design, order and install all necessary equipment to house employee facilities, parking and necessary expansion to their current fueling station.



All other Milpitas operations like maintenance, dispatch, administrative, payroll, and customer service functions will be housed out of Garden City's current facility in Santa Clara.

Maintenance Facilities | Our current maintenance facility at Garden City is more than sufficient to maintain and service all collection vehicles and containers required for our operations in Milpitas. Our maintenance facility includes 7 maintenance bays, container maintenance area, recycled-water truck wash, and numerous tools and equipment to efficiently maintain and repair vehicles and containers in a timely manner. We will ensure that our facility is clean and organized, minimizing the potential for accidents and ensuring all mechanics work in a safe environment to keep all equipment in working order.



- **Vehicle Maintenance Program** | Our rigorous preventive maintenance program complies with regulatory standards and manufacturer specifications. Our goal is to keep our equipment running safely and efficiently, and looking clean and new. It is a well-known fact that clean-looking vehicles are often assumed to be well maintained and thereby make a more positive impression.

  In maintaining new equipment, only re-refined motor oil and re-refined hydraulic fluid will be used in vehicles. Best Management Practices (BMPs) as relative to heavy-duty vehicle maintenance facilities will be standard procedure. Staff will conduct routine inspections of the maintenance facility and any deviation from BMPs will be corrected by the end of that business day.

  We feel the key to a preventive maintenance program is the daily completion of the vehicle inspection report, which is completed by the driver. The driver checks fluid levels and indicates any defects or deficiencies found that day. Shop personnel review the report and check any items marked by the driver as being questionable. Mechanics then make any needed repairs before the vehicle goes back onto the route. Furthermore, each vehicle undergoes a 90-

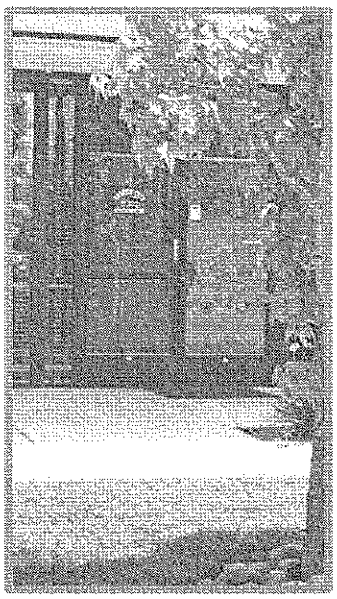
day Department of Transportation (DOT) inspection by shop personnel. Interior and exterior safety devices are inspected, such as instruments and mirrors, and the engine and electrical system are also inspected. Air and fuel lines, the clutch, brake system, and chassis components, such as the drive shaft and universal joints, are also inspected to ensure the vehicle is safe for operating.

Garden City and our affiliate companies have excellent vehicle maintenance track records. Examples of our high vehicle maintenance standards is PSSI, which has passed their California BIT inspection for the last 15 consecutive years, and SSFSC, which has received 7 consecutive satisfactory ratings from the CHP.

- Container Maintenance Program | Containers that require repairs or maintenance will be delivered to our yard and repaired in our container maintenance area, located adjacent to the vehicle maintenance facility. With the exception of painting, the following container maintenance activities will be conducted at our yard in Santa Clara:
  - Lid repair/replacement
  - Wheel repair/replacement
  - Welding of dent/rust spots
  - Labeling, if necessary

  An outside company will be utilized to paint containers. We have determined through our own experience, along with our affiliate companies, that paint booths are difficult to permit, fees are increasing each year as Air Districts revise regulations, and the cost for an outside specialist to paint containers is sometimes cheaper, after all factors are considered.

Administrative Office | Administrative facilities that house payroll and human resources, customer service, dispatch and some accounting functions will be located in our current Garden City office in Santa Clara. Additional office furniture, telephones, supplies and additional resources will be installed to accommodate the space to ensure the comfort, safety and productivity of employees. We will solicit local vendors when purchasing equipment and supplies for our office. We will also purchase supplies and equipment that complies with our company-wide Environmental Purchasing and Procurement Policy (EPPP), which is included in **Attachment D**.



Development Timeline | The draft Implementation Plan that follows in *Section 2.N | Implementation Plan* includes the anticipated start and end dates for activities that will be performed prior to the commencement of services, including expanding our current office and setting up facilities at SSWR.

Contingency Facilities | Based on our decades of experience, we have determined and allocated sufficient time and resources to ensure that all necessary improvements are complete well before September 6, 2017.

M. Street Sweeping

Garden City, through affiliate company PSSI, has ample street sweeping experience at the Stanford University Campus and at our affiliate company MRFs and yards. Street sweeping will be provided twice per month in all residential areas and four times per month in commercial and industrial areas as indicated in *Section 4.15 of the Agreement*. Street sweeping will be coordinated as to follow collection services, reducing the potential for litter impacts in residential and commercial neighborhoods.

The chart on the following page provides street sweeping references for the City to contact regarding our expertise in rendering such service. It is important to note that the reference covers a broad spectrum of street sweeping applications: institutional grounds (Stanford University), high security areas (Stanford Linear Accelerator Center), public streets (Stanford University Housing), and affiliate company facilities (ACI MRF, MTWS Transfer Station).

Street Sweeping References

Contract Garden City Affiliate/Service Provider	Contact Information
Stanford University Peninsula Sanitary Service, Inc.	Ted Tulochski Stanford University Grounds & Solid Waste Contract Manager 650.723.3383 tedt@bonair.stanford.edu
Stanford Linear Accelerator Center Peninsula Sanitary Service, Inc.	Carlos Pereira SLAC Facilities Engineer/Coordinator 650.926.3274 carlosp@SLAC.Stanford.edu
ACI MRF Peninsula Sanitary Service, Inc.	Chris Valbusa ACI | General Manager 610 Aladdin Ave San Leandro, CA 94577 510.357.7282 cvalbusa@alamedacountyindustries.com
MTWS Transfer Station/MRF Peninsula Sanitary Service, Inc.	Yvette Sessions MTWS | General Manager 1060 Richard Ave Santa Clara, CA 95050 408.727.5365 ysessions@missiontrail.com

N. Implementation Plan

Garden City and our affiliate companies are highly experienced in new service initiations as shown by our years of experience implementing new rollouts and innovative collection, processing and diversion programs over the decades. Hours of planning go into each new service transition and our planning always focuses strongly on the following areas:

- Collaboration | A collaborative process between involved parties assures a smooth transition. Regular communication is essential, and we recommend regular coordination meetings begin immediately following the contract award.
- Thoughtful & Fluid Planning | Utilizing the following draft Implementation Plan as a starting point, the Implementation Team will continually define and/or adjust tasks as we move closer toward the collection start date, as is necessary or optimal.
- Expert Execution | Our team of seasoned industry professionals, all personally experienced in new contract initiations and new program roll-outs, will ensure that each task is completed within the specified timeframe.

Our main objective is to provide excellent service leading up to and throughout the transition period, with minimal disruption to customers. Prior to the commencement of services, a comprehensive Transition Plan will be prepared with input from the City. The final Transition Plan will include contingency plans, reporting formats, public education and outreach plan, technical assistance plan, and waste assessment and audit protocols.

Our goal is to deliver consistent service, prioritize customer needs, accomplish the City's Goals and coordinate with the previous contractor in order to rollout the smoothest transition possible.

The draft implementation schedule that follows includes a description of major components, tasks, anticipated completion dates and estimated duration, the key personnel who are assigned to the tasks, and additional comments.

DRAFT Implementation Schedule | City of Milpitas *New Services Commence: Sept. 6, 2017*

Task	Start Date	End Date	Assigned To	Comments
Contract Negotiations				
Contract Negotiations	Apr-16	Jun-16	**L. Pellegrini** **D. Button** **K. Kenney**	We will negotiate in good faith with the City to finalize the Agreement.
Contract Coordinating & Planning	2 weeks following approval		**City & Garden City**	Once contract is finalized, we will work to develop an approved implementation plan that includes coordination meeting schedules, and an approved implementation progress reporting format.
Estimated Duration	**2 months**			
Management Refresher Training				
Management Refresher Training	Jun-16	Aug-16	Transition/Management Team training is designed to inspire a culture of superior customer service and an excellent support infrastructure for the challenging months of the transition and beyond. Training will be conducted in afternoons in the months prior to the start of operations.	
			L. Pellegrini	Training Content includes, but is not limited to, the following topics:
			D. Button	**Company policy and procedures*
			S. Jones	**Inspiring superior performance*
			D. Calegari	**Reporting lines and communication*
			S. Suess	**Effective daily operations and administration*
			Internal & Outside Risk Consultants	**Municipal and community relationships* **Risk management and safety*
Estimated Duration	**3 months**			
Driver Hiring & Training				
Coordination with Labor Force / Union	Jul-16	Sep-16	**L. Pellegrini**	Our comprehensive approach to driver recruitment and training is based on several large-scale service initiation experiences, such as in Los Altos, Livermore and San José. We will take every reasonable step in order to ease driver anxiety over the transition through thorough, consistent communication and ample time for questions at each event/training session.
Conduct Information Job Fair(s)			**D. Button**	
Extend/Finalize Job Offers to Drivers, Lottery Process			**S. Jones**	
Bargaining Unit | Recruitment, Additional Drivers			**D. Calegari**	
Notification to All Drivers: Update and Schedule Training	Sep-16		**L. Pellegrini** **S. Jones**	The purpose of the Driver Update is to help drivers feel encouraged about upcoming challenges and provide contact information to report circumstantial changes to the Company.
Driver Training Program Development	Aug-16	Sep-16	**S. Jones** **D. Calegari**	Coordination with internal and external risk management, safety, and human resources personnel will be conducted to make final preparations for training.

Driving Training	Sep-16	Oct-16	**Safety Consultant**	Paid-trainings will be conducted on Saturdays.
Estimated Duration	**4 months**			
Customer Service Representatives Hiring & Training				
Conduct Information Job Fair(s)	Aug-16	Sep-16	**S. Jones** **K. Kenney**	Our comprehensive approach to CSR recruitment and training is based on several large-scale service initiation experiences. We will take every reasonable step in order to ease CSR anxiety regarding the transition through thorough, consistent communication and training. Refer to ***Section 2.G | Customer Service*** for details on our extensive CSR training program.
Extend/Finalize Job Offers to CSRs	Sep-16		**D. Calegari** **S. Suess**	We are an equal opportunity provider and will work to find the best employees, who are motivated, friendly and best suited to the job.
CSR Training	Sep-16	Oct-16	**D. Ventura**	Provide necessary training.
Estimated Duration	**3 months**			
Systems Development | Customer Service Database Management				
Additional Call Center Equipment Procurement, Installation & Testing Refine Database, as needed	Aug-16	Oct-16	**K. Kenney** **D. Ventura** **A. Button** **Vendors**	We will work with equipment vendors to acquire essential hardware, load software and database, and test and refine database based on incoming new information/audits. The accuracy of the existing Customer Service database will determine the timeframe.
Estimated Duration	**3 months**			
Systems Development | Routing & Mapping				
Development of Routes & Detailed Maps	Aug-16	Oct-16	**D. Calegari** **A. Button** **D. Ventura** **Vendors**	We will work with equipment vendors to acquire new hardware/updated software and database. We will also generate geocoding and maps with assistance from vendors and create, test, and refine routes, which can be provided to the City for review.
Estimated Duration	**3 months**			
Diversion Coordinator Hiring & Training				
Diversion Coordinator Hiring & Training	Oct-16		**T. Montgomery**	Conduct hiring process for Coordinator position.
			S. Suess	Provide necessary training.
Estimated Duration	**1 month**			
Public Education & Outreach				
Public Education and Outreach Plan	First plan finalized by March 1, 2017		**T. Montgomery**	Work with City staff to develop, review and update on an ongoing basis.
Website Development	April-17	Aug-17	**T. Montgomery Vendors**	Develop company website with "how-to" information, resource links, current rates, etc. along with designated sections for each customer segment, calendars, etc.
Multi-Media Campaign	April-17	Sep-17	**T. Montgomery Coordinator**	Introduce new company and new services using print ads, press releases, radio & television spots, internet and social media. All efforts to be coordinated with City staff.

AB 341 & AB 1826 Compliance & Technical Assistance Outreach	Ongoing		T. Montgomery Coordinator	Provide annual assistance to each multi-family and commercial customer meeting the AB 341 threshold (or the largest 100 generators) and those commercial customers who meet the AB 1826 threshold. See ***Section 2.E | Public Education & Outreach*** and ***Section 2.F | MFD/Commercial Recycling Technical Assistance*** for more information. Database refinements will be made as assessment results come in. We will strategize and audit the top generators to begin recycling/organics programs in advance of start dates.
Estimated Duration	**7 months**			
Site Related Activities at Specialty Solid Waste and Recycling (SSWR) Yard				
Leasehold Improvements	April-17	June-17	D. Calegari SSWR Vendors	Order, install and construct employee and supervisor staff lockers, restrooms, etc.
CNG Fueling Station Expansion	June-17	Aug-17	SSWR K. Kenney J. Hogan	Work with Clean Energy to design and expand current CNG fueling station at SSWR to accommodate our fleet of additional vehicles.
Parking Lot Striping	Aug-17		SSWR	Stripe parking lot for vehicle parking and storage.
Estimated Duration	**3 months**			
Container Operations				
Coordination with Current Hauler for Container Removal & Possible Purchase of Containers in Good Condition	Nov-16	Jan-17	D. Arata D. Calegari Route Supervisor	We will discuss and negotiate with the Current Contractor the removal of existing containers and the potential purchase of containers in good shape that have a few more usable years left.
Initial Projections & Production Capacity Reservation	Dec-16	Jun-17	D. Arata Vendors D. Calegari	Updates/Communication with Vendors to confirm pricing and discuss delivery schedules.
Container Procurement	July-17			Containers are staged at our corporation yard and inspected prior to delivery.
Container Delivery to Customers	Aug-17			ContainerPros will be hired to swap/deliver containers.
Estimated Duration	**10 to 11 months**			
Vehicle Procurement				
Vehicle Procurement	Nov-16	Jun-17	D. Arata	Vehicle Procurement is central to every service initiation contract; it is also very complex. Vehicles will be procured in the order the contracts begin. A collection vehicle procurement schedule will be developed and updated regularly and provided to the City regularly.
Vehicle Delivery, Installation of Equipment & Testing	July-17		Maintenance Dept. Route Supervisor	Cameras and additional ancillary equipment will be installed and tested on vehicles as they arrive at our yard.

Estimated Duration	**9 to 10 months**			
General Business				
CPCFA Funding Application	Immediately following award	Until complete	**L. Pellegrini** **K. Kenney**	See Financing Plan in ***Section 1.G*** for more information.
Potential Grant Application	Until complete		**D. Button**	Applicable grants will be sought out and applied for.
Banking Credit Commitments			**K. Kenney**	Working with our bank, we will develop a finance package and gather banking resources to complement CPCFA funding.
Insurance			**Broker** **K. Kenney**	All insurance will be in compliance with the Agreement: General Liability, Workers' Compensation & Employer's Liability, Automotive Liability, Employee Fidelity Bond
Business License Applications			**J. Hogan**	Applicable documents will be filled out and filed with the City.
Miscellaneous Permits				Discovery during early start-up will determine process.
Estimated Duration	**tbd**			

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3. TECHNICAL PROPOSAL FOR ALTERNATIVE SERVICES

Garden City is dedicated to environmentally sustainable operations that will assist the City of Milpitas in continuing to be environmental leaders through responsible resource management. In an effort to meet and surpass the State's 75% Recycling Goal, we are proposing the following ***Hybrid-Alternative Proposal*** that is designed specifically with the City of Milpitas in mind to fully-utilize the newly upgraded Sunnyvale Materials Recovery and Transfer Station (SMaRT Station) located in the City of Sunnyvale. The SMaRT Station is owned by the City of Sunnyvale and operated by Bay Counties Waste Services (BCWS) -- an affiliate company of Garden City that shares similar ownership (refer to *Section 1.A* for details on BCWS and Garden City's unique relationship).

It is important to note that, unlike most companies in the area, neither Garden City, nor any of our affiliate companies or subcontractors, own or operate landfills. The fact that we don't need to wastefully "feed" landfills to maintain financial stability shows our commitment to being proactive environmental leaders. Our operations work to limit the impact on the environment and the community, where litter, odors and vectors can be commonplace at landfills.

NOTE: our *Hybrid-Alternative Proposal* does not include contingent pricing.

The following ***Hybrid-Alternative Proposal*** is the most cost-effective collection and processing system with the lowest carbon footprint and ability to provide compliance with AB 341 and AB 1826. The collection and processing systems are depicted in the charts below and in the graphics that follow.

Residential Collection System

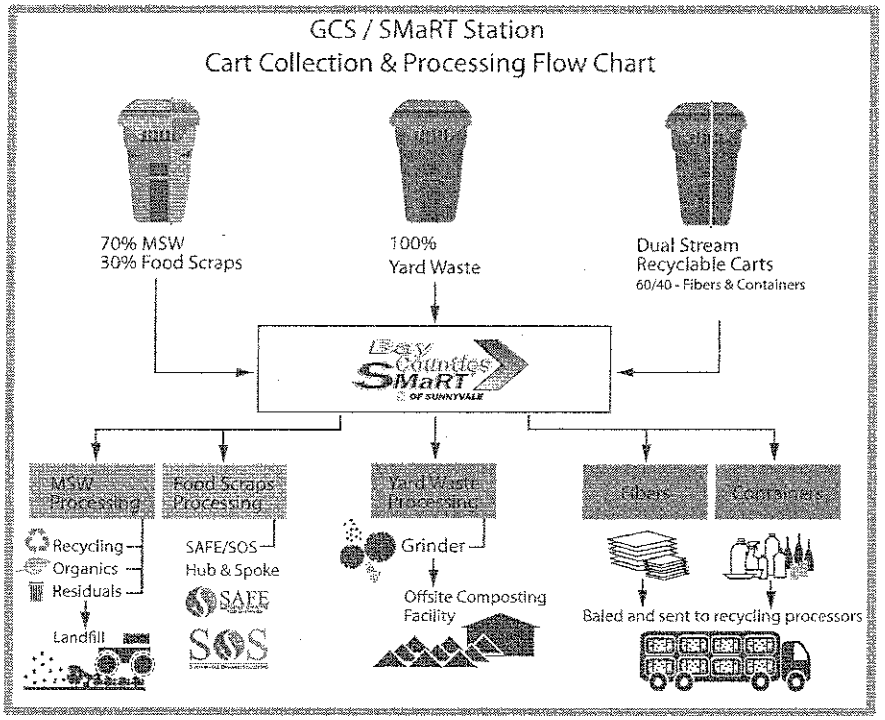
Commodity	Container	Processing Options
Recyclables	Split-Cart (Fibers/Containers)	SMaRT Station - Dual-Stream Recycling Line
Yard Trimmings	Single Container	SMaRT Station ⇨ Compost
Food Waste	Split-Cart (with garbage)	SMaRT Station ⇨ SAFE/SOS
Garbage	**Split-Cart (with food waste)**	**SMaRT Station - Mixed Waste Sorting Line**

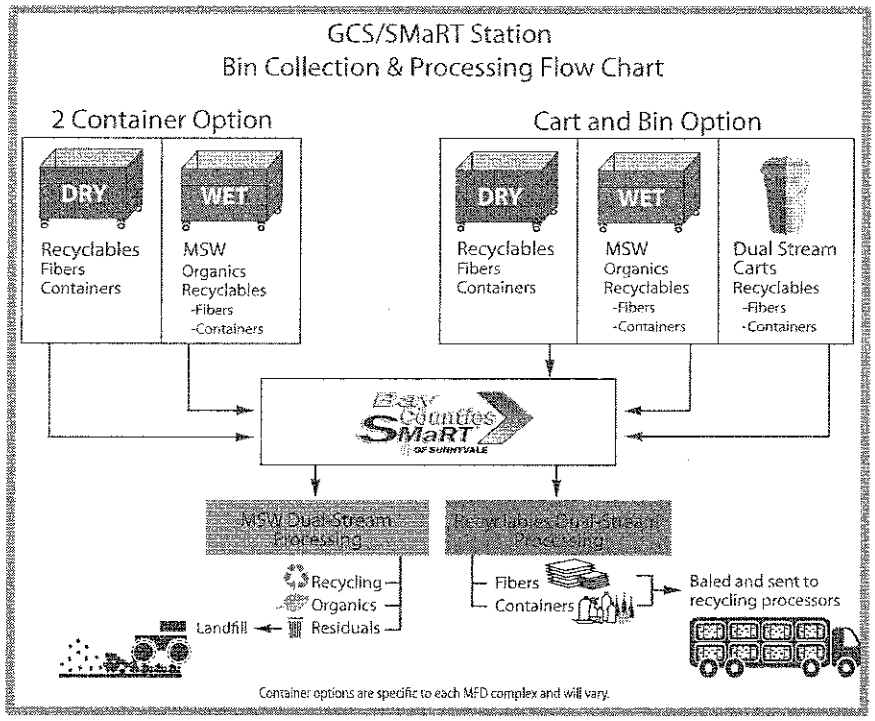
MFD/Commercial Collection System

Commodity	Container	Processing Options
Wet Waste	Front-Load Bin	SMaRT Station - Mixed Waste Sorting Line
Dry Waste	Front-Load Bins	SMaRT Station - Dual-Stream Recycling Line
Recyclables	Split-Cart (Fibers/Containers) Recycling Bins	SMaRT Station - Dual-Stream Recycling Line

*Note: MFD/Commercial container options are site specific and will vary.

All materials are efficiently collected and meticulously processed to maximize diversion at the SMaRT Station and minimize the amount of residue sent to the landfill. Processing operations are described in detail in *Section 3.F* that follows.





Advantages of Garden City's Hybrid-Alternative Proposal Equipment & Processing Approach

- **Consistent Containers** | all containers will be new and color-coded to ensure cohesion throughout the City. Also, by having consistent carts throughout the City, we can maximize routing efficiencies by utilizing fully-automated collection vehicles, reducing GHG impacts.
- **Processing Facility** | food waste, dual-stream recyclables, organics, and C&D will be sent to the SMaRT Station to be processed. The newly re-tooled processing equipment is achieving high diversion rates.
- **Routing Efficiencies & Balancing** | reduces GHG emissions, fuel consumption and wear and tear on streets by utilizing local facilities, less than 15 miles from Milpitas City Hall.
- **Potential Partner Agreement Between Cities** | experience economies of scale if Milpitas joins the SMaRT Station cities in long-term processing and disposal of residuals. See **Attachment A** for additional details.
- **Diversion Potential** | if the City selects the SMaRT Station to process all material streams (including garbage), the potential diversion increase is anticipated to be more than 30%, due to the SMaRT Station's ability to recover organics and recyclables from the waste stream.
- **Dual-Stream Recycling** | offers much higher diversion rates as contamination is significantly reduced.

Collection Operations Overview

Our strategy for providing outstanding collection operations in the City of Milpitas is designed to accomplish the following:

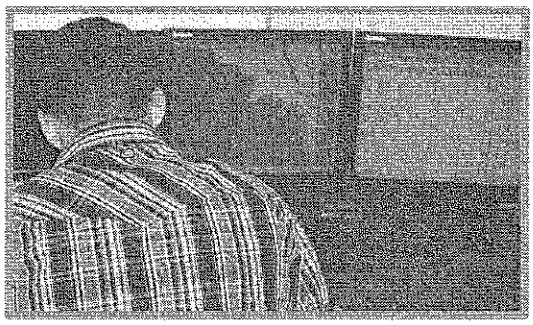
- ✓ Provide quality, consistent and convenient services to all customers at reasonable rates;
- ✓ Increase recycling and organics participation to be compliant with the State's 75% Recycling Goal and the City's diversion and GHG emission reductions goals outlined in the City's Climate Action Plan (CAP);
- ✓ Demonstrate the value of waste reduction, reuse, recycling, and composting to all customers;
- ✓ Significantly reduce vehicle emissions and the carbon footprint of collection operations by deploying a CNG fleet of collection vehicles;
- ✓ Ensure our operations do not contribute to the negative impacts, including odor, the City of Milpitas is currently experiencing from nearby facilities;

- ✓ Maximize the value of recyclables and organics through efficient and source-separated collection systems;
- ✓ Provide additional opportunities to participate in innovative diversion programs; and,
- ✓ Achieve high customer satisfaction while minimizing disruption during the transition.

Effective Route Planning

Effective route planning is of great importance to reduce the possibility of negative collection impacts to the general public, safety, and the environment. Proper routing is a lengthy and time-consuming process that reduces vehicle emissions, fuel consumption, traffic, and wear and tear on streets. Mapping and confirming account data, along with route balancing and finalization, are two major components of effective route planning that we employ in every jurisdiction we serve.

While we utilize state-of-the-art software for generating route maps, we rely on human focus and decision-making skills to analyze preliminary account data and design balanced routes. Our routing specialist, Mr. Alex Button, has successfully integrated numerous customer service software programs to create balanced routes in San José and our affiliate companies' service areas. He will do so again for our collection operations in the City of Milpitas. Mr. Button's resume is provided in *Section 1.D | Key Personnel.*



- ☐ **Mapping & Account Data Confirmation** | We utilize powerful geocoding software (ArcView) in tandem with our customer service software (AMCS – formally known as PC Scale Tower). AMCS is our preferred application for dispatch, routing, customer service and billing operations, and is described in detail in *Section 2.K | Management Systems and Customer Service Systems*. The ArcView geocoding software is a desktop Geographic Information Systems (GIS) program that is extremely precise and has been adapted to produce and maintain accurate maps. This software generates detailed maps and is monitored in real-time utilizing AirTrak Global Positioning System (GPS) devices, which records each lift of the vehicle's tipping mechanism, records no setouts, and leaves a "breadcrumb" trail that can be reviewed to ensure all routes are completed.

- ☐ **Route Balancing & Finalization** | We calculate and balance routes to ensure maximum productivity is achieved. We exercise caution and common sense when routing around areas where children are frequently present: schools,

playgrounds, parks, community centers, and libraries. We route so that our trucks either service these areas in the early hours or when children are not likely to be outside. Supervisors will spend a few months prior to the commencement of services reviewing, auditing, balancing and finalizing routes to ensure the most efficient collection system is deployed. Supervisors also routinely drive routes to document travel paths, ensure safety, and verify productivity assumptions. We prefer to hire existing drivers and have them continue to service their current areas because of their familiarity and experience in the community.

Collection Vehicles Overview

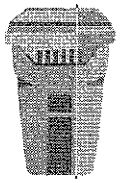
Details on vehicle specifications are described in the table the follows and manufacturer's brochures are included in **Attachment C**.

Collection Vehicles Overview Table

Type	Automated Side Loaders	Front Loader	Flat Bed	Roll-Off
Service Recipient	SFD & MFD	MFD & COM	SFD & MFD	SFD, MFD & COM
Container Served	Carts	Bins & Carts	On-Call Bulky Items & Container Delivery	Debris Boxes & Compactors
Commodity	MSW, Recycle & Organics	MSW, Recycle & Organics		C&D, MSW & Recycle
Chassis	Autocar	Autocar	Freightliner	Autocar
Body	Labrie Automizer	Labrie Wittke	Flat Bed	Nor Cal Roll-Off
Additional Equipment	Dual-sided tipping (arm & tipper)	Tippers on forks	Grapple & Automatic lift-gate	Cable & automatic tarping system
	GPS & 2-way radios	GPS & 2-way radios	GPS & 2-way radios	GPS & 2-way radios
	4 cameras: backup, hopper, curbside & drivecam	4 cameras: backup, hopper, alleycam & drivecam	Drivecam	Drivecam
Fuel Type	**CNG**			
Crew Size	**1**			
Age	**New**			

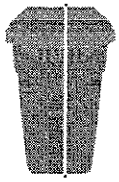
Collection Containers Overview

Carts | Collection carts will have tight-fitting lids and have consistent color-coding and labeling: **black/gray split-cart for garbage (and food waste), blue split-cart for recyclables** and green for yard waste, as shown in the graphic below. Carts will be new and be made with a minimum of 30% recyclable material.



70% MSW
30% Food Scraps

100%
Yard Waste



Dual Stream
Recyclable Carts
60/40 - Fibers & Containers

Our goal is to maintain a uniform and aesthetically pleasing appearance that raises diversion awareness through universal and consistent color-coded containers.

Bins | Front-loader bins will be new and available in many sizes to effectively service commercial and MFD customers with space constraints. Details on container specifications are described in the table below and manufacturer's brochures are included in **Attachment C**.

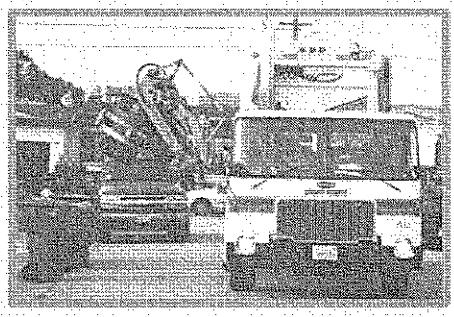
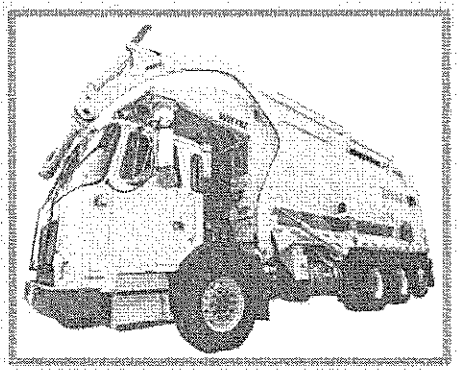
Collection Containers Overview Table

Type	Wheeled Carts	Front Loader Bins	Debris Boxes & Compactors	Kitchen Pails
Service Recipient	SFD, MFD & COM	MFD & COM	SFD, MFD & COM	SFD & MFD
Colors & Commodities	**Black/brown split (MSW &** Food Scraps) Blue split – Recycling Green - Yard waste	Gray – Wet Recyclables Blue – Dry Recyclables	Varies, depending on commodity	**Sure-Close** Tan **&** Green
Sizes Available	64 gallon	1 cubic yard	5 yard "Mini Box"	2 gallons
	95 gallon	1.5 cubic yards	7 yard	
		2 cubic yards	14 yard	
		3 cubic yards	20 yard	
		4 cubic yards	30 yard	
		6 cubic yards	40 yard	
Additional Features	Minimum of 30% recycled content HDPE plastic & 10-year warranty			Vented lid to reduce odors, minimum 20% recycled content & sturdy handle

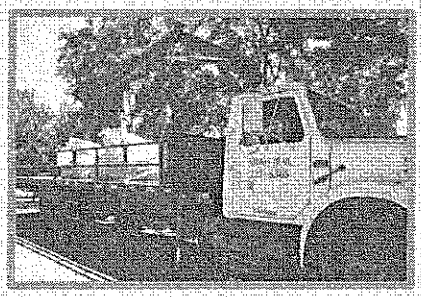
Vehicle Collection Methodologies

The *Vehicle Collection Methodologies Table* that follows describes all collection methodologies and activities based on the vehicle type.

Vehicle Collection Methodologies Table

Automated Side Loader w Split Compartments 	The automated collection vehicle approaches the household and the driver aligns the container with the tipper. The driver then retrieves the container set at the curb by engaging the arm mechanism to grab the container and tips the contents into the hopper. After unloading the materials into the hopper, the empty container is returned to its original location and the driver moves on to the next residence. *NOTE: split-carts are serviced identically as regular carts. The collection vehicle will have a split-body that keeps materials separate.*
Front Loader w Cart Tippers 	The driver arrives at the premises and checks for notes on the customer's account before exiting the vehicle to prepare the bin and inspect for hazardous / exempt wastes. The driver positions the truck or pushes/pulls the bin into alignment, leaving ample overhead clearance to lift and empty the bin. The driver then slowly drives forward to "stab" the container with the forks on the truck. The container is emptied into the hopper and returned to its previous position. As the material empties into the hopper, the driver watches on the camera inside the cab to ensure all materials are unloaded. While outside of the vehicle, the driver picks up and disposes of any litter that might have fallen during collection. The driver then continues to the next stop on their route. Front loaders will be equipped with dual cart tippers on the cross shaft of the fork assembly, allowing for up to two (2) carts to be serviced at once, increasing collection efficiencies and reducing the number of truck passes. If the driver encounters a consistently messy collection point due to overflow, the driver notifies dispatch, who contacts the customer to request authorization for an extra dump or to suggest a change in service levels and frequency.

Flat Bed with Grapple Attachment & Lift Gate

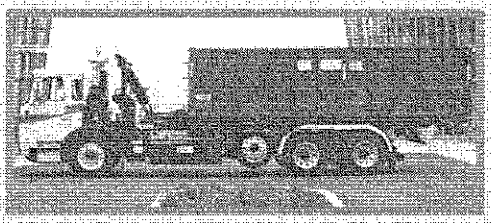


Depending upon the services being provided, the following activities will occur utilizing the flat bed:

Cart/Bin Delivery | Containers will be loaded and unloaded utilizing the flat bed lift gate and the driver will ensure that all containers are properly loaded, unloaded and stored in a safe manner to maximize space to deliver/collect as many containers as possible.

Bulky Item Collection | The driver will collect Bulky Bags and bulky items utilizing the grapple attachment and lift gate to safely load bulky bags and items.

Roll-Off



The driver arrives at the service address and checks the work order for notes and then the location for safety or delivery/removal concerns. All debris boxes/compactors will be placed in a location that reduces risk of possible property damage or personal injury. The driver carefully backs up to the debris box or compactor, engages the mechanism to secure the box to the cable. The driver will cover the load, if it is not already covered, with the truck's automatic tarp. If the driver notices any litter or debris that spilled during delivery or collection of the container, they will clean it up immediately. When complete, the driver signs off on the work order and files it with the scale ticket in their clipboard. The driver repeats the process for the next work order until all work is complete for the day. At the end of each day, all paperwork is turned in and input into the customer service software system.

A. Single-Family Solid Waste Cart-Only System

Under our custom ***Hybrid-Alternative Proposal***, providing each Single-Family Dwelling (SFD) with a cart is necessary in order to collect all materials efficiently and separately to allow processing at our proposed processing facilities, maximizing the diversion potential of all waste streams. All SFDs will be provided with three carts for MSW and food scraps, yard trimmings and recyclable materials, as shown in the graphic below.

70% MSW
30% Food Scraps

100%
Yard Waste

Dual Stream
Recyclable Carts
60/40 - Fibers & Containers

Automated side-loader collection vehicles will service each cart and deliver the materials to the SMaRT Station for processing. Under this proposal, we are offering a higher diversion potential, if the City selects to process garbage at the SMaRT Station. Currently, the newly upgraded MRF is diverting 25% of the MSW waste stream.

We anticipate that all single-family residents will utilize the MSW portion of their new split-cart and approximately sixty-eight percent (68%) will participate in the food scraps program (utilizing the smaller portion of their new split-cart). We also anticipate that 80% of single-family residents will participate in the yard trimmings and dual-stream recycling collection programs.

Refer to the Cost Proposal Forms included in *Section 6* for details on tonnage and diversion estimates of MSW, food scraps, yard trimmings and recyclables under our ***Hybrid-Alternative Proposal***.

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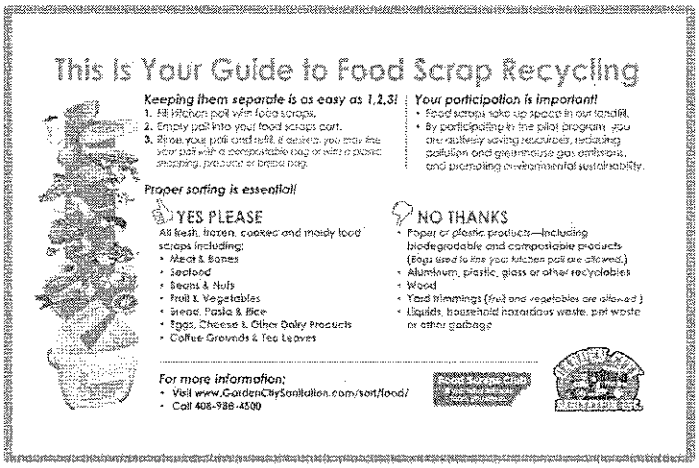
B. Single-Family Food Scraps with Yard Trimmings

Organic materials make up a significant portion of the unrecovered and unprocessed waste streams from single-family, multi-family and commercial customers. A sizeable increase in diversion can be achieved when food waste and food-soiled paper are commingled with yard trimmings in the residential curbside collection program and sent to a facility for processing rather than taken directly to the landfill. Implementing a food scraps collection program will assist the City of Milpitas meet the *Climate Action Plan (CAP) Goal 11A: Expand food waste and composting collection*, which reduces GHG emissions and eliminates the creation of methane and other harmful GHGs that result after burying organics in a landfill. Instead this material will be sent to a compost facility where it will be recycled and applied back into the soil, a huge benefit to enhancing the health of soils, to capture and store carbon, and reduces the need for water and fertilizers, which is another substantial GHG savings.

Experience | In the past, we have successfully implemented mixed organics programs through our affiliate companies. As mentioned in *Section 1.C | Service Initiation Experience*, Garden City and our affiliate companies have years of experience designing, promoting, implementing, and maintaining successful mixed organics collection services to residents in the communities of Alameda, San Leandro, Los Altos, and Livermore. SSFSC began providing mixed organics collection services (where food scraps were added to the existing yard waste collection program) to residents of South San Francisco, Brisbane, Millbrae, and portions of Colma. Most recently in San José, we rolled out a pilot food scraps collection program that collects food scraps separately from other organics and garbage for processing the food waste into animal feed.


This Is Your Guide to Food Scrap Recycling

Keeping them separate is as easy as 1,2,3!
1. Fill kitchen pail with food scraps.
2. Empty pail into your food scraps cart.
3. Rinse your pail and refill it as needed. You may line your pail with a compostable bag or with a plastic shopping, produce or bread bag.

Your participation is important!
- Food scraps take up space in our landfill.
- By participating in the pilot program, you are actively saving resources, reducing pollution and greenhouse gas emissions, and promoting environmental sustainability.

Proper sorting is essential!

YES PLEASE
All fresh, frozen, cooked and moldy food scraps including:
- Meat & Bones
- Seafood
- Beans & Nuts
- Fruit & Vegetables
- Bread, Pasta & Rice
- Eggs, Cheese & Other Dairy Products
- Coffee Grounds & Tea Leaves

NO THANKS
- Paper or plastic products—including biodegradable and compostable products (Bags used to line your kitchen pail are allowed.)
- Aluminum, plastic, glass or other recyclables
- Wood
- Yard trimmings (fruit and vegetables are allowed.)
- Liquids, household hazardous waste, pet waste or other garbage

For more information:
- Visit www.GardenCitySanitation.com/sort/food/
- Call 408-988-4500

Approach

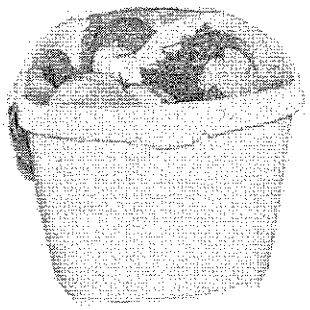
Under either collection alternative, we will provide each SFD customer with a 2-gallon kitchen pail with a descriptive label that lists acceptable materials. Each pail will be delivered with an informational flyer/postcard inside that features graphics and an explanation of the benefits to food waste composting compared to landfilling or using a

garbage disposal. Based on our experiences in providing numerous food scraps collection programs, we have found that utilizing compostable bags can be problematic and we avoid encouraging their use. When residents run out of compostable bags, they unknowingly contaminate the organics stream by using regular plastic bags that are not acceptable at processing facilities. Our solution for avoiding non-compostable plastics contamination in the organics stream is to offer kitchen pails to place food scraps inside and instruct residents to empty it directly into the cart, eliminating the need to utilize bags at all. The information included with each new kitchen pail provides tips on how to keep the kitchen pail and organics cart clean and odor-free, by using common household products like baking soda and newspaper.

Collection Vehicles & Containers

We are proposing to utilize automated side-loaders for collecting food scraps commingled with yard trimmings from SFDs. Details on vehicle specifications are described in the *Collection Vehicles Overview Table* previously provided in this Section. SFDs will be provided with the following yard trimmings container options: 64-gallon and 96-gallon carts. Details on container specifications are described in the *Collection Container Overview Table* provided previously in this Section. Vehicle and container manufacturer brochures are included in **Attachment C**.

Acceptable Materials



Although we prefer to collect food scraps separately under our ***Hybrid-Alternative Proposal***, under this alternative scenario, residents will be instructed to collect food scraps and place them in their yard trimmings cart for collection and processing. The following items will be collected in either of the alternative proposals:

- ✓ Bread & pasta
- ✓ Coffee grounds & filters
- ✓ Dairy products
- ✓ Egg shells
- ✓ Fruit & vegetables
- ✓ Meat & bones
- ✓ Pizza boxes
- ✓ Paper plates, cups, towels & napkins

If the City selects our ***Hybrid-Alternative Proposal***, residents will instead be instructed to place food scraps in the split portion of their MSW cart. By collecting these materials

separately, we can divert these materials to the SAFE/SOS facilities, where it may be used to create animal feed, a higher and better use than compost.

Participation

We have found that participation increases and contamination decreases when residents understand what happens to their food scraps and organic materials after collection. We will work with the City to implement a continuing education and outreach program that maximizes customer participation while minimizing contamination. During the transition, outreach materials will announce the food scrap program and explain how and why residents should participate.

We anticipate that approximately sixty-eight percent (68%) of single-family residents will participate in the food scraps program when it begins. Refer to the Cost Proposal Forms included in *Section 6* for details on the tonnage and diversion estimates. This is a conservative estimate and our goal is to increase participation once the program gains momentum and residents familiarize themselves with their new containers and available collection programs offered by Garden City.

We will utilize a variety of tools and methods to remind and motivate residents to effectively participate in the food scraps collection program. Samples of outreach collateral utilized by Garden City and affiliate companies to rollout successful SFD food scraps collection programs are included in **Attachment F**.

Depending on the message and target audience, we may utilize the following to promote the SFD food scraps collection program:

- ☐ Newspaper Advertisements
- ☐ Public Service Announcements
- ☐ Press Releases
- ☐ Truck-Side Advertisements
- ☐ Community Event Booths & Presentations (classrooms, civic groups, neighborhood associations, etc.)
- ☐ Residential Newsletters
- ☐ Corrective Action Notices
- ☐ Seasonal Program Notices
- ☐ Website & Social Media

Binny Wants You to Put Food Scraps in Your Green Cart!

In the photo to the right, Binny visits with Livermore resident Alena Wilson and her family, proud participants in the food scrap collection program. She had this to say: "At the end of a meal or after I chop produce, I slide the food scraps right into the bin under the sink. This cuts down on how much waste goes into my garbage cart. I've actually been able to go down in size to the smallest cart!"

Can we count on you to use your Organics cart for all your food scraps? Visit www.LivermoreRecycles.org for tips on how to get started.

Binny will be at local events this spring and summer. If you see him, stop and say, "Hi!"

An outreach library will be featured on our website where all outreach will be available for viewing, downloading and printing. Residents will be encouraged to utilize our website in order to promote electronic outreach and encourage source reduction.

C. Multi-Family Yard Trimmings Collection as Mandated by AB1826 – post 2017

A program for the collection of yard trimmings is a key component in achieving the State's 75% diversion goal and reducing GHG emissions and eliminating the creation of methane and other harmful GHGs when organic materials are buried in a landfill. By offering a MFD yard trimmings collection program with a variety of container types and sizes, along with free technical assistance, Garden City will be able to meet the unique needs of each customer and a significant amount of organics tonnage will thereby be collected and diverted from the landfill.

Collection Vehicles & Containers

We are proposing to utilize front-loader collection vehicles with cart tippers capable of servicing both carts and bins and some side-loaders for MFD complexes depending upon what type of containers are at the premises. Details on vehicle specifications are described in the *Collection Vehicles Overview Table* previously provided in this Section. MFDs will be provided with the following yard trimmings containers: 64-gallon and 96-gallon carts; and 1- to 8-cubic yard bins. Details on container specifications are described in the *Collection Container Overview Table* provided previously in this Section. Vehicle and container manufacturer brochures are included in **Attachment C**.

Approach

Garden City will work closely with the City of Milpitas to orchestrate well-timed advance notice of the MFD yard trimmings collection program. Initial outreach will include, but is not limited to, the following:

- Introductory Announcement & Site Visit ¦ to introduce company and services, provide contact and resource information, confirm desired service levels, set forth timeline for service transition and container exchange/delivery, and describe billing options with property managers;
- Service Guide ¦ to explain available services and instruct how to properly sort materials and effectively place containers;
- Program Posters & Videos ¦ to encourage program participation and demonstrate proper sorting;
- Contact Information ¦ to give customers a phone number and email address to call/write with their questions as well as with requests for technical assistance, service guides, and posters; and,

- ✓ **Presentations & Workshops** | to civic organizations, business associations, and similar groups to promote collection programs and objectives.

During the service transition, direct mail and site visits will be heavily relied upon to assess customer needs and propose or confirm services. Under this Alternative Proposal, every MFD complex will receive information by mail and we anticipate visiting each property owner frequently during the transition phase. Customers with known space constraints will be targeted for immediate contact by our outreach staff in order to quickly resolve space and access issues. Customers without space constraints will receive the default level of yard trimmings service as per *Section 4.2 of the Agreement*.

Garden City will work with the City to develop outreach and promotional strategies that ensure program success and maximize participation. Throughout the contract term, Garden City will remind and motivate customers to participate in the MFD yard trimmings collection program. Depending on the message and target audience, the following tools might be used:

- ☐ Newspaper Advertisements
- ☐ Public Service Announcements
- ☐ Press Releases
- ☐ Truck-Side Advertisements
- ☐ Community Event Booths
- ☐ Quarterly Newsletters
- ☐ Billing Inserts
- ☐ Corrective Action Notices
- ☐ Seasonal Program Notices

Participation

Refer to *Section 2.1 | Multi-Family and Commercial Recycling and Organics Plan* and **Attachment D** for details on sector-specific commercial customer targeted by Garden City. MFD organic diversion can be folded into the mandatory collection of organics from certain businesses as required under AB 1826. We expect that at least half of all MFD customers will participate in the yard trimmings collection program, if it's determined the complex generates sufficient yard waste.

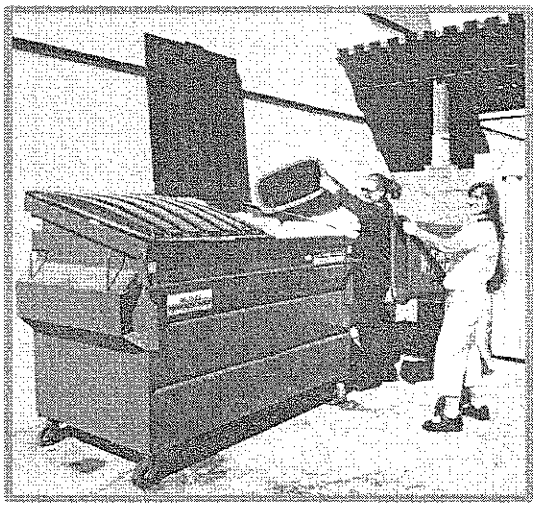
Website

Outreach collateral will be available on our website for viewing, downloading and printing. Customers can print materials as needed or contact us for hard copies. Many of the outreach materials, such as newsletters and posters, will be designed for displaying in common areas such as mailboxes, property manager's office, laundry facilities and garbage enclosures. Materials will be graphic-rich, provide bulleted information, and include regional initiatives. Customers will be encouraged to utilize our website in order to promote electronic outreach and source reduction.

D. Commercial Yard Trimmings & Food Scraps Collection as Mandated by AB1826 – post 2017

Food waste is currently the largest unrecovered portion of the waste stream for Multi-Family Dwellings (MFDs), businesses, cafeterias, farms, restaurants, government facilities, and other commercial sectors. A program for the collection of food scraps and food-soiled paper is therefore essential in achieving the State's 75% diversion goal along with assisting the City in meeting the *Climate Action Plan (CAP) Goal 11B: Encourage local restaurants to compost food waste and provide compostable containers*, which reduces GHG emissions and eliminates the creation of methane and other harmful GHGs when organic materials are buried in a landfill. By offering a commercial organics collection program with multiple collection days, a variety of container types and sizes, and free technical assistance, Garden City will be able to meet the unique needs of each customer and a significant amount of organics tonnage will thereby be collected and diverted from the landfill.

Experience | As mentioned previously, our affiliate companies have many years of experience designing, implementing and maintaining successful organics collection programs in the cities of Alameda, San Leandro, Livermore, Los Altos, South San Francisco, and on the Stanford Campus. These programs include the commingled collection of food scraps, food-soiled paper and yard trimmings from commercial and MFD customers. Finding the right contact at any given business can be a challenge. The Garden City team has years of experience navigating a variety of business environments to get organics programs implemented and working with long-term customers, as shown in the photo of LS commercial customers.



Collection Vehicles & Containers

We are proposing to utilize front-loader collection vehicles with cart tippers capable of servicing both carts and bins, and some side-loaders depending upon what type of containers are at the commercial premises. Details on vehicle specifications are described in the ***Collection Vehicles Overview Table*** previously provided in this Section. Commercial customers will be provided with the following containers for organics: 64-gallon and 96-gallon carts; and 1- to 8-cubic yard bins; various drop boxes/compactors will be provided at the customer's request. Details on container specifications are

described in the *Collection Container Overview Table* provided previously in this Section. Vehicle and container manufacturer brochures are included in **Attachment C**.

Approach

Garden City will work closely with the City of Milpitas to orchestrate well-timed advance notice of the commercial organics program. Initial outreach will include, but is not limited to, the following:

- ✓ **Introductory Announcement & Site Visit** | to introduce company and services, provide contact and resource information, confirm desired service levels, set forth timeline for service transition and container exchange/delivery, and describe paperless billing options;
- ✓ **Service Guide** | to explain available services and instruct how to properly sort materials and effectively place containers;
- ✓ **Program Posters & Videos** | to encourage program participation and demonstrate proper sorting;
- ✓ **Food Scraps Hotline Announcement** | to give customers a phone number and email address to call/write with their questions as well as with requests for technical assistance, interior containers (Slim Jims), Service Guides, and Posters; and,
- ✓ **Presentations & Workshops** | to civic organizations, business associations, and similar groups to promote collection programs and objectives.

During the service transition, direct mail and site visits will be heavily relied upon to assess customer needs and propose or confirm services. Under this Alternative Proposal, every Commercial customer will receive information by mail and we anticipate visiting each business prior to the commencement of services. Customers with known space constraints will be targeted for immediate contact by our outreach staff in order to quickly resolve space and access issues. Customers without space constraints will receive the default level of organics services as per *Section 4.3 of the Agreement*.

Garden City will work with the City to develop outreach and promotional strategies that ensure program success and maximize participation. We will recognize participating businesses for a job well done and thereby motivate other businesses to get on board. Throughout the contract term, Garden City will remind and motivate commercial customers to participate in the commercial organics collection program. Depending on the message and target audience, the following tools might be used:

- ☐ Newspaper Advertisements
- ☐ Public Service Announcements
- ☐ Press Releases

- ☐ Truck-Side Advertisements
- ☐ Community Event Booths
- ☐ Community Presentations (business associations, civic organizations, etc.)
- ☐ Quarterly Newsletters
- ☐ Billing Inserts
- ☐ "How-To" Videos
- ☐ Corrective Action Notices
- ☐ Seasonal Program Notices

Participation

Refer to *Section 2.1 | Multi-Family and Commercial Recycling and Organics Plan* and **Attachment D** for details on sector-specific commercial customer targeted by GCS to achieve compliance with AB 1826. We anticipate that at least half of all commercial customers will participate in our food scraps collection program. We will aim for 100% participation by food service establishments due to our Diversion Coordinators' proactive outreach and technical assistance programs. Once the program has gained momentum, the amount of annual tonnage collected is expected to increase as more and commercial customers enroll in the program.

Website

Outreach collateral will be available on our website for viewing, downloading and printing. Customers can print materials as needed or contact us for hard copies. Many of the outreach materials, such as newsletters and posters, will be designed for displaying in common areas such as employee bulletin boards and break rooms. Materials will be graphic-rich, provide bulleted information, and include regional initiatives. Customers will be encouraged to utilize our website in order to promote electronic outreach and source reduction.

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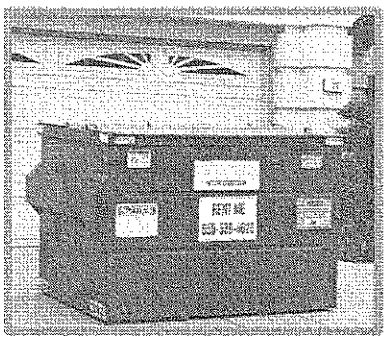
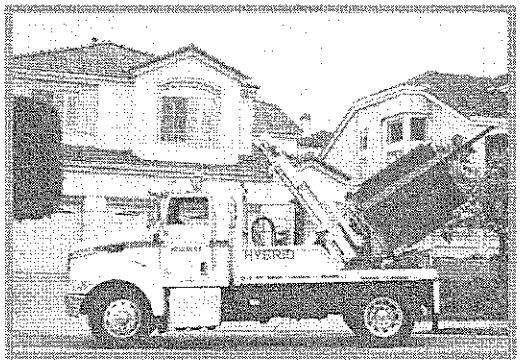
E. Temporary Debris Box Service

Temporary debris box collection services from construction, renovation and demolition projects in the City of Milpitas will be provided and the highest priority will be placed on maximizing diversion and assisting builders in meeting the State's 2013 Green Building Code reporting and diversion requirements. We have immense experience in providing C&D collection and processing services as well as the necessary ability to provide reporting and documentation of all recycling and diversion efforts.



SSFSC's "Rent a Bin for the Day" | Our affiliate company, SSFSC, currently offers residents the option to rent a 5-yard "mini box" that can be kept onsite for up to 3 days. A hybrid fork-truck delivers the bin and places it in the resident's driveway. The resident fills the bin with recyclables, construction and demolition debris, household garbage and/or other non-hazardous items. When the bin is full, the customer calls our CSRs to schedule removal and recycling. We are proposing to offer our convenient "mini box" rental program to Milpitas residents at the City-approved rates, should the City select this option. Residents are much more comfortable using this smaller sized, convenient "mini box" in their driveway, as compared to larger debris boxes.



Collection Methodology

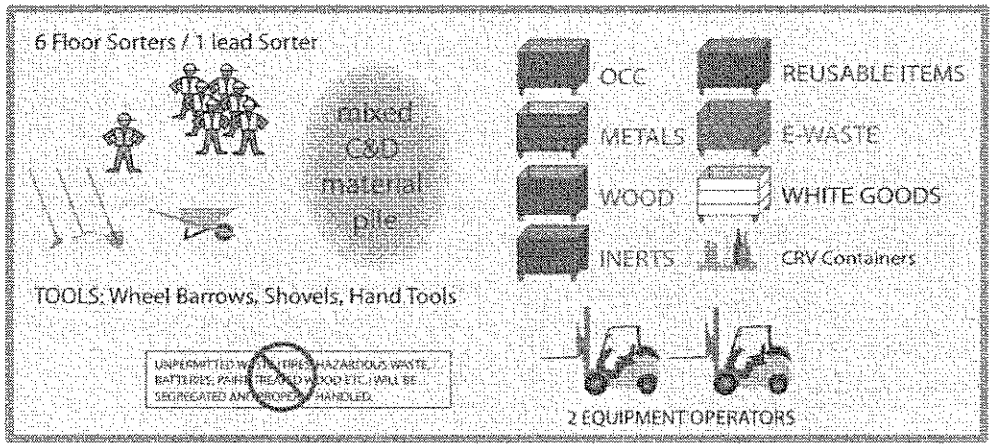
Debris box and "mini box" services will be available at the customer's request temporarily (for construction or clean-out projects) or permanently (for large volume regular generators), should the City decide to incorporate it into the exclusive franchise system. Refer to the *Vehicle Collection Methodologies Table* provided previously in this Section for a detailed description of collection methodologies for servicing debris boxes.

Collection Vehicles and Containers

Refer to the *Collection Vehicles Overview Table* and the *Collection Containers Overview Table* provided previously in this Section for details on vehicles and proposed boxes.

C&D Debris Processing

Debris boxes will be delivered to the SMaRT Station for processing and recycling. Based on our experience, we believe that the City can achieve a much higher diversion compared to current rates, by utilizing BCWS' unique **"High Diversion Floor Sort"**, currently deployed at the SMaRT Station. Traditionally C&D material is sorted on a conveyor line that utilizes a variety of manual and mechanical processes for separation. Instead, the high-diversion floor sort system maximizes recoverable material because all items are more manageable on the tip floor and do not get buried like most sortline systems. Dedicated bins are used to collect a variety of commodities by the sorters and bins are moved in an efficient manner using forklifts, ensuring a continuous operation. The graphic below depicts the typical **High Diversion Floor Sort** for C&D debris processing at the SMaRT Station.



We have seen an increase in recoverable material using this method, and we are continually looking at ways to enhance our operations to efficiently and effectively divert materials from the landfill. We are proposing to provide a minimum 50% diversion of C&D debris box loads delivered to the SMaRT Station.

In addition, for every customer that we provide these services to, we provide total weights so that they may track their own diversion activities. We believe the more information we can provide back to our customers, the more we can empower them to change behaviors and divert more materials from the waste stream. We will also bill all debris box customers at the City-approved Maximum Rates, as described in *Section 2.H | Customer Billing*.

A program for the exclusive collection and processing of C&D materials is essential in achieving the State's 75% diversion goal along with assisting the City in meeting the *Climate Action Plan (CAP) Goal 11D: Amend current C&D permit requirements and adopt a C&D ordinance to reach 75% diversion*. By implementing an exclusive C&D collection and processing program will not only lead to increased diversion, but the City has the ability to achieve economies of scale by directing additional materials to the SMaRT Station, fully utilizing the processing capabilities and experience of the neighboring facility, while reducing local impacts. We also encourage the City to consider incorporating permanent debris box collection into the exclusive franchise system in order to receive franchise fees that can be used to further C&D diversion and other City programs.

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F. Other Service Enhancements and Innovations

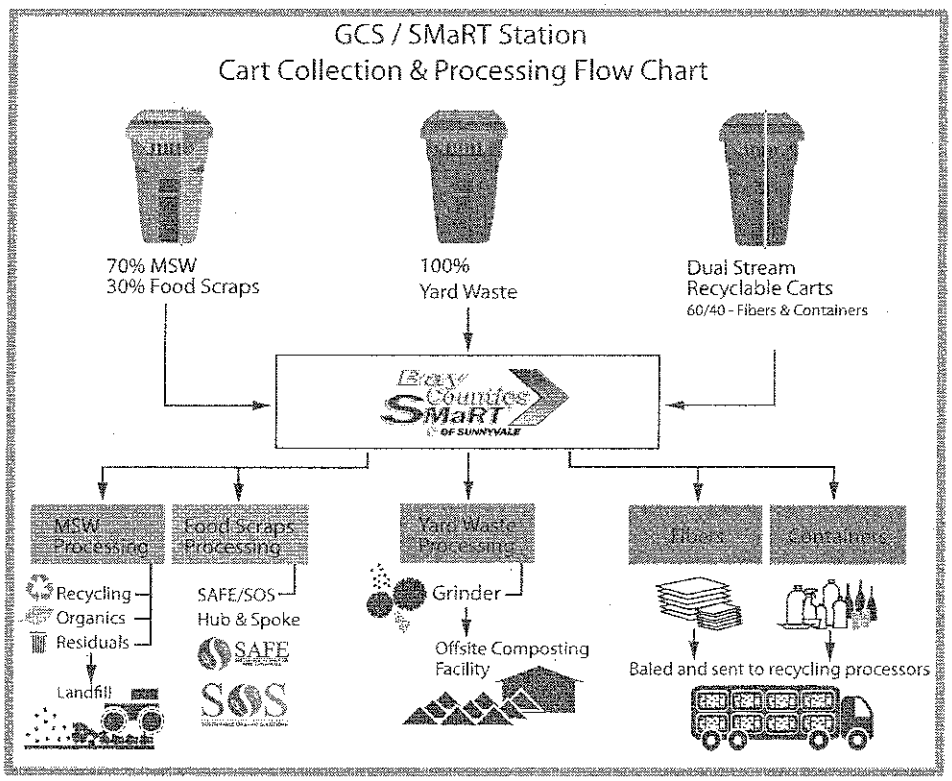
As mentioned previously, we are proposing a ***Hybrid-Alternative Proposal*** that is designed specifically with the City of Milpitas in mind to fully-utilize the newly upgraded SMaRT Station in Sunnyvale. Our ***Hybrid-Alternative Proposal*** is the most cost-effective collection and processing system with the lowest carbon footprint and will maximize diversion. The collection systems are depicted in the chart below and the graphics on the following page.

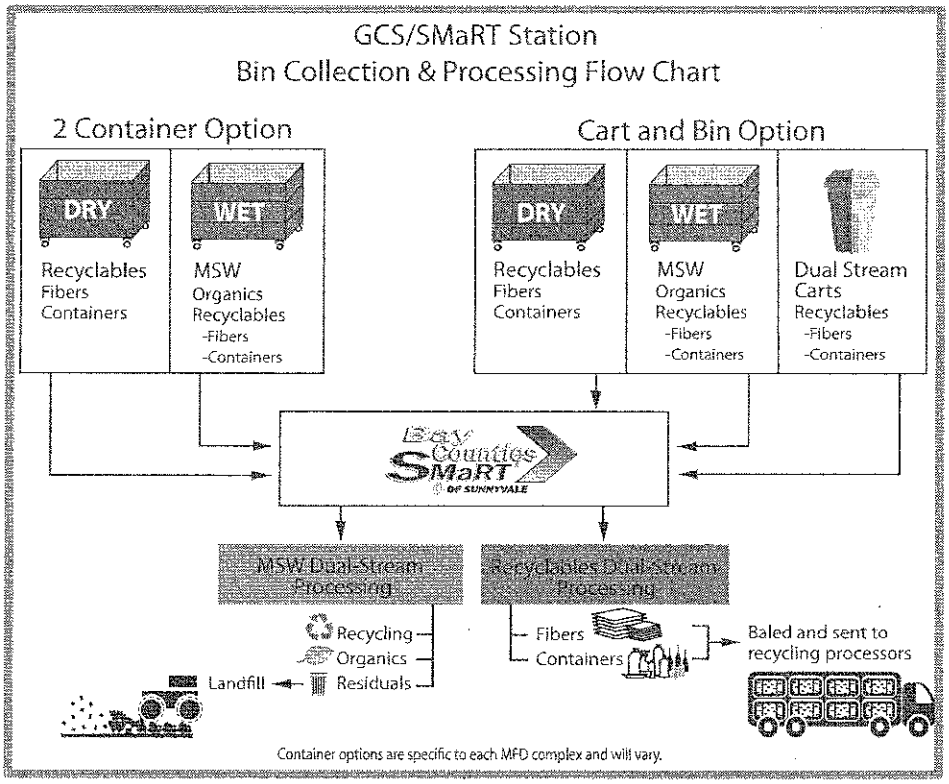
Residential Collection System

Commodity	Container	Processing Options
Recyclables	Split-Cart (Fibers/Containers)	SMaRT Station - Dual-Stream Recycling Line
Yard Trimmings	Single Container	SMaRT Station ⇨ Compost
Food Waste	Split-Cart (with garbage)	SMaRT Station ⇨ SAFE/SOS
Garbage	Split-Cart (with food waste)	SMaRT Station - Mixed Waste Sorting Line

MFD/Commercial Collection System

Commodity	Container	Processing Options
Wet Waste	Front-Load Bin	SMaRT Station - Mixed Waste Sorting Line
Dry Waste	Front-Load Bins	SMaRT Station - Dual-Stream Recycling Line
Recyclables	Split-Cart (Fibers/Containers) Recycling Bins	SMaRT Station - Dual-Stream Recycling Line


GCS / SMaRT Station
Cart Collection & Processing Flow Chart
70% MSW
30% Food Scraps
100%
Yard Waste
Dual Stream
Recyclable Carts
60/40 - Fibers & Containers
Bay Counties SMaRT OF SUNNYVALE
MSW Processing
Food Scraps Processing
Yard Waste Processing
Fibers
Containers
Recycling
Organics
Residuals
Landfill
SAFE/SOS
Hub & Spoke
SAFE
SOS
Grinder
Offsite Composting Facility
Baled and sent to recycling processors

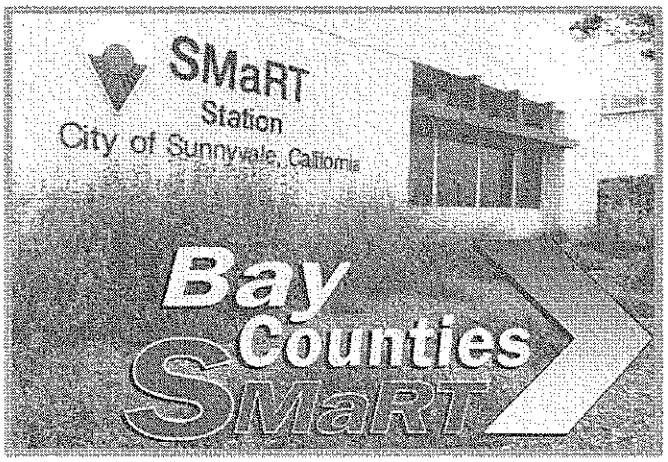

GCS/SMaRT Station
Bin Collection & Processing Flow Chart
2 Container Option
Cart and Bin Option
DRY
WET
Recyclables
Fibers
Containers
MSW
Organics
Recyclables
-Fibers
-Containers
Dual Stream
Carts
Recyclables
-Fibers
-Containers
Bay Counties SMaRT OF SUNNYVALE
MSW Dual-Stream Processing
Recyclables Dual-Stream Processing
Recycling
Organics
Residuals
Landfill
Fibers
Containers
Baled and sent to recycling processors
Container options are specific to each MFD complex and will vary.

All materials are efficiently collected and meticulously processed to maximize diversion at the SMaRT Station and minimize the amount of residue sent to the landfill. Processing operations are described in detail below.

SMaRT Station Processing

Recyclables Processing Information

All dual-stream / dry recyclable materials will be delivered to the Sunnyvale Materials Recovery and Transfer Station (SMaRT Station) located at 301 Carl Road in the City of Sunnyvale. The SMaRT Station is owned by the City of Sunnyvale and operated by Bay Counties Waste Services (BCWS) -- an affiliate company of Garden City that shares similar ownership (refer to *Section 1.A* for details on BCWS and Garden City's unique relationship).



Located less than 10 miles from Milpitas City Hall, the SMaRT Station is permitted to accept and process up to 1,500 tons per day (tpd) and has the ability to sort and recover mixed wastes, assisting in recovering more of the waste stream. The SMaRT Station is permitted to operate from 5:00am to 5:00pm, Monday through Saturday and 8:00am to 5:00pm on Sundays and observes the following holidays: Thanksgiving Day, Christmas Day and New Year's Day. BCWS' owner, Jerry Nabhan, is the General Manager at the SMaRT Station and has been working at the facility since 2007. BCWS has been awarded the operating contract two times during the City's competitive bidding process. Mr. Nabhan's contact information is: 408.566.1809 and jerry@sswr.com.

Processing Methods | The SMaRT Station is comprised of the following processing components: mixed Municipal Solid Waste (MSW) processing, dual-stream / dry recyclables processing, yard waste grinding and processing, construction and demolition (C&D) sorting, BCWS "Reuse Trailer", HHW and self-haul drop off, California Redemption Value (CRV) buyback and MSW transfer operation utilizing a compactor and transfer trailers. The SMaRT Station was constructed in the early 1990s to process materials from the Cities of Palo Alto, Mountain View and Sunnyvale and has been significantly upgraded twice, the most recent upgrades include: installation of additional screens to

capture more recyclables from the MSW line, installation of an optical sorting machine on the recyclables line that automates plastic bottle sorting, implementing a "reuse trailer" to divert useable items to the public at no cost, and participation in a paint take-back program that allows residents to conveniently and safely recycle paint. All of these upgrades will be available to the City of Milpitas, should the City select Garden City.

Below is a description of the processing methods for the material streams we are proposing to deliver to the SMaRT Station:

- Residential Dual-Stream Recyclables | When the dual-stream recyclables arrive at the SMaRT Station, the split body trucks are weighed in at the scale, and then proceed into the building to unload on the recyclables tipping floor. The fiber is unloaded in one bunker, and the other recyclables (primarily containers) in a second bunker.

  The fiber is processed to remove contaminants and then baled for shipment to market. The containers are sorted to remove ferrous metal cans with a magnet, the aluminum cans are separated by an eddy current magnet, and the plastic containers are optically and hand sorted into PET, Natural HDPE, colored HDPE, and other mixed plastics. Each of these material types is baled for shipment to market. Contaminants are removed from the glass containers, which are hand sorted by color as much as possible, with the remainder being marketed as mixed glass.

- Commercial Dry Recyclables | When the commercial dry recyclables arrive at the SMaRT Station, the truck is weighed in at the scale, and then unloaded on the main MRF tipping floor. The SMaRT Station uses two parallel processing lines. The commercial MSW is processed on one line and the residential MSW is processed on the other line. Commercial dry recyclables are processed on the commercial line during a different shift time than the MSW.

  From the tipping floor materials are conveyed to a pre-sort station where large items (like cardboard, carpet, C&D including wood, glass bottles, hoses, long cables) are manually pulled from the belt to allow the remaining materials to be better sorted mechanically.

  From the pre-sort station the recyclables enter a trommel. The trommel has large spikes on the inside that tear open plastic bags, to allow the contents to be sorted. The trommel has two screen sections; the first has 2-inch diameter openings that allow the "fines" (particles smaller than 2-inches in diameter and mostly organics) to be separated from the remaining materials; and the second section has 9-inch openings that allow the separation of materials that are less than 9-inches in diameter (mostly containers).

  Individual items that are too large to pass through the trommel screen openings (like small cardboard boxes that were not pulled off the line in the pre-sort

station) are discharged from the end of the trommel, and conveyed on to be sorted into marketable commodities, including cardboard, mixed paper, HDPE plastic, and other mixed plastics. Unmarketable materials from the sort line are conveyed back to the far end of the tipping floor, compacted and shipped to the Kirby Canyon Landfill in transfer trailers for disposal.

The organic-rich "fines" from the 2-inch section of the trommel screens are loaded into transfer trailers and shipped to the Z-Best compost facility, where the materials are composted. At the end of the composting process, the composted fines are screened to remove particles and glass from the organic materials and eventually delivered to landscape markets.

The middle size fraction from the trommels, items that are between 2-inches and 9-inches in diameter, are conveyed from below the trommels to 4 different disk screens that further sort the material by size and shape. Additional 2" minus material is separated from these disk screens and the remaining material is mechanically separated between three-dimensional containers and two-dimensional materials. The three dimensional containers and two-dimensional materials are conveyed to different sorting stations. Sorters manually remove small cardboard boxes and mixed paper from the two dimensional line, and natural HDPE, colored HDPE, PET plastics and other plastics are removed from the three dimensional line. Ferrous metals are lifted off the line with strong magnets and aluminum cans are ejected with an eddy current separator. Each of these material types is deposited in a storage bunker and baled as necessary.

All materials that are not separated for recycling are conveyed back to the far end of the tipping floor, compacted and loaded into transfer trailers and hauled to the Kirby Canyon Landfill in San José for disposal.

A graphic representation of the SMaRT Station is included in **Attachment A**.

Tracking Tonnage | The SMaRT Station currently utilizes a staffed scale house that results in rapid weighing and material tracking procedures. All inbound and outbound materials are weighed on one of the 4 scales and all data is tracked by origin, company, material, weight and date and time. Complete data tracking capabilities and on-demand notifications are available with custom reports. Other easy-to-use features include the following:

- ✓ Randomly inspect and validate load content at the scale house.
- ✓ Stage an unlimited number of trucks simultaneously.

- ✓ View daily totals for Inbound, Outbound, Warning and Cutoff that is displayed on the screen at all times and capture time in/out, scale operator and workstation identities.
- ✓ Automatically collect tare weights on outbound loads.
- ✓ Track origins by county, material, category and customer class.
- ✓ View, print and export standard reports based on commodity, origin, carrier, ingoing/outgoing, date range and more or design custom reports as needed.
- ✓ Store tare weights and default information on in-house and customer vehicles and trailers.

Average Monthly Residue Levels | The residents of Sunnyvale and Mountain View are continuously educated on the proper sorting and processing of their recyclables, through many media outlets and multiple informational booths hosted by the Cities to answer any questions that the residents may have. Because of all the education, outreach and awareness, as well as the new upgrades to the recyclables sort line, the average monthly curbside recycling residue is below 9%. Currently, BCWS is recovering 25% of the MSW stream that is processed through the garbage sorting and processing equipment.

SMaRT Station Permits and Regulatory Compliance

The SMaRT Station operates under the conditions of the following permits:

- ☐ **Solid Waste Facility Permit #43-AA-0009** | Issued by the County of Santa Clara, Department of Environmental Health December 30, 2002; Contact Person: Scott Bourdon, Director of Environmental Health, County of Santa Clara, Phone Number 408.918.3400
  The most recent Solid Waste Facility Permit for the SMaRT Station is included in **Attachment A**.
- ☐ **Conditional Use Permit SDP # 7060** | Issued by the City of Sunnyvale, February 15, 2002; Contact Person: Hanson Hom, Director of Community Development, City of Sunnyvale, Phone Number 408.730.7450
- ☐ **Permit to Operate #A5905** | Issued by the Bay Area Air Quality Management District, February 1, 2013; Contact Person: Hari S. Doss, Air Quality Engineer, Bay Area Air Quality Management District, Phone Number 415.771.6000
- ☐ **Fire Prevention & Environmental Program Permit #8231001R** | Issued by the City of Sunnyvale, October 27, 2008; Contact Person: Lynne Kilpatrick, Civilian Fire Marshall, City of Sunnyvale, Phone Number: 408.730.7219

Available Processing Capacity

Included in **Attachment A** is a letter of commitment from the City of Sunnyvale, guaranteeing processing capacity at the SMaRT Station for the entire term of the Agreement.

Import Restrictions or Fees

Refer to the Cost Forms included in *Section 6* for details on associated fees at the SMaRT Station.

Transfer Method

We are proposing to process all materials collected in the City of Milpitas at the SMaRT Station; therefore the only transfer component that applies is the residual material generated during sorting and recovery operations. The City maintains a long-term disposal agreement with Kirby Canyon Landfill and the SMaRT Station is equipped with a garbage compactor that loads transfer-trailers to the maximum allowable payload, increasing efficiencies and reducing GHG emissions.

Organics Processing Information

All organic materials will be delivered to the SMaRT Station. Organics fines (2" minus from the trommels), yard trimmings, food waste and wood will be sorted at the SMaRT Station, prior to being sent offsite for additional processing.

Sorting & Processing Methods | Source separated yard trimmings and wood waste loads are weighed and unloaded in the wood grinding room tipping floor. The yard trimmings are ground and then screened to remove large contaminants. The coarse woody plant materials are marketed to wood fuel power plants. The fines are sent off-site for composting. Some of the composted yard trimming fines are returned to the SMaRT Station and made available to residents and city crews for use in landscaping projects. Clean wood is recovered from pre-sort operations and from debris box loads unloaded on the main tipping floor. The wood is transferred to the wood grinding room and ground then screened and shipped off to wood fuel power plants, while the wood fines are added to loads sent offsite for composting.

Organics fines recovered from the MSW Sort Line are sent offsite for composting. At the end of the composting process, the composted fines are screened to remove particles that are larger than 3/8-inch, and the compost is then processed to separate the glass from the organic materials.

Residential food scraps are unloaded in the food scrap preparation room at SAFE/SOS where specialized equipment will be used to convert raw food scraps into a mash, while expelling non-food contaminants such as glass and plastics. The extraction process includes:

1. Loading the collected organics into the infeed hopper.
2. A screw type auger moves the organic rich material into a shredder.
3. Contaminants are removed and materials are prepared for the screw press.
4. The screw press separates compostable materials from any contaminants still in the load, and produces the liquid mash.
5. Liquid mash is pumped to refrigerated storage tank and then transported to the animal feed production facility.
6. At the animal feed production facility, water and oil is separated and the mash is dried and sterilized, producing a product suitable for animal feed.
7. The contaminants are transferred to a local landfill and/or compost facility, depending upon composition.

Organics-rich commercial loads from food service businesses, such as restaurants, grocery stores, markets, delis, and caterers; and from large businesses that have employee cafeterias, will be taken to the SMaRT Station and unloaded in the food scrap preparation room at SAFE/SOS, and the materials processed in the same way as the residential food scrap loads.

Additional information on the SAFE/SOS food scraps processing and animal feed production facility is included in **Attachment D**.

Permits and Regulatory Compliance

Refer to the previous discussion for details on the permits and regulatory compliance at the SMaRT Station.

Available Processing Capacity

Refer to the previous discussion for details on the available processing capacity at the SMaRT Station. Included in **Attachment A** is a letter of commitment from the City of Sunnyvale, guaranteeing processing capacity at the SMaRT Station.

Import Restrictions or Fees

Refer to the previous discussion for details on import restrictions and/or fees at the SMaRT Station.

Transfer Method

Refer to the previous discussion for details on the transfer methods at the SMaRT Station.

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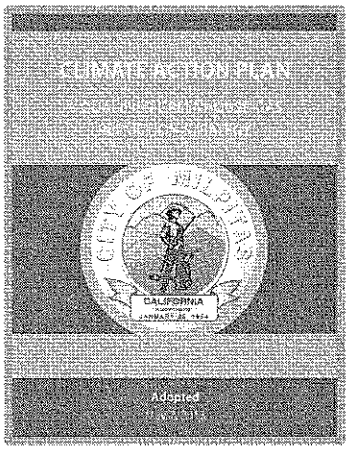
4. ENVIRONMENTAL CONSIDERATIONS (optional)

The purpose of this Section is to demonstrate our proposed environmental enhancements for our operations in Milpitas along with current policies and practices employed by our companies that support the City's goals and objectives.



Climate Action Planning with Jurisdictions

Milpitas has adopted a Climate Action Plan (CAP) in response to the statewide goals detailed in California's AB 32 Scoping Plan and SB 375 (Sustainable Communities Strategies). The AB 32 Scoping Plan identifies local government as integral partners to achieve the State's goals, while SB 375 aims at reducing GHG emissions by linking local transportation funding to land use planning. By completing an inventory to quantify GHG emissions, the cities can develop Climate Action Plans as a Qualified GHG Emissions Reduction Strategy, which has added CEQA benefits for streamlining projects which assist the jurisdiction in achieving the goals of their CAP. We applaud the work that the City of Milpitas has accomplished in publishing its CAP in 2013 and we are excited to work with Milpitas in achieving and exceeding the sustainability and GHG emission reduction goals of the CAP that are described in the table below.

Milpitas' Climate Action Plan		
Goal	Target	Garden City's Contribution
11	Solid Waste Diversion by 2020	Use of the Sunnyvale SMaRT Station to process ***all materials*** under our ***Hybrid-Alternative Proposal***.
Actions of Goal 11:		
11.A	Expansion of food waste and composting collection to residents and businesses	Our preferred ***Hybrid-Alternative Proposal*** includes providing food waste and composting to all customers in the City of Milpitas: residential collection and processing of MSW/food waste (collected separately using split-carts) along with source-separated yard waste; and commercial/MFD food waste and yard waste collection from large generators, ahead of statewide regulations.
11.B	Work with restaurants to participate in food waste and composting programs and encourage compostable containers	Our experienced Outreach Team will work with businesses to enhance the quantity and quality of organics collected from restaurants. We will encourage the use of compostable and recyclable to-go packaging in our communication with commercial customers and during our Technical Assistance site visits.

11.C	Work with Republic Services to determine the feasibility of expanding composting and recycling services	Our preferred ***Hybrid-Alternative Proposal*** includes providing collection and processing of garbage, recyclables, organics and food waste from the commencement of services and will ensure compliance with statewide regulations.
11.D	Amend current C&D permit requirements and adopt a C&D ordinance to reach 75% diversion	We encourage the City to consider incorporating permanent debris box collection into the exclusive franchise system in order to effectively manage all C&D tons generated and receive franchise fees that can be used to further C&D diversion.
11.E	Partner with waste providers to expand the diversion of other wastes, including non-food and non-C&D waste	Our companies have decades of experience providing recycling opportunities of a wide variety of waste, including bulky item pickup, confidential office shredding and partnering with Cities and Counties to ensure progressive hazardous materials, medical waste and sharps collection programs.

CAPs serve as a way to outline strategies, goals, and actions for reducing municipal and community-wide GHG emissions. In general, CAPs ensure local jurisdictions are meeting the mandates set by the statewide Scoping Plan, and may set additional mandates to achieve targets beyond the State requirements. Here are some other ways we have worked with and supported our local jurisdiction's Climate Action Plans and we are more than willing to provide to the City of Milpitas:

- ✓ Set strategic diversion goals for our jurisdictions;
- ✓ Engage with our Cities and Counties to discuss Sustainability Programs;
- ✓ Provide guidance, advice, data and analysis as needed to set targets; and,
- ✓ Progressively reduce our own GHG emissions as a benefit to the jurisdictions we serve.

We intend to make all reasonable business efforts to employ green practices both in the development of our corporation yard and facilities, as well as in our daily operations. The following initiatives have been identified and will be proactively explored, should we be successfully awarded this contract.

Green Business Certification

In 2013, the Santa Clara County Green Business Program certified our administrative office in Santa Clara as a Bay Area Green Business. Garden City and our affiliates have implemented many environmentally sound business practices that focus on environmental stewardship and sustainability. All companies use recycled content office supplies, purchase

energy efficient electronics, implement internal waste reduction and recycling and water conservation programs and use non-toxic products, whenever possible. We will also mentor and assist businesses in the City of Milpitas in becoming Green Businesses by promoting the program on our website and providing information about the program in our outreach materials to commercial generators.

Environmentally Preferable Purchasing Policy

Like many of our affiliate companies, we are committed to purchasing environmentally preferable products, as demonstrated by our Environmentally Preferable Purchasing Policy (EPPP). GCS and our affiliate companies have developed and implemented EPPP's that have assisted in the reduction of the environmental footprint of operations, avoidance of unnecessary hazards, protection of public health, and reduction in costs and liabilities. We have a purchasing list for commonly used office, cleaning and break-room supplies. Encouraging the purchase of products that contain recycled content and conserve energy and water whenever possible are instrumental steps in the policy. Our commitment and dedication to providing environmentally sustainable services will be incorporated into our operations in the City of Milpitas. The major components of our EPPP are described in our EPPP that is included in **Attachment D**.

Supporting Local & Regional End Markets for Recyclables & Organics

ACI, MTWS, PSSI and SSFSC own and operate MRFs and whenever local and/or domestic markets are accepting material at a competitive price, MRF marketing managers are encouraged to utilize their services. This practice supports domestic markets, which not only assists in the growth of the State's economy but also creates a greater demand for recyclables, supporting material diversion programs. We understand the impacts foreign markets have on the environment and we work hard to find local markets for a range of materials, not just traditional recyclables.

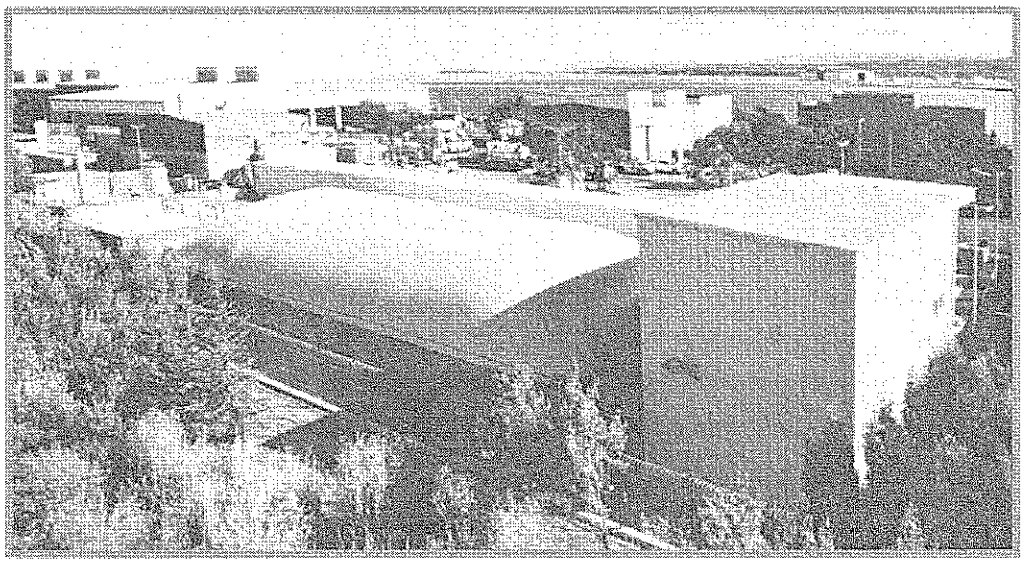
We have been working for decades in the "highest and best use" for organics and food scraps, especially when these materials can be handled locally. We feel that landfilling organic material in order to comply with daily landfill cover regulations (ADC) or to capture landfill gas is not the "highest and best use" of such an energy rich and valuable material. Instead we have been exploring other, more sustainable options for recycling organics and food waste.

SSFSC is operating a dry fermentation Anaerobic Digester at their MRF, combining best in class technology for local, small scale processing operation. This system converts food waste and yard waste collected from the jurisdictions they serve into a renewable and clean biogas that can be used to fuel the very same truck that collects the material.

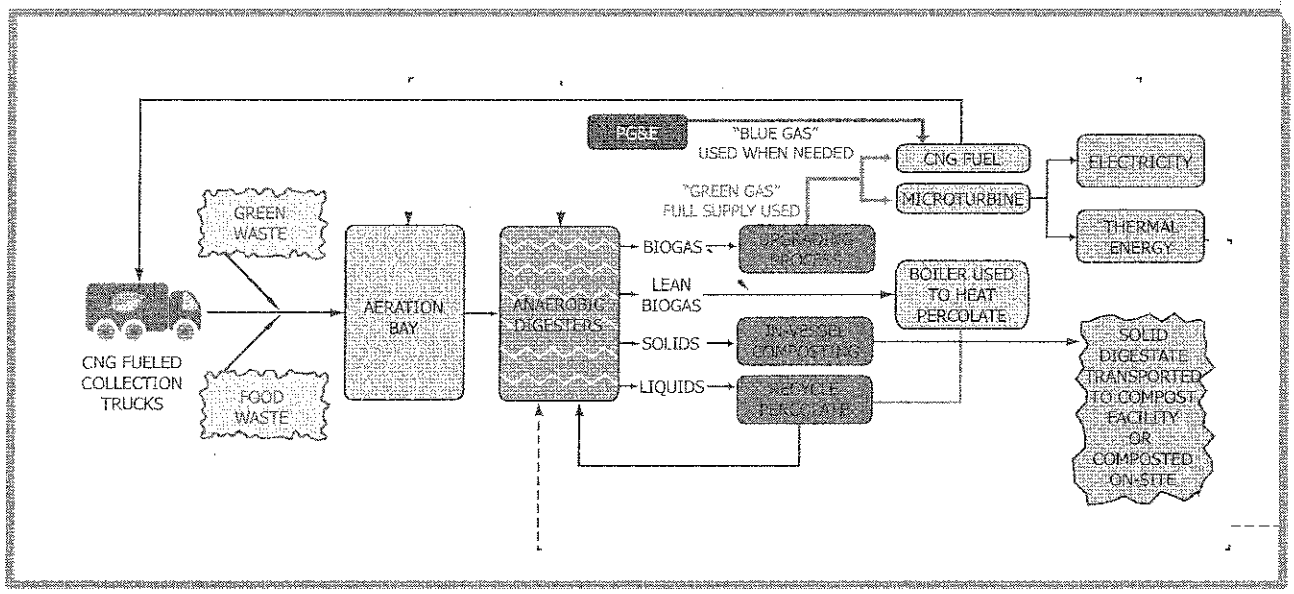
GCS (along with other affiliate companies) have created patented technology, which converts clean food scraps (from residential and commercial customers) into a feedstock for animal feed along with fats, oils and grease (FOG) and water. The pre-processing and processing/dehydrating equipment is capable of sterilizing the material so it is safe for animal consumption, while maintaining the nutritional integrity. In addition, FOG can be used to create biofuels and the water by-product may be used as non-potable water onsite.

These technologies, which are currently operating in the Bay Area, demonstrate the level of commitment SSFSC and GCS have in proactively supporting local end markets and implementing sustainable, closed-loop systems that are ahead of their time. In addition, these programs assist local jurisdictions meet, and exceed, many of their diversion and sustainability goals. These innovative and inspiring programs are further described in detail below.

Blue Line Dry Anaerobic Digestion (AD) Facility and Biogenic CNG Fueling Station | Beginning in early 2015, SSFSC started converting food waste and green waste into biogenic CNG with materials collected from the communities they service. The ***Blue Line AD Facility and Biogenic CNG Fueling Station*** converts 11,200 tons per year (tpy) of food and green waste into more than 100,000 diesel gallon equivalents (DGEs) of biogenic CNG fuel. The AD technology transforms food and green waste into biogas and an in-vessel composting system provides digestate that is transformed into compost. The biogas goes through the BioCNG clean-up system in order to meet fueling standards. Hydrogen sulfide, moisture, siloxanes, volatile organic compounds and carbon dioxide are removed and the biogas is piped to the storage tanks and dispensed into the collection vehicles overnight.



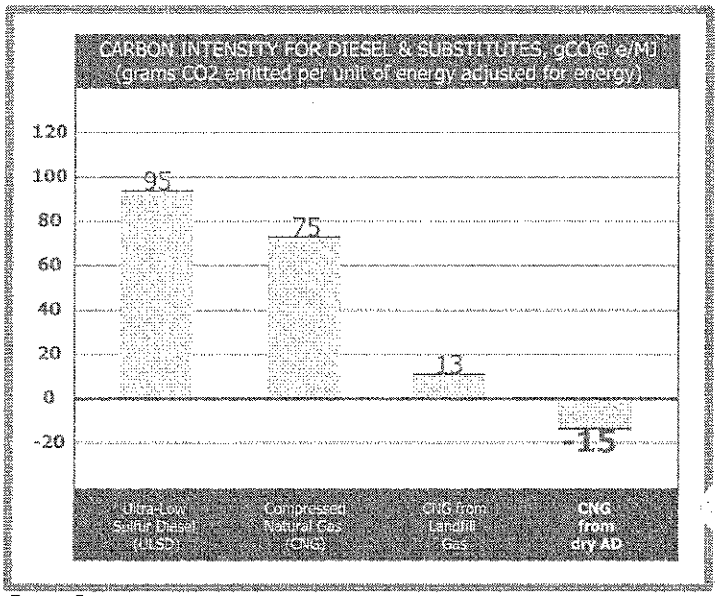
The system is supplemented with natural gas ("blue gas"), which is mixed with the biogas ("green gas") in order to fill collection vehicles. The system includes 8 dry anaerobic digesters, a below-grade, 95,000-gallon capacity concrete percolate tank and bio-filter and roof mounted external biogas storage bladder, significantly reducing odors. There is a separate enclosed and negatively aerated receiving bay that houses the 21-day batch process, transforming waste into biogas and producing a high quality digestate for compost. The biogas that is released during the digestion process is mixed with "blue gas" (directly from the PG&E natural gas pipeline) once all the green gas is in the storage tanks. The facility includes slow-fill dispensers, to minimize driver downtime and to ensure as much biogas is used as possible, as depicted in the graphic on the following page. In addition, this facility reuses the "lean gas", which is not appropriate for transportation fuel, avoiding the need for pipeline natural gas for the boilers; a unique feature built for this system.



There are numerous benefits of the Blue Line AD Facility and they include:

- ✓ Assisting jurisdictions in achieving AB 32 and other environmental and sustainability goals with more than 90% diversion of organic waste from landfills;
- ✓ Producing enough biogenic, carbon-negative CNG to fuel collection vehicles;
- ✓ Reducing CO_2 emissions by using carbon negative renewable fuel, combined with low carbon fuel, and avoiding methane generation at the landfill;
- ✓ Keeping money in the local community by producing jobs locally;
- ✓ Creating a local market for organic materials; and,
- ✓ Providing digestate for the production of high quality compost.

The California Air Resources Board (CARB) evaluated the life cycle impact of CNG generated from dry anaerobic digestion and determined that it is CARBON NEGATIVE compared to diesel, pipeline CNG and CNG from landfill gas. The graph summarizes CARB's findings that Biogenic CNG has a carbon intensity of -15 gCO2-eq/MJ, where pipeline CNG has a carbon intensity of 75 gCO2-eq/MJ and CNG from landfill gas has a carbon intensity of 13 gCO2-eq/MJ. This results in the Blue Line AD operation drastically reducing the



overall GHG impact of operations, more than any other fueling system utilized by other haulers.

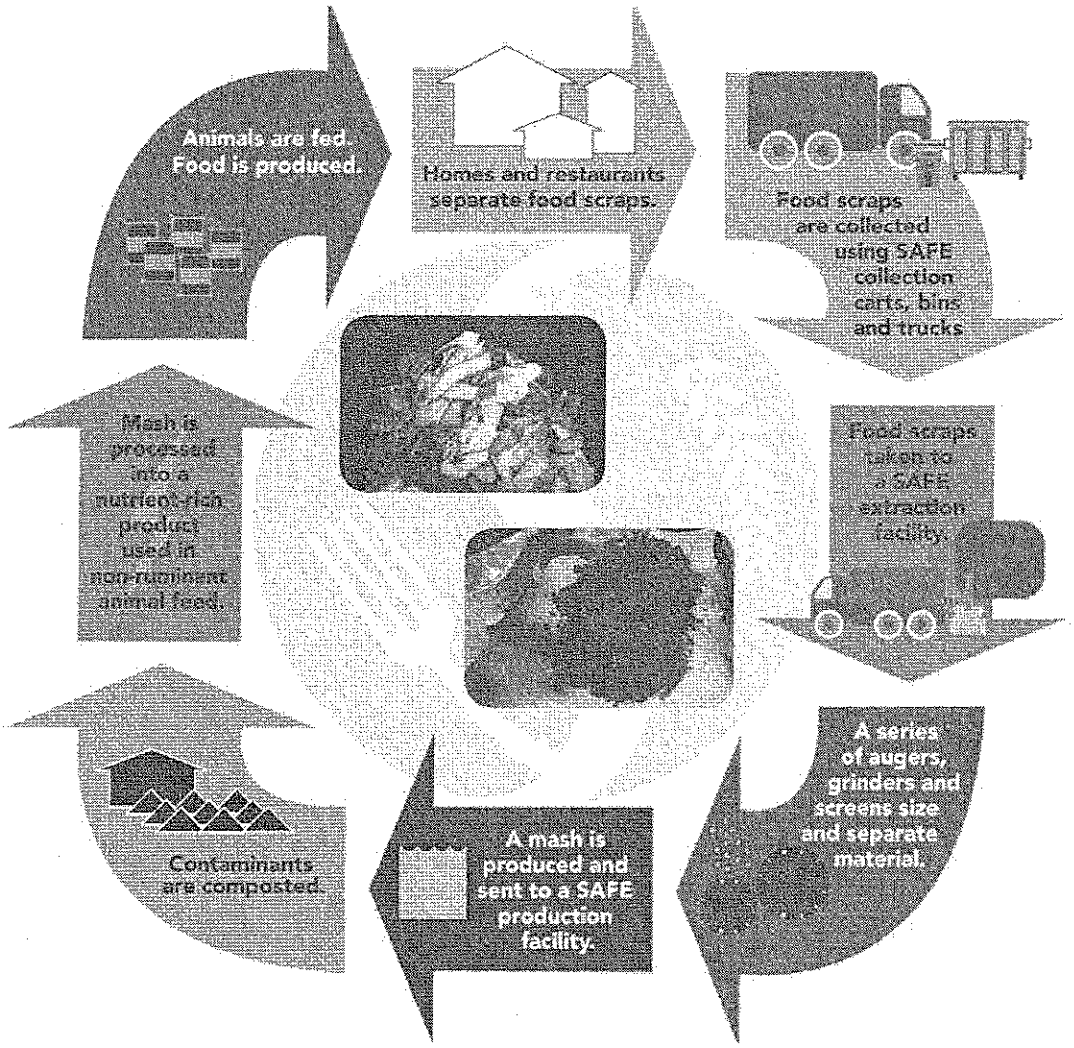
Closing the loop on organic waste – where the collection vehicle is fueled by Biogenic CNG that is derived from biogas generated by the anaerobic digestion of the collected organic waste – is an effective and efficient manner to locally handle resources. ***SSFSC founders and owners are innovators in the industry and are not afraid to "think outside the box" by implementing new technologies to manage discards, while reducing the carbon footprint of operations and operating more sustainably.***

Sustainable Alternative Feed Enterprises (SAFE) & Sustainable Organic Solutions (SOS) Facilities | Established in 2013, SAFE and SOS began the design, development, permitting and construction of a unique pre-processing and dehydration system that takes food scraps and other food discards and turns the waste into a valuable animal feed ingredient and other highly-valuable by-products. The patented equipment requires significantly less capital and space than needed for an anaerobic digester or composting facility, the system has minimal odor issues, and can be zoned in a light industrial area.

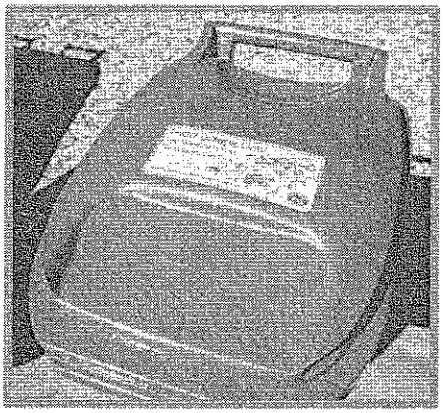
SAFE pre-processing or "extraction" equipment, located at affiliate company, MTWS' facility in Santa Clara, removes any contaminants and produces the liquid mash. The mash is pumped into a refrigerated storage tank and transported to the SOS production facility currently housed at Garden City. At the production facility, the mash undergoes the patented dehydration and sterilization processes that pull out water, fats, oils and grease (FOG), and create a nutrient-rich dry meal suitable for animal feed.

SAFE dry meal is easily marketed to farms and pet food companies and initial loads are currently headed for pig farms in California and Nevada. The FOG collected is the equivalent of #2 yellow grease and can be sold for a variety of important uses, including biodiesel. Water reclaimed through the SAFE process is nearly potable and can be used in street sweepers or for other local applications. Additional information on SAFE is provided in **Attachment D** and is also available online at www.forktofeed.com.

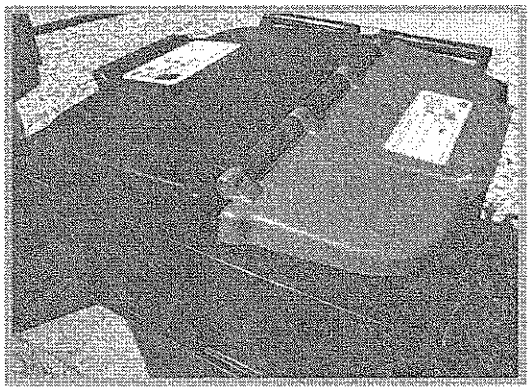
The graphic on the following page depicts the closed-loop SAFE/SOS process.



San José Pilot Program | Garden City rolled out a residential food scraps collection pilot program to more than 6,500 single-family residents in San José in September 2015. The goal of this pilot program is to rescue approximately 8 pounds of food scraps per week from each garbage container in the service areas that would be processed at the SAFE/SOS system to generate animal feed. Prior to the pilot program, food scraps were considered garbage and hauled directly to the City's landfill.



In order to determine the most efficient and user-friendly collection system, Garden City offered residents 2 different collection scenarios: a designated 20-gallon food scraps cart OR a split-cart with 48-gallons of capacity for garbage and the remaining 16-



gallons for food scraps (like the carts shown). Residents with the designated food scraps cart were provided their new container and accompanying outreach materials during the week of August 31, 2015. The following week, residents in the other service area were provided a new split-cart and their old garbage cart was removed.

Participants in both service areas received a kitchen pail along with their new carts. Pails and carts all featured graphic-rich labels indicating what materials belong inside. Collection began the week of September 14, 2015 utilizing vehicles from Garden City's existing fleet of CNG vehicles. The truck used to service the split carts was retrofit with a split body hopper and auger attachment to easily empty the contents. All food scraps loads are delivered to the SAFE/SOS facilities in Santa Clara.

Prior to cart delivery, residents in the service areas received an introductory postcard with a brief summary of the program and instructions for where to obtain additional information. A special pilot program page was added to www.GardenCitySanitation.com and our CSRs were trained on how to respond to calls and emails regarding the pilot program.

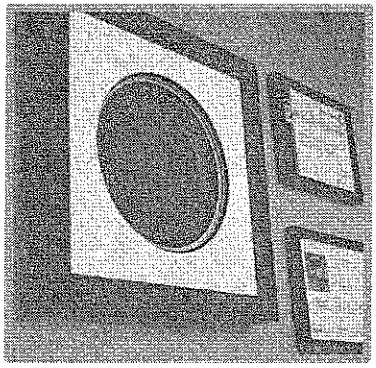
During the weeks of cart and kitchen pail delivery, Garden City contacted council members from pilot program service areas. Newsletter article text and links to outreach (including translations into Chinese and Vietnamese) were provided. Council members helped to distribute pilot information to their culturally and economically diverse constituents. To gain customer buy-in to the pilot, outreach pointed out the following:

- Participants would enjoy an increase in overall waste capacity.
- The yard trimmings collection program would remain in place.
- Collection days would remain unchanged.
- Food scraps collected through the pilot program would be processed into an ingredient for animal feed.
- Participation would actively save resources, reduce pollution and greenhouse gas emissions, and promote sustainability.

During the course of the pilot, participation and contamination data is continuously gathered via visual audits and weights from certified scales. Pilot participants occasionally receive feedback through specially designed, tri-lingual cart hangers attached to the handle of the cart lid. Landfill diversion and improvements in recycling are being tracked by Garden City and it is anticipated that a decrease in recycling contamination may be an additional benefit of the pilot program. Data collected will be used to determine the cost effectiveness of the 64-gallon split-cart option versus the 20-

gallon designated cart option and the economics of implementing a similar program citywide.

Incorporating Company Environmental Initiatives, Programs & Goals



In 2010, one of our affiliate companies, SSFSC, achieved Leadership in Energy & Environmental Design (LEED) certification for Existing Building: Operations and Maintenance of their Administrative office building remodel. *They were the first waste management company in San Mateo County to be awarded this LEED certification!* SSFSC has long-term goals for expanding the certification for the rest of their facility and achieving LEED gold in their Administrative office over the next few years.

Future facilities utilized for the City of Milpitas contract will have green building best practices and standards incorporated, as described in our affiliate and company-wide current environmental initiatives and programs through our unique collection and processing operations throughout the San Francisco Bay Area, listed in the table below.

	Environmental Initiatives, Programs & Goals
Alameda County Industries ACI	In addition to retiring their aging fleet of diesel trucks and converting to CNG vehicles, ACI has also installed a state-of-the-art storm water treatment system that treats all storm water onsite prior to discharge. All office supplies are purchased with recycled content and an office recycling policy (including food waste) is in effect. Native, drought-tolerant plants are incorporated into the landscaped areas and low-flow drip irrigation systems with timers adjust watering seasonally to reduce water consumption.
Garden City Sanitation GCS	We received certification with the County of Santa Clara's Green Business Program in 2013. As a part of becoming a certified Green Business, we successfully demonstrated environmental stewardship in the following categories: general, waste, energy, water, pollution, and wastewater. Our facility was constructed in a manner that complied with most of the requirements of the Green Business Program and minimal changes were necessary in order to become certified. We also voluntarily upgraded all warehouse, shop and yard lights to brighter and more energy efficient lighting and fixtures, which reduces our facility-wide energy consumption.
Livermore Sanitation LS	In addition to investing in an all CNG fleet and the fueling station, LS planted native plants and has natural storm water treatment systems at their corporation yard. All office supplies purchased have recycled content and an office recycling policy is in effect.
Mission Trail Waste Systems MTWS	In addition to retiring their aging fleet of diesel trucks and converting to CNG vehicles, MTWS assists the businesses in Santa Clara and Los Altos in obtaining Green Business certification along with compliance with AB 341. All office supplies purchased have recycled content and an office recycling policy is in effect.

Peninsula Sanitation Service Inc. PSSI	The Stanford Campus hauler has received numerous awards, including, but not limited to, Clean Bay Business, National Recycling Coalition's Outstanding School Program, AF&PA College and University Recycling Award for outstanding paper recycling program, Waste Audit Program, Food Waste and Compostable Material Collection Program and recognition for Campus-wide recycling and composting. Internal operations at the PSSI facility include recycling programs (food waste too!), energy consumption reduction through the use of day lighting and energy efficient equipment.
Specialty Solid Waste and Recycling SSWR	By utilizing CNG and biodiesel, SSWR has diversified fuel use and lowered the GHG impacts of their collection operations. Additionally, they have implemented BMPs for routing, resulting in increased fuel efficiencies, further reducing the amount of fuel usage and their GHG footprint. SSWR also voluntarily reports (and third-party verifies) their emissions footprint through The Climate Registry (TCR), the nation's leading voluntary GHG registry. All data is available online at www.theclimateregistry.org.
South San Francisco Scavenger Company SSFSC	A part of SSFSC's company-wide sustainability commitments include reducing both electricity and natural gas use, generating renewable energy from onsite solar generation, reducing GHG emissions from fleets by converting to Biogenic CNG, reducing overall water usage at the facility, achieving LEED certification of the office building, and achieving high waste diversion rates for the communities they serve. Like SSWR, they are also members of the TCR and voluntarily report and third-party verify their GHG emissions, which are available online at www.theclimateregistry.org. SSFSC is the first of our affiliate companies to design, develop, publish and implement a Sustainability Report, documenting their environmental, social/community and employee related initiatives, programs and goals. They recently completed the Fourth Edition of their Sustainability Report that includes updates to progress of the Goals published in the first Sustainability Report and subsequent Highlights Reports. Copies of SSFSC's second edition of their Sustainability Report and additional Highlights Reports are also available on their website at http://www.ssfscavenger.com/Sustainability-Report-Web-r1.pdf.

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5. ACCEPTANCE OF RFP AND FRANCHISE AGREEMENT

Included in this Section is a hard copy, redline and strikeout version of the Franchise Agreement with our proposed alternative language and completed information that is tailored to our proposal.

An electronic version of the Franchise Agreement with our proposed changes made using MS Word redline and strikeout functions, is included with our proposal package.

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6. COST PROPOSALS

A. Base Cost Proposal

Included in this Section is our Base Cost Proposal.

B. Cost Proposal for Alternative Services

Immediately following the Base Cost Proposal is our Alternative Cost Proposal.

C. Comparison of Base & Alternative Proposals + Incremental Debris Box

In order to provide the City with detailed descriptions of our Base and Alternative proposals, we have included a summary that can be used as a comparison.

We have also included incremental debris box costs for possible inclusion into the Franchise Agreement.

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7. OTHER PROPOSAL FORMS

A. Secretary's Certificate

Immediately following is the Secretary's Certificate, documenting the designated representative authorized to bind Garden City Sanitation, Inc.

B. Anti-Collusion Affidavit

Garden City's designated representative authorized to bind Garden City, as documented in Secretary's Certificate, has signed the Anti-Collusion Affidavit included in this Section.

C. Iran Contracting Certification

Also included in this Section is Garden City's Iran Contracting Act Certification.

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8. ATTACHMENTS

A. City of Sunnyvale Processing Commitment Letter
SMaRT Station Information

B. MOU with Teamsters Local 350

C. Vehicle, Container & Other Equipment Brochures

D. AB341 & 1826 Compliance Plan
SAFE Information
GCS EPPP

E. Samples of Garden City & Affiliate Company Reports (on CD)
Samples of Customer Billings

F. Garden City & Affiliate Company Outreach
Transition & On-going

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EXHIBIT I-2: CONTRACTOR'S RESPONSES DURING CLARIFICATION

EXHIBIT I-2
CONTRACTOR'S RESPONSES DURING CLARIFICATION

City of Milpitas
Evaluation Team – Collection Proposals
Garden City Sanitation Interview Questions
May 20, 2016

Garden City Sanitation welcomes the opportunity to provide further clarification to the City of Milpitas Evaluation Team Collection Proposals Interview Questions. The Evaluation Team's questions are provided below in *italic font* and are followed by GCS' responses in **bold font**.

1. *Management and Related Functions*
   a. *What are the roles of each of your proposed key management and supervisory staff prior to and after commencement of services under the new agreement?*

Section 1, Page 27 of the Proposal describes the key personnel that will be instrumental prior to and throughout the term of the Agreement. There have been a few staffing changes since our Proposal was submitted in October of 2015. Below is a summary of our updated Transition Team key personnel and their specific category they are responsible for during the transition:

- Louie Pellegrini & Doug Button | **Implementation & Contract Matters**
- Don Arata | **Equipment Procurement**
- Kent Kenney & Abigail Loveless | **Financial Planning & Accounting Operations**
- David Calegari & Brian Jones | **Driver Training, Supervision & Operations**
- Deanna Halleck Ventura | **Information & Database Systems**
- Alex Button | **Route Development & Customer Service**
- Kelli Pellegrini | **Public Education, Outreach & Technical Assistance**
- Jillian Hogan | **Facility Design, Development & Environmental Compliance**
- Sandra Suess | **Human Resources**
- Jerry Nabhan & Jeff Nabhan | **SMaRT Station Operations**

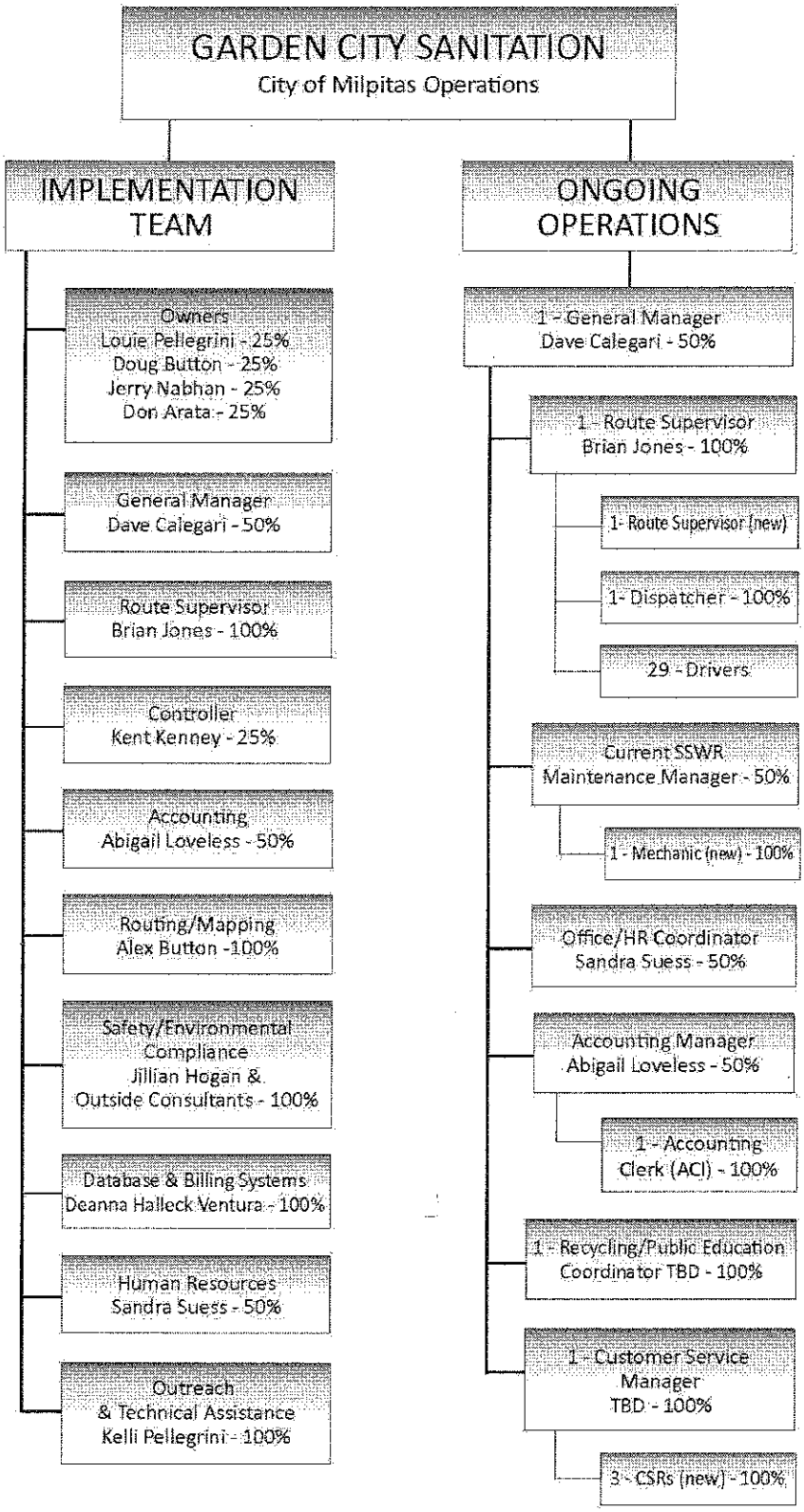
   b. *What other responsibilities do each of these individuals have?*

As briefly mentioned above and detailed beginning on Page 29 of Section 1 of the Proposal, Garden City's partners (L. Pellegrini, D. Button, D. Arata, J. Nabhan, and K. Kenney), along with their highly-motivated staff, will dedicate their time, expertise and knowledge to the transition of new services and throughout the term of the Agreement.

   c. *How much time (percent of an FTE) will each individual devote to Milpitas, both prior to and after commencement of services?*

See the revised chart that follows for a detailed organization chart of the transition and ongoing operations team and the percent that will be dedicated to the City of Milpitas.

EXHIBIT I-2
CONTRACTOR'S RESPONSES DURING CLARIFICATION



2. *Routes/Vehicles/Crew Count*

   a. *Describe your process for determining the number and type of routes, number of vehicles, and required number of crew.*

Routes, collection vehicles and number of drivers were selected using our decades of experience in operating numerous types of collection systems in diverse communities throughout the Bay Area. Collection and processing technology continues to advance, and we are early implementers of fully automated, containerized collection systems utilizing split-carts. We strive to implement fully-automated collection systems in order to increase collection efficiencies while reducing driver-related injuries.

   b. *Describe how you decided on your proposed approach to cart collection, including choice of truck type, method of collection, and why you believe it will be more effective than other approaches.*

Our affiliate companies South San Francisco Scavenger Company (SSFSC) and Specialty Solid Waste and Recycling (SSWR) both use split-cart containers for recyclables collection and more recently, the City of San Jose and City of Sunnyvale have rolled out our own patented automated collection system for residential food waste pilots, which include a split-cart serviced by a split-hopper fully-automated collection vehicle. Refer to handouts for additional details and successes of the food waste collection and processing pilot programs designed by our affiliate company, Sustainable Alternative Feed Enterprises (SAFE)/Sustainable Organic Solutions (SOS).

   c. *How many residential accounts will have a change in day of service?*

Our goal is to minimize service day changes and disruption to customers; however, in order to effectively balance our routes, there could potentially be a change in service day. This is unknown at this point, until further data and route design/balancing is analyzed to determine specific routes.

3. *Base Services - Discuss your proposed Base Services in general, with regard to:*

   a. *How they differ from current services.*

Although our base proposal in general is very similar to the current services provided, we believe this base service to be outdated and counterproductive to the enhanced Hybrid-Alternative automated collection system described previously.

The base serviced are counterproductive to the automated collection system described previously and is why we instead proposed a Hybrid Alternative System that maximizes efficiencies, produces achievable and recordable diversion while reducing the carbon footprint of collection and processing operations. Our Hybrid Alternative System mandates that all materials be processed, significantly reducing the amount of residue disposed of in the landfill, while encouraging separation at the source.

b. *Whether your proposed Base Services exceed the requirements of the RFP, and if yes, how.*

Our Base Services proposal is consistent with the requirements of the RFP.

4. *Single Family Solid Waste – Discuss:*

a. *The proposed approach to continued use of customer containers, and why you selected it.*

We proposed in the base proposal to use customer provided containers because it was a requirement of the RFP. Our intent and desire is to not propagate this any longer, simply because the system is outdated and does not maximize efficiencies, and does not produce achievable and recordable diversion while reducing the carbon footprint of collection and processing systems like our Hybrid Alternative Proposal does.

b. *The proposed approach to a cart-only system, and why you selected it.*

Our preferred method to achieve collection efficiencies, provide consistent services and uniformity throughout the City, and promote and achieve significant diversion is to implement a cart-only collection system.

c. *Whether the City selects to continue or change collection practices, how will you address customers that may not like the decision?*

In past transitions, we have reached out to the communities and held informational community meetings where residents were encouraged to attend and ask questions. Our owners and management personnel are readily available to answer any questions and provide information.

d. *Customer options for overages under each approach.*

Overages will be collected from customers who purchase additional garbage "tags".

Customer-purchased tags will be affixed to extra garbage (placed at the curb in a bag). Customers will be able to purchase these bag tags from local stores (like 7-11, Safeway, etc.), similar to what is currently done in San Jose. Residents will be allowed to set out additional recyclables and yard trimmings for free and can be provided additional recycling and/or yard trimmings carts, upon request.

e. *Proposed on-call and "bin for a day" options.*

Section 3, page 21 of our Proposal describes our approach to provide "on-call bin for a day" service. Containers will be delivered, picked up and processed at the SMaRT Station, where a minimum of 50% diversion will be achieved through their "High Diversion Floor Sort" operations.

5. *Alternative Services – Food Scraps Collection/Processing and "Other" Alternatives Discuss:*

a. *The proposed approach(es) to food scrap collection and processing, including why you have selected the approach(es) and other communities in which you have used it.*

Currently the Cities of San Jose and Sunnyvale have implemented a pilot SAFE/SOS patented collection and processing system for residential food scraps, collected in split-carts by a specially designed split-hopper side-loader collection vehicle. The system effectively diverts food scraps from the landfill while creating an animal feed product, as well as FOG and water by-products. Please refer to the SAFE/SOS handout provided during the tour/interview for additional details on the split-cart collection system.

b. *Any "Other" services you have proposed.*

Bulky Bags are a unique process to collect and divert bulky items from residential customers. Section 2, page 13 of our Proposal describes our approach to provide bulky bags. The goal of our Bulky Bag program is to provide bulky item collection that deters illegal dumping, maintains a neat neighborhood appearance, and maximizes the reusability of unwanted items. By teaming up with the SMaRT Station to accept all materials generated in Milpitas, we offer the residents of Milpitas the SMaRT Station's Reuse Trailer, where bulky items are reused and salvaged by the public, in addition to participation in the PaintCare Program, sharps disposal and CRV buyback.

c. *Proposer's recommendations for phasing-in, or not phasing-in programs.*

All services will be implemented at the beginning of the Franchise Agreement.

6. *"Single-Family Style"*

a. *What does "Single-Family Style" mean to you in the context of collection in Milpitas?*

Single-family customers are separately billed for their service level and typically consist of one unit, duplex, triplex and/or fourplex dwelling units.

b. *How does the concept influence the selected services and service approaches?*

Fully-automated collection vehicles servicing wheeled carts are the preferred method to provide the most efficient services to single-family style customers. As discussed in our response to Question 2.a, fully-automated collection is the most technically and environmentally-sound method of collection because it reduces injuries/accidents, increases routing efficiencies (reducing collection costs), reduces litter, and allows for a uniform aesthetic in the community.

c. *How does the concept inform service implementation initially, and over time?*

All services will be implemented at the beginning of the Franchise Agreement.

7. *"Multi-Family Style"*

a. *What does "Multi-Family Style" mean to you in the context of collection in Milpitas?*

Multi-family customers consist of 5 or more dwelling units and receive centralized collection services that are billed to one customer at one address.

b. *How does the concept influence the selected services and service approaches?*

Higher density housing typically require larger, front-load bins in centralized collection areas that are serviced by front-loader collection vehicles. In order to simplify collection operations, we will offer multi-family complexes a mixed waste collection and processing system that encourages separation of wet materials from dry materials, allowing for back-end processing occurring at the SMaRT Station, where organics will be recovered from the waste stream. This also allows us to reduce the total number of containers at a MFD complex, simplifying collection operations at facilities with space constraints.

c. *How does the concept inform service implementation initially, and over time?*

All services will be implemented at the beginning of the Franchise Agreement.

8. Hard-to-Serve

a. *What does "Hard-to-Serve" mean to you in the context of collection in Milpitas?*

Hard-To-Serve are collection services that are difficult to serve, reduce route productivity and take more time to collect materials. Often times hard-to-serve areas require specialized equipment (like semi-automated and smaller collection vehicles that typically require the driver to exit the vehicle to retrieve the containers). Large housing developments, cul-de-sacs, narrow street, large hills, steep terrain, underground facilities are some examples where fully-automated collection vehicles will have difficulty safely and effectively servicing containers. Smaller, specialized vehicles are required and routing efficiencies are adjusted to reflect the additional time needed to service the customers. Semi-automated vehicles are equipped with controls on the outside of the truck to quickly empty the container into the hopper, however, additional time is required to retrieve and set back the containers.

b. *How does the concept influence the selected services and service approaches?*

Productivity is lowered as drivers are required to exit the vehicle, retrieve the container, use controls on the outside of the vehicle to empty the contents into the hopper, and then return the container back to the setout location, which can be yards away, as done in some backyard service scenarios and large, underground parking structures in Multi-Family complexes. We also anticipate that some large MFD complexes may not generate yard trimmings, so these complexes will be provided with food scraps, solid waste and recyclables collection containers that will be serviced by the appropriate collection vehicle.

c. *How does the concept inform service implementation initially, and over time?*

All services will be implemented at the beginning of the Franchise Agreement.

9. Street Sweeping – *Please describe:*

a. *Your proposed approach to street sweeping.*

In most cases, street sweeping will be conducted on a day after residential collection services to minimize traffic impacts and capture litter and other street debris twice per month. Industrial and commercial areas of Milpitas will be swept weekly, as indicated in Section 2, Page 79 of the Proposal.

b. *How does your approach meet, or exceed RFP and technical contract requirements?*

Our approach to street sweeping meets the contract requirements of the RFP and Section 4.15 of the Franchise Agreement.

10. *Outreach – Please describe:*
    a. *Your proposed approach to outreach.*

We are committed to designing, implementing, and maintaining public outreach programs that are compatible with customer needs, will successfully achieve diversion goals, and are effectively integrated with our collection and processing operations. Throughout the term of the Franchise Agreement, we will assess, review, modify and adapt our outreach to keep it fresh and current, and to have it complement the outreach efforts of Santa Clara County. Our outreach approach is to develop and evolve as the needs and capabilities of our customers change, as State legislation and diversion goals continually progress, and as collection and processing systems advance.

    b. *How does your approach meet, or exceed RFP and technical contract requirements?*

All public education, outreach and technical assistance aspects of the Proposal (as described in Section 2, page 17) meet the contract requirements of the RFP and Sections 4.9 and 4.10 of the Franchise Agreement.

11. *Technical Assistance – Please describe:*
    a. *Your proposed approach to technical assistance.*

We are dedicated to provide commercial businesses and MFDs with the tools needed for achieving compliance with both AB341 and AB1826 and our goal is to provide a technical assistance program that ensures each customer has the information, tools, resources and support to reach their diversion potential that is practical and best suits their needs and assists the City in meeting their requirements of AB341 and AB1826.

In order to guarantee compliance with AB1826, AB341 and upcoming legislation, we have already begun to determine the businesses affected in Milpitas. Included in our Proposal (Attachment D) and provided during the tour and interview, is our detailed Compliance Plan for specifically for the City of Milpitas. Our AB1826 Compliance Plan includes the methodology and calculations used to determine eligible businesses based on historical data, waste characterizations and NAICS codes. We determined that this year, 22 businesses in the City of Milpitas generate more than 8 cubic yards of organic waste and are required to subscribe to organics collection services, by 2017, this number more than doubles to 58 businesses. Because we have already conducted our due diligence and determined a compliance plan for the City of Milpitas, we are already a step ahead of other proposers, guaranteeing proven collection systems that effectively divert organics from landfill.

452
453
454 b. *How does your approach meet, or exceed RFP and technical contract requirements?*
455
456 **All technical assistance aspects of the Proposal (as described in Section 2, page 37 and**
457 **detailed in our MFD and Commercial Recycling and Organics Plan beginning on page 53**
458 **of Section 2) meet the contract requirements of the RFP and Section 4.10 of the**
459 **Franchise Agreement.**
460
461
462 12. *Summary Diversion Table - Provide a summary table for all collection programs, by material, that*
463 *addresses:*
464 *a. Initial (1st year) tonnages collected.*
465 *b. Projected increases/decreases in tonnages collected over the term.*
466 *c. The effect of AB 1826 on the multi-family and commercial sectors.*
467 *d. Diversion rates for each processed stream, and in total.*
468 *e. Residue rates for each processed stream.*
469 *f. Estimates of increased diversion over time by program/stream.*
470 *g. Addition of food scrap collection and processing (assumed to be an initial service).*
471 *h. Addition of any "Other" proposed alternatives.*
472 *i. Any other relevant information.*
473
474 **See Summary Diversion Table provided below.**
475

Summary Diversion Table - Garden City Sanitation - Milpitas Proposal							
	solid waste	**recyclables**	**yard trimmings**	**food scraps**	**C&D**	**TOTALS**	
1st year tonnages	47,513	14,294	6,604	5,342	8,592	82,345	*with exclusive C&D*
					NON-EXCLUSIVE	73,753	*without C&D*
Diversion Rates	*32%*	*88%*	*95%*	*70%*	*90%*	***56%***	***with exclusive C&D***
					NON-EXCLUSIVE	51%	*without C&D*
Residue Tonnage	32,074	1,762	342	1,603	859	36,640	with exclusive C&D
					NON-EXCLUSIVE	5,781	*without C&D*

Assumptions Over Term of Franchise Agreement	reduced tonnage as programs are implemented and outreach programs start to achieve desired outcomes	potential increase in tonnage as programs are implemented and outreach programs achieve desired behavior change	lower tonnages as new developments require Low Impact Development, Native/Drought Tolerant plants, reducing yard waste generation	goal is to increase food waste recovery throughout the term as more and more customers familiarize themselves with our successful food waste programs	Exclusive Franchise System encourages diversion, transparency, compliance with local, state and federal regulations, reduces GHG emissions, ensures customer satisfaction and consistent containers/trucks/out reach
All programs (if C&D is included in the exclusive franchise), will be an initial service and provided to all customers from the start of services. **Commercial/MFD generators will be targeted based on generation threshold as established by AB1826. We anticipate food waste tonnages will increase overtime as the thresholds target specific generators.**					

13. *Billing Services -- Please describe:*

a. *Your proposed approach to billing.*

Billing services will be provided by our team of experienced accounting professionals that have successfully transitioned new billing services in jurisdictions similar to Milpitas. It has been our experience that even with cooperation from the current contractor, some of the account data is not current and/or incomplete, so we allow for sufficient time and allocate resources to conduct thorough site audits based off of the previous contractor's data and county parcel maps. We also use business license data, real estate data, mailings, and site audits to compile our commercial database system.

b. *How will you ensure a smooth transition to contractor-provided single family billing?*

Single-family account data will be audited by our experienced team of operations and accounting personnel to make sure all information is updated and accurate. Like mentioned in the previous question, we will use contractor provided information along with County parcel maps and site audits. In past experiences, we have found that visiting the site and confirming it with parcel maps has been successful in minimizing billing errors during the first few billing cycles.

c. *How does your approach meet, or exceed RFP and technical contract requirements?*

Section 2, page 50 describes our approach to dealing with past due accounts in an effort to minimize delinquent bills, as currently done in similar jurisdictions.

14. *Customer Service – Please describe:*

a. *Your proposed approach to customer service.*

Three (3) new Customer Service Representatives (CSRs) will be hired to handle all calls regarding the Milpitas contract and will dedicate 100% of their time to Milpitas. As discussed in Section 2, page 43 of the Proposal, our approach to providing excellent customer service is to do things right the first time and to train our CSRs to think like customers. This philosophy instills a sense of pride and professionalism, resulting in high customer satisfaction and minimizes complaints.

b. *How does your approach meet, or exceed RFP and contract requirements?*

All customer service aspects of the Proposal (as described in Section 2, page 43) meet the contract requirements of the RFP and Section 4.12 of the Franchise Agreement.

15. *Materials Processing*

a. *How will you ensure that each type of collected material meets the necessary specifications for processing?*

Utilizing effective outreach and technical assistance programs coupled with a working relationship with the processor (SMaRT Station). The SMaRT station has equipment in place to effectively sort any non-hazardous type of material, including Residential and Commercial MSW, C&D, Mixed Recycling, and Dual Stream Recycling. Through the use of Disk Screens, Trommel Screens, 2D/3D Screens, Magnets, Eddy Current Separators, Optical Sorters, and Manual Sorters, all material can be efficiently and effectively be processed at the SMaRT station.

16. *Temporary Debris Box Service - Please describe:*

a. *Your proposed approach to exclusive provision of temporary debris box service.*

Our approach to providing exclusive debris box service is to maximize diversion and assist customers with meeting the State's 2013 Green Building Code and diversion requirements. We will deliver all debris boxes (temporary and/or permanent) to the SMaRT Station for recycling utilizing their "High Diversion Floor Sort". The sorting processes maximizes recoverability of material through the use of floor sorters placing

items in dedicated bins, ensuring that all materials are sorted and recovered.

b. *Why do you believe a shift to exclusive service would, or would not be beneficial?*

Under the exclusive franchise system, the services and associated rates are guaranteed for the hauler and eventually the City. Also, the City will have control over the flow of materials and eventual diversion of materials to certified recycling facilities. Customers receive consistent services, collection operations, rates, and transparency. Compliance with State mandates is easier to achieve, monitor and maintain under the exclusive franchise.

The City can achieve higher diversion, generate franchise fees, and hold the hauler accountable under an exclusive system; no longer will fly-by-night operations set up in Milpitas and relocate fees to other parts of the State. Environmental benefits of reduced GHG emissions and alternative fuel requirements can be easily achieved in the exclusive franchise as well as economies of scale for long-term franchise agreements and routing efficiencies, significantly improving local air quality.

17. *Transition*

a. *Provide an overview of your approach to the transition, should you be selected as the new service provider.*

Section 2, Page 81 of the Proposal contains our Implementation Plan that is designed to deliver consistent service, prioritize customer and City needs, and cooperatively work with the outgoing contractor with the overall goal of minimizing disruption to residents and customers.

b. *What are the three largest challenges you will face during the transition, and how will you address each?*

1. **Cooperation with the Current Contractor to Obtain Complete & Accurate Service Data: It is extremely important that accurate and complete account information and service data is provided by the previous contractor. If incomplete and inaccurate data is provided, we must develop the customer service, billing and routing database using public records, parcel maps, site audits, mailings and real estate databases. Dedicating sufficient time and labor to obtain a complete and accurate database will ensure our transition is as smooth as possible.**

2. **Container Distribution & Rollout: Container distribution and rollout is another challenging aspect of the transition and prior planning and preparation is**

essential to ensure minimal disruption to customers. Coordination and cooperation during the container distribution process is dependent upon the current contractor's willingness to gather old containers or sell used containers for refurbishing, the removal of old containers must coincide with the delivery of new containers, so customers always have containers.
We have conducted and successfully rolled out new programs in Livermore, Los Altos, Alameda and San Jose with little to no interruption in services and very few complaints. The reason these transitions were so successful is due in large part to our team of owners, managers and staff that place a high priority on providing excellent service.

3. Startup Logistics & Displaced Workers: Displaced workers might have years of experience while working for the previous contractor; however, we still provide hours of training on the new equipment and GCS procedures to all drivers and staff. We strive to provide a workplace that instills a sense of family. In San Jose when GCS transitioned as the new hauler, the former employees had worked for at least 4 different companies and felt they only had consistency with the union; we strive to provide a safe and happy workplace for all employees and experience little to no employee turnover.

6-3-16 Q and A

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EXHIBIT J: PERFORMANCE BOND

EXHIBIT J
PERFORMANCE BOND

Performance bond to be provided by Contractor following final award as specified in Section 9.3 and inserted here for final fully executed agreement.

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EXHIBIT K:
LABOR
AGREEMENT(S)

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MEMORANDUM OF UNDERSTANDING

BETWEEN

MILPITAS SANITATION INC. AND

SANITARY TRUCK DRIVERS AND HELPERS

TEAMSTERS LOCAL UNION 350

This Memorandum of Understanding is entered into between Milpitas Sanitation Inc. (MS) and Sanitary Truck Drivers and Helpers, Teamsters Local Union 350 (Union) in anticipation of an award to (MS) by the City of Milpitas of a contract for collection services for the collection and disposition of Residential and Commercial recyclable materials, waste, organics and the processing of recyclables within the areas for which the City has responsibility. The purpose of the parties in entering into this Memorandum of Understanding is to record in writing their agreement with respect to the labor relations issues affected by such an award and thereby avoid problems or disputes that might otherwise affect the stability and continuity of the services provided for in the event the aforesaid award is made to (MS).

It is accordingly understood and agreed as follows:

1. The work covered by this Memorandum is coterminous with that covered by the anticipated award, except work performed by supervisors, management and guards as defined in the National Labor Relations Act. More specifically, the work classifications involved include Drivers, Helpers, Utility, Sweepers, Equipment Operators, Scale-house Operators, Maintenance, Mechanics, Clerical and Sorters. The parties are in agreement that these classifications, and any additional related classifications hereafter created that are incidental to the work covered by the award constitute an appropriate bargaining unit.

2. In the event (MS) is awarded the franchise for the aforesaid services, it will offer employment to the number of employees currently performing the work it determines it needs, as follows: (MS) will offer employment according to the seniority lists in effect at the existing provider to employees it needs who are currently employed (which includes employees who are out on workers compensation/disability) in the above described bargaining units, who have been on the job for at least 120 days as of (MS's) start-up date. (MS) shall only be required to offer employment to those employees who are fully capable of performing work in their regular classification on the start-up date. Following the start-up date and continuing for one (1) year thereafter, should any of the existing provider 's employees who were not hired by (MS) on the start-up date because they were temporarily disabled, provide medical certification demonstrating that said employee is able to return to active duty in his or her regular classification, (MS) shall retum that employee to active duty and displace the least senior employee in his/her regular classification. Nothing in this paragraph shall require (MS) to employ more persons than it deems are needed. It is also understood no individual shall be hired from any other source prior to one (1) year from the start-up date for work within the above stated work classifications, until all displaced workers holding seniority under the previous providers shall have been offered employment.

3. It is recognized by the parties that most, if not all employees now performing the work covered by this Memorandum are currently represented by the Union and are working under collective bargaining agreements between the Union and the current provider.

a) In the event (MS) becomes the successor to the current provider, (MS) will upon evidence that the Union continues to represent a majority of such employees in the

bargaining unit hereinbefore described, will formally recognize the Union as their bargaining representative.

b) Such evidence shall consist of a showing that a majority of the employees are members of the Union, and/or have signed cards designating the Union as the signatory's bargaining representative.

c) (MS) shall, upon the presentation of such evidence and recognítion, will be bound by the terrns and conditions of its existing collective bargaining agreement for the remainder of its term then in effect between the Union and the current provider (Republic Services). In the event the most recent collective bargaining agreement covering such employees has expired, the Company shall initially apply and be bound by the terms and conditions of the expired agreement, but shall concurrently meet with the Union for the purpose of negotiating in good faith to agree upon a successor agreement, which will be retroactive for wages and economic benefits to the date on which the Company begins operations under its franchise.

In the event (MS) plans that the newly hired employees will work out of its existing Garden City Sanitation yard and for those employees (MS) agrees to be bound by the existing collective bargaining agreements at its Santa Clara County yards, and any negotiated extensions or revisions to those existing agreements. However, it is understood there will be separate seniorities between the Milpitas Sanitation and Garden City Sanitaion bargaining units.

All employees hired in accordance with this Memorandum shall retain their City of

San Jose/Milpitas union seniority held as of (MS's) start-up date.

Executed this 15th day of March 2017, in the County of Santa Clara, California.

MILPITAS SANITATION INC.

By: _____

Date: March 16, 2017

SANITARY TRUCK DRIVERS
TEAMSTER LOCAL 350

By: _____

Date: 3/15/17

MEMORANDUM OF UNDERSTANDING

BETWEEN

GARDEN CITY SANITATION INC. Of SANTA CLARA COUNTY AND

SANITARY TRUCK DRIVERS AND HELPERS

TEAMSTERS LOCAL UNION 350

This Memorandum of Understanding is entered into between Garden City Sanitation Inc. of Santa Clara County (GCS) and Sanitary Truck Drivers and Helpers, Teamsters Local Union 350 (Union) in anticipation of an award to GCS by the City of Milpitas of a contract for collection services for the collection and disposition of Residential and Commercial recyclable materials, waste, organics and the processing of recyclables within the areas for which the City has responsibility. The purpose of the parties in entering into this Memorandum of Understanding is to record in writing their agreement with respect to the labor relations issues affected by such an award and thereby avoid problems or disputes that might otherwise affect the stability and continuity of the services provided for in the event the aforesaid award is made to GCS.

It is accordingly understood and agreed as follows:

1. The work covered by this Memorandum is coterminous with that covered by the anticipated award, except work performed by supervisors, management and guards as defined in the National Labor Relations Act. More specifically, the work classifications involved include Drivers, Helpers, Utility, Sweepers, Equipment Operators, Scale-house Operators, Maintenance, Mechanics, Clerical and Sorters. The parties are in agreement that these classifications, and any additional related classifications hereafter created that are incidental to the work covered by the award constitute an appropriate bargaining unit.

2. In the event GCS is awarded the franchise for the aforesaid services, it will offer employment to the number of employees currently performing the work it determines it needs, as follows: GCS will offer employment according to the seniority lists in effect at the existing provider to employees it needs who are currently employed (which includes employees who are out on workers compensation/disability) in the above described bargaining units, who have been on the job for at least 120 days as of GCS's start-up date. GCS shall only be required to offer employment to those employees who are fully capable of performing work in their regular classification on the start-up date. Following the start-up date and continuing for one (1) year thereafter, should any of the existing provider's employees who were not hired by GCS on the start-up date because they were temporarily disabled, provide medical certification demonstrating that said employee is able to return to active duty in his or her regular classification, GCS shall return that employee to active duty and displace the least senior employee in his/her regular classification. Nothing in this paragraph shall require GCS to employ more persons than it deems are needed. It is also understood no individual shall be hired from any other source prior to one (1) year from the start-up date for work within the above stated work classifications, until all displaced workers holding seniority under the previous providers shall have been offered employment.

3. It is recognized by the parties that most, if not all employees now performing the work covered by this Memorandum are currently represented by the Union and are working under collective bargaining agreements between the Union and the current provider.

a) In the event GCS becomes the successor to the current provider, GCS will upon evidence that the Union continues to represent a majority of such employees in the

bargaining unit hereinbefore described, will formally recognize the Union as their bargaining representative.

b) Such evidence shall consist of a showing that a majority of the employees are members of the Union, and/or have signed cards designating the Union as the signatory's bargaining representative.

c) GCS shall, upon the presentation of such evidence and recognition, will be bound by the terms and conditions of its existing collective bargaining agreement for the remainder of its term then in effect between the Union and the current provider (Republic Services). In the event the most recent collective bargaining agreement covering such employees has expired, the Company shall initially apply and be bound by the terms and conditions of the expired agreement, but shall concurrently meet with the Union for the purpose of negotiating in good faith to agree upon a successor agreement, which will be retroactive for wages and economic benefits to the date on which the Company begins operations under its franchise.

In the event GCS plans that the newly hired employees will work out of its existing Garden City Sanitation yard and for those employees GCS agrees to be bound by the existing collective bargaining agreements at its Santa Clara County yards, and any negotiated extensions or revisions to those existing agreements.

All employees hired in accordance with this Memorandum shall retain their City of san Jose/Milpitas union seniority held as of GCS's start-up date.

Executed this 23rd day of October 2015, in the County of Santa Clara, California.

GARDEN CITY SANITATION INC,
OF SANTA CLARA COUNTY

By: Steve Kelley

Date: 10-23-2015

SANITARY DRIVERS AND HELPERS
TEAMSTERS LOCAL UNION 350

By: _____

Date: 10-22-15

EXHIBIT L: MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Single-Family Collection Rates			
Service Level	**Solid Waste**	**Recycling**	**Organics**
20 Gal	$32.22	Included	Included
32 Gal	$35.02	Included	Included
64 Gal	$41.19	Included	Included
96 Gal	$47.32	Included	Included
20 Gal Senior	$16.11	Included	Included
32 Gal Senior	$17.53	Included	Included
64 Gal Senior	$20.61	Included	Included
20 Gal Mobile Home	$9.83	Included	N/A
32 Gal Mobile Home	$10.69	Included	N/A
64 Gal Mobile Home	$15.85	Included	N/A
SFD No Organics Discount	N/A	N/A	-$6.77
Senior No Organics Discount	N/A	N/A	-$3.40

Multi-Family Solid Waste Collection Rates						
	Frequency					
Service Level	**1x/week**	**2x/week**	**3x/week**	**4x/week**	**5x/week**	**6x/week**
32-Gal	$20.70	$36.23	$51.76	$67.29	$82.82	$98.35
64-Gal	$25.14	$44.00	$62.85	$81.71	$100.56	$119.42
96-Gal	$29.58	$51.76	$73.94	$96.13	$118.31	$140.49
1-YD	$84.31	$140.54	$193.05	$238.57	$289.71	$340.83
1.5-YD	$108.21	$193.01	$256.41	$330.56	$404.63	$478.74
2-YD	$132.09	$238.57	$340.83	$443.07	$545.28	$647.60
3-YD	$189.74	$348.78	$502.09	$655.47	$808.88	$962.21
4-YD	$220.45	$404.39	$572.78	$741.26	$909.68	$1,078.14
6-YD	$303.51	$563.90	$825.97	$1,066.64	$1,328.72	$1,590.79
8-YD	$395.07	$732.00	$1,057.67	$1,383.46	$1,709.17	$2,034.95

Multi-Family Recycling Collection Rates						
	Frequency					
Service Level	**1x/week**	**2x/week**	**3x/week**	**4x/week**	**5x/week**	**6x/week**
32-Gal	$5.18	$9.06	$12.94	$16.82	$20.70	$24.59
64-Gal	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
96-Gal	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12
1-YD	$21.08	$35.14	$48.26	$59.64	$72.43	$85.21
1.5-YD	$27.05	$48.25	$64.10	$82.64	$101.16	$119.69
2-YD	$33.02	$59.64	$85.21	$110.77	$136.32	$161.90
3-YD	$47.44	$87.19	$125.52	$163.87	$202.22	$240.55
4-YD	$55.11	$101.10	$143.19	$185.31	$227.42	$269.53
6-YD	$75.88	$140.98	$206.49	$266.66	$332.18	$397.70
8-YD	$98.77	$183.00	$264.42	$345.87	$427.29	$508.74

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Multi-Family Organics Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$16.56	$28.99	$41.41	$53.83	$66.25	$78.68
64-Gal	$20.11	$35.20	$50.28	$65.37	$80.45	$95.54
96-Gal	$23.66	$41.41	$59.16	$76.90	$94.65	$112.40
1-YD	$67.45	$112.43	$154.44	$190.85	$231.77	$272.66
2-YD	$105.67	$190.85	$272.66	$354.46	$436.22	$518.08
3-YD	$151.80	$279.02	$401.67	$524.37	$647.10	$769.77

Commercial Solid Waste Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$25.72	$45.01	$64.30	$83.58	$102.87	$122.16
64-Gal	$30.24	$52.93	$75.61	$98.29	$120.98	$143.66
96-Gal	$34.75	$60.80	$86.86	$112.92	$138.98	$165.04
1-YD	$98.06	$175.57	$241.47	$299.12	$363.38	$427.67
1.5-YD	$126.39	$241.32	$322.24	$415.63	$508.98	$602.33
2-YD	$154.72	$299.12	$427.67	$556.10	$684.59	$813.14
3-YD	$222.69	$437.65	$630.41	$823.17	$1,015.91	$1,208.65
4-YD	$261.34	$512.02	$726.86	$941.75	$1,156.57	$1,371.42
6-YD	$361.59	$716.79	$1,050.11	$1,358.40	$1,691.69	$2,024.97
8-YD	$470.98	$931.67	$1,348.26	$1,765.01	$2,181.65	$2,598.35

Commercial Recycling Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$6.43	$11.25	$16.07	$20.90	$25.72	$30.54
64-Gal	$7.56	$13.23	$18.90	$24.57	$30.24	$35.92
96-Gal	$8.69	$15.20	$21.72	$28.23	$34.75	$41.26
1-YD	$24.51	$43.89	$60.37	$74.78	$90.84	$106.92
1.5-YD	$31.60	$60.33	$80.56	$103.91	$127.25	$150.58
2-YD	$38.68	$74.78	$106.92	$139.02	$171.15	$203.29
3-YD	$55.67	$109.41	$157.60	$205.79	$253.98	$302.16
4-YD	$65.34	$128.01	$181.71	$235.44	$289.14	$342.86
6-YD	$90.40	$179.20	$262.53	$339.60	$422.92	$506.24
8-YD	$117.75	$232.92	$337.07	$441.25	$545.41	$649.59

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Commercial Organics Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$20.57	$36.01	$51.44	$66.87	$82.30	$97.73
64-Gal	$24.20	$42.34	$60.49	$78.64	$96.78	$114.93
96-Gal	$27.80	$48.64	$69.49	$90.34	$111.18	$132.03
1-YD	$78.44	$140.45	$193.18	$239.29	$290.70	$342.14
2-YD	$123.78	$239.29	$342.14	$444.88	$547.67	$650.52
3-YD	$178.15	$350.12	$504.32	$658.53	$812.73	$966.92

Roll-off/Compactor Collection Rates				
Service Level	Solid Waste	Recycling	Organics	C&D
Roll-off up to 15 CY (per pull)	$443.67	$221.83	$354.94	$399.30
Roll-off 16-24 CY (per pull)	$621.43	$310.72	$497.15	$559.29
Roll-off 26-34 CY (per pull)	$782.45	$391.23	$625.96	$704.21
Roll-off over 34 CY (per pull)	$955.60	$477.80	$764.48	$860.04
Compactor up to 15 CY (per pull)	$510.22	$255.11	$408.18	N/A
Compactor 16-24 CY (per pull)	$714.65	$357.32	$571.72	N/A
Compactor 26-34 CY (per pull)	$899.82	$449.91	$719.86	N/A
Compactor over 34 CY (per pull)	$1,098.95	$549.47	$879.16	N/A
Roll-off/Compactor (per ton)	$42.78	-$15.00	$92.00	$70.00

Special Charges		
Service		Charge
Extra Residential Garbage Bag		$ 3.75
Bulky	2 Items	$ 56.23
Bulky	Additional	$ 21.20
White Goods	Each	$ 41.82
Push/Pull	25 Feet	$ 9.29
Push/Pull	25 Feet	$ 18.57
Push/Pull	25 Feet	$ 27.79
Push/Pull	25 Feet	$ 37.07
Push/Pull	25 Feet	$ 46.34
Push/Pull	25 Feet	$ 55.58
Push/Pull	50 Feet	$ 18.57

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Special Charges		
Service		Charge
Push/Pull	50 Feet	$ 37.07
Push/Pull	50 Feet	$ 55.58
Push/Pull	50 Feet	$ 74.11
Push/Pull	50 Feet	$ 92.66
Push/Pull	50 Feet	$ 111.19
Push/Pull	75 Feet	$ 27.79
Push/Pull	75 Feet	$ 55.58
Push/Pull	75 Feet	$ 83.37
Push/Pull	75 Feet	$ 111.19
Push/Pull	75 Feet	$ 138.97
Push/Pull	75 Feet	$ 166.75
Push/Pull	100 Feet	$ 37.07
Push/Pull	100 Feet	$ 74.11
Push/Pull	100 Feet	$ 111.19
Push/Pull	100 Feet	$ 148.22
Push/Pull	100 Feet	$ 185.32
Push/Pull	100 Feet	$ 222.36
Push/Pull	125 Feet	$ 46.34
Push/Pull	125 Feet	$ 92.66
Push/Pull	125 Feet	$ 138.97
Push/Pull	125 Feet	$ 185.32
Push/Pull	125 Feet	$ 231.60
Push/Pull	125 Feet	$ 277.92
Push/Pull	150 Feet	$ 55.58
Push/Pull	150 Feet	$ 111.19
Push/Pull	150 Feet	$ 148.22
Push/Pull	150 Feet	$ 231.60
Push/Pull	150 Feet	$ 277.92
Push/Pull	150 Feet	$ 333.50
Push/Pull	175 Feet	$ 64.88
Push/Pull	175 Feet	$ 129.71
Push/Pull	175 Feet	$ 194.56
Push/Pull	175 Feet	$ 259.41
Push/Pull	175 Feet	$ 324.23
Push/Pull	175 Feet	$ 389.12
Push/Pull	200 Feet	$ 74.11
Push/Pull	200 Feet	$ 148.22
Push/Pull	200 Feet	$ 222.36

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Special Charges		
Service		Charge
Push/Pull	200 Feet	$ 296.46
Push/Pull	200 Feet	$ 370.59
Push/Pull	200 Feet	$ 444.69
Lock Installation	n/a	$ 111.03
Bin Repairs	n/a	$ 89.74
Lock/Unlock	n/a	$ 16.74
Container Delivery	n/a	$ 59.31
Container Exchange	n/a	$ 111.03
Additional Bin Exchange	n/a	$ 59.31
Leak Proof 3 yd Bin	n/a	$ 28.18
Extra Pickup	32 Gal	$ 9.14
Extra Pickup	32 Gal	$ 13.70
Extra Pickup	Wheeled Cart	$ 28.90
Extra Pickup	Wheeled Cart	$ 31.92
Extra Pickup	1 YD	$ 60.83
Extra Pickup	1 YD	$ 86.69
Extra Pickup	1.5 YD	$ 65.39
Extra Pickup	1.5 YD	$ 95.83
Extra Pickup	2 YD	$ 73.00
Extra Pickup	2 YD	$ 103.43
Extra Pickup	3 YD	$ 85.18
Extra Pickup	3 YD	$ 112.57
Extra Pickup	4 YD	$ 100.39
Extra Pickup	4 YD	$ 121.69
Extra Pickup	6 YD	$ 136.88
Extra Pickup	6 YD	$ 147.52
Extra Pickup	8 YD	$ 147.52
Extra Pickup	8 YD	$ 165.77
Extra Compactor	Per Yard	$ 44.11
Extra Compactor	Per Yard	$ 51.73

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

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EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

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EXHIBIT M: APPROVED SUBCONTRACTORS

EXHIBIT M
APPROVED SUBCONTRACTORS

Street Sweeping Vendors:

Enviro-Commercial Sweeping
Ph. 408-920-0274
PO Box 1697
Union City, CA 94587
408-920-0274

Universal Services
760 E. Capitol Ave
Milpitas, CA 95035
408-295-9688
Contact: Joe Vella

GreenWaste Recovery
1500 Berger Drive
San José, CA 95112
408-283-4804
Contact: Frank Weigel

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EXHIBIT N: OPERATING ASSUMPTIONS AND COST BASIS FOR RATE PERIOD ONE RATES

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General Proposal Information
Proposer Name: Garden City Sanitation, Inc.

A. Method of Collection (e.g. manual, semi-automatic, fully automated, split body, etc.)	
1. Solid Waste Carts	20, 32, 64, 96 Gallon Capacities. 20, 32 inserts in 64 gal cart. Split Cart System 70/30 Solid Waste and Food Scraps
2. Recyclable Material Carts	96 Gal Split Cart System. 50/50 Dual Stream Cart - Note City must choose single or dual stream system citywide
3. Organic Material Carts	64/96 Gal Yardwaste Cart
4. Solid Waste Bins	Front Loader Bins Size 1 to 8
5. Recyclable Material Bins	Front Loader Bins Size 1 to 8
6. Organic Material Bins	Front Loader Bins Size 1 to 8
7. On-Call Bulky Item Reuse Collection	Bag System See Proposal for Description
B. Collection Vehicle Manufacturer , Model #, and Year (for each vehicle to be used)	
1. Solid Waste Carts	Labrie Automizer (Split Body)
2. Recyclable Material Carts	Labrie Automizer (Split Body)
3. Organic Material Carts	Labrie Automizer
4. Solid Waste Bins	Witke Starlight Front Loader 4 Axle
5. Recyclable Material Bins	Witke Starlight Front Loader 4 Axle
6. Organic Material Bins	Witke Starlight Front Loader 4 Axle
7. On-Call Bulky Item Reuse Collection	Freightliner Cab and Chassis and Peterson Lightening Loader 20 ft Bed with Grapple
C. Container Manufacturer and Specifications	
1. Carts	IPL Carts
2. Bins	Consolidated Fabricators FL Bins 1-8
D. Support Facilities	
1. Address of collection vehicle parking, maintenance, washing, and route staff parking facilities	3355 Thomas Road Santa Clara, CA 95054
2. Address of fueling station	3355 Thomas Road Santa Clara, CA 95054
3. Address of administrative office	1080 Walsh Rd, Santa Clara, CA 95050
4. Address of billing office	610 Aladdin Ave San Leandro, CA 94577
5. Address of customer service office	1080 Walsh Rd, Santa Clara, CA 95050

Operating Statistics
Proposer Name: Garden City Sanitation, Inc.

	REPORT FOR 12-MONTH PERIOD From September 6, 2017 to September 5, 2018	Carts (Form 6A)					Bins (Form 6B)						Debris Box (Form 6C)					
		Solid Waste Food Scraps Split Cart	Recyclable Materials Dual Stream Split Cart	Yard Trimmings	Commercial and Single Family Food Scraps Split Cart	Four Single-Family On-Call Collections	Solid Waste	Recyclable Materials	Multi-Family Yard Trimmings (AB 1826)	Commercial Yard Trimmings (AB 1826)	Commercial Food Scraps (AB 1826)	Multi-Family/ Commercial for On-Call Pickups	Solid Waste	Exclusive debris Box	Recyclable Materials	Organic Materials	TOTAL	Street Sweeping
	Account Information																	
1	# of weekly accounts/customers	14002	13919	13919	14304	81	2017	850		322	64	7	15	42	4	0	59,577	
	Labor Information																	
2	# of regular route personnel	4.20	2.97	3.15	1.11	0.81	4.92	1.18		0.21	0.25	0.00	0.76	1.42	0.21	0.00	21	1.00
3	Labor hours/day/person	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	8.00	9.20	9.20	137	8.00
4	Total labor hours/year	10,046	7,103	7,547	2,662	1,932	11,787	2,824		514	598	3	1,815	2,957	503	0	50,272	2,080
	Route Information																	
	# of routes per																	
5	Weekday	4.20	2.97	3.15	1.80	0.81	4.92	1.18		0.21	0.25	0.00	0.76	1.42	0.21	0.00	21.89	1.00
6	Saturday																	
7	Sunday																	
	# of persons/route per																	
8	Weekday	4.20	2.97	3.15	1.11	0.81	4.92	1.18		0.21	0.25	0.00	0.76	1.42	0.21	0.00	21.20	1.00
9	Saturday																	
10	Sunday																	
	# of route hours/day/route per																	
11	Weekday	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	120.00	8.00
12	Saturday																	
13	Sunday																	
	# of route hours/year per																	
14	Weekday	8,736.00	6,176.32	6,562.34	3,744.00	1,680.24	10,232.59	2,455.56		447.06	520.00	2.84	1,578.21	2,956.78	437.04	0.17	45,529.16	2,080
15	Saturday																	
16	Sunday																	
17	Total	8,736.00	6,176.32	6,562.34	3,744.00	1,680.24	10,232.59	2,455.56	-	447.06	520.00	2.84	1,578.21	2,956.78	437.04	0.17	45,529.16	2,080
18	# of FTE routes*	4.20	2.97	3.15	1.80	0.81	4.92	1.18		0.21	0.25	0.00	0.76	1.42	0.21	0.00	21.89	1.00
19	Total # of setouts/day for all routes	2,801.60	2,783.80	2,783.80	2,866.74	16.16												
20	# of setouts/day/ FTE route*	666.76	937.50	882.35	1,592.63	20.00												
20A	# of SW customer container setouts/day/FTE route*	N/A	N/A	N/A	N/A	N/A												
21	# of setouts/week	14,002.00	13,919.00	13,919.00	14,333.71	80.78												
21A	# of SF customer container setouts/week for all routes	N/A	N/A	N/A	N/A	N/A												
22	# of drive-bys/week	14,002.00	13,919.00	13,919.00	14,333.71	80.78												
23	Set out rate (%)	100%	80%	100%	100%	100%												
23A	Set out rate (%) for SF customer containers ONLY	N/A	N/A	N/A	N/A	N/A												
24	# of lifts/week for all routes	14,002.00	11,135.20	13,919.00	14,333.71	80.78	2,017.00	850.00		322.40	64.48	7.02	15.00	42.16	4.15	0.00		
25	# of lifts/year for all routes	728,104.00	579,030.40	723,788.00	745,352.90	4,200.60	104,884.00	44,200.00		16,764.80	3,352.96	364.95	780.00	2,192.00	216.00	8.08		
26	# of lifts/route hour	83.35	93.75	110.29	199.08	2.50	10.25	18.00		37.50	6.45	128.50	0.49	0.74	0.49	0.49		
	Vehicle Information																	
27	# of regular collection vehicles (from Form 4)	4.20	2.97	3.15	1.80	0.81	4.92	1.18		0.21	0.25	0.00	0.76	1.39	0.21		21.86	1.00
28	# of spare collection vehicles (from Form 4)	0.42	0.30	0.32	0.18	0.08	0.49	0.12		0.02	0.03	0.00	0.08	0.14	0.02		2.19	
29	Total # of collection vehicles	4.62	3.27	3.47	1.98	0.89	5.41	1.30		0.24	0.28	0.00	0.83	1.53	0.23		24.04	1.00
30	# of annual gallons used in collection vehicles	13,215	10,490	19,361	5,664	5,665	14,946	3,587		651	760	4	3,837	5,837	1,068	0	85,148.41	7,619
	Tonnage Information (annual)																	
31	Solid waste collected	12,615					27,384						3,071				43,070.66	148
	C&D Processing					4,747								8,438			13,185.11	
32	Recyclable materials collected		9,008					4,606						154	680		14,448.63	
33	Yard trimmings materials collected			5,037						750							5,786.90	
34	Foodscraps materials collected				4,573						479						5,051.95	
35	Total Collected	12,615	9,008	5,037	4,573	4,747	27,384	4,606		750	479		3,071	8,592	680		81,543.26	148
36	Processing residue disposed	9,461	811	101	1,372	2,848	20,538	829		225	144		2,303	5,954	122		44,688.19	
37	Net Diverted	3,154	8,197	4,936	3,201	1,899	6,846	3,777		525	335		768	2,638	558		36,854	
																	45.2%	

Operating Statistics
Proposer Name: Garden City Sanitation, Inc.

Notes for Form 2:

Line 1 - Data to be input by proposer. Should equal the number of customer serviced on a weekly basis
Line 2 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.

Line 3 - Data to be input by proposer. Identify number of hours per day each regular route employee will work each day (including breaks, pre- and post-route checks, etc., excludes casual/pool personnel).
Line 4 - Should equal Line 2 * Line 3 * 260 days

Lines 5, 6, and 7 - Data to be input by proposer. Information is to be reported for collection routes only and does not include any support (e.g., container delivery routes, cleanup routes, missed pickup routes etc.)
Line 8, 9, and 10 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.

Lines 11, 12, and 13 - Data to be input by proposer. Identify number of hours per day each route will take to complete (including collection time and hauling time to transfer station, landfill, or processing site).
Line 14 - Should equal Line 5 * Line 11* 260 days
Line 15 - Should equal Line 6 * Line 12 * 52 weeks
Line 16 - Should equal Line 7 * Line 13 * 52 weeks
Line 17 - Should equal Line 14 + Line 15 + Line 16
Line 18 - Should equal Line 17 / 2,080 hours
Line 19 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 20 - Should equal Line 19 / Line 18
Line 20A - Data to be input by proposer. Identify number of Solid Waste customer container setouts per day per FTE route.
Line 21 - Should equal Line 19 * 5 days
Line 21A - Data to be input by proposer. Identify number of Solid Waste customer container setouts per week for all routes.
Line 22 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 23 - Should equal Line 21 / Line 22
Line 23A - Data to be input by proposer. Identify setout percentage for Single Family customer containers only.
Line 24 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 25 - Data should equal Line 24 * 52 weeks. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 26 - Should equal Line 25/ Line 17
Line 27 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 28 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 29 - Should equal Line 27 + Line 28
Line 30 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 31 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 32 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 33 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 34 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 35 - Should equal Line 31 + Line 32 + Line 33 + Line 34
Line 36 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 37 - Should equal Line 32 + Line 33 + Line 34 - Line 36

* Full Time Equivalent (FTE) = 40 hours per week, 2,080 hours per year

Form 3 Labor

Proposed Labor Requirements
Proposer Name: Garden City Sanitation, Inc.

Route Personnel Headcount (include fraction of employee)	# of Regular Personnel	# of Casual/Pool	Total
Solid Waste Carts	4.20	0.84	5.04
Recyclable Materials Carts	2.97	0.59	3.56
Yard Trimmings Carts	3.15	0.63	3.79
Commercial Food Scraps Carts	1.11	0.22	1.34
Four Single-Family On-Call Collections	0.81	0.16	0.97
Solid Waste Bins	4.92	5.90	10.82
Recyclable Materials Bins	1.18	1.42	2.60
Multi-Family Yard Trimmings (AB 1826)	-	-	-
Commercial Yard Trimmings (AB 1826)	0.21	0.43	0.64
Commercial Food Scraps (AB 1826)	0.25	0.50	0.75
Multi-Family/Commercial for-fee On-Call Pickups	0.00	0.00	0.00
Solid Waste Debris Box	0.76	0.91	1.67
Exlcusive Debris Box Service (C&D)	1.42	0.28	1.71
Recyclable Materials Debris Box	0.21	0.25	0.46
Organic Materials Debris Box	0.00	0.00	0.00
Street Sweeping	1.00		1.00
Subtotal Route Personnel	22	12.15	34.3

Other Personnel Headcount (include fraction of employee)	Indicate below the Form # and Category where employee wages and benefits are included (e.g., # 6B - Container Maintenance). Alternatively indicate if part of Corporate Overhead charge.	# of Employees
Chief Executive Officer/Chief Financial Officer		
General Manager		
Operations Manager		
Route Supervisor Cart Service	Form 6D	0.333
Route Supervisor Bin Service	Form 6D	0.333
Route Supervisor Drop Box	Form 6D	0.333
Dispatcher		
Operations Clerk		
Container Distribution	Form 6D	1.80
Container Maintenance/Welder		
Maintenance Supervisor		
Shop Foreman		
Maintenance Mechanic	Form 6D	1.00
Maintenance Personnel		
Shop Clerk		
Yard Personnel		
Controller		
Staff Accountant		
Office Manager		
Accounting Clerk	Form 6D	1.00
Customer Service Supervisor		
Customer Service Representatives	Form 6D	3.00
Receptionist		
Safety Manager		
Recycling Manager		
Recycling Center Personnel		
Recycling/Public Education Coordinator	Form 6D	1.00
Public Education Manager/Community Relations Manager	Form 6D	1.00
Other (specify): _____		
Other (specify): _____		
Other (specify): _____		
Subtotal Other Personnel		9.8
	Total ALL Personnel	44.1

Form 4 Capital

Capital Requirements

Proposer Name: Garden City Sanitation, Inc.

Collection Vehicles	Total Actual	Total Spare	Total Total	Proposed Cost During Contract Term
Solid Waste Carts	4.20	0.42	4.62	$ 2,184,285.18
Recyclable Materials Carts	2.97	0.30	3.2663	$ 1,544,282.69
Yard Trimmings Carts	3.15	0.32	3.4705	$ 1,640,800.36
Commercial Food Scraps Carts	1.80	0.18	1.98	$ 936,122.22
Four Single-Family On-Call Collections	0.81	0.08	0.8886	$ 236,727.57
Solid Waste Bins	4.92	0.49	5.4115	$ 2,493,125.59
Recyclable Materials Bins	1.18	0.12	1.2986	$ 598,285.59
Multi-Family Yard Trimmings (AB 1826)	-	-	0	$ -
Commercial Yard Trimmings (AB 1826)	0.21	0.02	0.2364	$ 108,924.58
Commercial Food Scraps (AB 1826)	0.25	0.03	0.275	$ 126,695.77
Multi-Family/Commercial for-fee On-Call Pickups	0.00	0.00	0.0015	$ 691.97
Solid Waste Debris Box	0.76	0.08	0.8346	$ 304,029.96
Exlcusive Debris Box Service (C&D)	1.39	0.14	1.53	$ 556,868.56
Recyclable Materials Debris Box	0.21	0.02	0.2311	$ 84,192.91
Organic Materials Debris Box	-	-	0	$ -
Street Sweeping	1		1	$ 254,000.00
Subtotal	22.8571594	2.185715936	25.043	$ **11,069,033**
Other Vehicles				
Pickup Trucks	1		1	$ 52,306
Container Distribution	1		1	$ 266,409
Mobile Service Truck	1		1	$ 58,388
Other (specify): _____			0	
Other (specify): _____			0	
Subtotal	3	0	3	$ **377,102**
			Total Vehicle Cost	$ **11,446,135**
Containers				
Cart service				
Solid Waste 20-gallon	4,950	494.9972347	5445	$ 614,247
Solid Waste 35-gallon	7,923	792.2864871	8715.2	$ 576,464
Solid Waste 65-gallon Split 70/30 for Food Scraps	981	98.07076768	1078.8	$ 95,811
Solid Waste 95-gallon	65	6.54551045	72.001	$ 7,142
Recyclable Material 65-gallon	142	14.2	156.2	$ 13,873
Recyclable Material 95-gallon	13,947	1394.7	15342	$ 1,521,791
Organic Material 65-gallon	414	41.4	455.4	$ 224,239
Organic Material 95-gallon	13,919	1391.9	15311	$ 1,518,736
Subtotal	42341	4234.1	46575	$ **4,572,302**
Bin service				
1 cubic yard	251	25.1	276.1	$ 129,129
1.5 cubic yard (for Food Scraps only)	1	0.1	1.1	$ 564
2 cubic yards	489	48.9	537.9	$ 301,292
3 cubic yards	366	36.6	402.6	$ 256,155
4 cubic yards	638	63.8	701.8	$ 520,552
6 cubic yards	81	8.1	89.1	$ 66,089
8 cubic yards	159	15.9	174.9	$ 186,791
Subtotal	1985	198.5	2183.5	$ **1,460,571**
Other Containers				
Multi-family Personal Recycling Bin			0	
Debris Boxes	75.90	-	75.905	$ 339,973
Shure Foodwaste Pails	13,919		13919	$ 70,569
Subtotal	13994.9048	0	13995	$ **410,542**
			Total Container Cost	$ **6,443,416**
Other				
Offices				
Corporation Yard/Maintenance				
Container Storage Yard				
Shop Equipment				$ 10,000
Fueling Equipment	CNG			$ 1,200,000
Computer and Office Equipment				$ 150,000
Leasehold Imps				$ 150,000
Other (specify): _____				
			Total Other Cost	$ **1,510,000**
Total Cost				$ **19,399,551.04**

Summary of Contractor's Compensation
Proposer Name: Garden City Sanitation, Inc.

Note to proposer: Input data in yellow shaded areas only. (Street Sweeping)

REPORT FOR 12-MONTH PERIOD	Carts (Form 6A)					Bins (Form 6B)						Debris Box (Form 6C)					
From September 6, 2017 to September 5, 2018	Solid Waste	Recyclable Materials	Yard Trimmings	Commercial Food Scraps	Four Single-Family On-Call Collections	Solid Waste	Recyclable Materials	Multi-Family Yard Trimmings (AB 1826)	Commercial Yard Trimmings (AB 1826)	Commercial Food Scraps (AB 1826)	Multi-Family/Commercial for-fee On-Call Pickups	Solid Waste	Exclusive C&D	Recyclable Materials	Organic Materials	Street Sweeping	TOTAL
Annual Cost of Operations																	
Labor-Related Costs	$845,298	$597,623	$634,974	$362,270	$162,580	$990,107	$237,600	$0	$72,096	$83,859	$275	$152,708	$285,454	$42,288	$16	$ 155,392.91	$4,622,542
Vehicle-Related Costs	$61,507	$57,633	$62,824	$26,360	$11,705	$99,328	$23,836	$0	$4,340	$5,048	$28	$15,556	$29,144	$4,308	$2	$12,444	$414,061
Fuel Costs	$29,735	$23,603	$43,607	$12,743	$12,747	$33,628	$8,070	$0	$1,469	$1,709	$9	$8,679	$ 16,260.74	$2,404	$1	$17,142	$211,807
Single Family Billing (Form 12)	$67,294	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$67,294
Other Costs	$29,518	$20,869	$33,260	$12,651	$7,777	$32,413	$7,778	$0	$1,416	$1,647	$2,109	$3,555	$6,660	$984	$0	$2,614	$163,254
Direct Depreciation	$206,694	$219,934	$241,102	$89,554	$19,755	$244,150	$86,058	$0	$10,996	$9,676	$1,053	$44,781	$44,977	$8,590	$0	$28,932	$1,255,593
Total Allocated Costs - Labor, Vehicle, Fuel & Other	$363,471	$256,973	$273,003	$155,773	$69,908	$425,738	$102,166	$0	$18,600	$21,635	$118	$65,663	$0	$18,184	$0		$1,771,263
Total Allocated Costs - Depreciation & Start-Up	$15,951	$11,277	$11,982	$6,836	$3,068	$18,683	$4,483	$0	$816	$949	$5	$2,682	$0	$798	$0		$77,731
Total Annual Cost of Operations	$1,552,173	$1,187,912	$1,300,783	$666,188	$287,540	$1,844,048	$469,992	$0	$109,734	$124,523	$3,597	$293,825	$382,496	$77,496	$19	$215,924	$8,583,545
Profit	$231,934	$177,504	$194,370	$99,545	$42,966	$275,547	$70,229	$0	$16,397	$18,607	$537	$43,905	$7,155	$11,580	$3	$41,128	$1,281,407
Pass-Through Costs																	
Disposal Costs	$539,672					$1,171,503						$131,388			$6,331		$1,848,894
Recyclable Materials Processing Costs	$0	($135,113)	$0	$0	$0	$0	($69,095)	$0	$0	$0	$0	$0	($2,315)	($10,206)	$0	N/A	($216,729)
C&D Materials processing					$ 413,366.88								$590,664				$1,006,031
Organic Materials Processing Costs	$0	$0	$312,307	$420,715	$0	$0	$0	$0	$46,481	$44,065	$0	$0	$0	$0	$0	N/A	$823,568
Interest Expense	$122,819	$86,833	$92,260	$52,637	$23,622	$143,859	$34,522	$0	$6,285	$7,311	$40	$22,188	$0	$6,144	$0	$ 5,407.60	$603,927
Direct Lease Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	N/A	$0
Total Allocated Costs - Lease	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	N/A	$0
Total Pass-Through Costs	$662,490	($48,280)	$404,566	$473,351	$438,989	$1,315,362	($34,573)	$0	$52,767	$51,376	$40	$153,576	$588,349	($4,062)	$6,331	$5,408	$4,065,691
City Fees																	$2,300,000
Total Costs before City Fees*	$2,446,598	$1,317,135	$1,899,719	$1,239,085	$769,495	$3,434,958	$505,648	$0	$178,898	$194,506	$4,174	$491,305	$1,028,000	$85,014	$6,354	$262,460	$16,230,643

* Must tie to revenues on Forms 6A through 6C

Form 6

Collection Cost Proposal

Proposer Name: Garden City Sanitation, Inc.

SUMMARY (Total Costs from Forms 6A through 6C)

		Proposed Cost for 12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)		
Regular Wages		$1,950,482
Overtime Wages		$500,453
Holiday Wages		$102,657
Vacation Wages		$171,095
Sick Leave Wages		$102,657
Workers Compensation Insurance Premiums		$347,826
Workers Compensation Claims		$0
Health & Welfare		$819,690
Pension/ Retirement Benefits		$254,880
Payroll Taxes		$217,411
Other (Please List)		$0
Total Labor Related-Costs		$4,467,149
Vehicle-Related Costs (do not include depreciation)		
Tires & Tubes		$32,732
Parts & Supplies (fluid, oil, etc.)		$135,627
Taxes & Licenses		$76,612
Equipment Rental		$0
Materials and Supplies		$986
Hardware		$1,202
Oil & Lube		$27,641
Outside Repairs		$92,507
Truck Washing		$13,442
Shop Cleaning		$92
Shop Supplies		$16,711
Shop Small Tools		$4,066
Total Vehicle-Related Costs		$401,618
Fuel Costs		$194,665
Other Costs		
Liability & Property Damage Insurance		$122,697
Equipment Insurance		$0
Training & Safety Programs		$10,183
Uniforms		$23,560
Other (Please List)		$4,200
Total Other Costs		$160,640
Direct Depreciation		
Container Depreciation		$397,741
Route Vehicle Depreciation		$721,002
Annualized Cost of Existing Container Acquisition		$0
Other Depreciation		$108,519
Total Direct Depreciation		$1,227,261
Allocated Costs - **Labor, Vehicle, Fuel & Other Costs**		
From General and Administrative (6D)		$1,328,177
From Vehicle Maintenance (6D)		$161,337
From Container Maintenance (6D)		$281,749
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$1,771,263
Allocated Costs - **Depreciation and Start-Up Costs**		
From General and Administrative (6D)		$45,251
From Vehicle Maintenance (6D)		$5,839
From Container Maintenance (6D)		$26,641
Total Allocated Costs - Depreciation and Start-Up Costs		$77,731
Total Annual Cost of Operations		$8,300,327
Profit (% Operating Ratio; i.e. 95%):	87 %	$1,240,279
Pass-Through Costs		
Net Recyclable Materials Costs	($15.00) /ton	($216,729)
C&D Materials Processing	70	$1,006,031
Net Organic Materials Processing Costs	92 /ton	$823,568
Interest Expense		$598,520
Direct Lease Costs		
Route Vehicles		$0
Other (Please List)		$0
Total Direct Lease Costs		$0
Allocated Lease Costs		
From General and Administrative (6D)		$0
From Vehicle Maintenance (6D)		$0
From Container Maintenance (6D)		$0
Total Allocated Lease Costs		$0
Total Pass-Through Costs		$2,211,389
Total Cost Before City Fees		$11,751,995

Form 6A

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

CART SERVICE COSTS		SOLID WASTE	RECYCLABLE MATERIALS	YARD TRIMMINGS	COMMERCIAL FOOD SCRAPS AND SINGLE FAMILY	FOUR SINGLE-FAMILY ON-CALL COLLECTIONS	TOTAL
		12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)							
Regular Wages		$69,097.34	$260,950.65	$277,260.07	$158,184.58	$70,990.40	$1,136,483
Overtime Wages		$4,702.61	$66,954.44	$71,139.10	$40,586.83	$18,214.64	$291,598
Holiday Wages		$1,426.18	$13,734.24	$14,592.64	$8,325.50	$3,736.34	$59,815
Vacation Wages		$2,376.96	$22,890.41	$24,321.06	$13,875.84	$6,227.23	$99,691
Sick Leave Wages		$1,426.18	$13,734.24	$14,592.64	$8,325.50	$3,736.34	$59,815
Workers Compensation Insurance Premiums		$5,820.50	$46,534.88	$49,443.31	$28,208.78	$12,659.60	$202,667
Workers Compensation Claims		$0	$0	$0	$0	$0	$0
Health & Welfare		$55,083.61	$109,643.62	$116,496.35	$66,464.40	$29,828.03	$477,516
Pension/ Retirement Benefits		$8,222.72	$34,093.31	$36,224.14	$20,666.88	$9,274.92	$148,482
Payroll Taxes		$4,141.42	$29,066.85	$30,904.78	$17,632.04	$7,912.94	$126,678
Other (Please List)		$0	$0	$0	$0	$0	$0
Total Labor Related-Costs		$845,298	$597,623	$634,974	$362,270	$162,580	$2,602,745
Vehicle-Related Costs (do not include depreciation)							
Tires & Tubes		$4,303	3,662.85	$4,800	$1,844	649.40	$15,260
Parts & Supplies (fluid, oil, etc.)		$18,300	26,383.63	$19,446	$7,843	1,749.34	$73,722
Taxes & Licenses		$14,700	$10,393	$11,042	$6,300	2,827.33	$45,263
Equipment Rental		$0	$0	$0	$0	$0	$0
Materials and Supplies		$186	131.48	$210	$80	35.77	$642
Hardware		$159	112.35	$179	$68	175.56	$694
Oil & Lube		$5,216	3,687.34	$5,877	$2,235	1,003.15	$18,018
Outside Repairs		$12,169	8,685.32	$13,975	$5,215	4,018.95	$44,064
Truck Washing		$2,536	1,793.22	$2,858	$1,087	487.86	$8,762
Shop Cleaning		$17	12.26	$20	$7	3.34	$60
Shop Supplies		$3,153	2,229.29	$3,553	$1,351	606.49	$10,893
Shop Small Tools		$767	542.46	$865	$329	147.60	$2,651
Other Costs		$0		$0	$0		$0
Total Vehicle-Related Costs		$61,507	$57,633	$62,824	$26,360	$11,705	$134,245
Fuel Costs		$29,735	23,602.68	$43,647	$12,743	12,746.59	$122,435
Other Costs							
Liability & Property Damage Insurance		$23,151	16,367.81	$26,086	$9,922	4,452.81	$79,980
Equipment Insurance		$0	$0	$0	$0	$0	$0
Training & Safety Programs		$1,921	1,358.39	$2,165	$823	369.57	$6,638
Uniforms		$4,445	3,142.85	$5,009	$1,905	855.02	$15,357
Other (Please List)		$0	$0	$0	$0	$2,100	$2,100
Total Other Costs		$29,518	$20,869	$33,260	$12,651	$7,777	$104,075
Direct Depreciation							
Container Depreciation		$40,418	$102,377.60	$116,198.32	$18,292.96	$	$277,287
Route Vehicle Depreciation		$145,619.01	$102,952.18	$109,386.69	$62,408.15	$15,781.84	$436,148
Annualized Cost of Existing Container Acquisition		$0	$0	$0	$0	$0	$0
Other Depreciation		$20,657	$14,605	$15,517	$8,853	$3,973	$63,605
Total Direct Depreciation		$206,694	$219,934	$241,102	$89,554	$19,755	$777,040
Allocated Costs - **Labor, Vehicle, Fuel & Other Costs**							
From General and Administrative (6D)		$272,548	$192,690	$204,733	$116,806	$52,420	$839,198
From Vehicle Maintenance (6D)		$33,107	$23,407	$24,870	$14,189	$6,368	$101,940
From Container Maintenance (6D)		$57,816	$40,876	$43,431	$24,778	$11,120	$178,021
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$363,471	$256,973	$273,033	$155,773	$69,908	$1,119,158
Allocated Costs - **Depreciation and Start-Up Costs**							
From General and Administrative (6D)		$9,286	$6,565	$6,975	$3,980	$1,786	$28,591
From Vehicle Maintenance (6D)		$1,198	$847	$900	$513	$230	$3,689
From Container Maintenance (6D)		$5,467	$3,865	$4,107	$2,343	$1,051	$16,833
Total Allocated Costs - Depreciation and Start-Up Costs		$15,951	$11,277	$11,982	$6,836	$3,068	$49,113
Total Annual Cost of Operations		$1,552,173	$1,187,912	$1,300,783	$666,188	$287,540	$4,908,812
Profit (Enter % Operating Ratio; i.e., 95%):	87 %	$231,934	$177,504	$194,370	$99,545	$42,966	$746,319
Pass-Through Costs							
Recyclable Materials Processing Costs	($15.00) / ton		($135,113)			$	($135,113)
C&D Materials Processing	$ 70.00					$ 415,366.88	$415,367
Net Organic Materials Processing Costs Food Scraps	$ 92.00 / ton			$312,307	$420,715		$733,021
Yard Trimings Processing	$ 62.00						
Interest Expense		$122,819	$ 86,832.51	$ 92,259.54	$ 52,636.64	$ 23,622.38	$378,170
Direct Lease Costs							
Route Vehicles							$0
Other (Please List)							$0
Total Direct Lease Costs		$0	$0	$0	$0	$0	$0
Allocated Lease Costs							
From General and Administrative (6D)		$0	$0	$0	$0	$0	$0
From Vehicle Maintenance (6D)		$0	$0	$0	$0	$0	$0
From Container Maintenance (6D)		$0	$0	$0	$0	$0	$0
Total Allocated Lease Costs		$0	$0	$0	$0	$0	$0
Total Pass-Through Costs		$122,819	($48,280)	$404,566	$473,351	$23,622	$976,078
Total Cost		**$1,906,926**	**$1,317,135**	**$1,899,719**	**$1,239,085**	**$354,128**	**$6,631,209**

Form 6B

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

BIN SERVICE COSTS		SOLID WASTE	RECYCLABLE MATERIALS	MULTI-FAMILY YARD TRIMMINGS (AB 1826)	COMMERCIAL YARD TRIMMINGS (AB 1826)	COMMERCIAL FOOD SCRAPS (AB 1826)	MULTI-FAMILY/COMMERCIAL FOR-FEE ON-CALL PICKUP	TOTAL
		12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)								
Regular Wages		$ 432,328.31	$ 103,747.60	$ -	$ 31,480.68	$ 36,616.80	$ 179.99	$604,293
Overtime Wages		$ 110,926.34	$ 26,619.45	$ -	$ 8,077.28	$ 9,395.10	$ 30.79	$155,049
Holiday Wages		$ 22,754.12	$ 5,460.40	$ -	$ 1,656.88	$ 1,927.20	$ 6.32	$31,805
Vacation Wages		$ 37,923.54	$ 9,100.67	$ -	$ 2,761.46	$ 3,212.00	$ 10.53	$53,008
Sick Leave Wages		$ 22,754.12	$ 5,460.40	$ -	$ 1,656.88	$ 1,927.20	$ 6.32	$31,805
Workers Compensation Insurance Premiums		$ 77,096.37	$ 18,501.13	$ -	$ 5,613.90	$ 6,529.81	$ 21.40	$107,763
Workers Compensation Claims		$ -	$ -	$ -	$ -	$ -	$ -	$0
Health & Welfare		$ 181,651.36	$ 43,591.62	$ -	$ 13,227.24	$ 15,385.28	$ 50.42	$253,906
Pension/ Retirement Benefits		$ 56,483.87	$ 13,554.67	$ -	$ 4,112.96	$ 4,784.00	$ 15.68	$78,951
Payroll Taxes		$ 48,189.45	$ 11,564.22	$ -	$ 3,508.99	$ 4,081.49	$ 13.38	$67,358
Other (Please List)		$ -	$ -	$ -	$ -	$ -	$ -	$0
Total Labor Related Costs		$990,107	$237,600	$0	$72,096	$83,859	$275	$1,383,938
Vehicle-Related Costs (do **not** include depreciation)								
Tires & Tubes		$ 11,810.43	$ 2,834.29	$ -	$ 516.00	$ 600.18	$ 3.28	$15,764
Parts & Supplies (fluid, oil, etc.)		$ 27,106.47	$ 6,504.85	$ -	$ 1,184.28	$ 1,377.50	$ 7.52	$36,181
Taxes & Licenses		$ 17,218.29	$ 4,131.94	$ -	$ 752.27	$ 875.00	$ 4.78	$22,982
Equipment Rental		$ -	$ -	$ -	$ -	$ -	$ -	$0
Materials and Supplies		$ 204.21	$ 49.00	$ -	$ 8.92	$ 10.38	$ 0.06	$273
Hardware		$ 335.13	$ 80.42	$ -	$ 14.64	$ 17.03	$ 0.09	$447
Oil & Lube		$ 5,727.14	$ 1,374.37	$ -	$ 250.22	$ 291.04	$ 1.59	$7,644
Outside Repairs		$ 29,817.10	$ 7,155.33	$ -	$ 1,302.71	$ 1,515.25	$ 8.28	$39,799
Truck Washing		$ 2,785.14	$ 668.36	$ -	$ 121.68	$ 141.54	$ 0.77	$3,717
Shop Cleaning		$ 19.03	$ 4.57	$ -	$ 0.83	$ 0.97	$ 0.01	$25
Shop Supplies		$ 3,462.46	$ 830.90	$ -	$ 151.27	$ 175.96	$ 0.96	$4,622
Shop Small Tools		$ 842.47	$ 202.17	$ -	$ 36.81	$ 42.81	$ 0.23	$1,124
Other (Please List)		$ -	$ -	$ -	$ -	$ -	$ -	$0
Total Vehicle-Related Costs		$99,328	$23,836	$0	$4,340	$5,048	$28	$132,579
Fuel Costs		$33,628	$ 8,069.97	$ -	$ 1,469.23	$ 1,708.93	$ 9.33	$44,886
Other Costs								
Liability & Property Damage Insurance		$25,422	$ 6,100.71	$ -	$ 1,110.70	$ 1,291.91	$ 7.06	$33,933
Equipment Insurance		$0	$ -	$ -	$ -	$ -	$ -	$0
Training & Safety Programs		$2,110	$ 506.30	$ -	$ 92.18	$ 107.22	$ 0.59	$2,816
Uniforms		$4,881	$ 1,171.40	$ -	$ 213.27	$ 248.06	$ 1.35	$6,515
Other (Please List)		$0	$ -	$ -	$ -	$ -	$ 2,100.00	$2,100
Total Other Costs		$32,413	$7,778	$0	$1,416	$1,647	$2,109	$45,364
Direct Depreciation								
Container Depreciation		$83,745	$ 40,365.90	$ -	$ 2,677.57	$ -	$ 1,000.00	$97,789
Route Vehicle Depreciation		$166,208	$ 39,885.71	$ -	$ 7,261.64	$ 8,446.38	$ 46.13	$221,848
Annualized Cost of Existing Container Acquisition		$0	$ -	$ -	$ -	$ -	$ -	$0
Other Depreciation		$24,196	$ 5,806.43	$ -	$ 1,057.13	$ 1,229.60	$ 6.72	$32,296
Total Direct Depreciation		$244,150	$86,058	$0	$10,996	$9,676	$1,053	$351,933
Allocated Costs - **Labor, Vehicle, Fuel & Other Costs**								
From General and Administrative (6D)		$319,238	$76,609	$0	$13,948	$16,223	$89	$426,107
From Vehicle Maintenance (6D)		$38,779	$9,306	$0	$1,694	$1,971	$11	$51,760
From Container Maintenance (6D)		$67,721	$16,251	$0	$2,959	$3,441	$19	$90,391
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$425,738	$102,166	$0	$18,600	$21,635	$118	$568,258
Allocated Costs - **Depreciation and Start-Up Costs**								
From General and Administrative (6D)		$10,876	$2,610	$0	$475	$553	$3	$14,517
From Vehicle Maintenance (6D)		$1,403	$337	$0	$61	$71	$0	$1,873
From Container Maintenance (6D)		$6,403	$1,537	$0	$280	$325	$2	$8,547
Total Allocated Costs - Depreciation and Start-Up Costs		$18,683	$4,483	$0	$816	$949	$5	$24,938
Total Annual Cost of Operations		$1,844,048	$469,992	$0	$109,734	$124,523	$3,597	$2,551,895
Profit (Enter % Operating Ratio; i.e. 95%):	87 %	$275,547	$70,229	$0	$16,397	$18,607	$537	$381,318
Pass-Through Costs								
Recyclable Materials Processing Costs	$ (15.00) /ton		($69,095)				$0	($69,095)
C&D materials Processing	$ 70.00							
Net Organic Materials Processing Costs	$ 92.00 /ton			$0	$46,481	$44,065		$90,547
Yard Trimings Processing	$ 62.00							
Interest Expense		$143,859	$ 34,522.48	$ -	$ 6,285.20	$ 7,310.64	$ 39.93	$192,017
Direct Lease Costs								$0
Route Vehicles								$0
Other (Please List)								$0
Total Direct Lease Costs		$0	$0	$0	$0	$0	$0	$0
Allocated Lease Costs								
From General and Administrative (6D)		$0	$0	$0	$0	$0	$0	$0
From Vehicle Maintenance (6D)		$0	$0	$0	$0	$0	$0	$0
From Container Maintenance (6D)		$0	$0	$0	$0	$0	$0	$0
Total Allocated Lease Costs		$0	$0	$0	$0	$0	$0	$0
Total Pass-Through Costs		$143,859	($34,573)	$0	$52,767	$51,376	$40	$213,469
Total Cost		**$2,263,455**	**$505,648**	**$0**	**$178,898**	**$194,506**	**$4,174**	**$3,146,681**

Form 6C

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

PERMANENT DEBRIS BOX SERVICE COSTS		SOLID WASTE 12-Month Period From September 6, 2017 To September 5, 2018	Exclusive Debris Box Service (C&D) 12-Month Period From September 6, 2017 To September 5, 2018	RECYCLABLE MATERIALS 12-Month Period From September 6, 2017 To September 5, 2018	ORGANIC MATERIALS 12-Month Period From September 6, 2017 To September 5, 2018	TOTAL 12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)						
Regular Wages		$66,680	124,558	$ 18,465.13	$ 7.11	$209,705
Overtime Wages		$17,109	31,958	$ 4,737.76	$ 1.82	$53,806
Holiday Wages		$3,509	6,555	$ 971.85	$ 0.37	$11,037
Vacation Wages		$5,849	10,926	$ 1,619.75	$ 0.62	$18,395
Sick Leave Wages		$3,509	6,555	$ 971.85	$ 0.37	$11,037
Workers Compensation Insurance Premiums		$11,891	22,211	$ 3,292.85	$ 1.27	$37,396
Workers Compensation Claims		$ -		$ -	$ -	$0
Health & Welfare		$28,017	52,490	$ 7,758.49	$ 2.99	$88,268
Pension/ Retirement Benefits		$8,712	16,321	$ 2,412.48	$ 0.93	$27,447
Payroll Taxes		$7,432	13,884	$ 2,058.21	$ 0.79	$23,375
Other (Please List)		$0		$ -	$ -	$0
Total Labor Related-Costs		$152,708	$285,454	$42,288	$16	$480,467
Vehicle-Related Costs (do not include depreciation)						
Tires & Tubes		$542	1,016	$ 150.12	$ 0.06	$1,708
Parts & Supplies (fluid, oil, etc.)		$8,165	15,297	$ 2,261.12	$ 0.87	$25,725
Taxes & Licenses		$2,656	4,975	$ 735.41	$ 0.28	$8,367
Equipment Rental		$0		$ -	$ -	$0
Materials and Supplies		$22	42	$ 6.20	$ 0.00	$71
Hardware		$19	36	$ 5.30	$ 0.00	$60
Oil & Lube		$628	1,177	$ 173.95	$ 0.07	$1,979
Outside Repairs		$2,744	5,140	$ 759.81	$ 0.29	$8,644
Truck Washing		$305	572	$ 84.59	$ 0.03	$962
Shop Cleaning		$2	4	$ 0.58	$ 0.00	$7
Shop Supplies		$380	711	$ 105.16	$ 0.04	$1,196
Shop Small Tools		$92	173	$ 25.59	$ 0.01	$291
Other Costs		$ -		$ -	$ -	$0
Total Vehicle-Related Costs		$15,556	$29,144	54,308	$2	$49,010
Fuel Costs		$ 8,679.32	$ 16,260.74	$ 2,403.50	$1	$27,344
Other Costs						
Liability & Property Damage Insurance		$2,788	5,224	$ 772.14	$0	$8,785
Equipment Insurance		$ -		$ -	$0	$0
Training & Safety Programs		$231	434	$ 64.08	$0	$729
Uniforms		$535	1,003	$ 148.27	$0	$1,687
Other (Please List)		$ -		$ -	$0	$0
Total Other Costs		$3,555	$6,660	$984	$0	$11,200
Direct Depreciation						
Container Depreciation		$ 20,780.86	$ -	$ 1,884.00	$0	$22,665
Route Vehicle Depreciation		$20,269	37,125	$ 5,612.86	$0	$63,006
Annualized Cost of Existing Container Acquisition		$ -		$ -	$0	$0
Other Depreciation		$3,732	7,852	$ 1,033.44	$0	$12,617
Total Direct Depreciation		$44,781	$44,977	$8,530	$0	$98,288
Allocated Costs - **Labor, Vehicle, Fuel & Other Costs**						
From General and Administrative (6D)		$49,237	-	$13,635	$0	$62,872
From Vehicle Maintenance (6D)		$5,981	-	$1,656	$0	$7,637
From Container Maintenance (6D)		$10,445	-	$2,892	$0	$13,337
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$65,663	$0	$18,184	$0	$83,847
Allocated Costs - **Depreciation and Start-Up Costs**						
From General and Administrative (6D)		$1,678	-	$465	$0	$2,142
From Vehicle Maintenance (6D)		$216	-	$60	$0	$276
From Container Maintenance (6D)		$988	-	$273	$0	$1,261
Total Allocated Costs - Depreciation and Start-Up Costs		$2,882	$0	$798	$0	$3,680
Total Annual Cost of Operations		$293,825	$382,496	$77,496	$19	$753,836
Profit (Enter % Operating Ratio; i.e. 95%):	87 %	$43,905	$57,155	$11,580	$3	$112,642
Pass-Through Costs						
Recyclable Materials Processing Costs	$ (15.00) /ton		($2,315)	($10,206)		($12,521)
C&D Materials Processing	$ 70.00		$590,664			$590,664
Net Organic Materials Processing Costs	$ 92.00 /ton				$0	$0
Interest Expense		$22,188	$0	$ 6,144.35	$0	$28,332
Direct Lease Costs						
Route Vehicles						$0
Other (Please List)						$0
Total Direct Lease Costs		$0	$0	$0	$0	$0
Allocated Lease Costs						
From General and Administrative (6D)		$0	$0	$0	$0	$0
From Vehicle Maintenance (6D)		$0	$0	$0	$0	$0
From Container Maintenance (6D)		$0	$0	$0	$0	$0
Total Allocated Lease Costs		$0	$0	$0	$0	$0
Total Pass-Through Costs		$22,188	$588,349	($4,062)	$0	$15,811
Total Cost		**$359,917**	**$1,028,000**	**$85,014**	**$22**	**$882,269**

Form 6D

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

PROPOSED ALLOCATED COST	GENERAL AND ADMINISTRATIVE 12-Month Period From September 6, 2017 To September 5, 2018	VEHICLE MAINTENANCE 12-Month Period From September 6, 2017 To September 5, 2018	CONTAINER MAINTENANCE 12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)			
Regular Wages	$ 431,376.00	$ 68,947.20	$ 124,104.96
Overtime Wages	$ 41,909.40	$ 17,690.40	$ 31,842.72
Holiday Wages	$ 22,704.00	$ 3,628.80	$ 6,531.84
Vacation Wages	$ 37,840.00	$ 6,048.00	$ 10,886.40
Sick Leave Wages	$ 22,704.00	$ 3,628.80	$ 6,531.84
Workers Compensation Insurance Premiums	$ 70,985.00	$ 12,295.24	$ 22,131.42
Workers Compensation Claims	$ -	$ -	$ -
Pension/ Retirement Benefits	$ 215,393.90	$ 30,770.56	$ 55,387.00
Payroll Taxes	$ 66,976.00	$ 9,568.00	$ 17,222.40
Other (Please List)			
Total Labor Related-Costs	$909,888	$152,577	$274,639
Vehicle-Related Costs			
Tires & Tubes	1,250.00	1,375.00	1,375.00
Parts	1,000.00	1,100.00	-
Parts & Supplies (fluid, oil, etc.)	500.00	550.00	-
Total Vehicle-Related Costs	$2,750	$3,025	$1,375
Fuel Costs	$ 5,735.29	$ 5,735.29	$ 5,735.29
Other Costs			
Liability & Property Damage Insurance	$0		
Equipment Insurance	$0		
Rent	$125,000		
Utilities	$20,000		
Telephone	$9,600		
Non-vehicle Related Supplies	$15,000		
Non-vehicle Related Taxes & Licenses	$0		
Training & Safety Programs	$0		
Initial Public Education & Outreach	$50,000		
Continuing Public Education & Outreach	$50,000		
Uniforms	$0		
Bad Debt	$0		
Performance Bond	$43,750		
Corporate Overhead Charge (Please List)	$96,453		
Other (Please List)	$0		
Internet Connection	$0		
Accounting	$12,000		
Business License	$5,000		
Yard Maintenance	$2,000		
Other Costs	$0		
Total Other Costs	$409,803	$0	$0
Total Labor, Vehicle, Fuel, and Other Costs	$1,328,177	$161,337	$281,749
Depreciation (non-route specific) and Start-Up Costs			
Vehicle Depreciation	$5,231	$ 5,838.75	$ 26,640.86
Start Up Costs (6E)	$40,020		
Other Depreciation			
Total Depreciation and Start-Up Costs	$45,251	$5,839	$26,641
Lease Costs			
Facility Costs (Please List)			
Lease Costs (Please List)			
Total Lease Costs	$0	$0	$0
Total Costs to be Allocated	$1,373,428	$167,176	$308,390

Form 6D

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

PROPOSED ALLOCATED COST		GENERAL AND ADMINISTRATIVE 12-Month Period From September 6, 2017 To September 5, 2018	VEHICLE MAINTENANCE 12-Month Period From September 6, 2017 To September 5, 2018	CONTAINER MAINTENANCE 12-Month Period From September 6, 2017 To September 5, 2018
Labor, Vehicle, Fuel, & Other Costs Allocated Out	Percentage			
To Solid Waste Carts (6A)	20.52%	$272,548	$33,107	$57,816
To Recyclable Materials Carts (6A)	14.51%	$192,690	$23,407	$40,876
To Yard Trimmings Carts (6A)	15.41%	$204,733	$24,870	$43,431
To Commercial Food Scraps Carts (6A)	8.79%	$116,806	$14,189	$24,778
To Four Single-Family On-Call Collections (6A)	3.95%	$52,420	$6,368	$11,120
To Solid Waste Bins (6B)	24.04%	$319,238	$38,779	$67,721
To Recyclable Materials Bins (6B)	5.77%	$76,609	$9,306	$16,251
To Multi-Family Yard Trimmings (AB 1826) (6B)	0.00%	$0	$0	$0
To Commercial Yard Trimmings (AB 1826) (6B)	1.05%	$13,948	$1,694	$2,959
To Commercial Food Scraps (AB 1826) (6B)	1.22%	$16,223	$1,971	$3,441
To Multi-Family/Commercial for-fee On-Call Pickups (6B)	0.01%	$89	$11	$19
To Solid Waste Debris Box (6C)	3.71%	$49,237	$5,981	$10,445
To Recyclable Materials Debris Box (6C)	1.03%	$13,635	$1,656	$2,892
To Organic Materials Debris Box (6C)	0.00%	$0	$0	$0
Total Labor, Vehicle, Fuel & Other Costs Allocated Out	100.00%	$1,328,177	$161,337	$281,749
Depreciation and Start-Up Costs Allocated Out				
To Solid Waste Carts (6A)	20.52%	$9,286	$1,198	$5,467
To Recyclable Materials Carts (6A)	14.51%	$6,565	$847	$3,865
To Yard Trimmings Carts (6A)	15.41%	$6,975	$900	$4,107
To Commercial Food Scraps Carts (6A)	8.79%	$3,980	$513	$2,343
To Four Single-Family On-Call Collections (6A)	3.95%	$1,786	$230	$1,051
To Solid Waste Bins (6B)	24.04%	$10,876-	$1,403	$6,403
To Recyclable Materials Bins (6B)	5.77%	$2,610	$337	$1,537
To Multi-Family Yard Trimmings (AB 1826) (6B)	0.00%	$0	$0	$0
To Commercial Yard Trimmings (AB 1826) (6B)	1.05%	$475	$61	$280
To Commercial Food Scraps (AB 1826) (6B)	1.22%	$553	$71	$325
To Multi-Family/Commercial for-fee On-Call Pickups (6B)	0.01%	$3	$0	$2
To Solid Waste Debris Box (6C)	3.71%	$1,678	$216	$988
To Recyclable Materials Debris Box (6C)	1.03%	$465	$60	$273
To Organic Materials Debris Box (6C)	0.00%	$0	$0	$0
Total Depreciation and Start-Up Costs Allocated Out	100.00%	$45,251	$5,839	$26,641
Lease Costs Allocated Out				
To Solid Waste Carts (6A)	20.52%	$0	$0	$0
To Recyclable Materials Carts (6A)	14.51%	$0	$0	$0
To Yard Trimmings Carts (6A)	15.41%	$0	$0	$0
To Commercial Food Scraps Carts (6A)	8.79%	$0	$0	$0
To Four Single-Family On-Call Collections (6A)	3.95%	$0	$0	$0
To Solid Waste Bins (6B)	24.04%	$0	$0	$0
To Recyclable Materials Bins (6B)	5.77%	$0	$0	$0
To Multi-Family Yard Trimmings (AB 1826) (6B)	0.00%	$0	$0	$0
To Commercial Yard Trimmings (AB 1826) (6B)	1.05%	$0	$0	$0
To Commercial Food Scraps (AB 1826) (6B)	1.22%	$0	$0	$0
To Multi-Family/Commercial for-fee On-Call Pickups (6B)	0.01%	$0	$0	$0
To Solid Waste Debris Box (6C)	3.71%	$0	$0	$0
To Recyclable Materials Debris Box (6C)	1.03%	$0	$0	$0
To Organic Materials Debris Box (6C)	0.00%	$0	$0	$0
Total Lease Costs Allocated Out	100.00%	$0	$0	$0
Total Allocated Out		$1,373,428	$167,176	$308,390

Please describe allocation method used (e.g. tonnage, routes, etc.)

Start-up Costs
Proposer Name: Garden City Sanitation, Inc.

Annualized Amount to be Amortized over 10 Years (10% of Total Cost)		
Start-up Cost of Operations		TOTAL
Labor-Related Costs		
1 Driver Safety and Orientation		$73,433
2 CSR Training		$224,356.02
3 Supervisor		$ 39,652.29
4 Mechanic training		$22,886.55
5		$0
6		$0
7		$0
8		$0
9		$0
10		$0
Subtotal Labor-Related Costs		$360,327
Vehicle-Related Costs		
1 Driver Training		$23,440.73
2 Supervisor Training		$756.25
3 Mechanic training		$115
4 Fuel		$10,666.59
5		$0
6		$0
7		$0
8		$0
9		$0
10		$0
Subtotal Vehicle-Related Costs		$34,978
Other Costs		
1		
2 Data base set up		$60,000
3 Route Audits		$50,000
4 Staging Site Costs for delivery of Containers		$60,000
5 Contingent Costs		$35,000
6		$0
7		$0
8		$0
9		$0
10		$0
Subtotal Other Costs		$205,000
Total Start-up Costs		$600,306
Term of Contract	15 years	
Total Annual Amortization - Start-up Cost (Linked to Form 6D)		$ 40,020

Form 7 Facilities

Processing Cost Proposal
Proposer Name: Garden City Sanitation, Inc.

Note to proposer: Input data in yellow shaded areas only

	MSW Processed	Recyclable Materials	C&D Processing Annuals		Yard Trimmings	Food Scraps
	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018
	$ per Ton	$ per Ton	$ per Ton	$ per Ton	$ per Ton	$ per Ton
Transfer Cost, if any*						
Processing Costs	$ -	$ -	$ 87.50	$ 70.00	$ 62.00	$ 92.00
Gross Revenues from the Sale of Recyclable Materials (show as a negative value)	$0.00	$ (15.00)				
Net Processing Cost	$0.00	($15.00)	$87.50	$70.00	$62.00	$92.00
Processing and Transfer Facility Regulatory Fees & Taxes (list separately, note if applicable for processing or transfer facility)						
AB1220: (State AB939 Fee)	$0.00					
County of Santa Clara Countywide Solid Waste Management Planning Fee	$0.00					
Countywide AB939 Implementation Fee	$0.00					
City of San Jose Business Tax	$0.00					
San Jose Enforcement Fee	$0.00					
Total Processing and Transfer Facility Regulatory Fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total Processing and Transfer Cost	**$0.00**	**($15.00)**	**$87.50**	**$70.00**	**$62.00**	**$92.00**

* Transfer station fee to include all transfer facility-related costs and the long-haul transportation costs from the transfer station to the processing facility.

Note: Fees apply to MSW Residual Taken To Landfill Only Diversion expected at 25% (Fees Absorbed in Net Processing rate)

Depreciation
Proposer Name: Garden City Sanitation, Inc.

Years 1 through 10

Depreciation (Projected)		Quantity	Life	Assumed Capital Costs *	ANNUAL DEPRECIATION Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
VEHICLES														
YR 1	Vehicles Put in Service	28	15	$ 11,446,135	$ 763,075.68	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076
YR 2	Vehicles Put in Service													
YR 3	Vehicles Put in Service													
YR 4	Vehicles Put in Service													
YR 5	Vehicles Put in Service													
YR 6	Vehicles Put in Service													
YR 7	Vehicles Put in Service													
YR 8	Vehicles Put in Service													
YR 9	Vehicles Put in Service													
YR 10	Vehicles Put in Service													
	Subtotal Vehicles	28		$ 11,446,135	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076
CONTAINERS														
YR 1	New Containers	62,754	15	$ 6,443,416	$ 429,561.05	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561
YR 1	Containers Purchased	3,138	15	$ 322,171	$ 21,478.05	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 2	Containers Purchased	3,138	15	$ 322,171		$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 3	Containers Purchased	3,138	15	$ 322,171			$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 4	Containers Purchased	3,138	15	$ 322,171				$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 5	Containers Purchased	3,138	15	$ 322,171					$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 6	Containers Purchased	3,138	15	$ 322,171						$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 7	Containers Purchased	3,138	15	$ 322,171							$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 8	Containers Purchased	3,138	15	$ 322,171								$ 21,478	$ 21,478	$ 21,478
YR 9	Containers Purchased	3,138	15	$ 322,171									$ 21,478	$ 21,478
YR 10	Containers Purchased	3,138	15	$ 322,171										$ 21,478
	Subtotal Containers	94,130		$ 9,665,124	$ 451,039	$ 472,517	$ 493,995	$ 515,473	$ 536,951	$ 558,429	$ 579,907	$ 601,385	$ 622,864	$ 644,342
OTHER														
YR 1	Other From Form 4		15	$ 1,510,000	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667
YR 2														
YR 3														
YR 4														
YR 5														
YR 6														
YR 7														
YR 8														
YR 9														
YR 10														
	Subtotal Other	-		$ 1,510,000	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667
	Total Assumed Capital Cost & Depreciation			$ 22,621,259	$ 1,314,781	$ 1,336,260	$ 1,357,738	$ 1,379,216	$ 1,400,694	$ 1,422,172	$ 1,443,650	$ 1,465,128	$ 1,486,606	$ 1,508,084
	Total Allowable Annual Direct Vehicle Depreciation**			n.a.	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076	$ 763,076
	Total Allowable Annual Direct Container Depreciation**			n.a	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690
	Total Allowable Annual Other Depreciation***			n.a	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667
				n.a	$ 1,411,433	$ 1,411,433	$ 1,411,433	$ 1,411,433	$ 1,411,433	$ 1,411,433	$ 1,411,433	$ 1,411,433	$ 1,411,433	$ 1,411,433

* Assumed Capital Costs (column should tie to Form 4).

** Total Allowable Annual Direct Depreciation amount here is to be allocated to direct depreciation for the service categories on Forms 6A through 6C, with the total annual allowable direct depreciation amount on this Form matching the amount that appears on Form 6.

*** Total Allowable Annual Other Depreciation amount here is to be reflected on Form 6D under Depreciation and Start-Up costs in the line item titled "Other Depreciation" and/or allocated to other depreciation for the service categories on Forms 6A through 6C.

Customer Subscription Levels

Single Family Customer Data				
	Number of Containers			
	SW	REC	YT	Total
Carts				
Customer Owned	0			0
35				0
65				0
95				0
Subtotal	**0**	**0**	**0**	**0**
Hard-to-Service				
Company Provided				0
20	4,950			4,950
35	7,923			7,923
65	981			981
95	65	13,919	13,919	27,903
Subtotal	**13,919**	**13,919**	**13,919**	**41,757**
Total				
Company Provided	0		0	0
20	4,950			4,950
35	7,923	0	0	7,923
65	981	0	0	981
95	65	13,919	13,919	27,903
Total	13,919	13,919	13,919	41,757

Multi-Family Solid Waste Container Count (# of Containers)									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	35							0	0
	65							0	0
	95							0	0
	1	27						27	27
	2	25	3	1				68	29
	3	20	1					66	21
	4	1						4	1
	6	1	1					18	2
	8							0	0
	Total	74	5	1	0	0	0	183	80

Multi-Family Recycling Container Count (# of Containers)									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	65							0	0
	95							0	0
	1	6						6	6
	2	15						30	15
	3	1						3	1
	4							0	0
	6							0	0
	8							0	0
	Total	22	0	0	0	0	0	39	22

Form 9 Subscription Levels

Multi-Family Organics Container Count (# of Containers)

Container Size	Collections per Week							
	1	2	3	4	5	6	CY	TOTAL
35	0						-	0
65	0						-	0
1							-	0
1.5							-	0
2							-	0
Total	0	0	0	0	0	0	-	0

Commercial Solid Waste Container Count (# of Containers)*

Container Size	Collections per Week							
	1	2	3	4	5	6	CY	TOTAL
35	7	0	0	0	0	0	1.2128713	7
65	4	0	0	0	0	0	1.2871287	4
95	72	0	0	0	0	0	33.861386	72
1	108	5	0	0	0	0	118	113
2	207	31	19	10	1	2	766	270
3	106	24	16	18	32	7	1428	203
4	178	85	46	32	23	7	3084	371
6	28	17	8	7	2	0	744	62
8	34	20	11	2	6	0	1160	73
Total	744	182	100	69	64	16	7336.3614	1175

Commercial Recycling Container Count (# of Containers)*

Container Size	Collections per Week							
	1	2	3	4	5	6	CY	TOTAL
65	136	1	1	2	1	1	51.485149	142
95	27	1	0	0	0	0	13.638614	28
1	103	3	5	0	0	0		111
2	159	15	2	5	2	7	534	190
3	74	12	17	11	1	27	1080	142
4	127	70	33	14	11	11	2172	266
6	8	3	3	2	1	0	216	17
8	47	15	9	1	5	9	1496	86
Total	681	120	70	35	21	55	5563.1238	982

Commercial Organics Container Count (# of Containers)

Container Size	Collections per Week							
	1	2	3	4	5	6	CY	TOTAL
35							0	0
65	414						133.21782	414
1							0	0
1.5							0	0
2							0	0
Total	414	0	0	0	0	0	133.21782	414

Collection Vehicle Transport Costs

Proposer Name:

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

	Cart Collection				Bin Collection				Debris Box					
	Solid Waste	Recyclables	Yard Trimmings	Bulky Waste Pickup	Solid Waste	Recyclables	Yard Trimmings	Commercial Food Scraps	Solid Waste	Recyclables	Organic Materials	Street Sweeping	Other	Average
Truck Type	Labrie Automizer (Split Body)	Labrie Automizer (Split Body)	Labrie Automizer	Flat Bed with Crapple	Witke Starlight Front Loader 4 Axle	Witke Starlight Front Loader 4 Axle	Witke Starlight Front Loader 4 Axle	Witke Starlight Front Loader 4 Axle	Norcal 3 to 4 Axle	Norcal 3 to 4 Axle	Norcal 3 to 4 Axle	Elgin Crosswind Sweepter		N/A
Collection vehicle transport rate ($ per hour)	$119.60	$123.86	$124.00	$122.32	$122.15	$123.60	$124.00	$183.42	$125.10	$123.95	$125.10	$126.18		$128.61
Average tons per load (tons)	9.3	9.3	9.3	11.4	10.0	9.0	0.0	9.0	3.5	3.5	3.5	0.6		6.5

Form 11 SF Billing

Single Family Billing
Proposer Name: Garden City Sanitation, Inc.

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

	Per Unit	Per 2 Month Billing Cycle	Per Year (6 Cycles)	Per-Unit Cost
# of Mailings	N/A	14,002.00	84,012.00	N/A
Total Proccessing Cost	$0.41	$5,740.82	$34,444.92	
Total Postage Cost	$0.39	$5,474.78	$32,848.69	N/A
Total Cost	$0.80	$11,215.60	$67,293.61	

EXHIBIT O:
STREET SWEEPING

O-1. Monthly Record Keeping Form
O-2. Abandoned Car Program Form
O-3. Tree Control Maintenance Activity
O-4. Daily Report of Motor Street Sweeper
O-5. Street Sweeping Map

EXHIBIT O-1: STREET SWEEPING MONTHLY RECORD KEEPING FORM

EXHIBIT O-1
STREET SWEEPING
MONTHLY RECORD KEEPING FORM

Santa Clara Valley Urban Runoff Pollution Prevention

EXHIBIT O

Exhibit O-1

FY ***Monthly Record Keeping Form***

MONTH AND YEAR:_____

Agency:

_____

T

Completed By:_____Date:

STREET SWEEPING		Volume of material collected (cubic yards)		Miles swept* (Curb miles)	
		_____		_____	
		_____		_____	
		_____		_____	
		_____		_____	
		_____		_____	
		_____		_____	

EXHIBIT O-1
STREET SWEEPING
MONTHLY RECORD KEEPING FORM

1. Sweeping

Residential Area:
- Broom
- Regenerative Air
- Vacuum

Commercial Areas:
- Broom
- Regenerative Air
- Vacuum

Industrial Areas
- Broom
- Regenerative Air
- Vacuum

Other Areas Swept:
(e.g., parking lots, major arterials)
- Broom
- Regenerative Air
- Vacuum

2) Have there been any changes in your street sweeping program?
(efforts to have parked cars removed, changes sweeping frequency, new equipment, significant downtimes, etc)

EXHIBIT O-1
STREET SWEEPING

LEAF REMOVAL

Volume of leaves removed by City/Town crews:_____cubic yards.
Leaves bagged by residents and picked up by your City/Town:_____bags
Check box if you do not have a leaf removal program other than routine street sweeping: ☐

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EXHIBIT O-2: STREET SWEEPING ABANDONED CAR PROGRAM FORM

EXHIBIT O-2
STREET SWEEPING
ABANDONED CAR PARKING CONTROL PROGRAM

Street Sweeping Abandoned Car Parking Control Program
Maintenance Activity

Reporting Agency Month of

Completed By: Date

Address	Street	Deficiency
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		

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EXHIBIT O-3: STREET SWEEPING TREE CONTROL MAINTENANCE ACTIVITY

EXHIBIT O-3
STREET SWEEPING
TREE CONTROL PROGRAM MAINTENANCE ACTIVITY

Street Sweeping Tree Control Program

Maintenance Activity

Reporting Agency Month of

Completed By: Date

Address	Street	Deficiency
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		

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EXHIBIT O-4: STREET SWEEPING DAILY REPORT OF MOTOR STREET SWEEPER

EXHIBIT O-4
STREET SWEEPING
DAILY REPORT OF MOTOR STREET SWEEPER

Daily Report of Motor Street Sweeper

Date:_____

Route:	Equip No.	Operator:
Time Start:	Time Finish:	Total Hours:
Miles Start:	Miles Finish:	Total Miles:
Cu. Yards:	Water Use:	

Streets in addition to those listed on Routes:

_____

From:_____To:_____Mileage:

_____

Total to be added to Route:

_____

Streets Listed on Route which were not cleaned:

_____

Total to be deducted from Route:

_____

Curb Miles in Route	Additional Miles	Deducted Miles	Net Miles

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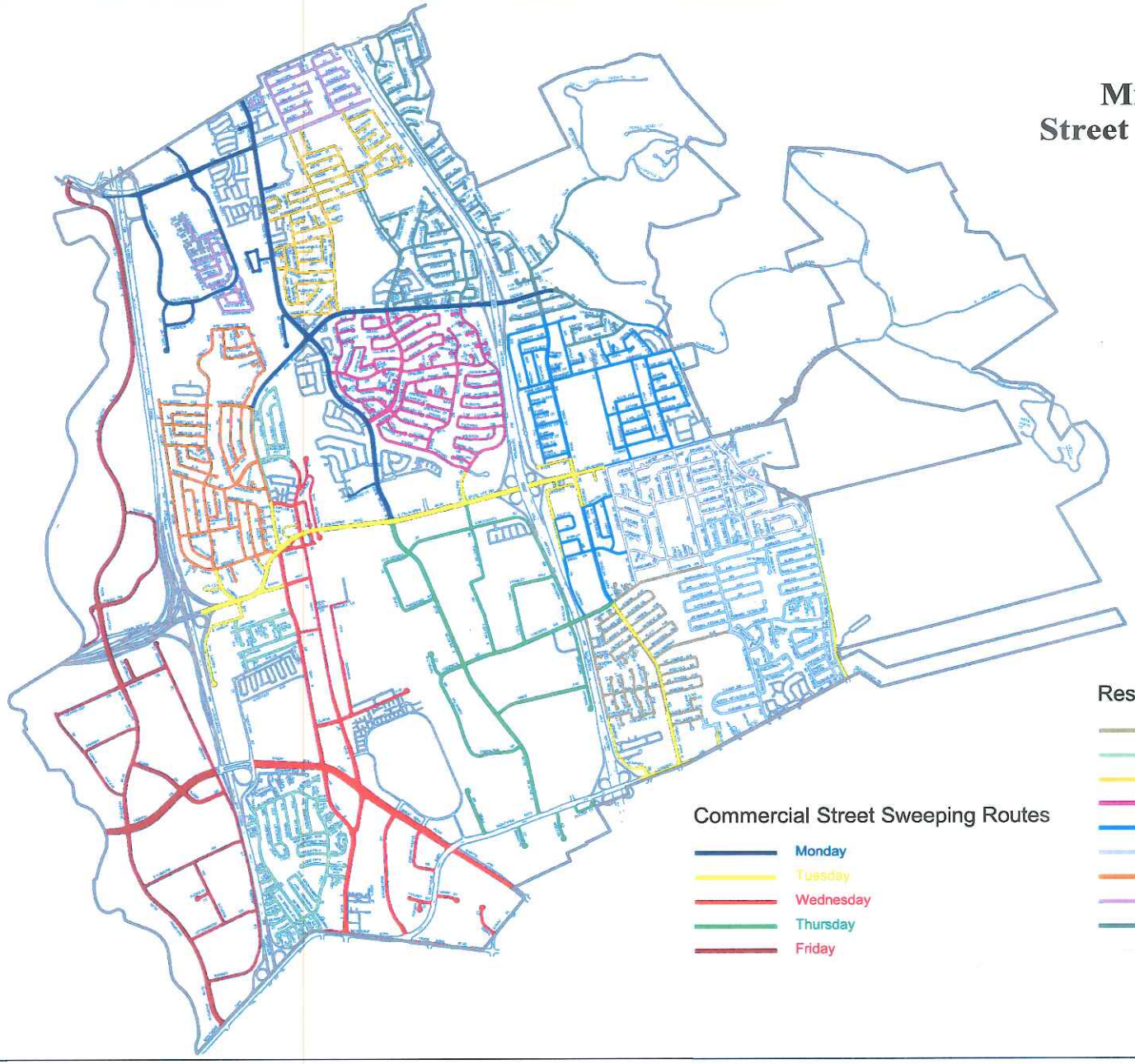
EXHIBIT O-5: STREET SWEEPING MAP

EXHIBIT O-5
STREET SWEEPING MAP

To be provided by Contractor.

Milpitas Sanitation
Street Sweeping Schedules



1000 0 1000 2000 3000 4000 FEET

Commercial Street Sweeping Routes

- Monday
- Tuesday
- Wednesday
- Thursday
- Friday

Residential Street Sweeping Routes

- A -- Monday Routes 1st & 3rd Week
- B -- Tuesday Routes 1st & 3rd Week
- C -- Wednesday Routes 1st & 3rd Week
- D -- Thursday Routes 1st & 3rd Week
- E -- Friday Routes 1st & 3rd Week
- F -- Monday Routes 2nd & 4th Week
- G -- Tuesday Routes 2nd & 4th Week
- H -- Wednesday Routes 2nd & 4th Week
- I -- Thursday Routes 2nd & 4th Week
- J -- Friday Routes 2nd & 4th Week

FIRST AMENDMENT TO FRANCHISE AGREEMENT

THIS FIRST AMENDMENT TO FRANCHISE AGREEMENT ("Amendment"), for reference purposes dated the 21st day of March, 2017, is made and entered into by and between the City of Milpitas, ("City"), and Milpitas Sanitation, Inc., ("Contractor").

WHEREAS, City and Contractor entered into that Franchise Agreement between City of Milpitas and Milpitas Sanitation, Inc. for Collection of Solid Waste and Collection and Processing of Recyclable Materials and Organic Materials dated December 8, 2016 ("Agreement"); and

WHEREAS, Section 13.4 of the Agreement provides that any amendment of the Agreement must be in a writing executed by the parties; and

WHEREAS, City and Contractor desire to amend the Agreement to modify the approved disposal site from Guadalupe Landfill to Kirby Landfill, to modify the initial maximum rates to reflect this change, and to make certain other changes.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The parties hereby confirm that the Agreement is between City and Milpitas Sanitation, Inc., not between City and Garden City Sanitation, Inc. doing business as Milpitas Sanitation, Inc., and all actions by each party in connection with the Agreement are hereby reformed to reflect this clarification.

2. The definition of "Approved Disposal Facility" in Exhibit "A" of the Agreement is amended to read as follows:

> "**Approved Disposal Facility**" means the Kirby Canyon Landfill located at 910 Coyote Creek Golf Drive, Morgan Hill, CA 95037, which is owned and operated by the Disposal Contractor."

3. Exhibit "L" to the Agreement is amended to read as set forth in the attached Attachment 1.

4. Section 4.8B.4 of the Agreement is amended to add the following at the beginning of the first sentence thereof: "Subject to the terms of any agreement between Contractor and GreenWaste Recovery, Inc.,".

5. Sections 4.8E.1 and 4.8E.2 of the Agreement are amended to make Zanker Road Resource Management Facilities the Approved Facility and Mission Trail Waste Systems the first Approved Alternative Facility.

6. The definition of "Approved Transfer Facility" in Exhibit "A" of the Agreement is amended to read as follows:

> **"Approved Transfer Facility"** means the GreenWaste Recovery MRF located at 625 Charles Street, San Jose, CA 95112, which is owned and operated by GreenWaste Recovery, Inc."

7. Exhibit "N" to the Agreement is amended to read as set forth in the attached Attachment 2.

8. Contractor shall have fourteen (14) days after the date this Amendment has been signed by both parties to furnish evidence of the insurance and performance bond required by Article 9 that is satisfactory to the City (the City having approved the form of performance bond attached to this Amendment) and to furnish a copy of the subcontract between Contractor and GreenWaste Recovery, Inc. to be attached as Exhibit M to the Agreement. City acknowledges that it has received, and hereby approves Exhibit O-5 to the Agreement in the form attached to this Amendment. Contractor had indicated and City further acknowledges that a collective bargaining arrangement between Contractor and the drivers and mechanics exists based on the same terms set forth or referred to in the Memorandum of Understanding between Garden City Sanitation, Inc. and Teamsters Local Union 350 in the form attached to this Amendment (the "MOU"). City will accept a labor agreement or written confirmation from the drivers and mechanics union that the MOU applies to Contractor, to satisfy the requirement for Exhibit K to the Agreement. The City and Contractor acknowledge that it is unclear whether GreenWaste Recovery, Inc. can comply with Sections 5.6G. and 5.6H. of the Agreement with respect to all of its employees, and the City and Contractor hereby agree to use their best efforts to resolve any such problems.

9. The Commencement Date under the Agreement is hereby extended from September 6, 2017 to December 1, 2017, or to such later date as is feasible for Contractor to order and place in service the new equipment required to perform its obligations under the Agreement based on the City's approval of this Amendment and the City's providing the notice that all Legal Challenges have been resolved in the City's favor as described in Section 2.2E of the Agreement.

10. City and Contractor agree and acknowledge that except as explicitly modified by this Amendment, the Agreement remains in full force and effect.

[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, we, the authorized agents of the contracting parties, by our duly authorized agents, do hereby affix our signatures and seals this 26 day of May, 2017.

CITY OF MILPITAS

By: _____

Printed Name: Thomas Cullinan

Its: 5/30/17 City Manager

By: _____

Printed Name: Christopher Diaz

Its: City Attorney

MILPITAS SANITATION, INC.

By: _____

Printed Name: Louie Pellegrini

Its: President 5-26-2017

EXHIBIT L

MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Single Family Collection Rates			
Service Level	Solid Waste	Recycling	Organics
20 Gal	$32.22	Included	Included
32 Gal	$35.02	Included	Included
64 Gal	$41.19	Included	Included
96 Gal	$47.32	Included	Included
20 Gal Senior	$16.11	Included	Included
32 Gal Senior	$17.53	Included	Included
64 Gal Senior	$0.00	Included	Included
20 Gal Mobile Home	$9.83	Included	N/A
32 Gal Mobile Home	$10.69	Included	N/A
64 Gal Mobile Home	$15.85	Included	N/A
SFD No Organics Discount		N/A	$0.00
Senior No Organics Discount		N/A	$0.00

Multi-Family Solid Waste Collection Rates						
	Frequency					
Sevice Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$20.70	$36.23	$51.76	$67.29	$82.82	$98.35
64-Gal	$25.14	$44.00	$62.85	$81.71	$100.56	$119.42
96-Gal	$29.58	$51.76	$73.94	$96.13	$118.31	$140.49
1-YD	$84.31	$140.54	$193.05	$238.57	$289.71	$340.83
1.5-YD	$108.21	$193.01	$256.41	$330.56	$404.63	$478.74
2-YD	$132.09	$238.57	$340.83	$443.07	$545.28	$647.60
3-YD	$189.74	$348.78	$502.09	$655.47	$808.88	$962.21
4-YD	$220.45	$404.39	$572.78	$741.26	$909.68	$1,078.14
6-YD	$303.51	$563.90	$825.97	$1,066.64	$1,328.72	$1,590.79
8-YD	$395.07	$732.00	$1,057.67	$1,383.46	$1,709.17	$2,034.95

Multi-Family Recycling Collection Rates						
	Frequency					
Sevice Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$5.18	$9.06	$12.94	$16.82	$20.70	$24.59
64-Gal	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
96-Gal	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12
1-YD	$21.08	$35.14	$48.26	$59.64	$72.43	$85.21
1.5-YD	$27.05	$48.25	$64.10	$82.64	$101.16	$119.69
2-YD	$33.02	$59.64	$85.21	$110.77	$136.32	$161.90
3-YD	$47.44	$87.19	$125.52	$163.87	$202.22	$240.55
4-YD	$55.11	$101.10	$143.19	$185.31	$227.42	$269.53
6-YD	$75.88	$140.98	$206.49	$266.66	$332.18	$397.70
8-YD	$98.77	$183.00	$264.42	$345.87	$427.29	$508.74

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Multi-Family Organics Collection Rates						
	Frequency					
Sevice Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$16.56	$28.99	$41.41	$53.83	$66.25	$78.68
64-Gal	$20.11	$35.20	$50.28	$65.37	$80.45	$95.54
96-Gal	$23.66	$41.41	$59.16	$76.90	$94.65	$112.40
1-YD	$67.45	$112.43	$154.44	$190.85	$231.77	$272.66
1.5-YD	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
2-YD	$105.67	$190.85	$272.66	$354.46	$436.22	$518.08
3-YD	$151.80	$279.02	$401.67	$524.37	$647.10	$769.77

Commercial Solid Waste Collection Rates						
	Frequency					
Sevice Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$30.48	$53.34	$76.20	$99.06	$121.92	$144.78
64-Gal	$35.85	$62.73	$89.61	$116.50	$143.38	$170.27
96-Gal	$41.18	$72.06	$102.95	$133.83	$164.72	$195.60
1-YD	$116.21	$208.08	$286.19	$354.51	$430.67	$506.87
1.5-YD	$149.80	$286.00	$381.91	$492.60	$603.24	$713.87
2-YD	$183.37	$354.51	$506.87	$659.08	$811.37	$963.73
3-YD	$263.93	$518.70	$747.15	$975.61	$1,204.05	$1,432.48
4-YD	$309.74	$606.84	$861.47	$1,116.15	$1,370.75	$1,625.40
6-YD	$428.55	$849.54	$1,244.58	$1,609.96	$2,004.97	$2,399.97
8-YD	$558.20	$1,104.21	$1,597.95	$2,091.87	$2,585.67	$3,079.53

Commercial Recycling Collection Rates						
	Frequency					
Sevice Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$7.62	$13.34	$19.05	$24.77	$30.48	$36.20
64-Gal	$8.96	$15.68	$22.40	$29.12	$35.85	$42.57
96-Gal	$10.29	$18.02	$25.74	$33.46	$41.18	$48.90
1-YD	$29.05	$52.02	$71.55	$88.63	$107.67	$126.72
1.5-YD	$37.45	$71.50	$95.48	$123.15	$150.81	$178.47
2-YD	$45.84	$88.63	$126.72	$164.77	$202.84	$240.93
3-YD	$65.98	$129.68	$186.79	$243.90	$301.01	$358.12
4-YD	$77.44	$151.71	$215.37	$279.04	$342.69	$406.35
6-YD	$107.14	$212.38	$311.14	$402.49	$501.24	$599.99
8-YD	$139.55	$276.05	$399.49	$522.97	$646.42	$769.88

EXHIBIT L

MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Commercial Organics Collection Rates						
	Frequency					
Sevice Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
32-Gal	$24.38	$42.67	$60.96	$79.25	$97.54	$115.83
64-Gal	$28.68	$50.18	$71.69	$93.20	$114.71	$136.21
96-Gal	$32.94	$57.65	$82.36	$107.07	$131.77	$156.48
1-YD	$92.97	$166.46	$228.95	$283.61	$344.54	$405.50
1.5-YD						
2-YD	$146.70	$283.61	$405.50	$527.27	$649.09	$770.98
3-YD	$211.15	$414.96	$597.72	$780.49	$963.24	$1,145.98

Roll-Off/Compactor Collection Rates				
Service Level	Solid Waste	Recycling	Organics	C&D
Roll Off up to 15 CY (Per Pull)	$525.83	$262.92	$420.67	$473.25
Roll Off up to 16-24 CY (Per Pull)	$736.51	$368.26	$589.21	$662.86
Roll Off up to 26 to 34 CY (Per Pull)	$927.35	$463.68	$741.88	$834.62
Roll Off Over 34 CY (Per Pull)	$1,132.57	$566.29	$906.06	$1,019.31
Compactor up to 15 CY (Per Pull)	$604.71	$302.35	$483.76	
Compactor up to 16-24 CY (Per Pull)	$846.99	$423.50	$677.59	
Compactor up to 26 to 34 CY (Per Pull)	$1,066.46	$533.23	$853.16	
Compactor Over 34 CY (Per Pull)	$1,302.46	$651.23	$1,041.97	
Roll Off/Compactor Pull Per Ton	$87.93	$0.00	$92.00	$70.00

EXHIBIT L

MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Special Charges Rates		
Service		Solid Waste
Extra Residential Garbage Bag		$3.75
Bullky	Two Items	$56.23
Bulk	Additional	$21.20
White Goods	Each	$41.82
Push/ Pull	25 Feet 1x	$9.29
Push/ Pull	25 Feet 2x	$18.57
Push/ Pull	25 Feet 3x	$27.79
Push/ Pull	25 Feet 4x	$37.07
Push/ Pull	25 Feet 5x	$46.34
Push/ Pull	25 Feet 6x	$55.58
Push/ Pull	50 Feet 1x	$18.57
Push/ Pull	50 Feet 2x	$37.07
Push/ Pull	50 Feet 3x	$55.58
Push/ Pull	50 Feet 4x	$74.11
Push/ Pull	50 Feet 5x	$92.66
Push/ Pull	50 Feet 6x	$111.19
Push/ Pull	75 Feet 1x	$27.79
Push/ Pull	75 Feet 2x	$55.58
Push/ Pull	75 Feet 3x	$83.37
Push/ Pull	75 Feet 4x	$111.19
Push/ Pull	75 Feet 5x	$138.97
Push/ Pull	75 Feet 6x	$166.75
Push/ Pull	100 Feet 1x	$37.07
Push/ Pull	100 Feet 2x	$74.11
Push/ Pull	100 Feet 3x	$111.19
Push/ Pull	100 Feet 4x	$148.22
Push/ Pull	100 Feet 5x	$185.32
Push/ Pull	100 Feet 6x	$222.36
Push/ Pull	125 Feet 1x	$46.34
Push/ Pull	125 Feet 2x	$92.66
Push/ Pull	125 Feet 3x	$138.97
Push/ Pull	125 Feet 4x	$185.32
Push/ Pull	125 Feet 5x	$231.60
Push/ Pull	125 Feet 6x	$277.92
Push/ Pull	150 Feet 1x	$55.58
Push/ Pull	150 Feet 2x	$111.19
Push/ Pull	150 Feet 3x	$148.22
Push/ Pull	150 Feet 4x	$231.60
Push/ Pull	150 Feet 5x	$277.92
Push/ Pull	150 Feet 6x	$333.50
Push/ Pull	175 Feet 1x	$64.88
Push/ Pull	175 Feet 2x	$129.71
Push/ Pull	175 Feet 3x	$194.56
Push/ Pull	175 Feet 4x	$259.41
Push/ Pull	175 Feet 5x	$324.23
Push/ Pull	175 Feet 6x	$389.12
Push/ Pull	200 Feet 1x	$74.11
Push/ Pull	200 Feet 2x	$148.22
Push/ Pull	200 Feet 3x	$222.36
Push/ Pull	200 Feet 4x	$296.46
Push/ Pull	200 Feet 5x	$370.59
Push/ Pull	200 Feet 6x	$444.69
Lock Installation	N/A	$111.03
Bin Repair	N/A	$89.74
Lock /Unlock	N/A	$16.74
Container Delivery	N/A	$59.31
Container Exchange	N/A	$111.03
Additional Bin Exchange	N/A	$59.31

EXHIBIT L

MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE

Special Charges Rates		
Service		Solid Waste
Leak Proof 3 yd Bin	N/A	$28.18
Extra Pick Up	32 Gal M-F	$9.14
Extra Pick Up	32 Gal SAT	$13.70
Extra Pick Up	Wheeled Cart M-F	$28.90
Extra Pick Up	Wheeled Cart SAT	$31.92
Extra Pick Up	1 YD M-F	$60.83
Extra Pick Up	1 YD SAT	$86.69
Extra Pick Up	1.5 YD M-F	$65.39
Extra Pick Up	1.5 YD SAT	$95.83
Extra Pick Up	2 YD M-F	$73.00
Extra Pick Up	2 YD SAT	$103.43
Extra Pick Up	3 YD M-F	$85.18
Extra Pick Up	3 YD SAT	$112.57
Extra Pick Up	4 YD M-F	$100.39
Extra Pick Up	4 YD SAT	$121.69
Extra Pick Up	6 YD M-F	$136.88
Extra Pick Up	6 YD SAT	$147.52
Extra Pick Up	8 YD M-F	$147.52
Extra Pick Up	8 YD SAT	$165.77
Extra Compactor	Per Yard M-F	$44.11
Extra Compactor	Per Yard SAT	$51.73

ATTACHMENT 2

EXHIBIT "N"

General Proposal Information
Proposer Name: Garden City Sanitation, Inc.

A. Method of Collection (e.g. manual, semi-automatic, fully automated, split body, etc.)	
1. Solid Waste Carts	20, 32, 64, 96 Gallon Capacities. 20, 32 inserts in 64 gal cart. Split Cart System 70/30 Solid Waste and Food Scraps
2. Recyclable Material Carts	96 Gal Split Cart System. 50/50 Dual Stream Cart - Note City must choose single or dual stream system citywide
3. Organic Material Carts	64/96 Gal Yardwaste Cart
4. Solid Waste Bins	Front Loader Bins Size 1 to 8
5. Recyclable Material Bins	Front Loader Bins Size 1 to 8
6. Organic Material Bins	Front Loader Bins Size 1 to 8
7. On-Call Bulky Item Reuse Collection	Bag System See Proposal for Description
B. Collection Vehicle Manufacturer, Model #, and Year (for each vehicle to be used)	
1. Solid Waste Carts	Labrie Automizer (Split Body)
2. Recyclable Material Carts	Labrie Automizer (Split Body)
3. Organic Material Carts	Labrie Autonuizer
4. Solid Waste Bins	Witke Starlight Front Loader 4 Axle
5. Recyclable Material Bins	Witke Starlight Front Loader 4 Axle
6. Organic Material Bins	Witke Starlight Front Loader 4 Axle
7. On-Call Bulky Item Reuse Collection	Freightliner Cab and Chassis and Peterson Lightening Loader 20 ft Bed with Grapple
C. Container Manufacturer and Specifications	
1. Carts	IPL Carts
2. Bins	Consolidated Fabricators FL Bins 1-8
D. Support Facilities	
1. Address of collection vehicle parking, maintenance, washing, and route staff parking facilities	3355 Thomas Road Santa Clara, CA 95054
2. Address of fueling station	3355 Thomas Road Santa Clara, CA 95054
3. Address of administrative office	1080 Walsh Rd, Santa Clara, CA 95050
4. Address of billing office	610 Aladdin Ave San Leandro, CA 94577
5. Address of customer service office	1080 Walsh Rd, Santa Clara, CA 95050

Operating Statistics
Proposer Name: Garden City Sanitation, Inc.

	REPORT FOR 12-MONTH PERIOD	Carts (Form 6A)					Bins (Form 6B)						Debris Box (Form 6C)					
	From September 6, 2017 to September 6, 2018	Solid Waste Food Scraps Split Cart	Recyclable Materials Dual Stream Split Cart	Yard Trimmings	Commercial and Single Family Food Scraps Split Cart	Four Single-Family On-Call Collections	Solid Waste	Recyclable Materials	Multi-Family Yard Trimmings (AB 1826)	Commercial Yard Trimmings (AB 1826)	Commercial Food Scraps (AB 1826)	Multi-Family/ Commercial for for On-Call Pickups	Solid Waste	Exclusive debris Box	Recyclable Materials	Organic Materials	TOTAL	Street Sweeping
	Account Information																	
1	# of weekly accounts/customers	14002	13919	13919	14334	81	2017	850	2422	322	64	7	18	42	4	0	61,999	
	Labor Information																	
2	# of regular route personnel	2.80	3.00	3.00	0.76	0.81	4.03	1.18		0.29	0.50	0.00	1.36	1.42	0.21	0.00	19	1.00
3	Labor hours/day/person	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	337	8.00
4	Total labor hours/year	6,998	7,176	7,176	1,810	1,932	9,949	2,824	694	1,196	3		3,246	2,957	503	0	45,864	2,080
	Route Information																	
	# of routes per																	
5	Weekday	2.80	3.00	3.00	1.20	0.81	4.03	1.18		0.29	0.50	0.00	1.36	1.42	0.21	0.00	19.80	1.00
6	Saturday																	
7	Sunday																	
	# of persons/route per																	
8	Weekday	2.80	3.00	3.00	0.76	0.81	4.03	1.18		0.29	0.50	0.00	1.36	1.42	0.21	0.00	19.36	1.00
9	Saturday																	
10	Sunday																	
	# of route hours/day/route per																	
11	Weekday	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	120.00	8.00
12	Saturday																	
13	Sunday																	
	# of route hours/year per																	
14	Weekday	5,824.00	6,240.00	6,240.00	2,496.00	1,680.24	8,390.72	2,455.36		603.20	1,040.00	2.84	2,822.57	2,956.78	437.04	0.17	41,189.12	2,080
15	Saturday																	
16	Sunday																	
17	Total	5,824.00	6,240.00	6,240.00	2,496.00	1,680.24	8,390.72	2,455.36	-	603.20	1,040.00	2.84	2,822.57	2,956.78	437.04	0.17	41,189.12	2,080
18	# of FTE routes'	2.80	3.00	3.00	1.20	0.81	4.03	1.18		0.29	0.50	0.00	1.36	1.42	0.21	0.00	19.80	1.00
19	Total # of setouts/day for all routes	2,800.40	2,783.80	2,783.80	2,866.74	16.16												
20	# of setouts/day/FTE route'	1,000.14	927.93	927.93	2,388.95	20.00												
20A	# of SW customer container setouts/day/FTE route'	N/A	N/A	N/A	N/A	N/A												
21	# of setouts/week	14,002.00	13,919.00	13,919.00	14,333.71	80.78												
21A	# of SF customer container setouts/week for all routes	N/A	N/A	N/A	N/A	N/A												
22	# of drive-bys/week	14,002.00	13,919.00	13,919.00	14,333.71	80.78												
23	Set out rate (%)	100%	80%	100%	100%	100%												
23A	Set out rate (%) for SF customer containers ONLY	N/A	N/A	N/A	N/A	N/A												
24	# of lifts/week for all routes	14,002.00	11,135.20	13,919.00	14,333.71	80.78	2,017.00	850.00	2,422.00	322.40	64.48	7.02	15.00	42.15	4.15	0.00		
25	# of lifts/year for all routes	728,104.00	579,030.40	723,788.00	745,352.90	4,200.60	104,884.00	44,200.00	125,944.00	16,764.80	3,352.96	364.95	780.00	2,192.00	216.00	0.08		
26	# of lifts/route hour	125.02	93.29	115.99	298.62	2.50	12.50	18.00	#DIV/0!	27.79	3.22	128.50	0.28	0.74	0.49	0.49		
	Vehicle Information																	
27	# of regular collection vehicles (from Form 4)	2.80	3.00	3.00	1.20	0.81	4.03	1.18		0.29	0.50	0.00	1.36	1.39	0.21		19.77	1.00
28	# of spare collection vehicles (from Form 4)	0.28	0.30	0.30	0.12	0.08	0.40	0.12		0.03	0.05	0.00	0.14	0.14	0.02		1.98	
29	Total # of collection vehicles	3.08	3.30	3.30	1.32	0.89	4.44	1.30		0.32	0.55	0.00	1.49	1.53	0.23		21.75	1.00
30	# of compact gallons used in collection vehicles	8,810	10,598	14,429	3,776	5,665	12,256	3,587		881	1,519	4	6,899	6,899	1,068	0	80,391.73	7,619
	Tonnage Information (annual)																	
31	Solid waste collected	12,615					27,384						3,071				43,070.66	148
	C&D Processing					4,747								8,498			13,185.11	
32	Recyclable materials collected		9,008					4,606						154	680		14,448.63	
33	Yard trimmings materials collected			5,037					877	750							6,663.41	
34	Foodscraps materials collected				4,573						479						5,051.95	
35	Total Collected	12,615	9,008	5,037	4,573	4,747	27,384	4,606	877	750	479		3,071	8,652	680		82,410.77	148
36	Processing residue disposed	9,461	811	101	1,372	2,848	20,538	829	18	225	144		2,303	5,834	122		44,706.72	
37	Net Diverted	3,151	8,197	4,936	3,201	1,899	6,846	3,777	859	525	335		768	2,858	558		37,713	
																	45.8%	

Notes for Form 2:

Line 1 - Data to be input by proposer. Should equal the number of customer serviced on a weekly basis

Line 2 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.

Line 3 - Data to be input by proposer. Identify number of hours per day each regular route employee will work each day (including breaks, pre- and post-route checks, etc., excludes casual/pool personnel).

Line 4 - Should equal Line 2 * Line 3 * 260 days

Lines 5, 6, and 7 - Data to be input by proposer. Information is to be reported for collection routes only and does not include any support (e.g., container delivery routes, cleanup routes, missed pickup routes etc.)

Line 8, 9, and 10 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.

Lines 11, 12, and 13 - Data to be input by proposer. Identify number of hours per day each route will take to complete (including collection time and hauling time to transfer station, landfill, or processing site).

Line 14 - Should equal Line 5 * Line 11 * 260 days

Line 15 - Should equal Line 6 * Line 12 * 52 weeks

Line 16 - Should equal Line 7 * Line 13 * 52 weeks

Line 17 - Should equal Line 14 + Line 15 + Line 16

Line 18 - Should equal Line 17 / 2,080 hours

Line 19 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.

Line 20 - Should equal Line 19 / Line 18

Line 20A - Data to be input by proposer. Identify number of Solid Waste customer container setouts per day per FTE route.

Line 21 - Should equal Line 19 * 5 days

Line 21A - Data to be input by proposer. Identify number of Solid Waste customer container setouts per week for all routes.

Line 22 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.

Line 23 - Should equal Line 21 / Line 22

Line 23A - Data to be input by proposer. Identify setout percentage for Single Family customer containers only.

Operating Statistics
Proposer Name: Garden City Sanitation, Inc.

Line 24 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 25 - Data should equal Line 24 * 52 weeks. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 26 - Should equal Line 25 / Line 17
Line 27 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 28 - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 29 - Should equal Line 27 + Line 28
Line 30 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 31 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 32 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 33 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 34 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 35 - Should equal Line 31 + Line 32 + Line 33 + Line 34
Line 36 - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6C.
Line 37 - Should equal Line 32 + Line 33 + Line 34 - Line 36

* Full Time Equivalent (FTE) = 40 hours per week, 2,080 hours per year

Proposed Labor Requirements
Proposer Name: Garden City Sanitation, Inc.

Route Personnel Headcount (include fraction of employee)	# of Regular Personnel	# of Casual/Pool	Total
Solid Waste Carts	2.80	0.56	3.36
Recyclable Materials Carts	3.00	0.60	3.60
Yard Trimmings Carts	3.00	0.60	3.60
Commercial Food Scraps Carts	0.76	0.15	0.91
Four Single-Family On-Call Collections	0.81	0.16	0.97
Solid Waste Bins	4.03	4.84	8.87
Recyclable Materials Bins	1.18	1.42	2.60
Multi-Family Yard Trimmings (AB 1826)	-	-	-
Commercial Yard Trimmings (AB 1826)	0.29	0.58	0.87
Commercial Food Scraps (AB 1826)	0.50	1.00	1.50
Multi-Family/Commercial for-fee On-Call Pickups	0.00	0.00	0.00
Solid Waste Debris Box	1.36	1.63	2.99
Exlcusive Debris Box Service (C&D)	1.42	0.28	1.71
Recyclable Materials Debris Box	0.21	0.25	0.46
Organic Materials Debris Box	0.00	0.00	0.00
Street Sweeping	1.00		1.00
Subtotal Route Personnel	20	12.08	32.4

Other Personnel Headcount (include fraction of employee)	Indicate below the Form # and Category where employee wages and benefits are included (e.g., # 6B - Container Maintenance). Alternatively indicate if part of Corporate Overhead charge.	# of Employees
Chief Executive Officer/Chief Financial Officer		
General Manager		
Operations Manager		
Route Supervisor Cart Service	Form 6D	0.333
Route Supervisor Bin Service	Form 6D	0.333
Route Supervisor Drop Box	Form 6D	0.333
Dispatcher		
Operations Clerk		
Container Distribution	Form 6D	1.20
Container Maintenance/Welder		
Maintenance Supervisor		
Shop Foreman		
Maintenance Mechanic	Form 6D	1.00
Maintenance Personnel		
Shop Clerk		
Yard Personnel		
Controller		
Staff Accountant		
Office Manager		
Accounting Clerk	Form 6D	1.00
Customer Service Supervisor		
Customer Service Representatives	Form 6D	3.00
Receptionist		
Safety Manager		
Recycling Manager		
Recycling Center Personnel		
Recycling/Public Education Coordinator	Form 6D	1.00
Public Education Manager/Community Relations Manager	Form 6D	1.00
Other (specify):		
Other (specify):		
Other (specify):		
Subtotal Other Personnel		9.2
	Total ALL Personnel	41.6

Form 4 Capital

Capital Requirements

Proposer Name: Garden City Sanitation, Inc.

	Total			Proposed Cost During Contract Term
Collection Vehicles	Actual	Spare	Total	
Solid Waste Carts	2.80	0.28	3.08	$ 1,456,190.12
Recyclable Materials Carts	3.00	0.30	3.30	$ 1,560,203.70
Yard Trimmings Carts	3.00	0.30	3.30	$ 1,560,203.70
Commercial Food Scraps Carts	1.20	0.12	1.32	$ 624,081.48
Four Single-Family On-Call Collections	0.81	0.08	0.89	$ 236,727.57
Solid Waste Bins	4.03	0.40	4.44	$ 2,044,362.99
Recyclable Materials Bins	1.18	0.12	1.30	$ 598,285.59
Multi-Family Yard Trimmings (AB 1826)	-	-	-	$ -
Commercial Yard Trimmings (AB 1826)	0.29	0.03	0.32	$ 146,967.10
Commercial Food Scraps (AB 1826)	0.50	0.05	0.55	$ 253,391.55
Multi-Family/Commercial for-fee On-Call Pickups	0.00	0.00	0.00	$ 691.97
Solid Waste Debris Box	1.36	0.14	1.49	$ 543,745.90
Exlcusive Debris Box Service (C&D)	1.39	0.14	1.53	$ 556,868.56
Recyclable Materials Debris Box	0.21	0.02	0.23	$ 84,192.91
Organic Materials Debris Box	-	-	-	$ -
Street Sweeping	1		1.00	$ 254,000.00
Subtotal	20.7706029	1.977060286	22.75	$ 9,919,913
Other Vehicles				
Pickup Trucks	1		1	$ 52,306
Container Distribution	1		1	$ 266,409
Mobile Service Truck	1		1	$ 58,388
Other (specify): _____			0	
Other (specify): _____			0	
Subtotal	3	0	3	$ 377,102
			Total Vehicle Cost	$ 10,297,015
Containers				
Cart service				
Solid Waste 20-gallon	4,950	494.9972347	5445	$ 674,247
Solid Waste 35-gallon	7,923	792.2864871	8715.2	$ 576,464
Solid Waste 65-gallon Split 70/30 for Food Scraps	981	98.07076768	1078.8	$ 95,811
Solid Waste 95-gallon	65	6.545551045	72.001	$ 7,142
Recyclable Material 65-gallon	142	14.2	156.2	$ 13,873
Recyclable Material 95-gallon	13,947	1394.7	15342	$ 1,521,791
Organic Material 65-gallon	414	41.4	455.4	$ 224,239
Organic Material 95-gallon	13,919	1391.9	15311	$ 1,518,736
Subtotal	42341	4234.1	46575	$ 4,572,302
Bin service				
1 cubic yard	251	25.1	276.1	$ 129,129
1.5 cubic yard (for Food Scraps only)	1	0.1	1.1	$ 564
2 cubic yards	489	48.9	537.9	$ 301,292
3 cubic yards	366	36.6	402.6	$ 256,155
4 cubic yards	638	63.8	701.8	$ 520,552
6 cubic yards	81	8.1	89.1	$ 66,089
8 cubic yards	159	15.9	174.9	$ 186,791
Subtotal	1985	198.5	2183.5	$ 1,460,571
Other Containers				
Multi-family Personal Recycling Bin			0	
Debris Boxes	75.90	-	75.905	$ 339,973
Shure Foodwaste Pails	13,919		13919	$ 70,569
Subtotal	13994.9048	0	13995	$ 410,542
			Total Container Cost	$ 6,443,416
Other				
Offices				
Corporation Yard/Maintenance				
Container Storage Yard				
Shop Equipment				$ 10,000
Fueling Equipment	CNG			$ 1,200,000
Computer and Office Equipment				$ 150,000
Leasehold Imps				$ 150,000
Other (specify): _____				
			Total Other Cost	$ 1,510,000
Total Cost				$ 18,250,431.21

Item 5 Compensation

Summary of Contractor's Compensation
Fragrance Hazmat Garden City Sanitation, Inc.

Note for completion: Input data in yellow shaded areas only. Green is formula.

MONTHLY RATE DURING TERM (from September 1, 2027 to September 1, 2028)	Cans (Page 4a)					Bins (Page 4b)						Delivery Cost (Page 4c)					
	Solid Waste	Recyclable Materials	Yard Trimmings	Commercial Food Scraps	Free Single-Family On-Call Customers	Solid Waste	Recyclable Materials	Multi-Family Yard Trimmings (AB 1826)	Commercial Yard Trimmings (AB 1826)	Commercial Food Scraps (AB 1826)	Multi-Family/Commercial On-Call Pickups	Solid Waste	Extensive Cart	Recyclable Materials	Organic Materials	Street Sweeping	TOTAL
Annual Cost of Operations																	
Labor-Related Costs	$ 542,333	$ 660,784	$ 468,784	$ 201,314	$ 248,948	$ 511,396	$ 227,146	$ -	$ 95,374	$ 167,295	$ 779	$ 175,333	$ 209,454	$ 242,385	$ -	$ 253,250	$ 4,240,211
Vehicle-Related Costs	$ 61,600	$ 86,537	$ 56,791	$ 17,231	$ 33,389	$ 58,049	$ 23,814	$ -	$ 8,833	$ 16,995	$ 129	$ 17,821	$ 21,141	$ 24,768	$ -	$ 25,000	$ 450,100
Fuel Costs	$ 31,823	$ 23,600	$ 20,400	$ 5,400	$ 12,267	$ 27,571	$ 10,400	$ -	$ 3,483	$ 6,200	$ 29	$ 15,231	$ 14,340.21	$ 10,404	$ -	$ 12,000	$ 192,545
Waste Facility Billing (Page 12)	$ 78,780	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	$ 78,780
Other Costs	$ 11,478	$ 2,180	$ 10,424	$ 4,624	$ 7,222	$ 10,279	$ 7,278	$ -	$ 2,793	$ 3,270	$ 2,129	$ 2,304	$ 2,449	$ 2,244	$ -	$ 2,500	$ 84,772
Asset Depreciation	$ 13,800	$ 2,333	$ 2,167	$ 1,167	$ 2,167	$ 7,333	$ 2,167	$ -	$ 1,000	$ 1,167	$ 1,000	$ 1,167	$ 1,167	$ 1,167	$ -	$ 1,167	$ 41,333
Total Allocated Costs - Labor, Vehicle, Fuel & Other	$ 744,014	$ 839,454	$ 558,166	$ 229,737	$ 303,994	$ 714,628	$ 270,804	$ -	$ 109,484	$ 194,927	$ 3,132	$ 210,857	$ 248,550	$ 280,968	$ -	$ 293,917	$ 5,027,616
Total Allocated Costs - Depreciation + Start-Up	$ 13,800	$ 2,333	$ 2,167	$ 1,167	$ 2,167	$ 7,333	$ 2,167	$ -	$ 1,000	$ 1,167	$ 1,000	$ 1,167	$ 1,167	$ 1,167	$ -	$ 1,167	$ 41,333
Total Annual Cost of Operations	$ 1,458,200	$ 1,291,240	$ 1,279,121	$ 463,240	$ 579,290	$ 1,345,290	$ 603,781	$ -	$ 330,210	$ 538,487	$ 13,462	$ 353,744	$ 386,174	$ 379,383	$ -	$ 331,250	$ 10,595,418
Profit	$ 145,347	$ 104,419	$ 103,168	$ 36,720	$ 44,347	$ 133,129	$ 57,131	$ -	$ 22,111	$ 38,189	$ 948	$ 28,348	$ 32,138	$ 33,193	$ -	$ 31,125	$ 1,061,224
Pass-Through Costs	Rate																
Delivered to Greenwaste (Kirby)	$ 52.85	Disposal Costs MSW	$ 96,705					$ 81,462.66					$ 5,423.34	-		$ 50	$ 87,822
Delivered to Greenwaste	$ 22.50	Transfer Facility Pass Through	$ 28,868					$ 34,684					$ 2,309			$ 29	$ 65,890
Delivered to Kirby	$ 13.20	Transportation Costs per Ton MSW	$ 17,007					$ 20,434					$ 1,361			$ 17	$ 38,819
Delivered to Vasey	$ 3.68	C&D Net Per Ton MSW	$ 4,742					$ 5,698					$ 379			$ 5	$ 10,824
Delivered to Greenwaste	$ 7.00	Recyclables Materials Processing Costs	$ -	$ (15,561.13)	$ -	$ -	$ -	$ -	$ (18,699.35)	$ -	$ -	$ -	$ -	$ 833.39	$ (1,121.04)	$ -	$ (17,947.99)
Delivered to Zanker	$ 70.00	C&D Materials Processing						$ 255,290.00						$ 13,346.00			$ 268,636
Delivered to SMART	$ 62.00	Organic Materials Processing Costs	$ -	$ -	$ (12,528)	$ (6,336.75)	$ -	$ -	$ -	$ (10,261)	$ (4,148)	$ (1,612)	$ (97)	$ -	$ -	$ -	$ -	$ (34,982.75)
		Income Reserve	$ 60,334	$ 53,429	$ 65,625	$ 24,372	$ 30,419	$ 67,824.03	$ 30,577.71	$ 14,000.00	$ 16,829.00	$ 19,324.00	$ 342	$ 18,247.00	$ 20.00	$ 19,460.00	$ 16,000.00	$ 3,400.00	$ 370,603.74
		Street Lease Costs	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 750.00
		Total Allocated Costs - Lease	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 50	$ 750.00
Total Pass-Through Costs			$ 1,114,575	$ (15,508)	$ 165,270	$ 167,286	$ 204,913	$ 1,533,910	$ (15,520.10)	$ 164,343	$ 164,209	$ 197,761	$ 342	$ 2,113,412	$ 3,098,743	$ 153,983.00	$ 50	$ 5,604,271	$ 10,719,944
	$ 32.92	Contract																	$ 32,968.92
Total Costs before City Fees*			$ 1,404,122	$ 1,379,171	$ 1,547,559	$ 666,953	$ 829,550	$ 3,013,329	$ 1,071,392	$ 1,032,940	$ 1,026,907	$ 1,039,992	$ 34,998	$ 2,495,533	$ 3,613,840	$ 687,409	$ 331,350	$ 5,936,521	$ 21,356,583

*Includes payments to Republic Services

Form 6

Collection Cost Proposal

Proposer Name: Garden City Sanitation, Inc.

SUMMARY (Total Costs from Forms 6A through 6C)

		Proposed Cost for 12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)		
Regular Wages		$1,786,159
Overtime Wages		$458,291
Holiday Wages		$94,008
Vacation Wages		$156,681
Sick Leave Wages		$94,008
Workers Compensation Insurance Premiums		$318,523
Workers Compensation Claims		$0
Health & Welfare		$750,646
Pension/ Retirement Benefits		$233,411
Payroll Taxes		$199,094
Other (Please List)		$0
Total Labor Related-Costs		$4,090,822
Vehicle-Related Costs (do not include depreciation)		
Tires & Tubes		$29,567
Parts & Supplies (fluid, oil, etc.)		$129,579
Taxes & Licenses		$69,309
Equipment Rental		$0
Materials and Supplies		$883
Hardware		$1,095
Oil & Lube		$24,750
Outside Repairs		$84,882
Truck Washing		$12,036
Shop Cleaning		$82
Shop Supplies		$14,963
Shop Small Tools		$3,641
Total Vehicle-Related Costs		$370,787
Fuel Costs		$181,620
Other Costs		
Liability & Property Damage Insurance		$109,863
Equipment Insurance		$0
Training & Safety Programs		$9,118
Uniforms		$21,095
Other (Please List)		$4,200
Total Other Costs		$144,275
Direct Depreciation		
Container Depreciation		$397,741
Route Vehicle Depreciation		$644,394
Annualized Cost of Existing Container Acquisition		$0
Other Depreciation		$108,519
Total Direct Depreciation		$1,150,653
Allocated Costs - Labor, Vehicle, Fuel & Other Costs		
From General and Administrative (6D)		$1,328,177
From Vehicle Maintenance (6D)		$161,337
From Container Maintenance (6D)		$281,749
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$1,771,263
Allocated Costs - Depreciation and Start-Up Costs		
From General and Administrative (6D)		$44,671
From Vehicle Maintenance (6D)		$5,839
From Container Maintenance (6D)		$26,641
Total Allocated Costs - Depreciation and Start-Up Costs		$77,151
Total Annual Cost of Operations		$7,786,570
Profit (% Operating Ratio; i.e. 95%):	87 %	$1,163,510
Pass-Through Costs		
Net Recyclable Materials Costs	##### /ton	($216,729)
C&D Materials Processing	70	$922,958
Net Organic Materials Processing Costs	92 /ton	$877,911
Interest Expense		$560,184
Direct Lease Costs		
Route Vehicles		$0
Other (Please List)		$0
Total Direct Lease Costs		$0
Allocated Lease Costs		
From General and Administrative (6D)		$0
From Vehicle Maintenance (6D)		$0
From Container Maintenance (6D)		$0
Total Allocated Lease Costs		$0
Total Pass-Through Costs		$2,144,323
Total Cost Before City Fees		$11,094,404

Form 6A

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

CART SERVICE COSTS		SOLID WASTE 12-Month Period From September 6, 2017 To September 5, 2018	RECYCLABLE MATERIALS 12-Month Period From September 6, 2017 To September 5, 2018	YARD TRIMMINGS 12-Month Period From September 6, 2017 To September 5, 2018	COMMERCIAL FOOD SCRAPS AND SINGLE FAMILY 12-Month Period From September 6, 2017 To September 5, 2018	FOUR SINGLE-FAMILY ON-CALL COLLECTIONS 12-Month Period From September 6, 2017 To September 5, 2018	TOTAL 12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)							
Regular Wages		$ 246,064.90	$ 263,640.96	$ 263,640.96	$ 105,456.38	$ 70,990.80	$949,794
Overtime Wages		$ 63,135.07	$ 67,644.72	$ 67,644.72	$ 27,057.89	$ 18,214.64	$243,697
Holiday Wages		$ 12,950.78	$ 13,875.84	$ 13,875.84	$ 5,550.34	$ 3,736.34	$49,989
Vacation Wages		$ 21,581.64	$ 23,126.40	$ 23,126.40	$ 9,250.56	$ 6,227.23	$83,315
Sick Leave Wages		$ 12,950.78	$ 13,875.84	$ 13,875.84	$ 5,550.34	$ 3,736.34	$49,989
Workers Compensation Insurance Premiums		$ 43,880.33	$ 47,014.64	$ 47,014.64	$ 18,805.86	$ 12,659.60	$169,375
Workers Compensation Claims		$ -	$ -	$ -	$ -	$ -	$0
Health & Welfare		$ 103,389.07	$ 110,774.01	$ 110,774.01	$ 44,309.60	$ 29,828.03	$399,075
Pension/ Retirement Benefits		$ 32,348.48	$ 34,443.80	$ 34,443.80	$ 13,777.52	$ 9,274.92	$124,091
Payroll Taxes		$ 27,427.61	$ 29,386.73	$ 29,386.73	$ 11,754.69	$ 7,912.94	$105,869
Other (Please List)		$ -	$ -	$ -	$ -	$ -	$0
Total Labor Related-Costs		$563,532	$603,784	$603,784	$241,514	$162,580	$2,175,194
Vehicle-Related Costs (do not include depreciation)							
Tires & Tubes		$2,869	3,700.61	$4,564	$1,230	649.40	$13,013
Parts & Supplies (fluid, oil, etc.)		$12,200	26,655.64	$18,491	$5,229	1,749.34	$64,324
Taxes & Licenses		$9,800	$10,503	$10,500	$4,200	2,827.33	$37,827
Equipment Rental		$0	$0	$0	$0	$0	$0
Materials and Supplies		$124	133.84	$199	$53	35.77	$545
Hardware		$106	113.51	$170	$45	175.56	$611
Oil & Lube		$3,477	3,725.36	$5,588	$1,490	1,003.15	$15,284
Outside Repairs		$8,113	8,774.86	$13,289	$3,477	3,018.95	$37,672
Truck Washing		$1,691	1,811.71	$2,718	$725	487.86	$7,433
Shop Cleaning		$17	12.39	$19	$5	3.34	$51
Shop Supplies		$2,102	2,252.27	$3,378	$901	606.49	$9,240
Shop Small Tools		$512	$548.05	$822	$219	147.60	$2,248
Other Costs		$0	-	$0	$0	-	$0
Total Vehicle-Related Costs		$41,005	$58,227	$59,738	$17,574	$11,705	$175,165
Fuel Costs		$19,823	23,846.02	$41,465	$8,436	12,746.59	$106,377
Other Costs							
Liability & Property Damage Insurance		$15,434	16,536.56	$24,805	$6,615	4,452.81	$67,843
Equipment Insurance		$0	$0	$0	$0	$0	$0
Training & Safety Programs		$1,281	1,372.40	$2,059	$549	369.57	$5,630
Uniforms		$2,964	3,175.35	$4,763	$1,270	855.02	$13,027
Other (Please List)		$0	$0	$0	$0	$2,100	$2,100
Total Other Costs		$19,679	$21,084	$31,626	$8,434	$7,777	$88,600
Direct Depreciation							
Container Depreciation		$40,418	$ 102,377.60	$ 116,198.32	$ 18,292.96	$ -	$277,287
Route Vehicle Depreciation		$ 97,079.34	$ 104,013.58	$ 104,013.58	$ 41,605.43	$ 15,781.84	$362,494
Annualized Cost of Existing Container Acquisition		$0	$0	$0	$0	$0	$0
Other Depreciation		$15,335	$16,430	$16,430	$6,572	$4,424	$59,191
Total Direct Depreciation		$152,832	$222,821	$236,642	$66,470	$20,206	$698,972
Allocated Costs - Labor, Vehicle, Fuel & Other Costs							
From General and Administrative (6D)		$202,324	$216,776	$216,776	$86,710	$58,371	$780,958
From Vehicle Maintenance (6D)		$24,577	$26,332	$26,332	$10,533	$7,091	$94,865
From Container Maintenance (6D)		$42,920	$45,985	$45,985	$18,394	$12,382	$165,666
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$269,821	$289,094	$289,094	$115,637	$77,844	$1,041,490
Allocated Costs - Depreciation and Start-Up Costs							
From General and Administrative (6D)		$6,805	$7,291	$7,291	$2,916	$1,963	$26,266
From Vehicle Maintenance (6D)		$889	$953	$953	$381	$257	$3,433
From Container Maintenance (6D)		$4,058	$4,348	$4,348	$1,739	$1,171	$15,665
Total Allocated Costs - Depreciation and Start-Up Costs		$11,753	$12,592	$12,592	$5,037	$3,391	$45,364
Total Annual Cost of Operations		$1,078,444	$1,231,436	$1,274,941	$363,161	$296,250	$4,771,161
Profit (Enter % Operating Ratio; i.e., 95%):	87 %	$161,147	$184,010	$190,508	$69,208	$44,267	$649,140
Pass-Through Costs							
Recyclable Materials Processing Costs	$ (15.00) / ton		($135,113)			$ -	($135,113)
C&D Materials Processing	$ 70.00					$ 332,293.50	$332,294
Net Organic Materials Processing Costs Food Scraps	$ 92.00 / ton			$312,307	$420,715		$733,021
Yard Trimmings Processing	$ 62.00						
Interest Expense		$85,334	$ 91,429.43	$ 91,429.43	$ 36,571.77	$ 24,619.13	$329,384
Direct Lease Costs							
Route Vehicles							$0
Other (Please List)							$0
Total Direct Lease Costs		$0	$0	$0	$0	$0	$0
Allocated Lease Costs							
From General and Administrative (6D)		$0	$0	$0	$0	$0	$0
From Vehicle Maintenance (6D)		$0	$0	$0	$0	$0	$0
From Container Maintenance (6D)		$0	$0	$0	$0	$0	$0
Total Allocated Lease Costs		$0	$0	$0	$0	$0	$0
Total Pass-Through Costs		$85,334	($43,684)	$403,736	$457,286	$24,619	$927,292
Total Cost		$1,324,925	$1,371,774	$1,869,186	$889,655	$365,136	$5,847,593

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

BIN SERVICE COSTS		SOLID WASTE	RECYCLABLE MATERIALS	MULTI-FAMILY YARD TRIMMINGS (AB 1826)	COMMERCIAL YARD TRIMMINGS (AB 1826)	COMMERCIAL FOOD SCRAPS (AB 1826)	MULTI-FAMILY/COMMERCIAL FOR-FEE ON-CALL PICKUP	TOTAL
		12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)								
Regular Wages		$ 354,509.71	$ 103,747.60	$ -	$ 42,475.49	$ 73,233.60	$ 119.99	$574,086
Overtime Wages		$ 90,959.60	$ 26,619.45	$ -	$ 10,898.30	$ 18,790.20	$ 30.79	$147,298
Holiday Wages		$ 18,658.38	$ 5,460.40	$ -	$ 2,235.55	$ 3,854.40	$ 6.32	$30,215
Vacation Wages		$ 31,097.30	$ 9,100.67	$ -	$ 3,725.92	$ 6,424.00	$ 10.53	$50,358
Sick Leave Wages		$ 18,658.38	$ 5,460.40	$ -	$ 2,235.55	$ 3,854.40	$ 6.32	$30,215
Workers Compensation Insurance Premiums		$ 63,219.02	$ 18,501.13	$ -	$ 7,574.58	$ 13,059.62	$ 21.40	$102,376
Workers Compensation Claims		$ -	$ -	$ -	$ -	$ -	$ -	$0
Health & Welfare		$ 148,954.11	$ 43,591.62	$ -	$ 17,846.92	$ 30,770.56	$ 50.42	$241,214
Pension/ Retirement Benefits		$ 46,316.77	$ 13,554.67	$ -	$ 5,549.44	$ 9,568.00	$ 15.68	$75,005
Payroll Taxes		$ 39,515.35	$ 11,564.22	$ -	$ 4,734.53	$ 8,162.98	$ 13.38	$63,990
Other (Please List)		$ -	$ -	$ -	$ -	$ -	$ -	$0
Total Labor Related Costs		$811,888	$237,600	$0	$97,276	$167,718	$275	$1,314,757
Vehicle-Related Costs (do not include depreciation)								
Tires & Tubes		$ 9,684.55	$ 2,834.20	$ -	$ 696.21	$ 1,200.37	$ 3.28	$14,419
Parts & Supplies (fluid, oil, etc.)		$ 22,227.30	$ 6,504.85	$ -	$ 1,597.90	$ 2,755.00	$ 7.52	$33,093
Taxes & Licenses		$ 14,119.00	$ 4,131.94	$ -	$ 1,015.00	$ 1,750.00	$ 4.78	$21,021
Equipment Rental		$ -	$ -	$ -	$ -	$ -	$ -	$0
Materials and Supplies		$ 167.45	$ 49.00	$ -	$ 12.04	$ 20.75	$ 0.06	$249
Hardware		$ 274.80	$ 80.42	$ -	$ 19.76	$ 34.06	$ 0.09	$409
Oil & Lube		$ 4,696.26	$ 1,374.37	$ -	$ 337.61	$ 582.08	$ 1.59	$6,992
Outside Repairs		$ 24,450.02	$ 7,155.33	$ -	$ 1,757.69	$ 3,030.49	$ 8.28	$36,402
Truck Washing		$ 2,283.81	$ 668.36	$ -	$ 164.18	$ 283.07	$ 0.77	$3,400
Shop Cleaning		$ 15.61	$ 4.57	$ -	$ 1.12	$ 1.93	$ 0.01	$23
Shop Supplies		$ 2,839.22	$ 830.90	$ -	$ 204.11	$ 351.91	$ 0.96	$4,227
Shop Small Tools		$ 690.82	$ 202.17	$ -	$ 49.66	$ 85.63	$ 0.23	$1,029
Other (Please List)		$ -	$ -	$ -	$ -	$ -	$ -	$0
Total Vehicle-Related Costs		$81,449	$23,836	$0	$5,855	$10,095	$28	$121,263
Fuel Costs		$27,575	$ 8,069.97	$ -	$ 1,982.36	$ 3,417.87	$ 9.33	$41,055
Other Costs								
Liability & Property Damage Insurance		$20,846	$ 6,100.71	$ -	$ 1,498.62	$ 2,583.83	$ 7.06	$31,037
Equipment Insurance		$0	$ -	$ -	$ -	$ -	$ -	$0
Training & Safety Programs		$1,730	$ 506.30	$ -	$ 124.37	$ 214.43	$ 0.59	$2,576
Uniforms		$4,003	$ 1,171.40	$ -	$ 287.75	$ 496.12	$ 1.35	$5,959
Other (Please List)		$0	$ -	$ -	$ -	$ -	$ 2,100.00	$2,100
Total Other Costs		$26,579	$7,778	$0	$1,911	$3,294	$2,109	$41,672
Direct Depreciation								
Container Depreciation		$53,745	$ 40,365.90	$ -	$ 2,677.57	$ -	$ 1,000.00	$97,789
Route Vehicle Depreciation		$134,291	$ 39,885.71	$ -	$ 9,797.81	$ 16,892.77	$ 46.13	$200,913
Annualized Cost of Existing Container Acquisition		$0	$ -	$ -	$ -	$ -	$ -	$0
Other Depreciation		$22,093	$ 6,465.57	$ -	$ 1,588.25	$ 2,738.36	$ 7.48	$32,893
Total Direct Depreciation		$212,129	$86,717	$0	$14,064	$19,631	$1,054	$333,595
Allocated Costs - Labor, Vehicle, Fuel & Other Costs								
From General and Administrative (6D)		$291,492	$85,305	$0	$20,955	$36,129	$99	$432,980
From Vehicle Maintenance (6D)		$35,408	$10,362	$0	$2,545	$4,389	$12	$52,717
From Container Maintenance (6D)		$61,835	$18,096	$0	$4,445	$7,664	$21	$92,061
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$388,735	$113,764	$0	$27,946	$48,182	$132	$578,758
Allocated Costs - Depreciation and Start-Up Costs								
From General and Administrative (6D)		$9,804	$2,869	$0	$705	$1,215	$3	$14,596
From Vehicle Maintenance (6D)		$1,281	$375	$0	$92	$159	$0	$1,908
From Container Maintenance (6D)		$5,847	$1,711	$0	$420	$725	$2	$8,705
Total Allocated Costs - Depreciation and Start-Up Costs		$16,932	$4,955	$0	$1,217	$2,099	$6	$25,209
Total Annual Cost of Operations		$1,565,287	$482,721	$0	$150,251	$254,437	$3,612	$2,456,308
Profit (Enter % Operating Ratio; i.e. 95%):	87 %	$233,894	$72,131	$0	$22,451	$38,019	$540	$367,035
Pass-Through Costs								
Recyclable Materials Processing Costs	$ (15.00) /ton		($69,095)				$0	($69,095)
C&D materials Processing	$ 70.00							
Net Organic Materials Processing Costs	$ 92.00 /ton			$54,343	$46,481	$44,065		$144,890
Yard Trimings Processing	$ 62.00							
Interest Expense		$122,942	$ 35,979.17	$ -	$ 8,838.18	$ 15,238.23	$ 41.61	$183,039
Direct Lease Costs								
Route Vehicles								$0
Other (Please List)								$0
Total Direct Lease Costs		$0	$0	$0	$0	$0	$0	$0
Allocated Lease Costs								
From General and Administrative (6D)		$0	$0	$0	$0	$0	$0	$0
From Vehicle Maintenance (6D)		$0	$0	$0	$0	$0	$0	$0
From Container Maintenance (6D)		$0	$0	$0	$0	$0	$0	$0
Total Allocated Lease Costs		$0	$0	$0	$0	$0	$0	$0
Total Pass-Through Costs		$122,942	($33,116)	$54,343	$55,320	$59,304	$42	$258,834
Total Cost		$1,922,123	$521,736	$54,343	$228,022	$351,760	$4,193	$3,082,177

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

PERMANENT DEBRIS BOX SERVICE COSTS		SOLID WASTE 12-Month Period From September 6, 2017 To September 5, 2018	Exclusive Debris Box Service (C&D) From September 6, 2017 To September 5, 2018	RECYCLABLE MATERIALS 12-Month Period From September 6, 2017 To September 5, 2018	ORGANIC MATERIALS 12-Month Period From September 6, 2017 To September 5, 2018	TOTAL 12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & pool personnel)						
Regular Wages		$119,254	124,553	$ 18,465.13	$ 7.11	$262,280
Overtime Wages		30,598	31,958	$ 4,737.76	$ 1.82	$67,295
Holiday Wages		$6,277	6,555	$ 971.85	$ 0.37	$13,804
Vacation Wages		$10,461	10,926	$ 1,619.75	$ 0.62	$23,007
Sick Leave Wages		$6,277	6,555	$ 971.85	$ 0.37	$13,804
Workers Compensation Insurance Premiums		$21,266	22,211	$ 3,292.85	$ 1.27	$46,772
Workers Compensation Claims		$ -	-	$ -	$ -	$0
Health & Welfare		$50,107	52,490	$ 7,758.49	$ 2.99	$110,358
Pension/ Retirement Benefits		$15,581	16,321	$ 2,412.48	$ 0.93	$34,315
Payroll Taxes		$13,293	13,884	$ 2,058.21	$ 0.79	$29,235
Other (Please List)		$0	-	$ -	$ -	$0
Total Labor Related-Costs		$273,112	$285,454	$42,288	$16	$600,871
Vehicle-Related Costs (do not include depreciation)						
Tires & Tubes		$970	1,016	$ 150.12	$ 0.06	$2,135
Parts & Supplies (fluid, oil, etc.)		$14,603	15,297	$ 2,261.12	$ 0.87	$32,162
Taxes & Licenses		$4,750	4,975	$ 735.41	$ 0.28	$10,461
Equipment Rental		$0	-	$ -	$ -	$0
Materials and Supplies		$40	42	$ 6.20	$ 0.00	$88
Hardware		$34	36	$ 5.30	$ 0.00	$75
Oil & Lube		$1,123	1,177	$ 173.95	$ 0.07	$2,474
Outside Repairs		$4,907	5,140	$ 759.81	$ 0.29	$10,808
Truck Washing		$546	572	$ 84.59	$ 0.03	$1,203
Shop Cleaning		$4	4	$ 0.58	$ 0.00	$8
Shop Supplies		$679	711	$ 105.16	$ 0.04	$1,496
Shop Small Tools		$165	173	$ 25.59	$ 0.01	$364
Other Costs		$ -	-	$ -	$ -	$0
Total Vehicle-Related Costs		527,821	$29,144	$4,308	$2	$63,275
Fuel Costs		$ 15,522.62	$ 16,260.74	$ 2,403.50	$1	$34,188
Other Costs						
Liability & Property Damage Insurance		$4,987	5,224	$ 772.14	$0	$10,983
Equipment Insurance		$ -	-	$ -	$0	$0
Training & Safety Programs		$414	434	$ 64.08	$0	$912
Uniforms		$958	1,003	$ 148.27	$0	$2,109
Other (Please List)		$ -	-	$ -	$0	$0
Total Other Costs		$6,358	$6,660	$984	$0	$14,004
Direct Depreciation						
Container Depreciation		$ 20,780.86	$ -	$ 1,884.00	$0	$22,665
Route Vehicle Depreciation		$36,250	37,125	$ 5,612.86	$0	$78,987
Annualized Cost of Existing Container Acquisition		$ -	-	$ -	$0	$0
Other Depreciation		$7,432	7,852	$ 1,150.75	$0	$16,435
Total Direct Depreciation		$64,463	$44,977	$8,648	$0	$118,087
Allocated Costs - Labor, Vehicle, Fuel & Other Costs						
From General and Administrative (6D)		$98,055	-	$15,183	$0	$113,238
From Vehicle Maintenance (6D)		$11,911	-	$1,844	$0	$13,755
From Container Maintenance (6D)		$20,801	-	$3,221	$0	$24,021
Total Allocated Costs - Labor, Vehicle, Fuel & Other Costs		$130,767	$0	$20,248	$0	$151,015
Allocated Costs - Depreciation and Start-Up Costs						
From General and Administrative (6D)		$3,298	-	$511	$0	$3,809
From Vehicle Maintenance (6D)		$431	-	$67	$0	$498
From Container Maintenance (6D)		$1,967	-	$305	$0	$2,271
Total Allocated Costs - Depreciation and Start-Up Costs		$5,696	$0	$882	$0	$6,578
Total Annual Cost of Operations		$523,740	$382,496	579,762	$19	$986,017
Profit (Enter % Operating Ratio: i.e. 95%):	87 %	$78,260	$57,195	$11,918	$3	$147,336
Pass-Through Costs						
Recyclable Materials Processing Costs	$ (15.00) /ton		($2,395)	($10,206)		($12,521)
C&D Materials Processing	$ 70.00		$590,664			$590,664
Net Organic Materials Processing Costs	$ 92.00 /ton				$0	$0
Interest Expense		$41,357	$0	$ 6,403.62	$0	$47,760
Direct Lease Costs						
Route Vehicles						$0
Other (Please List)						$0
Total Direct Lease Costs		$0	$0	$0	$0	$0
Allocated Lease Costs						
From General and Administrative (6D)		$0	$0	$0	$0	$0
From Vehicle Maintenance (6D)		$0	$0	$0	$0	$0
From Container Maintenance (6D)		$0	$0	$0	$0	$0
Total Allocated Lease Costs		$0	$0	$0	$0	$0
Total Pass-Through Costs		$41,357	$588,349	($3,802)	$0	$35,239
Total Cost		$643,357	$1,028,000	$87,578	$22	$1,168,592

Form 6D

Detailed Collection Cost Proposal Information
Proposer Name: Garden City Sanitation, Inc.

PROPOSED ALLOCATED COST		GENERAL AND ADMINISTRATIVE 12-Month Period From September 6, 2017 To September 5, 2018	VEHICLE MAINTENANCE 12-Month Period From September 6, 2017 To September 5, 2018	CONTAINER MAINTENANCE 12-Month Period From September 6, 2017 To September 5, 2018
Labor-Related Costs (include regular & part personnel)				
Regular Wages		$ 431,376.00	$ 68,947.70	$ 234,104.96
Overtime Wages		$ 41,909.40	$ 17,440.40	$ 31,943.72
Holiday Wages		$ 22,704.00	$ 3,628.80	$ 6,531.84
Vacation Wages		$ 37,340.40	$ 6,848.00	$ 10,886.40
Sick Leave Wages		$ 22,704.00	$ 3,628.80	$ 6,531.84
Workers Compensation Insurance Premiums		$ 70,955.00	$ 12,795.24	$ 22,131.45
Workers Compensation Claims		$ -	$ -	$ -
Pension / Retirement Benefits		$ 215,393.40	$ 30,770.56	$ 55,357.00
Payroll Taxes		$ 66,976.40	$ 9,568.00	$ 17,222.40
Other (Please List)				
Total Labor Related-Costs		$909,358	$151,577	$274,634
Vehicle-Related Costs				
Tires & Tubes		1,250.00	1,375.00	1,375.00
Parts		1,400.00	1,100.00	-
Parts & Supplies (fluid, oil, etc.)		500.00	550.00	-
Total Vehicle-Related Costs		$3,150	$3,025	$1,375
Fuel Costs		$ 5,738.29	$ 5,738.29	$ 5,738.29
Other Costs				
Liability & Property Damage Insurance		$0		
Equipment Insurance		$0		
Rent		$435.000		
Utilities		$20,000		
Telephone		$6,800		
Non-vehicle Related Supplies		$15,000		
Non-vehicle Related Taxes & Licenses		$0		
Training & Safety Programs		$0		
Initial Public Education & Outreach		$50,000		
Continuing Public Education & Outreach		$50,000		
Uniforms		$0		
Bad Debt		$0		
Performance Bond		$13,750		
Corporate Overhead Charge (Please List)		$86,453		
Other (Please List)		$0		
Internet Connection		$0		
Accounting		$12,000		
Business License		$5,000		
Yard Maintenance		$5,000		
Other Costs		$0		
Total Other Costs		$409,603	$0	$0
Total Labor, Vehicle, Fuel, and Other Costs		$1,328,177	$161,337	$281,749
Depreciation (narrowly specific) and Start-Up Costs				
Vehicle Depreciation		$5,231	$ 5,838.75	$ 26,640.36
Start Up Costs (6E)		$34,440	-	-
Other Depreciation		-	-	-
Total Depreciation and Start-Up Costs		$44,671	$5,839	$26,640
Lease Costs				
Facility Costs (Please List)				
Lease Costs (Please List)				
Total Lease Costs		$0	$0	$0
Total Costs to be Allocated		$1,372,848	$167,176	$308,390
Labor, Vehicle, Fuel, & Other Costs Allocated Out	Percentage			
To Solid Waste Carts (6A)	15.75%	$208,324	$24,577	$42,920
To Recyclable Materials Carts (6A)	16.32%	$216,776	$26,332	$45,985
To Yard Trimmings Carts (6A)	16.32%	$216,776	$26,332	$45,985
To Commercial Food Scraps Carts (6A)	6.51%	$86,710	$10,530	$18,394
To Four Single-Family On-Call Collections (6A)	1.78%	$23,771	$2,891	$5,052
To Solid Waste Bins (6B)	21.95%	$291,493	$35,408	$61,886
To Recyclable Materials Bins (6B)	6.47%	$85,905	$10,342	$18,046
To Multi-Family Yard Trimmings (AB 1826) (6B)	0.00%	$0	$0	$0
To Commercial Yard Trimmings (AB 1826) (6B)	1.54%	$20,905	$2,545	$4,445
To Commercial Food Scraps (AB 1826) (6B)	0.72%	$9,539	$1,159	$2,024
To Multi-Family/Commercial for-fee On-Call Pickups (6B)	0.01%	$99	$12	$21
To Solid Waste Debris Box (6C)	7.26%	$98,055	$11,911	$20,801
To Recyclable Materials Debris Box (6C)	1.14%	$15,183	$1,844	$3,220
To Organic Materials Debris Box (6C)	0.00%	$0	$0	$0
Total Labor, Vehicle, Fuel & Other Costs Allocated Out	100.00%	$1,328,177	$161,337	$281,749
Depreciation and Start-Up Costs Allocated Out				
To Solid Waste Carts (6A)	15.75%	$6,908	$819	$4,058
To Recyclable Materials Carts (6A)	16.32%	$7,291	$953	$4,348
To Yard Trimmings Carts (6A)	16.32%	$7,291	$953	$4,348
To Commercial Food Scraps Carts (6A)	6.51%	$2,916	$380	$1,739
To Four Single-Family On-Call Collections (6A)	1.78%	$1,963	$257	$1,171
To Solid Waste Bins (6B)	21.95%	$9,804	$1,281	$5,847
To Recyclable Materials Bins (6B)	6.47%	$2,889	$375	$1,721
To Multi-Family Yard Trimmings (AB 1826) (6B)	0.00%	$0	$0	$0
To Commercial Yard Trimmings (AB 1826) (6B)	1.54%	$703	$92	$419
To Commercial Food Scraps (AB 1826) (6B)	0.72%	$1,775	$159	$725
To Multi-Family/Commercial for-fee On-Call Pickups (6B)	0.01%	$3	$0	$2
To Solid Waste Debris Box (6C)	7.26%	$3,298	$431	$1,967
To Recyclable Materials Debris Box (6C)	1.14%	$511	$67	$305
To Organic Materials Debris Box (6C)	0.00%	$0	$0	$0
Total Depreciation and Start-Up Costs Allocated Out	100.00%	$44,671	$5,839	$26,641
Lease Costs Allocated Out				
To Solid Waste Carts (6A)	15.75%	$0	$0	$0
To Recyclable Materials Carts (6A)	16.32%	$0	$0	$0
To Yard Trimmings Carts (6A)	16.32%	$0	$0	$0
To Commercial Food Scraps Carts (6A)	6.51%	$0	$0	$0
To Four Single-Family On-Call Collections (6A)	1.78%	$0	$0	$0
To Solid Waste Bins (6B)	21.95%	$0	$0	$0
To Recyclable Materials Bins (6B)	6.47%	$0	$0	$0
To Multi-Family Yard Trimmings (AB 1826) (6B)	0.00%	$0	$0	$0
To Commercial Yard Trimmings (AB 1826) (6B)	1.54%	$0	$0	$0
To Commercial Food Scraps (AB 1826) (6B)	0.72%	$0	$0	$0
To Multi-Family/Commercial for-fee On-Call Pickups (6B)	0.01%	$0	$0	$0
To Solid Waste Debris Box (6C)	7.26%	$0	$0	$0
To Recyclable Materials Debris Box (6C)	1.14%	$0	$0	$0
To Organic Materials Debris Box (6C)	0.00%	$0	$0	$0
Total Lease Costs Allocated Out	100.00%	$0	$0	$0
Total Allocated Out		$1,372,848	$167,176	$308,390

Please describe allocation method used (e.g. tonnage, routes, etc.)

Start-up Costs
Proposer Name: Garden City Sanitation, Inc.

Annualized Amount to be Amortized over 10 Years (10% of Total Cost)

Start-up Cost of Operations	TOTAL
Labor-Related Costs	
1 Driver Safety and Orientation	$67,246
2 CSR Training	$224,356.02
3 Supervisor	$ 39,652.29
4 Mechanic training	$22,886.55
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
Subtotal Labor-Related Costs	$354,141
Vehicle-Related Costs	
1 Driver Training	$21,641.24
2 Supervisor Training	$756.25
3 Mechanic training	$115
4 Fuel	$9,951.75
5	$0
6	$0
7	$0
8	$0
9	$0
10	$0
Subtotal Vehicle-Related Costs	$32,464
Other Costs	
1	
2 Data base set up	$60,000
3 Route Audits	$50,000
4 Staging Site Costs for delivery of Containers	$60,000
5 Contingent Costs	$35,000
6	$0
7	$0
8	$0
9	$0
10	$0
Subtotal Other Costs	$205,000
Total Start-up Costs	$591,605
Term of Contract 15 years	
Total Annual Amortization - Start-up Cost (Linked to Form 6D)	$ 39,440

Form 7 Facilities

Processing Cost Proposal
Proposer Name: Garden City Sanitation, Inc.

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

	MSW Processed	Recyclable Materials	C&D Processing Annuals	C&D Processing Debris Box	Yard Trimmings	Food Scraps
	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	12-Month Period From September 6, 2017 To September 5, 2018	Period From September
	$ per Ton	$ per Ton	$ per Ton	$ per Ton	$ per Ton	$ per Ton
Transfer Cost, if any*	$34.00					
Processing Costs	$ -	$ -	$ 87.50	$ 70.00	$ 62.00	$ 92.00
Gross Revenues from the Sale of Recyclable Materials (show as a negative value)	$0.00	$ (15.00)				
Net Processing Cost	$0.00	($15.00)	$87.50	$70.00	$62.00	$92.00
Processing and Transfer Facility Regulatory Fees & Taxes (list separately, note if applicable for processing or transfer facility)						
San Jose Enforcement Fee LEA	$1.08					
Total Processing and Transfer Facility Regulatory Fees	$1.08	$0.00	$0.00	$0.00	$0.00	$0.00
Total Processing and Transfer Cost	$35.08	($15.00)	$87.50	$70.00	$62.00	$92.00

* Transfer station fee to include all transfer facility-related costs and the long-haul transportation costs from the transfer station to the Landfill.

Depreciation
Proposer Name: Garden City Sanitation, Inc.

Years 1 through 10

Depreciation (Projected)		Quantity	Life	Assumed Capital Costs *	ANNUAL DEPRECIATION Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
VEHICLES														
YR 1	Vehicles Put in Service	26	15	$ 10,297,015	$ 686,467.70	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468
YR 2	Vehicles Put in Service													
YR 3	Vehicles Put in Service													
YR 4	Vehicles Put in Service													
YR 5	Vehicles Put in Service													
YR 6	Vehicles Put in Service													
YR 7	Vehicles Put in Service													
YR 8	Vehicles Put in Service													
YR 9	Vehicles Put in Service													
YR 10	Vehicles Put in Service													
	Subtotal Vehicles	26		$ 10,297,015	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468
CONTAINERS														
YR 1	New Containers	62,754	15	$ 6,443,436	$ 429,561.06	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561	$ 429,561
YR 1	Containers Purchased	3,138	15	$ 322,171	$ 21,478.06	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 2	Containers Purchased	3,138	15	$ 322,171		$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 3	Containers Purchased	3,138	15	$ 322,171			$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 4	Containers Purchased	3,138	15	$ 322,171				$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 5	Containers Purchased	3,138	15	$ 322,171					$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 6	Containers Purchased	3,138	15	$ 322,171						$ 21,478	$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 7	Containers Purchased	3,138	15	$ 322,171							$ 21,478	$ 21,478	$ 21,478	$ 21,478
YR 8	Containers Purchased	3,138	15	$ 322,171								$ 21,478	$ 21,478	$ 21,478
YR 9	Containers Purchased	3,138	15	$ 322,171									$ 21,478	$ 21,478
YR 10	Containers Purchased	3,138	15	$ 322,171										$ 21,478
	Subtotal Containers	94,130		$ 9,665,124	$ 451,039	$ 472,517	$ 493,995	$ 515,473	$ 536,951	$ 558,429	$ 579,907	$ 601,385	$ 622,864	$ 644,342
OTHER														
YR 1	Other From Form 4		15	$ 1,510,000	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667
YR 2														
YR 3														
YR 4														
YR 5														
YR 6														
YR 7														
YR 8														
YR 9														
YR 10														
	Subtotal Other			$ 1,510,000	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667
	Total Assumed Capital Cost & Depreciation			$ 21,472,139	$ 1,238,173	$ 1,259,652	$ 1,281,130	$ 1,302,608	$ 1,324,086	$ 1,345,564	$ 1,367,042	$ 1,388,520	$ 1,409,998	$ 1,431,476
	Total Allowable Annual Direct Vehicle Depreciation**			n.a.	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468	$ 686,468
	Total Allowable Annual Direct Container Depreciation**			n.a	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690	$ 547,690
	Total Allowable Annual Other Depreciation***			n.a	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667	$ 100,667
				n.a	$ 1,334,825	$ 1,334,825	$ 1,334,825	$ 1,334,825	$ 1,334,825	$ 1,334,825	$ 1,334,825	$ 1,334,825	$ 1,334,825	$ 1,334,825

* Assumed Capital Costs (column should tie to Form 4).

** Total Allowable Annual Direct Depreciation amount here is to be allocated to direct depreciation for the service categories on Forms 6A through 6C, with the total annual allowable direct depreciation amount on this Form matching the amount that appears on Form 6.

*** Total Allowable Annual Other Depreciation amount here is to be reflected on Form 6D under Depreciation and Start-Up costs in the line item titled "Other Depreciation" and/or allocated to other depreciation for the service categories on Forms 6A through 6C.

Hauler Benchmarks

Proposer Name: Garden City Sanitation, Inc.

Note to Proposers: No input is required on this sheet. Data is pulled from other sheets.

Operational Statistics

Benchmark Description	Cart Service					Bin Service						
	Solid Waste	Recyclable Materials	Yard Trimmings	Commercial Food Scraps	Four Single-Family On-Call Collections	Solid Waste	Recyclable Materials	Multi-Family Yard Trimmings (AB 1826)	Commercial Yard Trimmings (AB 1826)	Commercial Food Scraps (AB 1826)	Multi-Family/Commercial for-fee On-Call Pickups	Solid Waste
Drive-bys / Route / Day	1,000.1	927.9	922.9	2,389.0	20.0	-	-	-	-	-	-	-
Drive-bys / Route Hour	125.0	116.0	116.0	298.6	2.5	-	-	-	-	-	-	-
Setouts / Route Hour	125.0	116.0	116.0	298.6	2.5	-	-	-	-	-	-	-
Lifts / Route Hour	-	-	-	-	-	12.5	28.0	-	37.5	3.2	128.5	
Lifts / Year	-	-	-	-	-	384,584.0	44,200.0	125,944.0	16,764.8	3,353.0	365.0	
Minutes / Lift	-	-	-	-	-	4.8	3.2	-	2.2	13.6	0.5	
Lbs / Drive-by	34.7	24.9	33.9	12.5	2,260.2	-	-	-	-	-	-	-
Tons / Lift	-	-	-	-	-	0.3	0.1	-	-	-	-	-
Direct Labor Costs / Drive-by	$ 0.77	$ 0.83	$ 0.83	$ -	$ 57.50	-	-	-	-	-	-	$ -
Direct Labor Costs / Lift	-	-	-	-	-	$ 7.74	$ 5.33	$ -	$ -	$ 29.01	$ -	
Direct Labor Costs / Route Hour	$ 96.76	$ 96.76	$ 96.76	$ -	$ 343.74	$ 96.76	$ 96.76	$ -	$ -	$ 93.53	$ -	$ 96.76
Annual Direct Labor Costs / Direct Employee	$ 201,261.33	$ 201,261.33	$ 201,261.33	$ -	$ 285,974.10	$ 201,261.33	$ 201,261.33	$ -	$ -	$ 194,552.60	$ -	$ 201,261.31
Vehicle Costs / Drive-by	$ 0.06	$ 0.08	$ 0.08	$ -	$ 4.18	-	-	-	-	-	-	$ -
Vehicle Costs / Lift	-	-	-	-	-	$ 0.78	$ 0.54	$ -	$ -	$ 3.75	$ -	
Vehicle Costs / Route Hour	$ 7.04	$ 9.33	$ 9.57	$ -	$ 10.46	$ 9.71	$ 9.71	$ -	$ -	$ 5.63	$ -	$ 9.56
Vehicle Costs / Route Vehicle	$ 33,333.28	$ 37,644.62	$ 35,303.57	$ -	$ 39,776.90	$ 38,355.08	$ 38,355.08	$ -	$ -	$ 10,445.95	$ -	$ 35,638.26
Total Operating Expense [1] / Drive-by	$ 1.60	$ 1.83	$ 1.89	$ 0.67	$ 76.39	-	-	-	-	-	-	$ -
Total Operating Expense / Route Hour	$ 199.82	$ 212.00	$ 218.97	$ 200.21	$ 190.97	$ 201.20	$ 211.24	$ -	$ 263.74	$ 256.30	$ 1,276.32	$ 200.21
Total Operating Expense / FTE Route	$ 415,635.03	$ 440,956.29	$ 455,456.92	$ 416,444.13	$ 397,209.61	$ 418,500.12	$ 439,268.34	$ -	$ 548,541.26	$ 536,351.26	$ 2,655,537.37	$ 416,429.68

Fuel Statistics

Average Cost / Gallon	$ 2.25	$ 2.25	$ 2.25	$ -	$ 1.50	$ 2.25	$ 2.25	$ -	$ -	$ -	$ 477.87	$ 2.25
Gallons / Route Hour	1.5	1.7	3.0	1.5	3.4	1.5	1.5	-	1.5	1.5	1.5	2.4
Fuel Cost / Route Hour	$ 3.49	$ 3.82	$ 6.65	$ -	$ 5.06	$ 3.29	$ 3.29	$ -	$ -	$ -	$ 448.00	$ 5.50

Other Statistics

	September 6, 2017 - September 5, 2018
Direct Labor Cost as a % of Total Operating Expense	51%
Direct Operating Costs as a % of Total Operating Expense	75%
G&A Costs as a % of Total Operating Expense	27%
Vehicle Maint. & Container Maint. Cost as a % of Total Operating Expense	6%
Bad Debt as a % of Total Base Compensation	0%
Profit expressed as an Operating Ratio	35%
Total Cart Base Compensation / Cart Account	$ 372.04

	September 6, 2017 - September 5, 2018
Recyclable Materials Processing Costs / Ton	$ (5.03)
Net Organic Materials Processing Costs / Ton	$ -
# of Mechanics / # of Route Vehicles	0

$7,964,297	Total Operating Expense for Form 6A - 6C (Rate Period 1)	$1,743,778	$1,821,878	$1,246,371	$498,733	$230,869	$1,488,729	$515,740	$0	$359,099	$269,676	$3,653	$565,090

[1] Total Operating Expense = Total Base Compensation less Profit, Net Processing Costs, and Disposal Costs

Customer Subscription Levels

Single Family Customer Data				
	Number of Containers			
	SW	REC	YT	Total
Carts				
Customer Owned	0			0
35				0
65				0
95				0
Subtotal	0	0	0	0
Hard-to-Service				
Company Provided				0
20	4,950			4,950
35	7,923			7,923
65	981			981
95	65	13,919	13,919	27,903
Subtotal	13,919	13,919	13,919	41,757
Total				
Company Provided	0		0	0
20	4,950			4,950
35	7,923	0	0	7,923
65	981	0	0	981
95	65	13,919	13,919	27,903
Total	13,919	13,919	13,919	41,757

Multi-Family Solid Waste Container Count (# of Containers)									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	35							0	0
	65							0	0
	95							0	0
	1	27						27	27
	2	25	3	1				58	29
	3	20	1					66	21
	4	1						4	1
	6	1	1					18	2
	8							0	0
	Total	74	5	1	0	0	0	183	80

Multi-Family Recycling Container Count (# of Containers)									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	65							0	0
	95							0	0
	1	6						6	6
	2	15						30	15
	3	1						3	1
	4							0	0
	6							0	0
	8							0	0
	Total	22	0	0	0	0	0	39	22

Multi-Family Organics Container Count (# of Containers)									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	35	0						-	0
	65	0						-	0
	1							-	0
	1.5							-	0
	2							-	0
	Total	0	0	0	0	0	0	-	0

Commercial Solid Waste Container Count (# of Containers)*									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	35	7	0	0	0	0	0	1.2128713	7
	65	4	0	0	0	0	0	1.2871287	4
	95	72	0	0	0	0	0	33.861386	72
	1	108	5	0	0	0	0	118	113
	2	207	31	19	10	1	2	766	270
	3	106	24	16	18	32	7	1428	203
	4	178	85	46	32	23	7	3084	371
	6	28	17	8	7	2	0	744	62
	8	34	20	11	2	6	0	1160	73
	Total	744	182	100	69	64	16	7336.3614	1175

Commercial Recycling Container Count (# of Containers)*									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	65	136	1	1	2	1	1	51.485149	142
	95	27	1	0	0	0	0	13.638614	28
	1	103	3	5	0	0	0		111
	2	159	15	2	5	2	7	534	190
	3	74	13	17	13	1	27	1080	142
	4	127	70	33	14	11	11	2172	266
	6	8	3	3	2	1	0	216	17
	8	47	15	9	1	5	9	1496	86
	Total	681	120	70	35	21	55	5568.1238	982

Commercial Organics Container Count (# of Containers)									
		Collections per Week							
		1	2	3	4	5	6	CY	TOTAL
Container Size	35							0	0
	65	414						133.21782	414
	1							0	0
	1.5							0	0
	2							0	0
	Total	414	0	0	0	0	0	133.21782	414

Form 11 Cost Route Hour

Collection Vehicle Transport Costs

Proposer Name:

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

	Cart Collection				Bin Collection				Debris Box			Street Sweeping	Other	Average
	Solid Waste	Recyclables	Yard Trimmings	Bulky Waste Pickup	Solid Waste	Recyclables	Yard Trimmings	Commercial Food Scraps	Solid Waste	Recyclables	Organic Materials			
TruckType	Labrie Automizer (Split Body)	Labrie Automizer (Split Body)	Labrie Automizer	Flat Bed with Grapple	Witke Starlight Front Loader 4 Axle	Witke Starlight Front Loader 4 Axle	Witke Starlight Front Loader 4 Axle	Witke Starlight Front Loader 4 Axle	Norcal 3 to 4 Axle	Norcal 3 to 4 Axle	Norcal 3 to 4 Axle	Elgin Crosswind Sweepter		N/A
Collection vehicle transport rate ($ per hour)	$120.95	$124.89	$124.79	$123.37	$123.35	$124.65	$124.65	$183.90	$125.40	$125.01	$125.40	$332.44		$329.90
Average tons per load (tons)	9.3	9.3	9.3	10.4	10.0	9.0	9.0	9.0	3.5	3.5	3.5	0.6		7.3

Form 12 SF Billing

Single Family Billing
Proposer Name: Garden City Sanitation, Inc.

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

	Per Unit	Per 2 Month Billing Cycle	Per Year (6 Cycles)	Per-Unit Cost
# of Mailings	N/A	16,424.00	98,544.00	N/A
Total Proccessing Cost	$0.41	$6,733.84	$40,403.04	
Total Postage Cost	$0.39	$6,421.78	$38,530.70	N/A
Total Cost	$0.80	$13,155.62	$78,933.74	

FORM OF PERFORMANCE BOND

Bond No.

FORM OF PERFORMANCE BOND

SOLID WASTE SERVICES FOR THE CITY OF MILPITAS, CALIFORNIA

KNOW ALL MEN BY THESE PRESENTS: that Milpitas Sanitation, Inc.

As Principal, hereinafter called Contractor, and,

RLI Insurance Company

As Surety, hereinafter called Surety, are held firmly bound unto the CITY OF MILPITAS, California as Obligee, hereinafter called the City, in the amount of Four Million, fifty seven thousand, six hundred and sixty-one dollars and no/100 ...($4,057,661) for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by the presents.

WHEREAS, Contractor has by written agreement dated _____,2017, entered into an Agreement with the City for providing Recycle Plus SFD Solid Waste Services in accordance with RFP specifications and Agreement of the CITY OF MILPITAS, California, which Agreement is by reference made a part hereof, and is hereinafter referred to as the Agreement.

NOW, THEREFORE, THE CONDITION OF THE OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Agreement, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever Contractor shall be, and declared by the City to be in default under the Agreement, the City having performed the City's obligations thereunder, the Surety may promptly remedy the default, or shall promptly perform one of the following:

1. Complete the Agreement in accordance with its terms and conditions.

2. Obtain a bid or bids for completing the Agreement in accordance with the terms and conditions; and upon determination by the Surety of the lowest responsible bidder, or if the City elects, upon determination by the City and Surety jointly of the lowest responsible bidder, arrange for an agreement between such bidder and the City, and make available as work progresses (even though there should be a default or a succession of defaults under the Agreement or Agreements of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the

Agreement price; but not exceeding, including costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the Agreement price", as used in this paragraph, shall mean the total amount payable by the City to Contractor under the Agreement and any amendments thereto, less the amount properly paid by the City to Contractor.

No suit under this bond may be instituted more than *one* (1) year after the expiration date of the bond or any renewal expiration date.

Notwithstanding anything to the contrary in this bond or the Agreement, the term of this bond shall expire on _____, 2018 by may be continued by a renewal certificate executed at the sole option of the Surety. However, neither refusal of the Surety to renew this bond nor the failure or inability of the Contractor to provide the City a replacement bond or security shall constitute a loss that may be claimed under this bond or any renewal or continuation thereof. The liability of the Surety under this bond and any renewal or continuation shall be limited to the penal sum provided in the first paragraph and shall not be cumulative.

Surety shall provide Obligee and Principal with a written notice of its intent not to continue this bond or any renewal or continuation at least (60) days prior to its anniversary date.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the City named herein or the executor, administrator or successors of the City of Milpitas, California.

Signed and Sealed this ____ day of _____2017.
This bond is to become effective _____, 2017.

_____
(Witness)

Milpitas Sanitation, Inc.

By:_____

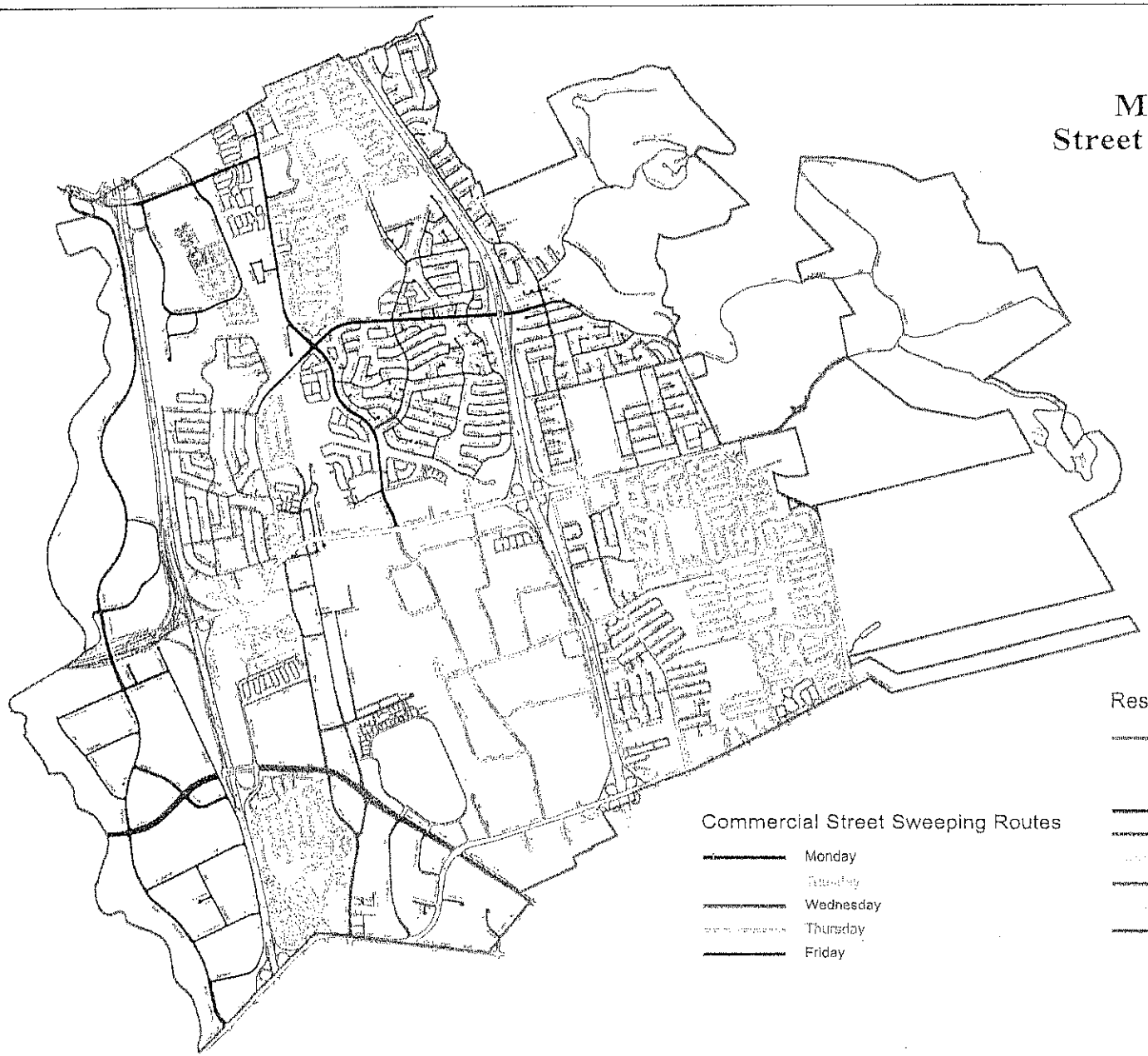
_____
(Witness)

RLI Insurance Company

By:_____
Tammy Gaw
Attorney-in-Fact

FORM OF EXHIBIT O-5 TO AGREEMENT

Milpitas Sanitation
Street Sweeping Schedules



1000 0 1000 2000 3000 4000 FEET

Commercial Street Sweeping Routes

- Monday
- Tuesday
- Wednesday
- Thursday
- Friday

Residential Street Sweeping Routes

- A -- Monday Routes 1st & 3rd Week
- B -- Tuesday Routes 1st & 3rd Week
- C -- Wednesday Routes 1st & 3rd Week
- D -- Thursday Routes 1st & 3rd Week
- E -- Friday Routes 1st & 3rd Week
- F -- Monday Routes 2nd & 4th Week
- G -- Tuesday Routes 2nd & 4th Week
- H -- Wednesday Routes 2nd & 4th Week
- I -- Thursday Routes 2nd & 4th Week
- J -- Friday Routes 2nd & 4th Week

FORM OF MOU

MEMORANDUM OF UNDERSTANDING

BETWEEN

GARDEN CITY SANITATION INC. Of SANTA CLARA COUNTY AND

SANITARY TRUCK DRIVERS AND HELPERS

TEAMSTERS LOCAL UNION 350

This Memorandum of Understanding is entered into between Garden City Sanitation Inc. of Santa Clara County (GCS) and Sanitary Truck Drivers and Helpers, Teamsters Local Union 350 (Union) in anticipation of an award to GCS by the City of Milpitas of a contract for collection services for the collection and disposition of Residential and Commercial recyclable materials, waste, organics and the processing of recyclables within the areas for which the City has responsibility. The purpose of the parties in entering into this Memorandum of Understanding is to record in writing their agreement with respect to the labor relations issues affected by such an award and thereby avoid problems or disputes that might otherwise affect the stability and continuity of the services provided for in the event the aforesaid award is made to GCS.

It is accordingly understood and agreed as follows:

1. The work covered by this Memorandum is coterminous with that covered by the anticipated award, except work performed by supervisors, management and guards as defined in the National Labor Relations Act. More specifically, the work classifications involved include Drivers, Helpers, Utility, Sweepers, Equipment Operators, Scale-house Operators, Maintenance, Mechanics, Clerical and Sorters. The parties are in agreement that these classifications, and any additional related classifications hereafter created that are incidental to the work covered by the award constitute an appropriate bargaining unit.

2. In the event GCS is awarded the franchise for the aforesaid services, it will offer employment to the number of employees currently performing the work it determines it needs, as follows: GCS will offer employment according to the seniority lists in effect at the existing provider to employees it needs who are currently employed (which includes employees who are out on workers compensation/disability) in the above described bargaining units, who have been on the job for at least 120 days as of GCS's start-up date. GCS shall only be required to offer employment to those employees who are fully capable of performing work in their regular classification on the start-up date. Following the start-up date and continuing for one (1) year thereafter, should any of the existing provider's employees who were not hired by GCS on the start-up date because they were temporarily disabled, provide medical certification demonstrating that said employee is able to return to active duty in his or her regular classification, GCS shall return that employee to active duty and displace the least senior employee in his/her regular classification. Nothing in this paragraph shall require GCS to employ more persons than it deems are needed. It is also understood no individual shall be hired from any other source prior to one (1) year from the start-up date for work within the above stated work classifications, until all displaced workers holding seniority under the previous providers shall have been offered employment.

3. It is recognized by the parties that most, if not all employees now performing the work covered by this Memorandum are currently represented by the Union and are working under collective bargaining agreements between the Union and the current provider.

a) In the event GCS becomes the successor to the current provider, GCS will upon evidence that the Union continues to represent a majority of such employees in the

bargaining unit hereinbefore described, will formally recognize the Union as their bargaining representative.

b) Such evidence shall consist of a showing that a majority of the employees are members of the Union, and/or have signed cards designating the Union as the signatory's bargaining representative.

c) GCS shall, upon the presentation of such evidence and recognition, will be bound by the terms and conditions of its existing collective bargaining agreement for the remainder of its term then in effect between the Union and the current provider (Republic Services). In the event the most recent collective bargaining agreement covering such employees has expired, the Company shall initially apply and be bound by the terms and conditions of the expired agreement, but shall concurrently meet with the Union for the purpose of negotiating in good faith to agree upon a successor agreement, which will be retroactive for wages and economic benefits to the date on which the Company begins operations under its franchise.

In the event GCS plans that the newly hired employees will work out of its existing Garden City Sanitation yard and for those employees GCS agrees to be bound by the existing collective bargaining agreements at its Santa Clara County yards, and any negotiated extensions or revisions to those existing agreements.

All employees hired in accordance with this Memorandum shall retain their City of san Jose/Milpitas union seniority held as of GCS's start-up date.

Executed this 23rd day of October 2015, in the County of Santa Clara, California.

GARDEN CITY SANITATION INC,
OF SANTA CLARA COUNTY

By: Steve Kelley

Date: 10-23-2015

SANITARY DRIVERS AND HELPERS
TEAMSTERS LOCAL UNION 350

By:

Date: 10-22-15

SECOND AMENDMENT TO FRANCHISE AGREEMENT

THIS SECOND AMENDMENT TO FRANCHISE AGREEMENT (the "Amendment"), for reference purposes dated 17th day of October, 2017, is made and entered into by and between the City of Milpitas ("City"), and Milpitas Sanitation, Inc. ("Contractor").

WHEREAS, City and Contractor entered into that Franchise Agreement between City of Milpitas and Milpitas Sanitation, Inc. for Collection of Solid Waste and Collection and Processing of Recyclable Materials and Organic Materials dated December 8, 2016, as amended by that First Amendment to Franchise Agreement dated March 21, 2017 (the "Agreement"); and

WHEREAS, Section 13.4 of the Agreement provides that any amendment of the Agreement must be in a writing executed by the parties; and

WHEREAS, City and Contractor desire to amend the Agreement to modify certain services, add certain rates, change certain definitions and make certain other changes.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The definition of "Change in Law" in Exhibit "A" of the Agreement is amended to read as follows:

> **"Change in Law"** means any of the following events or conditions that has a material and adverse effect on the performance by the Parties or any Subcontractor of their respective obligations under this Agreement (except for payment obligations) or on the activities of any Approved Facility in connection with this Agreement:
>
> a. The enactment, adoption, promulgation, issuance, modification, or written change in administrative or judicial interpretation of any Applicable Law on or after the Effective Date; or
>
> b. The order or judgment of any governmental body, on or after the Effective Date, to the extent such order or judgment is not the result of willful or negligent action, error or omission or lack of reasonable diligence of City or of the Contractor, whichever is asserting the occurrence of a Change in Law; provided, however, that the contesting in good faith or the failure in good faith to contest any such order or judgment shall not constitute or be construed as such a willful or negligent action, error or omission or lack of reasonable diligence."

2. The following new definitions are added to Exhibit "A" of the Agreement:

"Related Party Entity" (whether capitalized or not) means any Affiliate which has financial transactions with Contractor pertaining to this Agreement that have been approved by the City."

"Related Party Entity Transaction" (whether capitalized or not) means any financial transaction between Contractor and a Related Party Entity pertaining to this Agreement that has been approved by the City."

3. The definition of "Subcontractor" in Exhibit "A" of the Agreement is amended to read as follows:

"**Subcontractor**" means a Party, as approved by the City, who has entered into a contract, express or implied, with the Contractor for the performance of an act that is necessary for the Contractor's fulfillment of its obligations for providing service under this Agreement. Notwithstanding any other provision in this Agreement, vendors providing materials, supplies or professional services to Contractor, and Approved Facilities, and any respective or collective subcontractors of Approved Facilities, that are not Affiliates of Contractor, shall not be considered Subcontractors for any purpose under this Agreement."

4. The words "(to be specified by the City)" in Section 2.C.1 of each of Exhibit D-1 and Exhibit D-2 of the Agreement are deleted. The words "Designated" for each of these sections are changed to "Approved" such that Approved Disposal Facility and Approved Transfer Facility refer to the facilities defined in Exhibit A.

5. In order to reflect the service changes set forth below and to establish rates for additional services, Exhibit "L" to the Agreement is amended to read as set forth in the attached Attachment 1.

6. The first paragraph in Section 3.9 of the Agreement is amended to read as follows:

"City and Contractor shall meet and confer to establish the scope of any additional services or modification to existing services (which, subject to any agreement between Contractor and GreenWaste Recovery, Inc. or Zanker Road Resource Management, Ltd., may include use of Approved Facilities) to be provided under this Agreement. In such case, Contractor shall present, within thirty (30) calendar days of City's request, a written proposal to provide such modified or additional services, including changes in Contractor's compensation."

7. Article 4 of the Agreement is amended as follows:

A. Figures 4-2, 4-3 and 4-4, and all references thereto, are deleted.

B. Item "Additional Service" in Section 4.1.B is amended to read as follows: "Contractor will provide additional carts as requested by Customer a maximum of three (3) per account."

C. Item "Additional Service" in Section 4.1.C.1 is amended to read as follows: "Contractor will provide additional carts as requested by Customer a maximum of three (3) per account."

D. Item "Additional Service" in Section 4.1.C.2. is amended to read as follows: "Contractor will provide additional carts as requested by Customer a maximum of three (3) per account. Replacement of or additional 2-gallon food scraps kitchen pails will be charged at Contractor's cost for the food scraps kitchen pails."

E. Item "Containers" in Section 4.1.F is amended to read as follows: "Two 1.5yd bulky bags. One thousand (1,000) pound limit per bag."

F. Item "Service Frequency" in Section 4.1.F is amended to read as follows: "Customers may schedule on-call cleanup a total of 4 pickups in a rolling 12 month period. Pickups must be scheduled no less than 8 weeks apart."

G. Item "Acceptable Materials" in Section 4.1.F is amended to read as follows: "Solid Waste, Recyclable Materials, Yard Trimmings (including small tree stumps not to exceed 16 inches in diameter and 1.5 feet in length and branches not to exceed 6 inches in diameter and 3 feet in length), Reusable Materials, Appliances, Bulky Items, E-Waste, C&D (excluding concrete, rock, dirt and brick), and U-Waste."

H. The third sentence in Section 4.1.H, currently beginning "Accepted materials are…", is amended to read as follows: "Accepted materials are the same as provided in Section 4.1.F, excluding E-Waste and U-Waste."

I. Item "Container Sizes" in Section 4.2.A. is amended to read as follows: "32-, 64- and 96-gallon Carts (single compartment and split compartment); 1-, 1.5-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins and 1-, 1.5-, 2-, 3-, and 4-cubic yard Compactors 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)"

J. Item "Container Sizes" in Section 4.2.B is amended to read as follows: "64- and 96-gallon Carts (split compartment carts) or 32-, 64-, 96-gallon Carts (single compartment carts); 1-, 1.5-, 2-, 3-, 4-,6-, and 8-cubic yard Bins and 1-, 1.5-, 2-, 3-, and 4-cubic yard Compactors 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)"

K. Item "Container Sizes" in Section 4.2.C.1. is amended to add "32-gallon Carts."

L. Item "Additional Service" in Section 4.2.C.2. : is amended to read as follows: "Contractor shall provide one 64-gallon Food Scraps Cart per each enclosure at the Multi-Family complex and additional Food Scraps Carts upon request and charge an "Additional Food Scraps Cart" rate, not to exceed the Maximum Rate approved by the City. Replacement of or additional 2-gallon food scraps kitchen pails will be charged at Contractor's cost for the food scraps kitchen pails."

M. Item "Container" in Section 4.2.D. is amended to read as follows: "Two 1.5yd bulky bags. One thousand (1,000) pound limit per bag."

N. Item "Service Frequency" in Section 4.2.D. is amended to read as follows: "Customers may schedule on-call cleanup a total of 4 pickups in a rolling 12 month period. Pickups must be scheduled no less than 8 weeks apart for Single-Family style properties; on-call bulky item cleanups available for a fee for Multi-Family style properties."

O. Item "Acceptable Materials" in Section 4.2.D. is amended to read as follows: "Solid Waste, Recyclable Materials, Organic Materials, Reusable Materials, C&D (excluding concrete, rock, dirt or brick), Appliances, Bulky Items, E-Waste, and U-Waste."

P. Item "Container Sizes" in Section 4.3.A. is amended to read as follows: "32-, 64- and 96-gallon Carts 1-, 1.5-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins and 1-, 1.5-, 2-, 2.5-, 3-, and 4-cubic yard Compactors 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (as requested by Customer)."

Q. Item "Container Sizes" in Section 4.3.B. is amended to read as follows: "64- and 96-gallon Carts (split compartment) or 32-, 64-, and 96-gallon Carts (single compartments) 1-, 1.5-, 2-, 3-, 4-, 6-, and 8-cubic yard Bins and 1-, 1.5-, 2-, 3-, and 4-cubic yard Compactors 10-, 20-, 30-, and 40-cubic yard Drop Boxes and Compactors (drop boxes and compactors must be serviced at least once every other week or Contractor may apply the City-approved rental fee)."

R. Item "Container Sizes" in Section 4.3.C. is amended to add "32- and 64-gallon single compartment Carts."

S. Section 4.8.D.4.II is amended to read as follows: "Food scraps shall be processed to remove large contaminants (plastic bags, cutlery, bottles, etc.), screened to eliminate smaller contaminants, and either processed into food mash or subjected to anaerobic digestion creating energy and Compost, Mulch or soil amendment."

T. Section 4.8.D.4.IV is amended to read as follows: "All Food Scraps shall be Processed and marketed for use as animal feed, Compost, Mulch or soil amendment,

and none shall be Disposed, used as Alternative Daily Cover or Alternative Intermediate Cover, or used for Beneficial Reuse purposes."

U. Section 4.12.A.1. is amended to change the hours "9 a.m. to 5 p.m." to "8 a.m. to 6 p.m."

V. Section 4.12.A.2. is amended to change the hours "7 a.m. to 6 p.m." to "8 a.m. to 6 p.m." and the hours "6 p.m. to 7 a.m." to "6 p.m. to 8 a.m."

8. Exhibit B, Section 3.B.12. is amended to read as follows:

"For the Multi-Family Recycling/Yard Trimmings program implemented as required by AB 341 and/or AB 1826, conduct the following activities, at a minimum:

- Provide a starter kit to inform Multi-Family property owners and managers of the Multi-Family Recycling/Yard Trimmings Collection program;
- Place Recycling/Yard Trimmings presentation posters in highly trafficked areas of Multi-Family complexes; and
- Produce and distribute periodically, but at Contractor's discretion not more than quarterly, newsletters informing Multi-Family property owners and managers about the Multi-Family Recycling/Yard Trimmings Collection program."

9. City and Contractor agree and acknowledge that, except as explicitly modified by this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, we, the authorized agents of the contracting parties, by our duly authorized agents, do hereby affix our signatures and seals this 3rd day of November, 2017.

CITY OF MILPITAS

By: _____
Printed
Name: Steve J. Pangelinan
Its: Interim City Manager

MILPITAS SANITATION, INC.

By: _____
Printed
Name: Louis Pellegrini
Its: President

APPROVED AS TO FORM:

By: _____
Printed
Name: Christopher J. Diaz
Its: City Attorney

ATTACHMENT 1

EXHIBIT L
AMENDMENT NO. 2

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR SINGLE FAMILY CART SERVICE CUSTOMERS

Basic Weekly Service* (rates include Food Scraps, Recyclables, & Yard Trimmings) Billed Quarterly

Single Family - Premises with individual units that are billed directly for service. Single-Family includes 1-4 residential units that are provided carts (single-family, mobile homes, duplex through four-plex developments, and townhomes and row houses with accessible individual street frontage).

Container Size	Curbside Quarterly Rate	Backyard or Sideyard Quarterly Rate
19-gal Solid Waste /19-gal Food Scraps Split Cart	$96.66	
19-gal Solid Waste /19-gal Food Scraps Split Cart Backyard Svc		$124.53
26-gal Solid Waste /19-gal Food Scraps Split Cart	$105.06	
26-gal Solid Waste /19-gal Food Scraps Split Cart Backyard Svc		$132.93
45-gal Solid Waste /19-gal Food Scraps Split Cart	$123.57	
45-gal Solid Waste /19-gal Food Scraps Split Cart Backyard Svc		$151.44
67-gal Solid Waste /29-gal Food Scraps Split Cart	$141.96	
67-gal Solid Waste /29-gal Food Scraps Split Cart Backyard Svc		$169.83

** Quarterly rate also includes 96 gallon split cart for recyclables and a 96 gallon yard trimmings cart. 64 gallon split cart for recyclables is available upon request. Recyclable Materials program includes collection of batteries placed in a zipper-style bag on top of the recycling cart.*

Basic Weekly Service* Senior Rates (including Food Scraps, Recyclables, & Yard Trimmings) Billed Quarterly

Single Family - Premises with individual units that are billed directly for service. Single-Family includes 1-4 residential units that are provided carts (single-family, mobile homes, duplex through four-plex developments, and townhomes and row houses with accessible

Container Size	Curbside Quarterly Rate	Backyard or Sideyard Quarterly Rate
19-gal Solid Waste /19-gal Food Scraps Split Cart - Senior	$48.33	
19-gal Solid Waste /19-gal Food Scraps Split Cart - Senior Disabled Backyard Svc		$48.33
26-gal Solid Waste /19-gal Food Scraps Split Cart - Senior	$52.53	
26-gal Solid Waste /19-gal Food Scraps Split Cart - Senior Disabled Backyard Svc		$52.53

** Quarterly rate also includes 96 gallon split cart for recyclables and a 96 gallon yard trimmings cart. 64 gallon split cart for recyclables is available upon request. Senior citizen billing status and free backyard service are subject to periodic evaluation and are not a permanent, binding status agreement between Milpitas Sanitation and the subscriber. Milpitas Sanitation reserves the right to require subscribers to provide verification of eligibility upon request.*

Basic Weekly Service* Backyard Disabled Svc (including Food Scraps, Recyclables, & Yard Trimmings) Billed Quarterly

Single Family - Premises with individual units that are billed directly for service. Single-Family includes 1-4 residential units that are provided carts (single-family, mobile homes, duplex through four-plex developments, and townhomes and row houses with accessible

Container Size	Backyard or Sideyard Quarterly Rate
19-gal Solid Waste /19-gal Food Scraps Split Cart Disabled Backyard Svc	$96.66
26-gal Solid Waste /19-gal Food Scraps Split Cart Disabled Backyard Svc	$105.06
45-gal Solid Waste /19-gal Food Scraps Split Cart Disabled Backyard Svc	$123.57
67-gal Solid Waste /29-gal Food Scraps Split Cart Disabled Backyard Svc	$141.96

** Quarterly rate also includes 96 gallon split cart for recyclables and a 96 gallon yard trimmings cart. 64 gallon split cart for recyclables is available upon request. Free backyard service is subject to periodic evaluation and is not a permanent, binding status agreement between Milpitas Sanitation and the subscriber. Milpitas Sanitation reserves the right to require those subscribers receiving free backyard service to provide verification of eligibility upon request.*

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR SINGLE FAMILY CART SERVICE CUSTOMERS

Mobile Home Park Basic Weekly Service* (rates include Food Scraps & Recyclables) Billed Quarterly

Container Size	Curbside Quarterly Rate	Backyard or Sideyard Quarterly Rate
19-gal Solid Waste /19-gal Food Scraps Split Cart - Mobile Home Park	$29.49	
19-gal Solid Waste /19-gal Food Scraps Split Cart Backyard Svc - Mobile Home Park		$57.36
19-gal Solid Waste /19-gal Food Scraps Split Cart - Disabled Backyard Svc Mobile Home Park		$29.49
26-gal Solid Waste /19-gal Food Scraps Split Cart - Mobile Home Park	$32.07	
26-gal Solid Waste /19-gal Food Scraps Split Cart Backyard Svc - Mobile Home Park		$59.94
26-gal Solid Waste /19-gal Food Scraps Split Cart - Disabled Backyard Svc Mobile Home Park		$32.07
45-gal Solid Waste /19-gal Food Scraps Split Cart - Mobile Home Park	$47.55	
45-gal Solid Waste /19-gal Food Scraps Split Cart Backyard Svc - Mobile Home Park		$75.42
45-gal Solid Waste /19-gal Food Scraps Split Cart Disabled Backyard Svc - Mobile Home Park		$47.55

**** Quarterly rate also includes 96 gallon split cart for recyclables - 64 gallon split cart for recyclables is available upon request.***

Recyclable Materials program includes collection of batteries placed in a bag on top of the recycling cart.

Mobile Home Park residents do not have the option of Yard Trimmings service. Park Management will arrange for centralized service.

Single Family - Additional Containers/ Scheduled Services

There will be a limit of 3 Recyclable Materials and 3 Yard Trimmings carts per customer account.

Container Size	Curbside Quarterly Rate	Backyard or Sideyard Quarterly Rate
Recyclable Materials Cart - No Charge 64 gal Split Cart (Fibers/Containers)	$0.00	
Recyclable Materials Cart - No Charge 96 gal Split Cart (Fibers/Containers)	$0.00	
Recyclable Materials Cart - No Charge 64 gal Split Cart - Additional (Fibers/Containers)	$0.00	
Recyclable Materials Cart - No Charge 96 gal Split Cart - Additional (Fibers/Containers)	$0.00	
Yard Trimmings Cart - No Charge 96 gal Cart	$0.00	
Yard Trimmings Cart - No Charge 96 gal Cart - Additional	$0.00	
Food Scraps Kitchen Pail - 2 Gallon	$0.00	
Backyard Service - Recycling (for routing only)		$0.00
Backyard Service - Organics (for routing only)		$0.00

EXHIBIT L
MAXIMUM RATES APPROVED BY THE CITY FOR RATE PERIOD ONE
RATES FOR SINGLE FAMILY CART SERVICE CUSTOMERS

Used Motor Oil & Cooking Oil On-Call Service

Material Type	Examples	Rate Per Pickup
Used Motor Oil	Used Motor Oil Recovery Kit - Delivery/Removal. During removal driver will leave a new Used Motor Oil Recover Kit for future use.	$0.00
Used Cooking Oil	Used Cooking Oil Recovery Kit - Delivery/Removal. During removal driver will leave a new Used Cooking Oil Recover Kit for future use.	$0.00

On-Call Curbside Bulky Bag/Bulky Item Collection - Up to 4 Times Per Year*

Customers are eligible to dispose of up to three (3) cubic yards of Solid Waste, Recyclable Materials, Organics Materials, Reusable Materials, C&D, U-Waste and E-Waste OR up to one (1) Appliance or Bulky Item:

Material Type	Examples	Rate Per Pickup
On Call Clean Up	MSI will deliver two 1.5yd bulky bags and pickup 7 days later. Customer can dispose up to three (3) cubic yards of Solid Waste, Recyclable Materials, Organics Materials, Reusable Materials, C&D and E-Waste.	$0.00
On Call Bulky Item Only	Either one (1) Appliance or one (1) Bulky Item.	$0.00

MSI will deliver two 1.5 yard bulky bags on customers service day. Both bulky bags will be removed on the next service day. There is no discount for not filling both bags. If customer reschedules one bag for a future date they will be charged the additional on call curbside clean up charge.

Customers may schedule on-call cleanup a total of 4 pickups in a rolling 12 month period. Pickups must be scheduled no less than 8 weeks apart.

Organic material includes small tree stumps not to exceed 16 in diameter & length. C&D excludes concrete, rock, dirt and brick. Any single items exceeding seventy-five (75) pounds will not be accepted.

On-Call Curbside Bulky Bag/Bulky Item Collection - Additional Charges/Services

Customers requiring additional annual collection events may pay a fee to schedule additional on-call collections. Customers may also pay a fee for those additional items that exceed the on-call collection event guidelines.

Material Type	Examples	Rate Per Pickup
Additional On-Call Curbside Clean Up	Customers requesting annual collection beyond four (4) per year. Program guidelines will apply.	$144.49
Major Appliances	Air Conditioners, Refrigerators, Freezers or any items containing oil, fuel or Freon (White Goods). One free per clean up - additional charged per item.	$41.82
Bulky Items / E-Waste	Bulky Item Examples - Gas & electric powered push style lawn mowers. And all other large items; Bathtubs, mattresses, furniture, bicycles, used exercise equipment, beds, box springs, tires, e-Waste etc. (contact MSI for acceptable items). One free per clean up - additional charged per item.	$56.23

EXHIBIT L
MAXIMUM RATES APPROVED BY THE CITY FOR RATE PERIOD ONE
RATES FOR SINGLE FAMILY CART SERVICE CUSTOMERS

Rates for Miscellaneous Service for Single Family Cart Customers

Service	Description of Service	Rate per Occurrence
Bag Tags	Overages will be collected from customers who purchase additional bag tags. Customer purchased tags will be affixed to extra garbage (placed at the curb in a bag).	$3.75
1 yd, 2yd or 3yd Temporary Bin Service	Placement and removal of 1 cubic yard bin provided for occasional use. Customer may dispose of Solid Waste, Recyclable Materials, Organics Material (including small tree stumps not to exceed 16 inches in diameter or length), Reusable Materials, C&D (excluding concrete). U-Waste and E-Waste will not be accepted.	$118.62
Cart Replacement/ Service Level Changes	Charge if customer requires service level change for cart service in excess of more than once per 12 month period.	$59.31
Christmas Tree Removal	Collection of holiday trees for the two weeks beginning on the Monday following Christmas and continue for ten (10) Business days. Holiday trees are collected on Customer's regular collection day during the designated weeks.	$0.00
Damaged Cart Repair	Charge if customer requires cart replacement in excess of one replacement per year.	$89.74
2-gallon Food Scraps Pail - Additional/ Replacement	Charge if customer requires delivery of additional pails or replacement pails.	Contractor Cost Adjusted Annually During Rate Increase
Late Fee	Charged per quarter to delinquent accounts.	$20.00
Restart Fee	Charge if customer requires cart replacement of recycling or yard trimmings cart as a result of delinquent account service reduction. Fee will be waived for those customers opting into the MSI autopay program.	$59.31
Returned ACH Fee	Charge for autopay by bank payments rejected by customer's bank.	$5.35
Returned Check Fee	Charge for checks returned unpaid by customers' bank.	$25.80

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR SINGLE FAMILY CART SERVICE CUSTOMERS

Additional On-Call Pick-Up Service for Single Family Solid Waste/Food Scraps Cart (Cost per Pick-Up)

	Container Size			
	38-gal	45-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$10.85	$12.85	$18.28	$27.42
Pick-Up Saturday	$16.27	$19.27	$27.40	$41.10

Additional On-Call Pick-Up Service for Single Family Recyclables Cart (Cost per Pick-Up)

	Container Size	
	64-gal	96-gal
Pick-Up Monday thru Friday	$18.28	$27.42
Pick-Up Saturday	$27.40	$41.10

Additional On-Call Pick-Up Service for Single Family Yard Trimmings Cart (Cost per Pick-Up)

	Container Size
	96-gal
Pick-Up Monday thru Friday	$27.42
Pick-Up Saturday	$41.10

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY CART SERVICE CUSTOMERS

Basic Weekly Service (including Food Scraps, Recyclables, & Yard Trimmings) Billed Monthly

Multi-Family sites are Residential Premises, other than a Single-Family Premises, with five (5) or more dwelling units used for Residential purposes that receive centralized Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address.
Medium Multi-Family - Premises may include single-family attached and semi-attached houses and duplexes and shall be provided with carts or bins, as determined by the Contractor and approved by the City. ***Below are services offered for those customers requesting cart services only.***

Solid Waste Cart Rates (Cost per Month per Cart)

Multi-Family Medium Density Solid Waste collection is provided in two options (1) in a split cart for solid waste/food scraps or (2) in a dedicated single compartment cart for solid waste.

	Pick-Ups per Week					
Container Size	1	2	3	4	5	6
26-gal Solid Waste/19-gal Food Scraps Cart	$20.70	$36.23	$51.76	$67.29	$82.82	$98.35
45-gal Solid Waste/19-gal Food Scraps Cart	$25.14	$44.00	$62.85	$81.71	$100.56	$119.42
67-gal Solid Waste/29-gal Food Scraps Cart	$29.58	$51.76	$73.94	$96.13	$118.31	$140.49
32-gallon Solid Waste Cart	$20.70	$36.23	$51.76	$67.29	$82.82	$98.35
64-gallon Solid Waste Cart	$25.14	$44.00	$62.85	$81.71	$100.56	$119.42
96-gallon Solid Waste Cart	$29.58	$51.76	$73.94	$96.13	$118.31	$140.49

Recyclables - Split Cart Rates (Cost per Month per Cart)

Multi-Family Medium Density Recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartmen carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

	Pick-Ups per Week					
Container Size	1	2	3	4	5	6
32-gal Fiber/32-gal Containers	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
48-gal Fiber/48-gal Containers	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12

Recyclables - Dedicated Cart Rates (Cost per Month per Cart)

Multi-Family Medium Density Recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartmen carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

	Pick-Ups per Week					
Container Size	1	2	3	4	5	6
32-gallon Paper/Fibers Cart	$5.18	$9.06	$12.94	$16.82	$20.70	$24.59
64-gallon Paper/Fibers Cart	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
96-gallon Paper/Fibers Cart	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12
32-gallon Recyclable Containers Cart	$5.18	$9.06	$12.94	$16.82	$20.70	$24.59
64-gallon Recyclable Containers Cart	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
96-gallon Recyclable Containers Cart	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12

Food Scraps Cart Rates (Cost per Month per Cart)

Multi-Family Medium Density customers also have option of a split cart collection for Food Scraps Collection with Solid Waste Collection (as shown in table above).

	Pick-Ups per Week					
Container Size	1	2	3	4	5	6
64-gallon Cart	$20.11	$35.20	$50.28	$65.37	$80.45	$95.54

Yard Trimmings Cart Rates (Cost per Month per Cart)*

	Pick-Ups per Week					
Container Size	1	2	3	4	5	6
32-gallon Cart	$16.56	$28.99	$41.41	$53.83	$66.25	$78.68
64-gallon Cart	$20.11	$35.20	$50.28	$65.37	$80.45	$95.54
96-gallon Cart	$23.66	$41.41	$59.16	$76.90	$94.65	$112.40

****Yard Trimmings material must fit inside cart with lid closed. Clean yard trimmings and clean wood (no paint, varnish, hardware etc.) only.***

EXHIBIT L
MAXIMUM RATES APPROVED BY THE CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY CART SERVICE CUSTOMERS

Multi-Family On-Call Curbside Bulky Bag/Bulky Item Collection

MultiFamily style properties may schedule on-call bulky item cleanups for a fee. Items must be available at a location which is immediately accessible by service vehicle. Customers are eligible to dispose of up to three (3) cubic yards of Solid Waste, Recyclable Materials, Organics Materials, Reusable Materials, U-Waste and E-Waste OR up to one (1) Appliance or Bulky Item. Rates for additional items or additional services per year are as

Material Type	Examples	Rate Per Pickup
Additional On-Call Curbside Clean Up	Customers requesting annual collection beyond four (4) per year. Program guidelines will apply.	$144.49
Major Appliances	Air Conditioners, Refrigerators, Freezers or any items containing oil, fuel or Freon (White Goods). One free per clean up - additional charged per item.	$41.82
Bulky Items	Bulky Item Examples - Gas & electric powered push style lawn mowers. And all other large items; Bathtubs, mattresses, furniture, bicycles, used exercise equipment, beds, box springs, tires etc. (contact MSI for acceptable items). One free per clean up - additional charged per item.	$56.23

MSI will deliver two 1.5 yard bulky bags on customers service day. Both bulky bags will be removed on the next service day. There is no discount for not filling both bags. If customer reschedules one bag for a future date they will be charged the additional on call curbside clean up charge.

Organic material includes small tree stumps not to exceed 16 in diameter & length. C&D excludes concrete, rock, dirt and brick. Any single items exceeding seventy-five (75) pounds will not be accepted.

Rates for Miscellaneous Service for Multi-Family Cart Customers

Service	Description of Service	Rate per Occurrence
Bag Tags	Overages will be collected from customers who purchase additional bag tags. Customer purchased tags will be affixed to extra garbage (placed at the curb in a bag).	$3.75
Cart Replacement/ Service Level Changes	Charge if customer requires service level change for cart service in excess of more than once per 12 month period.	$59.31
Christmas Tree Removal	Collection of holiday trees for the two weeks beginning on the Monday following Christmas and continue for ten (10) Business days. Holiday trees are collected on Customer's regular collection day during the designated weeks.	$0.00
Damaged Cart Repair	Charge if customer requires cart replacement in excess of one replacement per year.	$89.74
2-gallon Food Scraps Pail - Additional/ Replacement	Charge if customer requires delivery of additional pails or replacement pails.	Contractor Cost Adjusted Annually During Rate Increase
Late Fee	Charged per quarter to delinquent accounts.	$15.00
Restart Fee	Charge if customer requires cart replacement of recycling or yard trimmings cart as a result of delinquent account service reduction. Fee will be waived for those customers opting into the MSI autopay program.	$59.31
Returned ACH Fee	Charge for autopay by bank payments rejected by customer's bank.	$5.35
Returned Check Fee	Charge for checks returned unpaid by customers' bank.	$25.80

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY CART SERVICE CUSTOMERS

Additional On-Call Pick-Up Service for Multi-Family Solid Waste / Food Scraps Cart (Cost per Pick-Up)

	Container Size		
	45-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$12.85	$18.28	$27.42
Pick-Up Saturday	$19.27	$27.40	$41.10

Additional On-Call Pick-Up Service for Multi-Family Solid Waste (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

Additional On-Call Pick-Up Service for Multi-Family Split Recyclables Cart (Cost per Pick-Up)

	Container Size	
	64-gal	96-gal
Pick-Up Monday thru Friday	$18.28	$27.42
Pick-Up Saturday	$27.40	$41.10

Additional On-Call Pick-Up Service for Multi-Family Paper/Fibers Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

Additional On-Call Pick-Up Service for Multi-Family Recyclable Containers Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY CART SERVICE CUSTOMERS

Additional On-Call Pick-Up Service for Multi-Family Food Scraps Cart (Cost per Pick-Up)

	Container Size
	64-gal
Pick-Up Monday thru Friday	$18.28
Pick-Up Saturday	$27.40

Additional On-Call Pick-Up Service for Multi-Family Yard Trimmings Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY BIN SERVICE CUSTOMERS

Basic Weekly Service Options (including Food Scraps, Recyclables, & Yard Trimmings) Billed Monthly

Medium Multi-Family - Premises may include single-family attached and semi-attached houses and duplexes and shall be provided with carts or bins, as determined by the Contractor and approved by the City.

High Density Multi-Family - Attached row houses to triplexes and four-plexes, stacked townhomes, and walkup garden apartments and shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

Very High Density Multi-Family - Row houses to townhouses to lofts and stacked flats with structured parking and shall be provided with carts, bins or compactors, as determined by the Contractor and approved by the City.

Solid Waste Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$84.31	$140.54	$193.05	$238.57	$289.71	$340.83
1.5 cubic yard	$108.21	$193.01	$256.41	$330.56	$404.63	$478.74
2 cubic yard	$132.09	$238.57	$340.83	$443.07	$545.28	$647.60
3 cubic yard	$189.74	$348.78	$502.09	$655.47	$808.88	$962.21
4 cubic yard	$220.45	$404.39	$572.78	$741.26	$909.68	$1,078.14
6 cubic yard	$303.51	$563.90	$825.97	$1,066.64	$1,328.72	$1,590.79
8 cubic yard	$395.07	$732.00	$1,057.67	$1,383.46	$1,709.17	$2,034.95

	Compacted Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$252.93	$421.62	$579.16	$715.70	$869.14	$1,022.48
1.5 cubic yard	$324.64	$579.03	$769.24	$991.67	$1,213.90	$1,436.23
2 cubic yard	$396.26	$715.70	$1,022.48	$1,329.21	$1,635.84	$1,942.81
3 cubic yard	$569.23	$1,046.33	$1,506.27	$1,966.40	$2,426.63	$2,886.63
4 cubic yard	$661.35	$1,213.16	$1,718.34	$2,223.77	$2,729.04	$3,234.41

Recyclables - Paper/Fiber Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$21.08	$35.14	$48.26	$59.64	$72.43	$85.21
1.5 cubic yard	$27.05	$48.25	$64.10	$82.64	$101.16	$119.69
2 cubic yard	$33.02	$59.64	$85.21	$110.77	$136.32	$161.90
3 cubic yard	$47.44	$87.19	$125.52	$163.87	$202.22	$240.55
4 cubic yard	$55.11	$101.10	$143.19	$185.31	$227.42	$269.53
6 cubic yard	$75.88	$140.98	$206.49	$266.66	$332.18	$397.70
8 cubic yard	$98.77	$183.00	$264.42	$345.87	$427.29	$508.74

	Compacted Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$63.23	$105.41	$144.79	$178.92	$217.28	$255.62
1.5 cubic yard	$81.16	$144.76	$192.31	$247.92	$303.48	$359.06
2 cubic yard	$99.07	$178.92	$255.62	$332.30	$408.96	$485.70
3 cubic yard	$142.31	$261.58	$376.57	$491.60	$606.66	$721.66
4 cubic yard	$165.34	$303.29	$429.58	$555.94	$682.26	$808.60

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY BIN SERVICE CUSTOMERS

Food Scrap Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$67.45	$112.43	$154.44	$190.85	$231.77	$272.66
2 cubic yard	$105.67	$190.85	$272.66	$354.46	$436.22	$518.08
3 cubic yard	$151.80	$279.02	$401.67	$524.37	$647.10	$769.77

Yard Trimmings Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$67.45	$112.43	$154.44	$190.85	$231.77	$272.66
1.5 cubic yard	$86.57	$154.41	$205.13	$264.44	$323.71	$383.00
2 cubic yard	$105.67	$190.85	$272.66	$354.46	$436.22	$518.08
3 cubic yard	$151.80	$279.02	$401.67	$524.37	$647.10	$769.77
4 cubic yard	$176.36	$323.51	$458.22	$593.00	$727.74	$862.51
6 cubic yard	$242.81	$451.12	$660.78	$853.31	$1,062.98	$1,272.63
8 cubic yard	$316.06	$585.60	$846.14	$1,106.77	$1,367.34	$1,627.96

Push Pull and Lock/Unlock Rates (Cost per Month per Bin)

	Pick-Ups per Week					
Distance	1	2	3	4	5	6
Bin Lock/Unlock	$16.74	$16.74	$16.74	$16.74	$16.74	$16.74
1 - 25 Ft	$9.29	$18.57	$27.79	$37.07	$46.34	$55.58
26-50 Ft	$18.57	$37.07	$55.58	$74.11	$92.66	$111.19
51-75 Ft	$27.79	$55.58	$83.37	$111.19	$138.97	$166.75
76-100 Ft	$37.07	$74.11	$111.19	$148.22	$185.32	$222.36
101-125 Ft	$46.34	$92.66	$138.97	$185.32	$231.60	$277.92
126-150 Ft	$55.58	$111.19	$148.22	$231.60	$277.92	$333.50
151-175 Ft	$64.88	$129.71	$194.56	$259.41	$324.23	$389.12
176-200 Ft	$74.11	$148.22	$222.36	$296.46	$370.59	$444.69

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY BIN SERVICE CUSTOMERS

Recyclables - Dedicated Cart Rates (Cost per Month per Cart)

Multi-Family Medium Density Recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartment carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
32-gallon Paper/Fibers Cart	$5.18	$9.06	$12.94	$16.82	$20.70	$24.59
64-gallon Paper/Fibers Cart	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
96-gallon Paper/Fibers Cart	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12
32-gallon Recyclable Containers Cart	$5.18	$9.06	$12.94	$16.82	$20.70	$24.59
64-gallon Recyclable Containers Cart	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
96-gallon Recyclable Containers Cart	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12

Recyclables - Split Cart Rates (Cost per Month per Cart)

Multi-Family Medium Density Recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartment carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
32-gal Fiber/32-gal Containers	$6.29	$11.00	$15.71	$20.43	$25.14	$29.86
48-gal Fiber/48-gal Containers	$7.39	$12.94	$18.49	$24.03	$29.58	$35.12

Food Scraps Cart Rates (Cost per Month per Cart)

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
64-gallon Cart	$20.11	$35.20	$50.28	$65.37	$80.45	$95.54

Yard Trimmings Cart Rates (Cost per Month per Cart)*

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
32-gallon Cart	$16.56	$28.99	$41.41	$53.83	$66.25	$78.68
64-gallon Cart	$20.11	$35.20	$50.28	$65.37	$80.45	$95.54
96-gallon Cart	$23.66	$41.41	$59.16	$76.90	$94.65	$112.40

****Yard Trimmings material must fit inside cart with lid closed. Clean yard trimmings and clean wood (no paint, varnish, hardware etc.) only.***

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY BIN SERVICE CUSTOMERS

Multi-Family On-Call Curbside Bulky Bag/Bulky Item Collection

MultiFamily style properties may schedule on-call bulky item cleanups for a fee. Items must be available at a location which is immediately accessible by service vehicle. Customers are eligible to dispose of up to three (3) cubic yards of Solid Waste, Recyclable Materials, Organics Materials, Reusable Materials, C&D, U-Waste and E-Waste OR up to one (1) Appliance or Bulky Item.

Material Type	Examples	Rate Per Pickup
Additional On-Call Curbside Clean Up	Customers requesting annual collection beyond four (4) per year. Program guidelines will apply.	$144.49
Major Appliances	Air Conditioners, Refrigerators, Freezers or any items containing oil, fuel or Freon (White Goods). One free per clean up - additional charged per item.	$41.82
Bulky Items	Bulky Item Examples - Gas & electric powered push style lawn mowers. And all other large items; Bathtubs, mattresses, furniture, bicycles, used exercise equipment, beds, box springs, tires etc. (contact MSI for acceptable items). One free per clean up - additional charged per item.	$56.23

MSI will deliver two 1.5 yard bulky bags on customers service day. Both bulky bags will be removed on the next service day. There is no discount for not filling both bags. If customer reschedules one bag for a future date they will be charged the additional on call curbside clean up charge.

Organic material includes small tree stumps not to exceed 16 in diameter & length. C&D excludes concrete, rock, dirt and brick. Any single items exceeding seventy-five (75) pounds will not be accepted.

Rates for Miscellaneous Service for Multi-Family Cart Customers

Service	Description of Service	Rate per Occurrence
Bag Tags	Overages will be collected from customers who purchase additional bag tags. Customer purchased tags will be affixed to extra garbage (placed at the curb in a bag).	$3.75
Cart Replacement/ Service Level Changes	Charge if customer requires service level change for cart service in excess of more than once per 12 month period.	$59.31
Christmas Tree Removal	Collection of holiday trees for the two weeks beginning on the Monday following Christmas and continue for ten (10) Business days. Holiday trees are collected on Customer's regular collection day during the designated weeks.	$0.00
Damaged Bin/Cart Repair	Charge if customer requires cart replacement in excess of one replacement per year.	$89.74
2-gallon Food Scraps Pail - Additional/ Replacement	Charge if customer requires delivery of additional pails or replacement pails.	Contractor Cost Adjusted Annually During Rate Increase
Late Fee	Charged per quarter to delinquent accounts.	$15.00
Lock Installation	Delivery and installation of Milpitas Sanitation lock.	$111.03
Restart Fee	Charge if customer requires cart replacement of recycling or yard trimmings cart as a result of delinquent account service reduction. Fee will be waived for those customers opting into the MSI autopay program.	$59.31
Returned ACH Fee	Charge for autopay by bank payments rejected by customer's bank.	$5.35
Returned Check Fee	Charge for checks returned unpaid by customers' bank.	$25.80
Steam Clean	Steam Cleaning - Per Bin	$111.03

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY BIN SERVICE CUSTOMERS

Additional On-Call Pick-Up Service for Multi-Family Split Recyclables Cart (Cost per Pick-Up)

	Container Size	
	64-gal	96-gal
Pick-Up Monday thru Friday	$18.28	$27.42
Pick-Up Saturday	$27.40	$41.10

Additional On-Call Pick-Up Service for Multi-Family Paper/Fibers Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

Additional On-Call Pick-Up Service for Multi-Family Recyclable Containers Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

Additional On-Call Pick-Up Service for Multi-Family Food Scraps Cart (Cost per Pick-Up)

	Container Size
	64-gal
Pick-Up Monday thru Friday	$18.28
Pick-Up Saturday	$27.40

Additional On-Call Pick-Up Service for Multi-Family Yard Trimmings Cart (Cost per Pick-Up)

	Container Size	
	64-gal	96-gal
Pick-Up Monday thru Friday	$18.28	$27.42
Pick-Up Saturday	$27.40	$41.10

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY BIN SERVICE CUSTOMERS

Additional On-Call Pick-Up for Solid Waste Bin (Cost per Pick-Up)

	Loose Materials						
	Container Size						
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd	6 cu yd	8 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$65.39	$73.00	$85.18	$100.39	$136.88	$147.52
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$95.83	$103.43	$112.57	$121.69	$147.52	$165.77

	Compacted Materials				
	Container Size				
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$132.33	$198.50	$264.66	$396.99	$529.32
Pick-Up Other than Regularly Scheduled Day (S)	$155.19	$232.79	$310.38	$465.57	$620.76

Additional On-Call Pick-Up for Recyclables Paper/Fibers Bin (Cost per Pick-Up)

	Loose Materials						
	Container Size						
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd	6 cu yd	8 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$65.39	$73.00	$85.18	$100.39	$136.88	$147.52
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$95.83	$103.43	$112.57	$121.69	$147.52	$165.77

	Compacted Materials				
	Container Size				
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$132.33	$198.50	$264.66	$396.99	$529.32
Pick-Up Other than Regularly Scheduled Day (S)	$155.19	$232.79	$310.38	$465.57	$620.76

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR MULTI-FAMILY BIN SERVICE CUSTOMERS

Additional On-Call Pick-Up for Food Scraps Bin (Cost per Pick-Up)

	Loose Materials		
	Container Size		
	1 cu yd	2 cu yd	3 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$73.00	$85.18
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$103.43	$112.57

Additional On-Call Pick-Up for Yard Trimmings Bin (Cost per Pick-Up)

	Loose Materials						
	Container Size						
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd	6 cu yd	8 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$65.39	$73.00	$85.18	$100.39	$136.88	$147.52
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$95.83	$103.43	$112.57	$121.69	$147.52	$165.77

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL CART SERVICE CUSTOMERS

Basic Weekly Service (including Food Scraps, Recyclables, & Yard Trimmings) Billed Monthly

Commercial Customers with Cart service for Solid Waste receive Split Cart Recycling; Customers with Bin or Compactor service for Solid Waste receive dedicated Paper/Fibers and Recyclable Containers carts.

Solid Waste Cart Rates (Cost per Month per Cart)*

Container Size	Pick-Ups per Week					
	1	2	3	4	5	6
32-gallon Cart	$30.48	$53.34	$76.20	$99.06	$121.92	$144.78
64-gallon Cart	$35.85	$62.73	$89.61	$116.50	$143.38	$170.27
96-gallon Cart	$41.18	$72.06	$102.95	$133.83	$164.72	$195.60

**Service is offered up to six (6) times per week but not less than one (1) time per week, as requested by Customer (Saturday service is available only to customers receiving service Monday through Friday). Dedicated Solid Waste carts only - Split carts for solid waste/food scraps is not offered to Commercial customers.*

Recyclables - Dedicated Cart Rates (Cost per Month per Cart)

Commercial recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartment carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

Container Size	Pick-Ups per Week					
	1	2	3	4	5	6
32-gallon Paper/Fibers Cart	$7.62	$13.34	$19.05	$24.77	$30.48	$36.20
64-gallon Paper/Fibers Cart	$8.96	$15.68	$22.40	$29.12	$35.85	$42.57
96-gallon Paper/Fibers Cart	$10.29	$18.02	$25.74	$33.46	$41.18	$48.90
32-gallon Recyclable Containers Cart	$7.62	$13.34	$19.05	$24.77	$30.48	$36.20
64-gallon Recyclable Containers Cart	$8.96	$15.68	$22.40	$29.12	$35.85	$42.57
96-gallon Recyclable Containers Cart	$10.29	$18.02	$25.74	$33.46	$41.18	$48.90

Recyclables - Split Cart Rates (Cost per Month per Cart)

Commercial recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartment carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

Container Size	Pick-Ups per Week					
	1	2	3	4	5	6
32-gal Fiber/32-gal Containers	$8.96	$15.68	$22.40	$29.12	$35.85	$42.57
48-gal Fiber/48-gal Containers	$10.29	$18.02	$25.74	$33.46	$41.18	$48.90

Food Scraps Cart Rates (Cost per Month per Cart)

Container Size	Pick-Ups per Week					
	1	2	3	4	5	6
64-gallon Cart	$28.68	$50.18	$71.69	$93.20	$114.71	$136.21

Yard Trimmings Cart Rates (Cost per Month per Cart)*

Container Size	Pick-Ups per Week					
	1	2	3	4	5	6
32-gallon Cart	$24.38	$42.67	$60.96	$79.25	$97.54	$115.83
64-gallon Cart	$28.68	$50.18	$71.69	$93.20	$114.71	$136.21
96-gallon Cart	$32.94	$57.65	$82.36	$107.07	$131.77	$156.48

**Yard Trimmings material must fit inside cart with lid closed. Clean yard trimmings and clean wood (no paint, varnish, hardware etc.) only.*

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL BIN SERVICE CUSTOMERS

Basic Weekly Service (including Food Scraps, Recyclables, & Yard Trimmings) Billed Monthly

Commercial Customers with Cart service for Solid Waste receive Split Cart Recycling; Customers with Bin or Compactor service for Solid Waste receive dedicated Paper/Fibers and Recyclable Containers carts.

Solid Waste Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Container Size	1	2	3	4	5	6
1 cubic yard	$116.21	$208.08	$286.19	$354.51	$430.67	$506.87
1.5 cubic yard	$149.80	$286.00	$381.91	$492.60	$603.24	$713.87
2 cubic yard	$183.37	$354.51	$506.87	$659.08	$811.37	$963.73
3 cubic yard	$263.93	$518.70	$747.15	$975.61	$1,204.05	$1,432.48
4 cubic yard	$309.74	$606.84	$861.47	$1,116.15	$1,370.75	$1,625.40
6 cubic yard	$428.55	$849.54	$1,244.58	$1,609.96	$2,004.97	$2,399.97
8 cubic yard	$558.20	$1,104.21	$1,597.95	$2,091.87	$2,585.67	$3,079.53

	Compacted Materials					
	Pick-Ups per Week					
Container Size	1	2	3	4	5	6
1 cubic yard	$348.64	$624.24	$858.56	$1,063.53	$1,292.01	$1,520.61
1.5 cubic yard	$449.40	$858.01	$1,145.73	$1,477.80	$1,809.72	$2,141.61
2 cubic yard	$550.12	$1,063.53	$1,520.61	$1,977.25	$2,434.11	$2,891.19
2.5 cubic yard	$670.96	$1,309.82	$1,881.03	$2,452.04	$3,023.12	$3,594.31
3 cubic yard	$791.80	$1,556.11	$2,241.45	$2,926.83	$3,612.14	$4,297.44
4 cubic yard	$929.22	$1,820.53	$2,584.40	$3,348.45	$4,112.24	$4,876.19

** Commercial customers that receive Solid Waste bin service receive dedicated Paper/Fiber and Recycling Container carts. Split cart not offered.*

Recyclables - Paper/Fiber Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$29.05	$52.02	$71.55	$88.63	$107.67	$126.72
1.5 cubic yard	$37.45	$71.50	$95.48	$123.15	$150.81	$178.47
2 cubic yard	$45.84	$88.63	$126.72	$164.77	$202.84	$240.93
3 cubic yard	$65.98	$129.68	$186.79	$243.90	$301.01	$358.12
4 cubic yard	$77.44	$151.71	$215.37	$279.04	$342.69	$406.35
6 cubic yard	$107.14	$212.38	$311.14	$402.49	$501.24	$599.99
8 cubic yard	$139.55	$276.05	$399.49	$522.97	$646.42	$769.88

	Compacted Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$87.16	$156.06	$214.64	$265.88	$323.00	$380.15
1.5 cubic yard	$112.35	$214.50	$286.43	$369.45	$452.43	$535.40
2 cubic yard	$137.53	$265.88	$380.15	$494.31	$608.53	$722.80
3 cubic yard	$197.95	$389.03	$560.36	$731.71	$903.03	$1,074.36
4 cubic yard	$232.31	$455.13	$646.10	$837.11	$1,028.06	$1,219.05

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL BIN SERVICE CUSTOMERS

Food Scrap Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$92.97	$166.46	$228.95	$283.61	$344.54	$405.50
2 cubic yard	$146.70	$283.61	$405.50	$527.27	$649.09	$770.98
3 cubic yard	$211.15	$414.96	$597.72	$780.49	$963.24	$1,145.98

Yard Trimmings Bin Rates (Cost per Month per Bin)

	Loose Materials					
	Pick-Ups per Week					
Bin Size	1	2	3	4	5	6
1 cubic yard	$92.97	$166.46	$228.95	$283.61	$344.54	$405.50
1.5 cubic yard	$119.84	$228.80	$305.53	$394.08	$482.59	$571.10
2 cubic yard	$146.70	$283.61	$405.50	$527.27	$649.09	$770.98
3 cubic yard	$211.15	$414.96	$597.72	$780.49	$963.24	$1,145.98
4 cubic yard	$247.79	$485.47	$689.17	$892.92	$1,096.60	$1,300.32
6 cubic yard	$342.84	$679.63	$995.66	$1,287.97	$1,603.97	$1,919.98
8 cubic yard	$446.56	$883.37	$1,278.36	$1,673.50	$2,068.54	$2,463.63

Push Pull and Lock/Unlock Rates (Cost per Month per Bin)

	Pick-Ups per Week					
Distance	1	2	3	4	5	6
Bin Lock/Unlock	$16.74	$16.74	$16.74	$16.74	$16.74	$16.74
1 - 25 Ft	$9.29	$18.57	$27.79	$37.07	$46.34	$55.58
26-50 Ft	$18.57	$37.07	$55.58	$74.11	$92.66	$111.19
51-75 Ft	$27.79	$55.58	$83.37	$111.19	$138.97	$166.75
76-100 Ft	$37.07	$74.11	$111.19	$148.22	$185.32	$222.36
101-125 Ft	$46.34	$92.66	$138.97	$185.32	$231.60	$277.92
126-150 Ft	$55.58	$111.19	$148.22	$231.60	$277.92	$333.50
151-175 Ft	$64.88	$129.71	$194.56	$259.41	$324.23	$389.12
176-200 Ft	$74.11	$148.22	$222.36	$296.46	$370.59	$444.69

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL BIN SERVICE CUSTOMERS

Recyclables Collection Rates (Cost per Month)

Commercial recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartment carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
32-gallon Paper/Fibers Cart	$7.62	$13.34	$19.05	$24.77	$30.48	$36.20
64-gallon Paper/Fibers Cart	$8.96	$15.68	$22.40	$29.12	$35.85	$42.57
96-gallon Paper/Fibers Cart	$10.29	$18.02	$25.74	$33.46	$41.18	$48.90
32-gallon Recyclable Containers Cart	$7.62	$13.34	$19.05	$24.77	$30.48	$36.20
64-gallon Recyclable Containers Cart	$8.96	$15.68	$22.40	$29.12	$35.85	$42.57
96-gallon Recyclable Containers Cart	$10.29	$18.02	$25.74	$33.46	$41.18	$48.90

Recyclables - Split Cart Rates (Cost per Month per Cart)

Commercial recyclables collection is provided in two options (1) in a split cart for paper/fibers and recyclable containers or (2) in dedicated single compartment carts for paper/fibers and recyclable containers. Customers must have either split cart or dedicated carts.

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
32-gal Fiber/32-gal Containers	$8.96	$15.68	$22.40	$29.12	$35.85	$42.57
48-gal Fiber/48-gal Containers	$10.29	$18.02	$25.74	$33.46	$41.18	$48.90

Food Scraps Cart Rates (Cost per Month per Cart)

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
64-gallon Cart	$28.68	$50.18	$71.69	$93.20	$114.71	$136.21

Yard Trimmings Cart Rates (Cost per Month per Cart)*

	Pick-Ups per Week					
Container Size	**1**	**2**	**3**	**4**	**5**	**6**
32-gallon Cart	$24.38	$42.67	$60.96	$79.25	$97.54	$115.83
64-gallon Cart	$28.68	$50.18	$71.69	$93.20	$114.71	$136.21
96-gallon Cart	$32.94	$57.65	$82.36	$107.07	$131.77	$156.48

Yard Trimmings material must fit inside cart with lid closed. Clean yard trimmings and clean wood (no paint, varnish, hardware etc.) only.

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL SERVICE CUSTOMERS

Rates for Miscellaneous Service for Commercial Customers

Service	Description of Service	Rate per Occurrence
Bag Tags	Overages will be collected from customers who purchase additional bag tags. Customer purchased tags will be affixed to extra garbage (placed at the curb in a bag).	$3.75
Cart Replacement/ Service Level Changes	Charge if customer requires service level change for cart service in excess of more than once per 12 month period.	$59.31
Christmas Tree Removal	Collection of holiday trees for the two weeks beginning on the Monday following Christmas and continue for ten (10) Business days. Holiday trees are collected on Customer's regular collection day during the designated weeks.	$0.00
Damaged Bin/Cart Repair	Charge if customer requires cart replacement in excess of one replacement per year.	$89.74
Late Fee	Charged per quarter to delinquent accounts.	$15.00
Lock Installation	Delivery and installation of Milpitas Sanitation lock.	$111.03
Restart Fee	Charge if customer requires cart replacement of recycling or yard trimmings cart as a result of delinquent account service reduction. Fee will be waived for those customers opting into the MSI autopay program.	$59.31
Returned ACH Fee	Charge for autopay by bank payments rejected by customer's bank.	$5.35
Returned Check Fee	Charge for checks returned unpaid by customers' bank.	$25.80
Steam Clean	Steam Cleaning - Per Bin	$111.03

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL SERVICE CUSTOMERS

Additional On-Call Pick-Up Service for Commercial Solid Waste Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

Additional On-Call Pick-Up Service for Commercial Split Recyclables Cart (Cost per Pick-Up)

	Container Size	
	64-gal	96-gal
Pick-Up Monday thru Friday	$18.28	$27.42
Pick-Up Saturday	$27.40	$41.10

Additional On-Call Pick-Up Service for Commercial Paper/Fibers Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

Additional On-Call Pick-Up Service for Commercial Recyclable Containers Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

Additional On-Call Pick-Up Service for Commercial Food Scraps Cart (Cost per Pick-Up)

	Container Size
	64-gal
Pick-Up Monday thru Friday	$18.28
Pick-Up Saturday	$27.40

Additional On-Call Pick-Up Service for Commercial Yard Trimmings Cart (Cost per Pick-Up)

	Container Size		
	32-gal	64-gal	96-gal
Pick-Up Monday thru Friday	$9.14	$18.28	$27.42
Pick-Up Saturday	$13.70	$27.40	$41.10

EXHIBIT L
MAXIMUM RATES APPROVED BY THE CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL SERVICE CUSTOMERS

Additional On-Call Pick-Up for Solid Waste Bin (Cost per Pick-Up)

	Loose Materials						
	Container Size						
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd	6 cu yd	8 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$65.39	$73.00	$85.18	$100.39	$136.88	$147.52
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$95.83	$103.43	$112.57	$121.69	$147.52	$165.77

	Compacted Materials				
	Container Size				
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$132.33	$198.50	$264.66	$396.99	$529.32
Pick-Up Other than Regularly Scheduled Day (S)	$155.19	$232.79	$310.38	$465.57	$620.76

EXHIBIT L
MAXIMUM RATES APPROVED BY THE CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL SERVICE CUSTOMERS

Additional On-Call Pick-Up for Recyclables Bin (Cost per Pick-Up)

	Loose Materials						
	Container Size						
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd	6 cu yd	8 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$65.39	$73.00	$85.18	$100.39	$136.88	$147.52
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$95.83	$103.43	$112.57	$121.69	$147.52	$165.77

	Compacted Materials				
	Container Size				
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$132.33	$198.50	$264.66	$396.99	$529.32
Pick-Up Other than Regularly Scheduled Day (S)	$155.19	$232.79	$310.38	$465.57	$620.76

EXHIBIT L
MAXIMUM RATES APPROVED BY THE CITY FOR RATE PERIOD ONE
RATES FOR COMMERCIAL SERVICE CUSTOMERS

Additional On-Call Pick-Up for Food Scraps Bin (Cost per Pick-Up)

	Loose Materials		
	Container Size		
	1 cu yd	2 cu yd	3 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$73.00	$85.18
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$103.43	$112.57

Additional On-Call Pick-Up for Yard Trimmings Bin (Cost per Pick-Up)

	Loose Materials						
	Container Size						
	1 cu yd	1.5 cu yd	2 cu yd	3 cu yd	4 cu yd	6 cu yd	8 cu yd
Pick-Up On Regularly Scheduled Day (M-F)	$60.83	$65.39	$73.00	$85.18	$100.39	$136.88	$147.52
Pick-Up Other than Regularly Scheduled Day (S)	$86.69	$95.83	$103.43	$112.57	$121.69	$147.52	$165.77

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR DEBRIS BOX AND COMPACTOR CUSTOMERS

Per-Pull Rates

Customer shall be charged a per-pull rate each time its debris box or compactor box is serviced. In addition, customer will be charged for each ton of material collected at rates listed below.

Disposal and Processing Rates

In addition to the per-pull rate (listed above) charged each time the debris box or compactor box is serviced, the customer will be charged for each ton of material in the debris box or compactor box based on actual weight of materials. Per-ton rates are listed below.

Per-ton charges will be made after materials are collected.

Additional material rates are available upon request.

Material Type	Drop Box Size	Per Pull Charge	Svc Code	Disposal & Processing Rates
Solid Waste	6	$525.83	6SW	$87.93
	15	$525.83	15SW	$87.93
	20	$736.51	20SW	$87.93
	30	$927.35	30SW	$87.93
	40	$1,132.57	40SW	$87.93
Compacted Solid Waste	12	$604.71	12COM	$87.93
	15	$604.71	15COM	$87.93
	16	$846.99	16COM	$87.93
	20	$846.99	20COM	$87.93
	24	$846.99	24COM	$87.93
	25	$846.99	25COM	$87.93
	30	$1,066.46	30COM	$87.93
	34	$1,066.46	34COM	$87.93
	40	$1,302.46	40COM	$87.93
Dirt	6	$473.25	6DIR	$70.00
Concrete	6	$473.25	6CON	$70.00
	15	$473.25	15CON	$70.00
Brick	6	$473.25	6BRICK	$70.00
Construction & Demolition Materials Debris Box Rates	15	$473.25	15CAD	$70.00
	20	$662.86	20CAD	$70.00
	30	$834.62	30CAD	$70.00
	40	$1,019.31	40CAD	$70.00
Metal	15	$262.92	15MET	$0.00
	20	$368.26	20MET	$0.00
	30	$463.68	30MET	$0.00
	40	$566.29	40MET	$0.00
Wood	15	$473.25	15WD	$70.00
	20	$662.86	20WD	$70.00
	30	$834.62	30WD	$70.00
	40	$1,019.31	40WD	$70.00
Organics	15	$420.67	15ORG	$92.00
	20	$589.21	20ORG	$92.00
	30	$741.88	30ORG	$92.00
	40	$906.06	40ORG	$92.00

EXHIBIT L
MAXIMUM RATES APPROVED BY CITY FOR RATE PERIOD ONE
RATES FOR DEBRIS BOX AND COMPACTOR CUSTOMERS

Material Type	Drop Box Size	Per Pull Charge	Svc Code	Disposal & Processing Rates
Compacted Organics	12	$483.76	12COMORG	$92.00
	15	$483.76	15COMORG	$92.00
	16	$677.59	16COMORG	$92.00
	20	$677.59	20COMORG	$92.00
	24	$677.59	24COMORG	$92.00
	25	$853.16	25COMORG	$92.00
	30	$853.16	30COMORG	$92.00
	40	$1,041.97	40COMORG	$92.00
Commingled Recyclables	15	$262.92	15CMR	$0.00
	20	$368.26	20CMR	$0.00
	30	$463.68	30CMR	$0.00
	40	$566.29	40CMR	$0.00
Compacted Commingled Recyclables	12	$302.35	12COMR	$0.00
	15	$302.35	15COMR	$0.00
	16	$423.50	16COMR	$0.00
	20	$423.50	20COMR	$0.00
	24	$423.50	24COMR	$0.00
	25	$533.23	25COMR	$0.00
	30	$533.23	30COMR	$0.00
	35	$651.23	35COMR	$0.00
	40	$651.23	40COMR	$0.00

Rates for Miscellaneous Service for Drop Boxes and Compactor Boxes

Service	Description of Service	Rate per Occurrence
Cancellation Service	All box sizes	$119.00
Demurrage Charge	Rate for rental of Debris Box or Compactor in excess of 7 days.	$6.19
Mattress	Mattress - per ton - when found inside debris box at while offloading at disposal facility.	$110.00
Placement Charge	All box sizes	$0.00
Relocation Fee	All box sizes	$96.00
Saturday Service	All box sizes	$350.00
Steam Cleaning - Compactor	Per Item	$159.00
Tires - Car	Car Tires - each	$10.00
Tires - Truck	Truck Tires - each	$22.00
Toilets	Toilets - ton	$62.00
TV, Monitors	TV, Monitors - per ton	$110.00
White Good (Appliances)	All metal appliances - per ton	$110.00