

**AMENDMENT #1 TO AMENDED AND RESTATED  
FRANCHISE AGREEMENT**

**BETWEEN WEST VALLEY SOLID WASTE MANAGEMENT  
AUTHORITY**

**AND WEST VALLEY COLLECTION & RECYCLING, LLC**

**FOR THE COLLECTION OF SOLID WASTE, RECYCLABLE  
MATERIALS, GREEN WASTE, FOOD SCRAPS AND  
CONSTRUCTION AND DEMOLITION DEBRIS WITHIN THE  
AUTHORITY,**

**THE TRANSPORTATION OF SUCH MATERIALS TO  
APPROPRIATE PLACES OF PROCESSING, RECYCLING,  
COMPOSTING AND/OR DISPOSAL,**

**AND THE PROCESSING OF RECYCLABLE MATERIALS AND  
FOOD SCRAPS**

**APRIL 30, 2021**

This page intentionally left blank

This Amendment #1 to the Amended and Restated Franchise Agreement between the WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY of Santa Clara County, California, a Joint Powers Authority organized under the laws of the State of California (hereafter "AUTHORITY"), and WEST VALLEY COLLECTION & RECYCLING, LLC, a California corporation (hereafter "COMPANY"), for the Collection of Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris within the AUTHORITY, the Transportation of Such Materials to Appropriate Places of Processing, Recycling, Composting and/or Disposal, and the Processing of Recyclable Materials, Organic Materials, and Construction and Demolition Debris, each of which may be referred to individually as "Party" or together as the "Parties".

## **RECITALS**

This Amendment #1 is made and entered into on the basis of the following facts, understandings, and intentions of the parties:

**WHEREAS**, effective October 1, 1997, the Cities of Campbell, Monte Sereno, and Saratoga, and the Town of Los Gatos formed the AUTHORITY pursuant to Government Code Section 6500 et. Seq. to manage and oversee the Franchised Services originating in the Cities of Campbell, Monte Sereno and Saratoga and the Town of Los Gatos; and,

**WHEREAS**, the Parties entered into an Agreement for Collection of Solid Waste, Recyclable Materials, Green Waste, Food Scraps and Construction and Demolition Debris within the AUTHORITY, the Transportation of Such Materials to Appropriate Places of Processing, Recycling, Composting and/or Disposal, and the Processing of Recyclable Materials and Food Scraps on March 1, 2014 ("Agreement" capitalized terms used but not defined herein shall have the meanings given to them in the Agreement) providing terms and conditions for the provision of Solid Waste, Recyclable Materials, Green Waste, Food Scraps and Construction and Demolition Debris Collection in the AUTHORITY; and,

**WHEREAS**, the Agreement provides the AUTHORITY the right to direct COMPANY to modify the scope of one or more service described in the Agreement, or to otherwise modify its performance under the Agreement, subject to providing additional compensation; and,

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

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

**WHEREAS**, both Parties have, in good faith, negotiated changes to the Agreement necessary to support compliance with SB 1383, as set forth herein.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants, and conditions herein contained, AUHTORITY and COMPANY do hereby agree as follows:

## **I. EFFECTIVE DATE**

This Amendment #1 shall become effective on the date this Amendment is signed by both Parties.

## **II. SB 1383 PROGRAM AMENDMENTS TO AGREEMENT**

- A. ARTICLE 1 of the Agreement is hereby amended to add, modify, or remove the following definitions, all other definitions remain as stated in the Agreement, and numbering of all definitions in Article 1 of the Agreement shall be removed as follows:

### **"Article 1 Definitions**

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

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

Affiliate. All businesses (including corporations, limited and general partnerships, and sole proprietorships) that are directly or indirectly related to Company by virtue of direct or indirect ownership interest or common management and shall be deemed to be "Affiliated with" Company and included within the term "Affiliates" as used herein. An Affiliate shall include a business in which Company owns a direct or indirect ownership interest, a business that has a direct or indirect ownership interest in Company, and/or a business that is also owned, controlled, or managed by any business or individual that has a direct or indirect ownership interest in Company. For purposes of determining whether an indirect ownership interest exists, the constructive ownership provisions of Section 318(a) of the Internal Revenue Code of 1986, as in effect on the date of this Agreement, shall apply; provided, however, that: (i) "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 (ii) 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 or value which the ownership interest represents, whichever is greater.

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

Alternative Intermediate Cover or AIC. Has the same meaning as in Section 20700 of Title 27 of the California Code of Regulations.

Alternative Facility. Any facility approved by Authority for use pursuant to Section 6.7.1, Section 6.12, and Section 6.16.

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

Approved Construction and Demolition Debris Processing Site. Facility used to Process Construction and Demolition Debris, compliant with CalGreen standards, which guarantees a higher Diversion Rate than the Designated Construction and Demolition Debris Processing Site. The Zanker Materials Processing Facility, owned and operated by GreenWaste Recovery Incorporated, at 675 Los Esteros Road, San Jose, California, the Zanker Road Landfill, owned and operated by GreenWaste Recovery Incorporated, at 705 Los Esteros Road, San Jose, California, the Newby Island Resource Recovery Park, owned and operated by Republic Services Inc., at 1601 Dixon Landing Road, Milpitas, California, or the Premier Recycling Materials Recovery Facility, at 260 Leo Ave, San Jose, California, which were selected by Company and approved by the Authority in writing.

Approved Organic Materials Processing Site. The Z-Best Composting Facility at 980 State Highway 25, Gilroy, California, which was selected by Company and approved by the Authority in writing.

Approved Facilities. Any one of or any combination of the: Approved Recyclable Materials Processing Site; Approved Organic Materials Processing Site; and, Approved Construction and Demolition Debris Processing Site, each of which are defined in this Article and listed in Exhibit 11.

Authority Contract Manager. The Authority's Executive Director, or their designee, who is responsible for the administrative management of this Agreement.

Back-Haul. Generating and Transporting Organic Waste to a destination owned and operated by the Generator using the Generator's own employees and equipment, or as otherwise defined in 14 CCR Section 18982(a)(66)(A).

Bin. Any front-load Container which is able to accept Solid Waste, Recyclable Materials, Green Waste, Organic Materials, and Food Scraps.

CalGreen. California Green Building Standards Code, 24 CCR, Part 11 as amended July 1, 2019 and effective January 1, 2020.

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

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

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

Tier One Edible Food Generators include:

Tier One Commercial Edible Food Generator
Supermarket. Full-line, self-service retail store with gross annual sales of two million dollars (\$2,000,000), or more, and which sells a line of dry grocery, canned goods, or nonfood items and some perishable items.
Grocery Store with a total facility size equal to or greater than 10,000 square feet.
Food Service Provider. An entity primarily engaged in providing food services to institutional, governmental, commercial, or industrial locations of others based on contractual arrangements with these types of organizations.
Food Distributor. A company that distributes food to entities including, but not limited to, supermarkets, and grocery stores.
Wholesale Food Vendor. Business or establishment engaged in the merchant wholesale distribution of food, where food (including fruits and vegetables) is received, shipped, stored, prepared for distribution to a retailer, warehouse, distributor, or other destination.

Tier Two Edible Food Generators include:

Tier Two Commercial Edible Food Generator
Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
Hotel with an on-site food facility and 200 or more rooms.
Health facility with an on-site food facility and 100 or more beds.
Large Venue. A permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of operation of the venue facility. For purposes of 14 CCR, Division 7, Chapter 12 and this Agreement, a venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of 14 CCR, Division 7, Chapter 12 and this Agreement, a site under common ownership or control that includes more than one Large Venue that is contiguous with other Large Venues in the site, is a single Large Venue. If the definition in 14 CCR Section 18982(a)(39) differs from this definition, the definition in 14 CCR Section 18982(a)(39) shall apply to this Agreement.
Large Event. An event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that

Tier Two Commercial Edible Food Generator
includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being used for an event. If the definition in 14 CCR Section 18982(a)(38) differs from this definition, the definition in 14 CCR Section 18982(a)(38) shall apply to this Agreement.
A State agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.
A local education agency with an on-site food facility.

Commercial Organic Materials Processing Fee. The per-Ton tip fee for the Transport and Processing of Food Scraps, applied to each Ton as delivered to GreenWaste Recovery, Incorporated’s transfer station.

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

Compostable Plastics or Compostable Plastic. Plastic materials that meet the ASTM D6400 standard for compostability. Compostable Plastics is a subset of Organic Waste.

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

Compost Product. The product resulting from the controlled biological decomposition of organic materials that are Source Separated from the municipal solid waste stream, or which are separated at a centralized facility, and meets the Compost procurement requirements described in 14 CCR Section 18993.1(f).

Construction and Demolition Debris. Construction materials resulting from construction, remodeling, repair or demolition operations, as part of a total service offered by a duly-licensed demolition company or the City, including rocks, soil, tree remains, and other Green Waste which normally results from land clearing or land development operations for a construction project and such materials as defined as "construction and demolition debris" by applicable local ordinances in existence as of the Effective Date of this Agreement. Construction and Demolition Debris shall be Source Separated from Solid Waste at the site of generation and contain no more than thirty percent (30%) by volume of Residue.

Construction and Demolition Debris Government Fee. The total of taxes and fees assessed to the Designated Construction and Demolition Debris Processing Site solely for purposes related to the Processing operation.

Construction and Demolition Debris Surcharge. The difference between the Construction and Demolition rate at the Designated Construction and Demolition Debris Processing Site the for Construction and Demolition Debris and the rate for Transportation and Processing of Construction

and Demolition Debris at an Approved Construction and Demolition Debris Processing Site, pursuant to Section 6.4.1.

Designated Facility(ies). Any one of or any combination of the: Designated Construction and Demolition Processing Site; Designated Disposal Site; and, Designated Organic Materials Processing Site.

Designated Organic Materials Processing Site. The Altamont Covered Aerated Static Pile (CASP) Composting Facility, which is owned and operated by Waste Management of Alameda County, Inc., unless the Company designates in writing, with Authority approval, a different drop-off site, where the material will be delivered to Guadalupe Landfill, which is owned and operated by Waste Management of Alameda County, Inc.

Discarded Materials. For purposes of this Agreement, material is deemed to have been discarded, without regard to whether it is destined for Recycling or Disposal, and whether or not it has been separated from other Solid Wastes, in all cases where a fee or other compensation, in any form or amount, is directly or indirectly solicited from, or levied, charged, or otherwise imposed on, or paid by, the Generator or Customer in exchange for handling services. As used herein, handling services include, without limitation, the Collection, removal, Transportation, delivery, and Processing and/or Disposal of the material. Discarded Materials do not include Edible Food that is recovered for human consumption and is not discarded. For the purposes of this Agreement, Discarded Materials include Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris once the materials have been placed in Containers for Collection.

Disposal Government Fee. The total taxes and fees assessed to the Designated Disposal Site solely for Disposal purposes related to the waste program.

Edible Food. Food intended for human consumption. For the purposes of this Agreement, Edible Food is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes the recovery of Edible Food that does not meet the food safety requirements of the California Retail Food Code. If the definition in 14 CCR Section 18982(a)(18) for Edible Food differs from this definition, the definition in 14 CCR Section 18982(a)(18) shall apply to this Agreement.

Excluded Waste. Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, medical waste, infectious, regulated radioactive waste, and toxic substances or material that approved or designated facility operator(s) reasonably believe(s) would, as a result of or upon acceptance, Transfer, Processing, or 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 or accepted at the facility by permit conditions, waste that in Company's reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose Company or Authority to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Single-Family or Multi-Family Solid Waste after implementation of programs for the safe Collection, Processing, Recycling, treatment, and Disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code. Excluded Waste does not include used motor oil and filters, E-Waste Items, and household batteries when such materials are defined as allowable materials for Collection through this Agreement and the Generator or Customer has properly placed the materials for Collection pursuant to instructions provided by Authority or Company as set forth in this Agreement.



Food Recovery. Actions to collect and distribute food for human consumption which otherwise would be disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).

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

1. A food bank as defined in Section 113783 of the Health and Safety Code;
2. A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; and,
3. A nonprofit charitable temporary food facility as defined in Section 113842 of the Health and Safety Code.

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

Food Scraps. All food that will decompose and/or putrefy including (i) all kitchen and table food waste, and animal or vegetable waste that attends or results from the storage, preparation, cooking or handling of food stuffs, and (ii) un-coated paper waste contaminated with Food Scraps and placed in Containers for Collection. Food Scraps includes Food-Soiled Paper. Edible Food separated for Food Recovery shall not be considered Food Scraps. Food Scraps is a subset of Organic Materials.

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

Green Waste. Tree trimmings, grass cuttings, dead plants, leaves, branches and dead trees (not more than three (3) inches in diameter), garden and tree fruits and vegetables, and similar materials generated and separated from other materials at the Premises. Green Waste is a subset of Organic Materials.

Gross Revenues. Any and all revenue or compensation in any form to Company or subsidiaries, or Parent Companies of Company, for the Collection of Solid Waste, Recyclable Materials, Green Waste, Food Scraps, and Construction and Demolition Debris within the Authority, the Transportation of such material to appropriate places of Processing, Recycling, Composting and/or Disposal, and the Processing of Recyclable Materials and Food Scraps pursuant to this Agreement, including Franchise Fees, HHW Fees, Street Sweeping Fees, Vehicle Impact Fees, Recycling Surcharge, Construction and Demolition Debris Surcharge, JPA Administrative Costs or any other cost of doing business.

Gross Revenues Collected. Cash receipts collected by the Company for the Collection of Solid Waste, Recyclable Materials, Green Waste, Food Scraps, and Construction and Demolition Debris within the Authority, the Transportation of such material to appropriate places of Processing, Recycling, Composting and/or Disposal, and the Processing of Recyclable Materials and Food Scraps, excluding Street Sweeping Fees, HHW Fees, Recycling Surcharge, JPA Administrative Costs, and Construction

and Demolition Debris Surcharge. Gross Revenues Collected is the base for the Franchise Fee calculation in 5.1.

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

Large Event. As defined under Commercial Edible Food Generators in Article 1 of this Agreement.

Large Venue. As defined under Commercial Edible Food Generators in Article 1 of this Agreement.

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

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

Multi-Family. Any Premises with five (5) or more units serviced in a manner similar to Commercial Property, but used for residential purposes (not including hotels or motels), irrespective of whether residence therein is transient, temporary or permanent, which receive centralized Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address or individual Collection service in which each unit is billed as a separately Customer. References to "Multi-Family Dwelling Unit" refer to an individual residential unit of the Multi-Family Premises.

Multi-Family Dwelling Unit. An individual residential unit of the Multi-Family.

Residential Organic Materials Government Processing Fee. The Per-Ton total of taxes and fees assessed to the Designated Organic Materials Processing Site solely for Organic Materials Processing purposes.

Residential Organic Materials Processing Proprietary Rate. The proprietary Rate for transferring and Processing Green Waste at the Designated Organics Processing Site.

Organic Waste. Solid Wastes containing material originated from living organisms and their metabolic waste products including, but not limited to, food, Green Waste, organic textiles and

carpets, lumber, wood, Paper Products, Printing and Writing Paper, manure, biosolids, digestate, and sludges, or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined in 14 CCR Section 18982(a)(4) and 14 CCR Section 18982(a)(16.5), respectively.

Paper Products. Include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files (with metal removed), corrugated boxes, tissue, and toweling; or as otherwise defined in 14 CCR Section 18982(a)(51).

Printing and Writing Papers. Include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications; or as otherwise defined in 14 CCR Section 18982(a)(54).

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

Processing Sites. Any plant or site used for the purpose of sorting, cleansing, treating or reconstituting Recyclable Materials or Organic Materials for the purpose of making such material available for productive economic use. Processing Sites include the Approved Organic Materials Processing Site, the Approved Recyclable Materials Processing Site, the Approved Construction and Demolition Debris Processing Site, the Designated Organic Materials Processing Site, and the Designated Construction and Demolition Debris Processing Site.

Prohibited Container Contaminants. The following: (i) Discarded Materials placed in the Recyclable Materials Container that are not identified as acceptable Source Separated Recyclable Materials; (ii) Discarded Materials placed in the Organics Materials Container that are not identified as acceptable Source Separated Organic Materials; (iii) Discarded Materials placed in the Solid Waste Container that are acceptable Source Separated Recyclable Materials and/or Source Separated Organic Materials to be placed in Organics Materials Container and/or Recyclable Materials Container; and (iv) Un-permitted materials placed in any Container.

Property Owner. The owner of real property, or as otherwise defined in 14 CCR Section 18982(a)(57).

Recyclable Materials. Residential, Commercial, or industrial Source Separated by- products of some potential economic value, set aside, handled, packaged, or offered for Collection in a manner different from Solid Waste, which are able to fit in Residential Recycling Containers or Commercial Recycling Containers, as the case may be. As of the date of execution of this Agreement, Recyclable Materials shall include, but not be limited to the following:

- (1) Metals: aerosol cans, aluminum foil, aluminum pans, beverage cans, can lids, car parts, doors and screens, electrical motors, food/soup cans, furniture, hangers, keys, lids/caps, nuts and bolts, paint cans, pet food cans, pipes, plumbing fixtures, pots and pans, propane tanks, scrap metal, screws and nuts, tools, toys, umbrellas, and utensils

- (2) E-Waste Items: appliances, calculators, cameras, cell phones, computer mice, computer tower, cords, DVD players, DVRs, fax machines, inkjet toner cartridges, keyboards, microwaves, pagers, PDAs, printers, radios, scanners, stereos, telephones, and VCRs, but not including any E-Waste Items with embedded batteries
- (3) Paper: aseptic packaging, books, carbonless paper, cardboard, catalogs, cereal boxes, coffee cups, colored paper, computer paper, construction paper, coupons, egg cartons, envelopes, frozen food boxes, gift wrap, juice boxes, junk mail, magazines, mailers, milk cartons, newspapers (including inserts), office paper, paper bags, paper cups / plates, pizza boxes, shoe boxes, shredded paper, and telephone books
- (4) Plastic: auto parts, baby wipe containers, baskets, beverage bottles, bleach/detergent bottles, buckets, coffee cup lids, coolers, crates, flower pots, food containers, furniture, , hangers, , household cleaner bottles, mouthwash bottles, pet carriers, HDPE pipes, plastics (numbers 1 - 7), prescription bottles, shampoo bottles, shelving, squeeze bottles, swimming pools, take-out containers, and toys
- (5) Film Plastics: bread bags, bubble wrap, cellophane bags, dry cleaning bags, frozen food bags, newspaper bags, pallet wrap, plastic liners, plastic wrap, produce bags, and shrink wrap
- (6) Glass: beverage bottles, broken glass, food jars, and wine bottles
- (7) Miscellaneous: textiles, and used oil and used oil filters

Recycling Surcharge. The component of Rates which reflects the decline in Recyclable Materials markets due to change in China's import policies.

Residual (or Residue). The Solid Waste destined for Disposal, further Transfer and/or Processing as defined in 14 CCR Section 17402(a)(30) or 14 CCR Section 17402(a)(31), or transformation which remains after Processing has taken place and is calculated in percent as the weight of Residual divided by the total incoming weight of materials.

SB 1383. Senate Bill 1383 of 2016 approved by the Governor on September 19, 2016, which added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of Division 30 of the Public Resources Code, establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants as amended, supplemented, superseded, and replaced from time to time.

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

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

Service Level. The number and size of a Customer's Container(s) and the frequency of Collection service, as well as ancillary services such as lock/unlock service, Container push/pull service, etc.

Single-Family. Any residential Premises with less units; Notwithstanding any contrary definition in the City's Municipal Code, any detached or attached house or residence designed or used for occupancy by one or two families, provided that Collection service can feasibly be and is provided to such Premises as an independent unit.

Solid Waste. Solid Waste as defined in California Public Resources Code, Division 30, Part 1, Chapter 2, §40191. Excluded from the definition of Solid Waste are Construction and Demolition Debris, Hazardous Waste, Infectious Waste, Designated Waste, 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 HHW 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.

Source Separation (or Source Separated). The segregation, by the Generator, Property Owner, Property Owner's employee, property manager, or property manager's employee of materials designated for separate Collection for some form of Recycling, Composting, recovery, or reuse.

Tier One Commercial Edible Food Generator. As defined under Commercial Edible Food Generators in Article 1 of this Agreement.

Tier Two Commercial Edible Food Generator. As defined under Commercial Edible Food Generators in Article 1 of this Agreement.

Subcontractor. Any Person, firm, or entity hired by Company to carry out any of Company's duties under this Agreement. Subcontractor includes Affiliates.

Transport. The Transportation of Solid Waste, Recyclable Materials, or Organic Materials from the point of Collection to a MRF, Processing facility, or Disposal Site.

Working Day. Days on which the Company is required to provide regularly scheduled Collection services under this Agreement."

- B. Article 2, Section 2.10 of the Agreement is hereby amended to read as follows:

**"2.10 Voluntary Use of Designated Disposal Site, Designated Organic Materials Processing Site, and Designated Construction and Demolition Debris Processing Site.**

The Company, without constraint and as a free-market business decision in accepting this Agreement, agrees to use the Designated Disposal Site for the purposes of Disposing of all Solid Waste Collected in the Authority, the Designated Organic Materials Processing Site for the purposes of Processing all Organic Materials Collected in an Organic Materials Containers, and the Designated Construction and Demolition Debris Processing Site for purposes of Processing of all Construction and Demolition Debris Collected in the Authority, unless materials Construction and Demolition

Debris Materials are taken to an Approved Construction and Demolition Debris Processing Site. Such decision by Company in no way constitutes a restraint of trade notwithstanding any Change in Law regarding flow control limitations or any definition thereof.”

- C. Article 4, Section 4.2.B of the Agreement is hereby amended to read as follows:

#### **“4.2.B Scope of Franchise**

Transporting Collected materials to the Designated Disposal Site, Designated Organic Materials Processing Site, Designated Construction and Demolition Debris Processing Site, Approved Construction and Demolition Debris Processing Site, Approved Recyclable Materials Processing Site, and Approved Organic Materials Processing Site.”

- D. Article 4, Section 4.3 of the Agreement is hereby amended to read as follows:

#### **“4.3 Limitations to Scope**

The categories of materials listed below may be 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 Authority or Cities which is otherwise required by law:

- A) Solid Waste which is removed from any Premises by the Generator, and which is Transported personally by the Owner or Occupant of such Premises (or by his or her full-time employees) to any Processing or Disposal Site;
- B) Collection and Processing of Recyclable Materials not specifically included in the definition of Recyclable Materials in Section 1.81;
- C) Source Separated Recyclable Materials that are generated in the Authority that are donated by the Generator to youth, civic, charitable, or other nonprofit organizations;
- D) Source Separated Recyclable Materials generated in the Authority that are placed in Containers, Collected through a private arrangement with the Generator and the Generator is compensated for the Recyclable Materials Collected; provided, however, that the Owner or Occupant of such Premises shall be required to subscribe to and pay for the basic level of service provided by Company;
- E) Recyclable Materials Containers delivered for Recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500 et seq. California Public Resources Code as may be amended from time to time;
- F) Organic Materials Composted on residential Premises or otherwise legally managed at the site where it is generated or at a Community Composting site;
- G) Solid Waste, Recyclable Materials, and/or Organic Materials removed from a Premises by a contractor (e.g., gardener, landscaper, tree-trimming service, but not by a subcontractor whose primary service is such removal) 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;

- H) Animal waste and remains from slaughterhouses or butcher shops, grease waste, or used cooking oil;
- I) Construction and Demolition Debris which is removed from any Premises by employees of the construction or demolition company or the City, using equipment owned by the company or the City;
- J) By-products of sewage treatment, including sludge, sludge ash, grit and screenings;
- K) Hazardous Waste, Household Hazardous Waste, Infectious Waste and Designated Waste regardless of its source; and,
- L) Materials generated by public schools and other State institutions located in the Authority.
- M) Clean up Services from residential or commercial Premises where the services are provided to the particular Premises on a temporary basis, not on a regular or on-going basis.
- N) Edible Food, which is collected from a Generator by other Person(s), such as a Person from a Food Recovery Organization or Food Recovery Service, for the purposes of Food Recovery; or which is transported by the Generator to another Person(s), such as a Person from a Food Recovery Organization, for the purposes of Food Recovery, regardless of whether the Generator donates, sells, or pays a fee to the other Person(s) to collect or receive the Edible Food from the Generator.
- O) Food Scraps that are separated by the Generator and used by the Generator or to other Person(s) for lawful use as animal feed, in accordance with 14 CCR Section 18983.1(b)(7). Food Scraps intended for animal feed may be Self-Hauled by Generator or hauled by another party.
- P) Any services not specifically identified in Section 4.2.

Company acknowledges and agrees that Authority may permit other Persons besides Company to Collect any or all types of the Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris listed in this Section 4.3, without seeking or obtaining approval of Company under this Agreement.”

- E. Article 4, Section 4.5.3 of the Agreement is hereby amended to read as follows:

**“4.5.3 Authority Directed Changes to Scope – Change in Designated Disposal Site, Approved Recyclable Materials Processing Site, Approved Organic Materials Processing Site, Designated Organic Materials Processing Site, Approved Construction and Demolition Debris**



## **Processing Site, or Designated Construction and Demolition Debris Processing Site**

If the Authority changes the Designated Disposal Site, the Designated Organic Materials Processing Site, or the Designated Construction and Demolition Debris Processing Site, or specifies use of a Recyclable Materials Processing Site that is different from the Approved Recyclable Materials Processing Site, use of an Organic Materials Processing site that is different from the Approved Organic Materials Processing Site, or use of the Construction and Demolition Debris Processing Site that is different from the Approved Construction and Demolition Debris Processing Site, the Authority shall provide written notice to Company six (6) months before effective date of the change and the date Company shall commence use of the site.”

- F. Article 4, Section 4.5.4 of the Agreement is hereby amended to read as follows:

### **“4.5.4 Authority Directed Changes to Scope – Adjustment to Company’s Compensation**

If the Authority directs a change in scope, Designated Disposal Site, Designated Organic Materials Processing Site, or Designated Construction and Demolition Debris Processing Site, Company may be entitled to an adjustment in its compensation in accordance with Section 8.8. Company shall not be compensated for the proposal preparation costs or other costs incurred during the negotiation of its proposal for the change in scope of such services.”

- G. Article 4, Section 4.5.5 of the Agreement is hereby amended to read as follows:

### **“4.5.5 Authority Directed Changes to Scope – Implementation of New Services**

The Company's implementation of the new services or change in the Designated Disposal Site, Designated Organic Materials Processing Site, Designated Construction and Demolition Debris Processing Site, Approved Recyclable Materials Processing Site, Approved Organic Materials Processing Site, or Approved Construction and Demolition Debris Processing Site, shall occur in a timely, smooth, and seamless manner such that Customers and/or Generators do not experience disruption in Collection services. Company shall be responsible for managing implementation of new Collection services or change in the Designated Disposal Site, Designated Organic Materials Processing Site, Designated Construction and Demolition Debris Processing Site, Approved Recyclable Materials Processing Site, Approved Organic Materials Processing Site, or Approved Construction and Demolition Debris Processing Site, and other related services, and shall do so in accordance with an Authority-approved implementation plan.”

- H. Article 6, Section 6.2.2 of the Agreement is hereby amended to read as follows:

### **“6.2.2 Recyclable Materials Collection – Single-Family Premises**

Company shall Collect commingled Recyclable Materials from 35-, 65-, or 95-gallon Company-provided Carts, as requested by the Customer, and placed for Collection by the Recyclable Materials Generator, not less than once per week. Recyclable Materials Collection shall be provided to all Customers subscribing to Solid Waste Collection unless the Customer has received a service waiver under Section 7.6. Standard Collection service shall be automated Collection from the curb unless another method is approved by the Authority. Authority approval will not be unreasonably withheld. If Occupant is physically unable to place the Cart Curbside, Company shall Collect Carts



from an alternative service location (such as a porch, side yard, or backyard). In addition, as part of Company's Recyclable Materials Collection, Company shall Collect Residential Household Batteries that are placed on top of the Single-Family Dwelling Units Customer's Recyclable Materials Collection Container in a clear-sealed plastic bag. In addition, as part of Company's Recyclable Materials Collection, Company shall Collect bundled cardboard (of a size that would be able to fit within the Collection Container) that are placed next to the Single-Family Dwelling Units Customer's Recyclable Materials Collection Container."

- I. Article 6, Section 6.2.3 of the Agreement is hereby amended to read as follows:

### **"6.2.3 Recyclable Materials Collection – Multi-Family Premises**

Company shall Collect commingled Recyclable Materials from Multi-Family Premises as frequently as scheduled by Customer, but not less than once per week. Recycling Collection shall be provided to all Customers subscribing to Solid Waste Collection, unless the Customer has received a service waiver under Section 7.6.

Company shall provide each Customer with a 95-gallon Cart or combination of smaller Carts, or Bins with capacities ranging from 1 to 6 cubic yards, as requested by the Customer, with no less than twenty (20) gallons of Container capacity for every Multi-Family Dwelling Unit. Carts and Bins may be shared by the Occupants of the Multi-Family Premises.

Company shall Collect Recyclable Materials at the designated location agreed upon by Company and Customer. Special consideration shall be given when determining the pickup area for Multi-Family accounts to ensure that the flow of traffic is not impeded and that it does not result in aesthetic degradation of an area. Additionally, if in the Authority's opinion, the location of an existing pickup area is inappropriate, Authority may require the Customer to relocate the pickup area. In addition, as part of Company's Recyclable Materials Collection, Company shall Collect Multi-Family Household Batteries that are placed on top of the Multi-Family Dwelling Units Customer's Recyclable Materials Collection Cart in a clear-sealed plastic bag. In addition, as part of Company's Recyclable Materials Collection, Company shall Collect bundled cardboard (of a size that would be able to fit within the Collection Container) that are placed next to the Multi-Family Dwelling Units Customer's Recyclable Materials Collection Container."

- J. Article 6, Section 6.2.4 of the Agreement is hereby amended to read as follows:

### **"6.2.4 Recyclable Materials Collection – Commercial Premises**

Company shall Collect Recyclable Materials from Commercial Premises as frequently as scheduled by Customer, but not less than once per week. Company shall offer service to Customers Monday through Friday. If Customer requests Recyclable Materials Collection services more frequently than once per week, Company shall provide requested service. Recyclable Materials Collection shall be provided to all Customers subscribing to Solid Waste Collection, unless the Customer has received a service waiver under Section 7.6.

Company shall allow Commercial Customers to select a Collection service method that best suits the needs of its Premises. Specifically, the Company shall offer the following choices to Commercial Customers:

- A) Cart or Bin service. Company shall allow Commercial Customers to use Cart(s) or Bin(s) for Recyclable Materials Collection. Company shall provide each Customer with a choice of one or more Carts with capacities of 95 gallons, or Bins with capacity ranging from 1 to 6 cubic yards.
- B) Centralized Cart or Bin service. Company shall allow for Commercial Customers to use Cart(s) or Bin(s) for Recyclable Materials Collection that are shared by the Occupants of two or more Commercial Premises. In such case, Company shall provide one or more Carts or Bins to such Premises as requested by Customer(s) provided that a minimum of 96 gallons (or similar volume) of Container capacity for Recyclable Materials is provided for every four (4) Commercial Premises.
- C) Drop Boxes and Compactors. Company shall allow Commercial Customers to use a Drop Box or Compactor for Recyclable Materials Collection to meet Customer's permanent needs. In such case, Company shall provide Customers with a choice of Container capacities ranging from 8 to 40 cubic yards. Company shall offer Customers the option to purchase or lease Compactors either through Company or an outside vendor."

K. Article 6, Section 6.3.1 of the Agreement is hereby amended to read as follows:

#### **"6.3.1 Organic Materials Collection – General**

Company shall Collect Organic Materials placed in the Customer's Organic Materials Collection Container provided that the Customer has Source Separated the Organic Materials from Solid Waste. Company shall Transport all Organic Materials to the Designated Organic Materials Processing Site."

L. Article 6, Section 6.3.2 of the Agreement is hereby amended to read as follows:

#### **"6.3.2 Organic Materials Collection – Single-Family Premises**

Company shall Collect Organic Materials from Single-Family Premises, but no less than once per week. Organic Materials Collection shall be provided to all Customers subscribing to Solid Waste Collection, unless the Customer has received a service waiver under Section 7.6. Company shall provide each Customer with a 35-, 65- or 95-gallon Cart, as requested by the Customer. Customer has the option to receive up to three (3) 95-gallon Carts at no additional charge. Company shall Collect Carts from the curb unless Occupant is physically unable to place the Container at the curb. In such event, Company shall Collect Carts from an alternative service location (such as the porch, side yard, or backyard).

Company shall provide to all Single-Family Premises kitchen pails designed to contain Food Waste prior to placement in the Customer's Organic Materials Container. Company shall provide the initial distribution of kitchen pails to Single-Family Customers prior to January 1, 2022. Company shall submit kitchen pail specifications and plan for distribution to Customers to the Authority for review and approval prior to ordering and distribution of the kitchen pails.

Company will provide no more than 1 replacement kitchen pail per year at no additional charge at Customer's request."

M. Article 6, Section 6.3.3 of the Agreement is hereby amended to read as follows:

### **"6.3.3 Organic Materials Collection – Multi-Family Premises**

Company shall Collect Organic Materials from Multi-Family Premises as frequently as scheduled by Customer, but not less than once per week. Company shall provide each Customer with a 95-gallon Organic Materials Cart, or combination of smaller Carts, or Organic Materials Bins with capacities ranging from 1 to 6 cubic yards, as requested by Customer. Organic Materials Collection shall be provided to all Customers subscribing to Solid Waste Collection, unless the Customer has received a service waiver under Section 7.6. Company shall Collect Organic Materials at the designated location agreed upon by Company and Customer.

Company shall provide to all Multi-Family Dwelling Units kitchen pails designed to contain Food Waste prior to placement in the Customer's Organic Materials Container. Company shall provide the initial distribution of kitchen pails to Multi-Family Customers prior to January 1, 2022. Company shall submit kitchen pail specifications and plan for distribution to Customers to the Authority for review and approval prior to ordering and distribution of the kitchen pails.

Company will provide no more than 1 replacement kitchen pail per Multi-Family Dwelling Unit year at no additional charge at Customer's or resident's request."

- N. Article 6, Section 6.3.5 of the Agreement is hereby amended to read as follows:

### **"6.3.5 Organic Materials Collection – Commercial Organic Materials Collection**

Company shall Collect Organic Materials as frequently as scheduled by Customer, but not less than once per week. Company shall offer service to Customers Monday through Friday. Company shall provide each participating Customer with a 96-gallon Cart, or Bins with capacities of up to 6 cubic yards (or similar volume), as requested by Customer and approved by Company. Company shall Collect Organic Materials at the designated location agreed upon by Company and Customer. Organic Materials Collection shall be provided to all Customers subscribing to Solid Waste Collection, unless the Customer has received a service waiver under Section 7.6."

- O. Article 6, Section 6.3.6 of the Agreement is hereby amended to add the following subsection:

### **"6.3.6 Organic Materials Collection – Use of Plastic Bags for Organic Materials Collection (NEW)**

6.3.6.A. Designated Organic Materials Processing Site. Company shall allow Single-Family Customers and Generators with Organic Materials Cart Collection service to place Organic Materials in Compostable Plastic bags and put the bagged Organic Materials in the Organic Materials Cart to be delivered to the Designated Organic Materials Processing Site.

6.3.6.B. Approved Organic Materials Processing Site. Company shall allow Multi-Family and Commercial Customers and Generators with Organic Materials Cart and Bin Collection service to place Organic Materials in clear plastic bags and put the bagged Organic Materials in the Organic Materials Container to be delivered to the Approved Organic Materials Processing Site. With respect to Multi-Family and Commercial Organic Materials Processed by Company, Company shall provide written notification to the Authority that allowing the use of clear plastic bags does not inhibit the ability of the

Authority to comply with SB 1383 Regulations, and that the Approved Organic Materials Processing Site can Process and remove clear plastic bags when it recovers Organic Materials. Annually, in accordance with Article 10, Company shall provide written notification to the Authority that the Approved Organic Materials Processing Site has and will continue to have the capabilities to Process and remove the clear plastic bags when it recovers Organic Materials. Company shall notify the Authority within one hundred twenty (120) days of the facility's inability to accept clear plastic bags. The notification shall include: (i) a description of the reasons the facility is no longer able to Process and recover plastic bags; (ii) the period of time the Approved Organic Materials Processing Site will not Process and recover clear plastic bags; and, (iii) the Company's proposed plan to educate and provide outreach to Customers in the event that clear plastic bags are no longer accepted for Collection."

- P. Article 6, Section 6.3.7 of the Agreement is hereby amended to add the following subsection:

**"6.3.7 Organic Materials Collection – Collection of Compostable Plastics (NEW)**

Company shall Collect Compostable Plastics, in the Organic Materials Containers for Processing at the Approved Organic Materials Processing Site. At least six (6) months prior to the commencement of the Collection of Compostable Plastics in the Organic Materials program, Company shall provide written notification to the Authority that the Approved Organic Materials Processing Site can Process and recover these Compostable Plastics. Annually, in accordance with Article 10, Company shall provide written notification to the Authority that the facility has, and will continue to have, the capabilities to Process and recover the Compostable Plastics. Company shall notify the Authority within one hundred twenty (120) days of the facility's inability to accept Compostable Plastics. The notification shall include: (i) a description of the reasons the facility is no longer able to Process and/or recover Compostable Plastics; (ii) the period of time the Approved Organic Materials Processing Site will not Process and/or recover Compostable Plastics; and, (iii) the Company's proposed plan to educate and provide outreach to Customers in the event that Compostable Plastics bags are no longer accepted for Collection."

- Q. Article 6, Section 6.4.1 of the Agreement is hereby amended to read as follows:

**"6.4.1 Construction and Demolition Debris Collection - General**

Company shall Collect Construction and Demolition Debris placed in the Company provided Construction and Demolition Debris Collection Container provided that the Customer has Source Separated the Construction and Demolition Debris from Solid Waste. Company shall Transport all Construction and Demolition Debris to the Designated Construction and Demolition Debris Processing Site or an Approved Construction and Demolition Debris Processing Site, as agreed upon by the Customer and the Company in order to achieve higher levels of Diversion than the Designated Construction and Demolition Debris Processing Site and at the Rates ratified by the Authority. Company shall work with the Customer to determine the best approach to reach CalGreen compliance."

- R. Article 6, Section 6.6 of the Agreement is hereby amended to read as follows:

## **"6.6 City Facilities' Collection**

Company shall Collect and Dispose of all Solid Waste, Collect and Process all Recyclable Materials and Organic Materials generated at public facilities as a result of routine and customary municipal operations and City-sponsored events at no charge to the City or Authority. Company shall make Collections from Containers Monday through Friday or on Saturdays following non-working holidays, as mutually agreed upon between City and Company. Collections from Bins and Roll-Off Containers shall be scheduled at a time mutually agreed upon by Company and City. Within six months of the execution of this Agreement, Company shall meet with each City to confirm the quantity, size and frequency of Bins and Containers Collected historically by the Company pursuant to this Section, as well as City sponsored events for which the Company has historically provided Collection services. Cities and Company shall meet annually to review the services being provided under this Section."

- S. Article 6, Section 6.7 of the Agreement is hereby amended to read as follows:

## **"6.7 Recyclable Materials, Organic Materials, and Construction and Demolition Debris Processing**

6.7.1.A. Recyclable Materials Processing. Company agrees to Transport and deliver all Recyclable Materials it Collects in the Authority to the Approved Recyclables Materials Processing Site. Residue from the Processing of Recyclable Materials shall be Processed by the Approved Recyclable Materials Processing Site, at a Disposal Site selected by the operator of the Approved Recyclable Materials Processing Site.

Company shall secure sufficient capacity to Process Recyclable Materials Collected under this Agreement. Company shall provide the Authority, upon request, with documentation demonstrating the availability of such capacity. All costs associated with Transportation to and Processing of Recyclable Materials at the Approved Recyclable Materials Processing Site shall be paid by Company.

Company shall ensure that all existing permits and approvals necessary for use of the Approved Recyclable Materials Processing Site in full regulatory compliance are maintained by the owners of those Facilities at all times during the term of this Agreement, and Company shall, upon request of Authority, provide copies of notices of violation or permits that it receives to the Authority, pursuant to Exhibit 11.A.3.If Company elects to use a Recyclable Materials Processing Site that is different than the Approved Recyclable Materials Processing Site, it shall request written approval from the Authority Executive Director sixty (60) days prior to use of the site and obtain the Authority's written approval, which approval shall not be unreasonable withheld or delayed, no later than ten (10) days prior to use of the site. Company shall not be compensated for paying any increased Transportation and Processing costs associated with the use of Processing Site(s) different from the Approved Recyclable Materials Processing Site.

6.7.1.B. Organic Materials Processing. Company agrees to Transport and deliver Organic Materials Collected from Commercial and Multi-Family Customers it Collects in the Authority to the Approved Organic Materials Processing Site. The Company shall arrange for the Approved Organic Materials Processing Site to Process the Organic Materials to produce energy and Compost. Residue from the Processing of Organic Materials shall be

Processed by the Approved Organic Materials Processing Site at a Disposal Site selected by the Company and/or its Processor.

Company shall secure sufficient capacity to Process Organic Materials Collected from Commercial and Multi-Family Customers under this Agreement. Company shall provide the Authority, upon request, with documentation demonstrating the availability of such capacity. All costs associated with Transporting to and Processing of Organic Materials at the Approved Organic Materials Processing Site shall be paid by Company.

Company shall ensure that all existing permits and approvals necessary for use of the Approved Organic Materials Processing Site in full regulatory compliance are maintained by the owners of those Facilities at all times during the term of this Agreement, and Company shall, upon request of Authority, provide copies of notices of violation or permits that it receives to the Authority, pursuant to Exhibit 11.A.3. If Company elects to use an Organic Materials Processing Site that is different than the Approved Organic Materials Processing Site, it shall request written approval from the Authority Executive Director sixty (60) days prior to use of the site and obtain the Authority's written approval, which approval shall not be unreasonable withheld conditioned or delayed, no later than ten (10) days prior to use of the site. Company shall not be compensated for paying any increased Transportation and Processing costs associated with the use of Processing Site(s) different from the Approved Organic Materials Processing Site.

6.7.1.C. Construction and Demolition Debris Processing. Company agrees to Transport and deliver Construction and Demolition Debris Collected in the Authority to an Approved Construction and Demolition Debris Processing Site, at the Customer's request.

Company shall secure sufficient capacity to Process Construction and Demolition Debris Collected under this Section. Company shall provide the Authority, upon request, with documentation demonstrating the availability of such capacity. All costs associated with Transporting to and Processing of Construction and Demolition Debris at the Approved Construction and Demolition Debris Processing Site shall be paid by Company.

Company shall ensure that all existing permits and approvals necessary for use of the Approved Construction and Demolition Debris Processing Site in full regulatory compliance are maintained by the owners of those Facilities at all times during the term of this Agreement, and Company shall, upon request of Authority, provide copies of notices of violation or permits that it receives to the Authority, pursuant to Exhibit 11.A.3.

If Company elects to use a Construction and Demolition Debris Processing Site that is different than the Approved Construction and Demolition Debris Processing Site, it shall request written approval from the Authority Executive Director sixty (60) days prior to use of the site and obtain the Authority's written approval, which approval shall not be unreasonable withheld conditioned or delayed, no later than ten (10) days prior to use of the site. Company shall not be compensated for paying any increased Transportation and Processing costs associated with the use of Processing Site(s) different from the Approved Construction and Demolition Debris Processing Site.

6.7.2 Transfer. If the Company (i) Transports Recyclable Materials, Organic Materials, or Construction and Demolition Debris to an Approved Facility where the materials will be unloaded



from Collection vehicles and loaded into large-capacity vehicles and Transported to the relevant Processing Site(s) or, (ii) pulls two (2) or more Collection trailers in tandem with one truck, and the Company is unable to do so then the Company shall be responsible for making other Transportation arrangements. In such event, Company shall not be compensated for any additional costs. If the Company plans to change its transfer method, Company shall obtain written approval from the Authority prior to making the change which approval shall not be unreasonably withheld, delayed or conditioned.

6.7.3 Marketing. The Company shall be responsible for marketing materials recovered from Discarded Materials Collected in the Authority and delivered to an Approved Facility for Processing. Commencing on or before January 1, 2022, Company's marketing methods for materials shall be performed in a manner that supports achievement of Disposal reductions and in such a manner that complies with State statutes, including, but not limited to, AB 901, AB 939, SB 1016, AB 341, AB 1594, AB 1826, and SB 1383, and corresponding regulations.

Company shall prepare and maintain an Authority-approved marketing plan for all Discarded Materials Collected in the Authority and delivered to an Approved Facility. The plan shall be in place on or before the Commencement Date of this Agreement. The marketing plan shall fully describe the Company's marketing methods and approach, targeted primary and contingent markets, pricing policy and assumed salvage value for each Collected type of Recyclable Material products and Organic Materials products, and contingency plans if market conditions are severe.

Company shall provide proof to the Authority that all Recyclable Materials and Organic Materials Collected are Processed and recovered materials are marketed for Recycling, recovery, salvage, or reuse or as recovered Organic Waste products in such a manner that materials are not deemed landfill Disposal pursuant to pursuant to 14 CCR Section 18983.1(a) and in a manner that materials are deemed Diversion pursuant to AB 939. All Residual material from the Processing activities that is not marketed for use shall be accounted for as Disposal Tonnage at a permitted Disposal Site. No Recycling Material, Organic Materials, or Construction and Demolition Debris shall be Transported to a domestic or foreign location if landfill Disposal, as defined in 14 CCR Section 18983.1(a) of such material is its intended use.

Company shall provide Authority with a list of brokers/buyers used in its marketing program each quarter. Authority may audit one broker or buyer per month to confirm that materials are being Recycled. If Company becomes aware that a broker or buyer has illegally handled or Disposed of material generated by the Authority or elsewhere, Company shall immediately inform the Authority and terminate its contract or working relationship with such party immediately.

6.7.3 Disposal of Recyclable Materials, Organic Materials, and Construction and Demolition Debris Prohibited. Recyclable Materials, Organic Materials, and Construction and Demolition Debris may not be Disposed of in lieu of Recycling the material, without the written approval of the Authority which approval shall not be unreasonably withheld, delayed, or conditioned. If Company believes that it cannot Divert the Recyclable Material, Organic Materials, and Construction and Demolition Debris from Disposal, then it shall prepare a written request for approval to Dispose of such material. Such request shall contain the basis for its belief, describe the Company's efforts to arrange for the Diversion from Disposal of such material, the period required for such Disposal, the incremental costs or cost savings resulting from such Disposal, and any additional information supporting the Company's request. The Authority shall consider the Company's request and inform Company in writing of its decision within thirty (30) calendar days of the date of its written request

for approval. If the Authority approves such request, any difference in the cost of such Disposal compared to Diversion shall be adjusted in accordance with Section 8.7.”

T. Article 6, Section 6.8.1 of the Agreement is hereby amended to read as follows:

### **“6.8.1 Operations - Schedules**

To preserve peace and quiet, no Solid Waste, Recyclable Materials, Organic Materials, or Construction and Demolition Debris shall be Collected from Residential Property between 6:00 P.M. and 6:00 A.M. on any day.

The times for Collection in non-residential areas that are two hundred (200) feet or less from residential areas shall be fixed by mutual agreement of City and Company after consideration, among others, of traffic conditions, accessibility to and from the Collection areas and any other circumstances which may require an early pickup. If Company and City fail to agree on a Collection time, the Company must take direction from the City. Such Solid Waste, Recyclable Materials, Organic Materials, or Construction and Demolition Debris shall be Collected, Monday through Friday. Annually, Company shall notify Authority and Customers in writing of the alternate Collection day when the regularly scheduled Collection day falls on Christmas Day or New Year's Day.

Collection of Solid Waste, Recyclable Materials, Organic Materials, or Construction and Demolition Debris from Commercial Properties may include Saturdays and shall be between the hours of 3:00 a.m. and 10:00 p.m.

In the event that Company's Collection activities are the subject of noise complaints from residents that are near non-residential service locations, Company shall meet and confer with the Authority Executive Director to identify whether alternative Collection times or methods could be used to mitigate the noise concerns.

Company shall provide Authority with route maps and daily schedules for each type of Collection. The Authority shall review and approve such maps and schedules. Company may not change its regularly scheduled Residential Collection days without prior written approval from the Authority. Company shall obtain such written approval from the Authority thirty (30) calendar days before the effective date of the schedule change, and such approval will not be unreasonably withheld, delayed, or conditioned. Once approved, Company shall notify any Residential Customer not less than four (4) weeks before any Collection schedule changes. Company shall not permit any Customer to go more than seven (7) calendar days without service during a Collection schedule change. Company may not change any Commercial Customer's regularly scheduled Collection days without prior approval from the Commercial Customer.

Company shall be prepared to review its operations plan outlining the Collection routes, intervals of Collection and Collection times for all Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, or Construction and Demolition Debris Collected under this Agreement with Authority once annually upon 30-day written notice requesting said review. More frequent reviews may be required if operations are not satisfactory based on documented observations or reports or complaints. If the plan is determined to be inadequate by Authority, Company shall revise the plan, incorporating any changes into a revised plan, and review said revised plan with Authority within thirty (30) calendar days.



When notified of a Missed Pick-Up, Company shall Collect the Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, or Construction and Demolition Debris within one (1) business day. For residential service, a business day shall mean Monday through Friday, excluding Christmas and New Year's Day."

- U. Article 6, Section 6.8.3.1 of the Agreement is hereby amended to read as follows:

**"6.8.3.1 Operations – Residential Solid Waste, Recyclable Materials, and Organic Materials Containers**

The standard sizes of Containers for Single-Family residential Solid Waste Collection shall be 20-, 35-, 65- and 95-gallons and shall be compatible with automated Collection equipment. The standard sizes of Containers for Single-Family residential Recyclable Materials and Organic Materials Collection shall be 35-, 65- and 95-gallons and shall be compatible with automated Collection equipment. Organic Materials Collection shall continue in the 65-gallon to 101-gallon Carts provided under previous agreement. Company shall provide kitchen pails to Single-Family Premises, pursuant to Section 6.3.2. Company will, within the first six (6) months of Rate Year 8, inspect all Carts and repair or replace the existing Carts. A new Container, compliant with specifications outlined in Exhibit 13, will be provided at no cost to the Customer if Container is replaced. Containers shall be replaced by Company at no cost to Customer when it is due to normal wear and tear. Authority has the option to maintain ownership of all Carts at the end of the Agreement.

At the inception of the Agreement, the Company shall encourage Customers to retain their existing Solid Waste and Recyclable Materials Containers for storage or future use as part of their annual clean-up. If the Customer chooses to have the existing Containers picked up by the Company, the Company is to Recycle the Containers where possible."

- V. Article 6, Section 6.8.3.2 of the Agreement is hereby amended to read as follows:

**"6.8.3.2 Operations - Non-Residential Solid Waste, Recyclable Materials, Green Waste, Food Scraps Containers, or Construction and Demolition Debris**

Company shall furnish Customers appropriate Containers to Collect Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris at Multi-Family Dwelling Unit, Commercial, and other Premises. The standard sizes for Multi-Family Dwelling Unit, Commercial Properties, and other non-residential Premises Solid Waste Collection shall be: automated Collection Carts of 35-, 65-, and 95-gallons capacity; Bins of 1 to 6 cubic yard capacity; and Roll-Off Containers of 8 to 40 cubic yards capacity. The standard sizes for Recyclable Materials and Organic Materials Collection shall be 95-gallon Carts or Bins of 1 to 6 cubic yard capacity. The kind, size and number of Containers furnished to particular Customers shall be as determined mutually by the Customer and Company. Containers which are front loading Bins shall have lids. All Containers with a capacity of one (1) cubic yard or more shall meet applicable regulations for Solid Waste Bin safety, shall have reflectorized marking (unless normally located in an enclosure), shall be maintained in good repair with neatly and uniformly painted surfaces, and shall follow specifications outlined in Exhibit 13. Reflectorized markings are to be placed on Bins by Company."

- W. Article 6, Section 6.8.7 of the Agreement is hereby amended to read as follows:

### **"6.8.7 Operations – Identification Required**

Company shall provide its employees, companies, and Subcontractors with identification for all individuals who may make face-to-face contact with residents or businesses in Authority. Authority may require Company to notify Customers yearly of the form of said identification. Company shall provide a list of current employees, companies, and Subcontractors to Authority upon request."

- X. Article 6, Section 6.8.8 of the Agreement is hereby amended to read as follows:

### **"6.8.8 Operations – Fees and Gratuities**

Company shall not, nor shall it permit any agent, employee, or Subcontractor employed by it, to request, solicit, demand, or accept, either directly or indirectly, any compensation or gratuity for temporary Bin/Roll-Off Container services or the Collection and Transportation of Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris otherwise required under this Agreement. Compensation or gratuity shall exclude Holiday gifts."

- Y. Article 6, Section 6.10 of the Agreement is hereby amended to read as follows:

### **"6.10 Transportation of Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris**

The Company shall Transport all Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris Collected under Section 6.1 through Section 6.4 for Disposal and Processing. The Company shall maintain accurate records of the quantities of Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris Transported for Disposal and Processing and will cooperate with the Authority in any audits or investigations of such quantities.

The Company shall cooperate with the operator(s) of the Disposal Site and Processing Site with regard to operations therein, including, but not limited to, complying with directions from the operator to unload Collection vehicles in designated areas, accommodating to maintenance operations and construction of new Facilities, and cooperating with its Hazardous Waste exclusion program."

- ZZ. Article 6, Section 6.11 of the Agreement is hereby amended to read as follows:

### **"6.11 Disposal of Solid Waste**

The Company shall Dispose of all Solid Waste Collected under Section 6.1 at the Designated Disposal Site. Company shall conform to the payment provisions of the Designated Disposal Site operator included in Exhibit 10. If the Designated Disposal Site becomes unable to accept and Dispose of Authority's Solid Waste for reasons outside the Company's control, the Authority shall direct the Company to an Alternative Facility for Disposal and the Company shall Transport and Dispose of the Authority's Solid Waste at the Alternative Facility. Company shall be compensated for the net additional Transportation and Disposal cost incurred in delivering the Solid Waste to another Disposal Site."

- AA. Article 6, Section 6.12 of the Agreement is hereby amended to read as follows:

## **"6.12 Reserved"**

BB. Article 6, Section 6.13 of the Agreement is hereby amended to read as follows:

### **"6.13 Processing of Construction and Demolition Debris"**

The Company shall deliver for Processing all Construction and Demolition Debris Collected under Section 6.4 at the Designated Construction and Demolition Debris Processing Site, unless Construction and Demolition Debris Material is delivered to an Approved Construction and a Demolition Debris Processing Site, upon request by the Customer. Company shall charge Customers the appropriate Rates based upon the Processing Site agreed upon by the Company and Customer. Company shall conform to the payment provisions of the Designated Construction and Demolition Debris Processing Site operator included in Exhibit 10. If the Designated Construction and Demolition Debris Processing Site becomes unable to accept and Dispose of Authority's Construction and Demolition Debris for reasons outside the Company's control, the Authority shall direct the Company to an Approved Construction and Demolition Debris Processing Site and the Company shall Transport and Dispose of the Authority's Construction and Demolition Debris at the selected Approved Construction and Demolition Debris Processing Site. Company shall be compensated for the net additional Transportation and Disposal cost incurred in delivering the Construction and Demolition Debris to another Processing Site, if any."

CC. Article 6, Section 6.14 of the Agreement is hereby amended to read as follows:

### **"6.14 Service Exemptions; Excluded Waste Notifications"**

6.14.A Excluded Waste Inspection and Reporting. Company reserves the right and has the duty under law to inspect Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris put out for Collection and to reject such material that is contaminated with Excluded Waste and the right not to Collect Excluded Waste put out with Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris. Company shall notify all agencies with City and Authority, if appropriate, including the California Department of Toxic Substances Control and Local Emergency Response Providers and the National Response Center of reportable quantities of Hazardous Waste, found or observed in Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris anywhere within the Authority. In addition to other required notifications, if Company observes any substances which it or its employees reasonably believe or suspect to contain Excluded Waste unlawfully Disposed of or released on any City property, including storm drains, streets or other public rights of way, Company will immediately notify the City Manager or the City Manager's designee of the effected City and then the Authority Executive Director.

6.14.B Failure to Collect. When Solid Waste, Recyclable Materials, Organic Materials, or Construction and Demolition Debris is not Collected from any Residential Premises, Company shall notify the Generator in writing, at the time Collection is not made, through the use of a "tag" or otherwise, of the reasons why the Collection was not made. When Solid Waste, Recyclable Materials, Organic Materials, or Construction and Demolition Debris is not Collected from any Commercial Premises, Company shall notify Customer by phone of the reasons why the Collection was not made.

6.14.C Hazardous Waste Inspection and Reporting. Company shall maintain records showing the types and quantities, if any, of Excluded Waste found in Solid Waste, Recyclable Materials, Organic

Materials, and Construction and Demolition Debris and which was inadvertently Collected from service recipients within the Authority, but Diverted from landfilling.”

DD. Article 6 of the Agreement is hereby amended to add the following subsection 16:

### **“6.16 Processing of Organic Materials (NEW)**

The Company shall deliver for Processing all Organic Materials Collected in Organic Materials Containers from Single-Family Premises under Section 6.3 at the Designated Organic Materials Processing Site. The Company shall conform to the payment provisions of the Designated Organic Materials Processing Site operator included in Exhibit 10. If the Designated Organic Materials Processing Site becomes unable to accept and Process the Authority's Organic Materials for reasons outside the Company's control, the Authority shall direct the Company to an Alternative Facility for Organic Materials Processing and the Company shall Transport and Process the Authority's Organic Materials at the Alternative Facility. The Company shall be compensated for the net additional Transportation and Disposal cost incurred in delivering the Organic Materials to another Processing Site, if any.”

EE. Article 7, Section 7.3.4 of the Agreement is hereby amended to read as follows:

### **“7.3.4 Customer Service – Complaint Documentation**

7.3.4.A. Complaints. All Customer service records and logs kept by Company shall be available to Authority upon request and at no cost to Authority. Authority shall, at any time during regular Company business hours, have access to Company's Customer service department for purposes that may include monitoring the quality of Customer service or researching Customer complaints.

7.3.4.B. SB 1383 Complaints. For complaints the Company receives regarding Generator or Property Owner non-compliance with SB 1383, Company shall record such complaints separately from other complaints in a SB 1383 log. SB 1383 complaints shall not be considered complaints related to the Company's performance under this Agreement unless the individual filing the complaint specifically alleges the Company's non-performance. Company shall maintain records and report to the Authority monthly on SB 1383 related complaints in accordance with Section 10.3.”

FF. Article 7 of the Agreement is hereby amended to add the following subsection:

### **“7.5 Contamination Monitoring (NEW)**

#### **7.5.1 Contamination Monitoring Procedures.**

7.5.1.A General. This Section presents inspection method(s) for Prohibited Container Contaminants to be used by the Company in conducting contamination monitoring required by Sections 7.5.2.

7.5.1.B Contamination Inspection Methods. When Company conducts inspections of Containers for Prohibited Container Contaminants, such personnel shall lift the Container lid and observe the contents. Upon finding Prohibited Container Contaminants in a Container, in excesses of the following thresholds, unless the Container is discovered to

include Excluded Waste, the Company shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Section 7.5.1.C.

The Company shall follow the contamination noticing procedures and contaminated Container handling protocols set forth in Section 7.5.1.C upon finding Prohibited Container Contaminants in a Container in excess of the following thresholds.

Container	Prohibited Container Contaminants Threshold
Solid Waste Containers	10%
Recyclable Materials Containers	10%
Organic Materials Containers to the Designated Organic Materials Processing Site	5%
Organic Materials Containers to the Approved Organic Materials Processing Site	10%

7.5.1.C Actions upon Identification of Prohibited Container Contaminants.

1. Record Keeping. The Company representative shall record each event of identification of Prohibited Container Contaminants in a format and with content approved by the Authority Contract Manager including date, time, Customer’s address, type of Container (Solid Waste, Recyclable Materials, or Organic Materials Container); and maintain photographic evidence. Company shall submit this record to the Company’s Customer service department, and Company’s Customer service department shall update the Customer’s account record to note the event if the documentation if the on-board computer system did not automatically update the Customer’s account record.
2. Identification of Excluded Waste. If Company’s personnel observe Excluded Waste in an uncollected Container, the Company’s personnel issue a non-Collection notice for this Container in accordance with Section 7.5.1.C.5 and shall not Collect the Discarded Materials that contain Excluded Waste. Company’s personnel shall record that observation in accordance with Section 7.5.1.C.1 and immediately inform their route supervisor. Company shall follow protocols specified in Sections 7.5.1.C.5 and 7.5.1.C.6. The route supervisor shall investigate and initiate applicable action within one (1) business day or sooner if the Excluded Waste may cause immediate danger.
3. Courtesy Pick-Up Notices. Upon identification of Prohibited Container Contaminants in a Customer’s Container in amounts within the standards agreed upon by the Parties, Company shall provide the Customer a courtesy pick-up notice. The courtesy pick-up notification shall: (i) inform the Customer of the

observed presence of Prohibited Container Contaminants; (ii) include the date and time the Prohibited Container Contaminants were observed; (iii) include information on the Customer's requirement to properly separate materials into the appropriate Containers, and the accepted and prohibited materials for Collection in the Recyclable Materials Container, Organic Materials Container, and/or Solid Waste Container; and, (iv) may include photographic evidence. Company shall leave the courtesy pick-up notice attached to or adhered to the Generators' contaminated Containers.

Despite the existence of some Prohibited Container Contaminants, Company shall Collect the contaminated Source Separated Recyclable Materials or Organic Materials and Transport the material to the appropriate Processing Sites for Processing.

4. Non-Collection Notices. Upon identification of Prohibited Container Contaminants or Excluded Waste in a Container in excess of standards agreed upon by the Parties, Company shall provide a non-Collection notice to the Generator. The non-Collection notice shall, at a minimum: (i) inform the Customer of the reason(s) for non-Collection, including photographic evidence; (ii) include the date and time the notice was left or issued; and, (iii) describe the premium Rate to Customer for Company to return and Collect the Container at Customer's request after Customer removes the Contamination. The Customer shall remove the Prohibited Container Contaminant(s) or Excluded Waste and have the choice of: (i) paying the premium Rate for the Company to return and Collect the Container; or, (ii) waiting for Company to Collect that Container at the Customer's next regularly scheduled service.

Prior to leaving a non-Collection notice, Company shall record photographic evidence of the violation(s) and such evidence shall be provided to the Customer and/or Authority upon request. If the Company fails to record photographic evidence of the Prohibited Container Contaminants or Excluded Waste, Company shall not be entitled to charge any Rate to return to service the Container and shall be required to reimburse any Customer who was charged. Authority reserves the right to require Company to refund Customers who have been charged for a non-Collection related return for service where such photographic evidence does not, in fact, document contamination in excess of the standards agreed upon by the Parties or Excluded Waste.

The Company's notice of non-Collection shall be left attached to or adhered to the Generator's Container.

Company shall submit a sample of its non-Collection notice to the Authority Executive Director for approval prior to implementing use of it with Customers.

5. Communications with Commercial or Multi-Family Customer. Whenever a Container at the Premises of a Commercial or Multi-Family Customer is not Collected because of Prohibited Container Contaminants, a Company representative shall contact the Customer to discuss, and encourage the Customer to adopt proper Discarded Materials preparation and separation

procedures. In the event of non-Collection from a Commercial or Multi-Family Customer, Company shall make reasonable efforts to make contact with the Customer and return to that Customer before the end of the Working Day to provide service after the Customer has resolved the reason for non-Collection.

6. Company Return for Collection. Upon request from Customer, Company shall Collect Containers that received non-Collection notices within one (1) Working Day of Customer's request if the request is made at least two (2) Working Days after the non-Collection event. Company shall bill Customer for the extra Collection service event ("extra pick-up") at the applicable Authority ratified Rates only if Company notifies Customer of the premium Rate for this service at the time the request is made by Customer and the Customer received notice of the charge.

#### 7.5.2 Contamination Monitoring by Company.

7.5.2.A Methodology and Frequency. Commencing on or before January 1, 2022, the Company shall, at its sole expense, conduct Hauler Route reviews for Prohibited Container Contaminants in Collection Containers in a manner that is deemed safe by the Company; is in compliance with SB 1383; meets contamination thresholds at Processing Sites; and, is conducted in a manner that results in all Hauler Routes being reviewed annually or more frequently.

The Company shall conduct Hauler Route reviews that include inspection of the contents of Customers' Collection Containers for Prohibited Container Contaminants in a manner such that the Company shall review forty-five (45) Customers on each and every Hauler Route annually. The Containers shall be randomly selected and differ from Customer's selected in the prior year.

Company shall develop a Hauler Route review methodology to accomplish the above Container inspection requirements and such methodology shall comply with the requirements of 14 CCR Section 18984.5(b). Company shall submit its proposed Hauler Route review methodology for the coming year to the Authority no later than January 15 of each year describing its proposed methodology for the calendar year and schedule for performance of each Hauler Route's annual review. Company's proposed Hauler Route review methodology shall include not only its plan for Container inspections, but may also include its plan for prioritizing the inspection of Customers that are more likely to be out of compliance. Authority will review and approve the proposed methodology. Company may commence with the proposed methodology upon approval.

If CalRecycle notifies the Company or the Authority that the methodology is inadequate to meet the requirements of 14 CCR Section 18984.5(b), Company shall, at its sole expense, revise the methodology and, after obtaining Authority or CalRecycle approval, conduct additional Hauler Route reviews, increased Container inspections, or implement other changes using the revised procedure.

Authority Contract Manager or his/her designee has the right to be present during Hauler Route reviews. The Authority's Contract Manager may request, and Company shall not unreasonably withhold approval of modifications to the schedule to permit observation



of the Hauler Route reviews by the Authority. In addition, Company shall provide an email notice to the Authority's Contract Manager no less than ten (10) Working Days prior to each scheduled Hauler Route review that includes the specific time(s), which shall be within the Authority's normal business hours, and location(s).

7.5.2.B Notices of Generators with Contamination, Non-Collection, and Disposal of Materials. Upon finding Prohibited Container Contaminants in a Container that are less than the level specified as excessive in Section 7.5.1, Company shall follow the contamination noticing procedures in Section 7.5.1.C. In the event that Prohibited Container Contaminants are greater than the level specified in Section 7.5.1, Company shall follow the contamination noticing and contaminated Container handling protocols set forth in Sections 7.5.1.C.

7.5.2.C Monthly Reporting Requirements. Company shall maintain records and report to the Authority monthly on contamination monitoring activities and actions taken, in accordance with Section 10.3."

GG. Article 7 of the Agreement is hereby amended to add the following subsection:

## **"7.6 Generator Waiver Program Coordination (NEW)**

### 7.6.1 Types of Generator Waivers.

7.6.1.A General. Authority, in consultation with the City, may grant waivers described in this Section to Generators that impact the scope of Company's provision of service for those Customers. Waivers issued shall be subject to compliance with SB 1383 Regulatory requirements, pursuant to 14 CCR Section 18984.11.

7.6.1.B De Minimis Waivers. The Authority, in consultation with the City, may waive a Multi-Family's, Commercial Property's, or its Property Owner's obligation to comply with some or all of the Recyclable Materials and Organic Materials requirements set forth in this Agreement, SB 1383 Regulations, Cities' Municipal Codes if the Multi-Family, Commercial Property, or its Property Owner provides documentation or the Authority has evidence demonstrating one of the following de minimis conditions:

- a. The Multi-Family's or Commercial Property's total Solid Waste Collection service is two (2) cubic yards or more per week, and Source Separated Recyclable Materials subject to Collection in a Recyclables Materials Container comprises less than twenty (20) gallons per week, per applicable Container, of the Multi-Family's or Commercial Property's total waste; or,
- b. The Multi-Family's or Commercial Property's total Solid Waste Collection service is two (2) cubic yards or more per week, and Organic Materials subject to Collection in an Organic Materials Container comprises less than twenty (20) gallons per week of the Multi-Family's or Commercial Property's total waste.

7.6.1.C Physical Space Waivers. The Authority, in consultation with the City, may waive a Multi-Family or Commercial Customer's obligation to comply with some or all of the Source Separated Recyclable Materials or Organic Materials Collection service requirements set forth in this Agreement, SB 1383 Regulations, and Cities' Municipal



Codes if the Multi-Family, Commercial Property, or its Property Owner provides documentation, or the Authority and/or City has appropriate evidence that the Premises lacks adequate space for Recyclable Materials Containers, and/or Organic Materials Containers.

7.6.2 Company Waiver Request on Behalf of Generator. Upon reasonable belief that a Generator may qualify for a de minimis waiver or physical space waiver, the Company may submit a request to the Authority to grant a waiver to the Generator, provided that adequate evidence of the de minimis or physical space waiver requirements specified in 14 CCR Section 18984.11 is included with the request. Authority, in consultation with the City, shall review and approve or deny the waiver request. Company's request for consideration of a waiver shall include the Generator's name and address, type of Commercial Property or number of Multi-Family units if Customer is a Multi-Family Premises, reasons Generator may be eligible for the waiver, and evidence such as, but not limited to: Service Level data, photo documentation, weight records, and technical assistance assessment results.

7.6.3 Company Review of Generator Waiver Requests. Requests submitted to Company. Generators may submit requests for de minimis waivers or physical space waivers to the Company. Company shall within seven (7) days review the Generator's waiver application and send the application to the Authority and City, including the Company's recommendation to approve or deny the application. The Authority ultimately retains the right to approve or deny any application, regardless of the Company's recommendation. Company shall report information regarding waivers reviewed on a monthly basis, in accordance with Section 10.3.

7.6.4 Company Change in Customer's Service Levels. When the Authority grants a waiver to a Generator, the Authority shall notify the Company within seven (7) days of the waiver approval with information on the Customer and any changes to the Service Level or Collection service requirements for the Customer. Company shall have seven (7) days to modify the Customer's Service Level and billing statement, as needed.

7.6.5 Waiver Reverification. It shall be the responsibility of the Company to verify that the Generators with de minimis waiver or physical space constraint waiver continue to meet the waiver requirements set forth in this Section. Company shall conduct such reverifications of waivers through inspection of each Generator's Premises and review of applicable records at least once every five (5) years for de minimis waiver and physical space constraint waivers. Pursuant to Section 10.3, Company shall maintain a record of each waiver verification and provide a monthly report to the Authority documenting the waiver reverifications performed and recommendations to the Authority on those waivers that Company concludes are no longer warranted. The Authority, in consultation with the City, shall make a final determination of the waiver eligibility of Generators.

7.6.6 Company Recordkeeping of Generators Granted Waivers. Upon Company request, no more than four (4) times per year, the Authority shall provide Company an updated listing of waivers approved by the Authority, including the Generators' names, mailing address, service address, and type of waiver. Company shall maintain waiver-related records and report on waiver verifications pursuant to Section 10.3. Upon Authority request, no more than four (4) times per year, the Company shall provide Authority an updated listing of waivers approved by the Company, including the Generators' names, mailing address, service address, and type of waiver."

HH. Article 7, of the Agreement is hereby amended to add the following subsection:

## **"7.7 Technical Assistance Program (NEW)**

### **7.7.1 Organizing and Conducting Direct Generator Outreach.**

7.7.1.A Site Visits and Waste Assessment. Prior to November 1 in each calendar year, Company shall, at its sole expense, provide an outreach and technical assistance plan to Authority for approval identifying the site visit schedule for which to send a Company representative to visit each Multi-Family and Commercial Generator's Premises, which is not subscribed to sufficient service under Applicable Law, for the purpose of assessing how much Recyclable Materials and Organic Materials are being Processed; assessing the Source Separated Recyclable Materials and Organic Materials Collection Service Levels needed to meet the requirements of SB 1383 Regulations; and encouraging all Generators to establish Recyclable Materials and Organic Materials Collection service in advance of January 1, 2022. Company shall also notify Customers of opportunities to reduce costs by increasing Recyclable Materials and Organic Materials Collection service and reducing Solid Waste Collection service. Company shall contact Multi-Family and Commercial Premises Customers and provide site visits according to the Authority-approved schedule. Company will also provide a site visit to any Multi-Family and Commercial Premises Generator that requests a site visit, even if it is ahead of schedule.

Beginning January 1, 2022, and annually thereafter, Company representatives, at its sole expense, shall follow up with Multi-Family and Commercial Premises Generators who are required to, but not participating and not in compliance in Recyclable Materials and Organic Materials Collection service under Applicable Law, including but not limited to AB 341, AB 1826, and SB 1383 and corresponding regulations. The Company shall ensure that these Generators are participating in the Recyclable Materials and Organic Materials Collection Service. If the Generator is not in compliance or not participating, the Company representative shall assist the Customers with selecting appropriate Containers and Container sizing, identify acceptable Discarded Materials Collection services as set forth in the Agreement, and attempt to resolve any logistical barriers to providing Recyclable Materials and Organic Materials service. Company shall provide ongoing, on-site training for Commercial Premises Generators' staff, including, but not limited to: management, kitchen staff, service employees, and janitorial staff; and Multi-Family Customers' staff, including but not limited to: the Property Manager, janitorial staff, maintenance, and any other on-site staff members or contractors that handle Discarded Materials.

For each on-site waste assessment conducted by Company, Company shall include documentation of the items listed below. Authority reserves the right to request Company's documentation of additional information, and shall authorize the format for required information.

- a. Pictures of material in all Containers;
- b. Characteristics of the property, business, and Generator type;
- c. Written recommendations for the appropriate Service Level for each material type;

- d. Provision of outreach and education materials appropriate to the Generator type;
- e. Determination of signage placement;
- f. Determination of any on-going training needs;
- g. Determination of any access needs;
- h. Documentation of any special service needs (such as, but not limited to, seasonal Collection service, automated on-call compactor, etc.); and,
- i. Documentation of records of communications with the Generator.

7.7.1.B Workshops, Meetings, and Events. Company shall, at its sole expense, participate in and/or plan, organize, and conduct direct Generator outreach, including, but not limited to: workshops, community events, and meetings to support Generator compliance with the Recyclable Materials and Organic Materials separation and Collection program participation requirements under this Agreement, Cities' Municipal Codes, and other local and State statutes and corresponding regulations, including, but not limited to, AB 341, AB 1826, and SB 1383.

Company shall host at least four (4) technical assistance workshops per calendar year, focused on the requirements of SB 1383 Regulations and any local program or service changes as a result of the regulations. The workshops shall be open to all residents in the Authority, and the Company shall publish the time and location of the workshop no later than thirty (30) days prior to the workshop on its website and through insert publication method(s), such as publication in the Company's email newsletter, printed flyers delivered on Hauler Routes, etc. The structure and content of these workshops shall be designed by the Company, and submitted at least seven (7) days prior to the date of the workshop for Authority approval.

Company shall attend four (4) Authority-held or City-held events per calendar year. Company shall provide at least one (1) staff member to set up a table with educational information and be available on-site to answer technical questions from Generators, inform residents of upcoming workshops, and/or schedule meetings, upon request, with individual Generators.

By request of a Generator or the Authority, Company shall schedule and conduct an in-person or phone meeting with the Generator to discuss and assess their service needs and compliance with existing and/ or upcoming programs and Applicable Law. The Company shall provide additional technical assistance as needed, which may include, but is not limited to site visits and waste assessments. The Company shall follow up with the Generator in person or by phone no later than seven (7) days after the initial meeting to assess the Generator's compliance with existing and upcoming programs under this Agreement and Applicable Law.

7.7.2 Record Keeping and Reporting Requirements. Company shall maintain records of all technical assistance activities and educational materials conducted pursuant to this Section and submit reports to the Authority in accordance with Exhibit 5.”

II. Article 7 of the Agreement is hereby amended to add the following subsection:

### **“7.8 Service Waiver Program Coordination (NEW)**

#### **7.8.1 Processing Facility Temporary Equipment or Operation Failure Waiver.**

7.8.1.A Notification to the Authority. The Company, or their Subcontractor (such as a facility operator), shall notify the Authority of any unforeseen operational restrictions that have been imposed upon an Approved Facility or Designated Facility by a regulatory agency or any unforeseen equipment or operational failure that will temporarily prevent an Approved Facility or Designated Facility from Processing and recovering Solid Waste, Recyclable Materials, or Organic Materials. The Company or Subcontractor shall notify the Authority as soon as possible and no later than one (1) day by telephone and one (1) week by written notification from the time the Company became aware of the incident. The notification shall include the following: (i) name of Approved Facility or Designated Facility; (ii) the Recycling and Disposal Reporting System Number of the Approved Facility or Designated Facility; (iii) date the Approved or Designated Facility became unable to Process Solid Waste, Recyclable Materials, or Organic Materials; (iv) description of the operational restrictions that have been imposed upon the Approved Facility or Designated Facility by a regulatory agency or unforeseen equipment failure or operational restriction that occurred; (v) the period of time the Company anticipates the temporary inability of the Approved Facility or Designated Facility to Process Solid Waste, Recyclable Materials, or Organic Materials; (vi) Company’s proposed action plan to deliver materials to an Alternative Facility for Processing (refer to Section 6.7.1, Section 6.12, Section 6.13, and Section 6.16) or Company’s request for waiver to deliver Solid Waste, Recyclable Materials, or Organic Materials to the Approved Facility or Designated Facility.

7.8.1.B Use of Alternative Facility or Waiver for Disposal of Materials. Upon notification by Company or Subcontractor of an Approved Facility’s or Designated Facility’s inability to Process materials, Authority shall evaluate the notification and determine if Authority shall require Company to use an Alternative Facility or allow the Company to Transport the Recyclable Materials, or Organic Materials to the Approved Facility or Designated Facility for Disposal on a temporary basis for a time period specified by the Authority. Upon Authority’s decision, the Authority shall notify the Company of its requirement to use an Alternative Facility for Processing or to use the Approved Disposal Facility for Disposal, and the period of time that the Authority will allow the Recyclable Materials, and Organic Materials to be redirected to the Alternative Facility, Approved Facility, or Designated Facility. Pursuant to 14 CCR Section 18984.13, the approved Disposal period shall not exceed ninety (90) days from the date the Approved Facility’s or Designated Facility’s Processing restriction or failure commenced. In such case, the Company must receive written permission from the Authority Contract Manager prior to depositing any Discarded Material in a landfill.

7.8.1.C Record Keeping and Reporting. Company shall maintain a record of any Approved Facility or Designated Facility incidents and report this information to the Authority in accordance with Section 10.3.

7.8.2 Removal of Materials from Homeless Encampments and Illegal Disposal Sites. The Company may, but is not required to, separate or recover Organic Materials that Company removes from homeless encampments and illegal disposal sites as part of an abatement activity to protect public health and safety. Company shall report the amount of Discarded Materials removed for Disposal from homeless encampments and illegal disposal sites, in accordance with Section 10.3.

7.8.3 Quarantined Waste. If approved by the Authority, the Company may Dispose of specific types of Organic Materials that are subject to quarantine and meet the requirements described in 14 CCR Section 18984.13(d) for a period of time specified by the Authority or until Authority provides notice that the quarantine has been removed and directs Company to Transport the Organic Materials to the Approved Facility(ies) or Designated Facility(ies) for such material.

In accordance with Section 10.3, the Company shall maintain records and submit reports regarding compliance agreements for quarantined Organic Materials that are Disposed of pursuant to this subsection.”

JJ. Article 10, Section 10.1 of the Agreement is hereby amended to read as follows:

### **“10.1 General**

Company shall maintain such accounting, statistical, and other records related to its performance under this Agreement as shall be necessary to develop the financial statements and other reports required by this Agreement and to conduct the review of services and performance described in Article 9 above. Also, Company agrees to conduct data collection, information and record keeping, and reporting activities needed to comply with Applicable Laws and regulation and to meet the reporting and Solid Waste, Recyclable Material, Organic Materials, Green Waste, Food Scraps, and Construction and Demolition Debris program management needs of Authority. To this extent, such requirements set out in this and other Articles of this Agreement shall not be considered limiting or necessarily complete. In particular, this Article is intended to only highlight the general nature of records and reports and is not meant to define exactly what the records and reports are to be and their content. Further, with the written direction or approval of Authority, the records and reports to be maintained and provided by Company in accordance with this and other Articles of the Agreement shall be adjusted in number, format, or frequency. The foregoing is not intended to require significant additional administrative labor or the modification of Company's computer software.

Company shall maintain adequate records, and corresponding documentation, of information required by this Section, such that the Company is able to produce accurate monthly and annual reports, and is able to provide records to verify such reports. Company will make these records available and provide to the Authority any record or documentation necessary for the Authority to fulfill obligations under Applicable Law including, but not limited to, AB 939, AB 341, AB 1826, AB 876, AB 901, and SB 1383 statutes and corresponding regulations; and, other current Federal, State, or local statutes and regulations. Upon request by the Authority, Company shall provide access to Company's requested records in a timely manner, not to exceed ten (10) Business Days from the time of Authority's request to Company.”

KK. Article 10, Section 10.2.1 of the Agreement is hereby amended to read as follows:

**"10.2.1 Records – Maintenance of Records**

Company shall maintain records required to conduct its operations, to support requests it may make to Authority, and to respond to requests from Authority in the conduct of Authority business. Records shall be maintained in forms and by methods that facilitate flexible use of data contained in them to structure reports, as needed, pursuant to this Exhibit. Company's records shall be stored in one central location, physical or electronic, that can be readily accessed by Company."

LL. Article 10, Section 10.2.2 of the Agreement is hereby amended to read as follows:

**"10.2.2 Records – Security and Retention of Records**

Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft, and earthquake. Electronically maintained data/records shall be protected and backed up.

All records shall be maintained for five (5) years after the expiration of this Agreement, with the exception of accounts payable records, which will be maintained for three (3) years after payment.

Company agrees that the specific records required to be maintained by this Agreement shall be provided or made available in a timely manner to Authority and its official representatives during normal business hours. Records and data not specifically identified in this Agreement that are not required for the determination of the Company's compensation or performance do not need to be retained by Company. In such a case and when such records and data are required but are not retained by the Company, the Authority may make reasonable assumptions regarding what information is contained in such records and data, and such assumption(s) shall be conclusive in whatever action the Authority takes. Records and data shall be in an organized form and readily and easily interpreted. Electronically-maintained data and records shall be protected and backed-up. To the extent that Company utilizes its computer systems to comply with record keeping and reporting requirements under this Agreement, Company shall, on a monthly basis, save all reports supporting those record keeping and reporting requirements in portable document format (PDF) format in order to provide an audit trail for all data required."

MM. Article 10, Section 10.2.4 of the Agreement is hereby amended to read as follows:

**"10.2.4 Records – Financial Records**

Company shall maintain financial records containing the underlying financial data relating to and showing the basis for computation of all costs associated with providing services in a manner such that cost and revenue information can be allocated among the service types (Single-Family Solid Waste, Recycling, and Organic Materials, Multi-Family Solid Waste, Recycling, and Organic Materials, and Commercial Solid Waste, Recycling, and Organic Materials, and drop box Solid Waste and Construction and Demolition Debris) and to the Authority, distinct from other similar operations of the Company. The accounting records shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and consistently applied."

NN. Article 10, Section 10.2.5 of the Agreement is hereby amended to read as follows:

### **"10.2.5 Records – Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris Records**

Records shall be maintained by Company for Authority relating to:

- A) Customer services and billing including service exemption information;
- B) Weight and volume of Solid Waste, Recyclable Materials, Green Waste, Food Scraps, Organic Materials, and Construction and Demolition Debris. Information is to be separated between Single-Family, Multi-Family, and Commercial Premises by City;
- C) Special annual cleanup event results;
- D) Routes;
- E) Facilities, equipment and personnel used;
- F) Facilities and equipment operations, maintenance and repair;
- G) Tonnage by City;
- H) Processing of Recyclable Materials, Green Waste, Food Scraps, Organic Materials, and Construction and Demolition Debris (Tonnage, participation and set-out rates, end-use, revenue);
- I) Diversion level;
- J) Complaints; and,
- K) Missed Pick-Ups.

OO. Article 10, Section 10.3.1 of the Agreement is hereby amended to read as follows:

### **"10.3.1 Reports – Report Formats and Schedule**

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

- A) Determine and set Rates and evaluate the financial efficacy of operations;
- B) Evaluate past and expected progress towards achieving AB 939, AB 341, AB 1826, and SB 1383 goals and objectives;
- C) Determine needs for adjustment to programs; and,
- D) Evaluate Customer service and complaints.

Company may propose report formats that are responsive to the objectives and audiences for each report. The format of each report will be mutually agreed upon by Authority and Company.



Company agrees to submit all reports in Excel<sup>®</sup>, csv, or other formats compatible for uploading into Authority managed record keeping and reporting systems at no additional charge, if requested by Authority. Company will provide a certification statement, under penalty of perjury, by the responsible Company official, that the report being submitted is true and correct.

Reports and certification statements shall be submitted electronically via email or uploaded to a document sharing platform agreed upon by the Parties.

Monthly reports shall be submitted within thirty (30) calendar days after the end of the report month. Quarterly reports shall be submitted within forty-five (45) calendar days after the end of the quarter. Quarter's end on September 30, December 31, March 31, and June 30. Annual reports shall be submitted before September 30th following the reporting Rate Year.

All reports shall be submitted to:

Executive Director  
West Valley Solid Waste Management Authority c/ o HF&H Consultants, LLC  
201 North Civic Drive, Suite 230  
Walnut Creek, CA 94596  
wvswma@hfh-consultants.com

City Manager  
City of Campbell  
70 North First Street  
Campbell, CA 95008  
cmoffice@campbellca.gov

City Manager  
City of Monte Sereno  
18041 Saratoga-Los Gatos Road  
Monte Sereno, CA 95050  
citymanager@cityofmontesereno.org

City Manager  
City of Saratoga  
13777 Fruitvale Avenue  
Saratoga, CA 95070  
jlindsay@saratoga.ca.us

Town Manager  
Town of Los Gatos  
110 East Main Street  
Los Gatos, CA 95030  
manager@losgatosca.gov

PP. Article 10, Section 10.3.2 of the Agreement is hereby amended to read as follows:

### **"10.3.2 Reports – Quarterly Reports**

The information listed shall be the minimum reported for each service:



A. Regular Services

1. Solid Waste, Recyclable Materials, Green Waste, Food Scraps, Organic Materials, and Construction and Demolition Debris Tonnage Collected by Company, sorted by each City and between Single-Family, Multi-Family, and Commercial and Industrial Premises and the Processing and Disposal Sites used, in Tons.
2. Tonnage Diverted by Company divided by the Tonnage Collected by Company multiplied by 100. The report shall state the Tonnage Diverted and Tonnage Collected as well as the calculated Diversion Level.
3. Customer Service
  - a) Number of calls sorted by each City and category (Missed Pick-Ups, complaints, damage, etc.) and applicable documentation to support the reported number of calls.
  - b) Number of complaints, resolved complaints, and number of complaints which were unresolved for more than five business days, for month and cumulative for report year, with explanations for unresolved complaints, sorted by each City.
  - c) In table format, the number of Customers and Service Levels for all programs (Solid Waste, Recyclable Materials, Green Waste, Food Scraps, Organic Materials, and Construction and Demolition Debris) and service types (Single-Family, Multi-Family, Commercial, industrial, etc.) and the number of all service location exemptions, sorted by each City.
  - d) Education Activities:
    - i. Public education materials produced and total number of each distributed, sorted by each City;
    - ii. Dates, times, and group names of meetings attended; and,
    - iii. Dates, times, and names of schools where presentations were performed.
4. In table format, list all overweight vehicle citations.
5. Narrative summary of problems encountered (including scavenging) and actions taken with recommendations for Authority, as appropriate.
6. A summary or copy of the Service Exemption records required under Section 6.14.
7. Residue level and Tonnage for all Discarded Materials processed, listed separately by material type (Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, Construction and Demolition Debris, Excluded Waste) Collected and Approved Facility(ies) or Designated Facility(ies) used, immediately

upon receipt from facility if not provided within forty-five (45) days, pursuant to Section 10.3.1.

8. Other information or reports that Authority may reasonably request or require.

B. Event Specific Information

1. Special Event Collection. The Company shall submit to the Authority a written report identifying the Tonnage of Solid Waste, Recyclable Materials, Food Scraps, Green Waste, and Organic Materials Collected from Special Events. The report shall be submitted no later than ten (10) business days following each event.

2. Report of Overflowing Containers and Improper Enclosure Maintenance. As required by Section 6.8.5.C, Company shall report the addresses of any Premises at which the driver observes that Solid Waste, Recyclable Materials, Organic Materials, and/or Construction and Demolition Debris is overflowing on a consistent basis and/or the Premises' enclosures are not adequately maintained in regards to litter abatement.

3. Report of Unauthorized Dumping. As required by Section 6.8.10, Company shall report: (i) the addresses of any Premises at which the driver observes that Solid Waste, Recyclable Materials, Organic Materials, and/or Construction and Demolition Debris is accumulating; and (ii) the address, or other location description, at which Solid Waste, Recyclable Materials, Organic Materials, and/or Construction and Demolition Debris has been dumped in an apparently unauthorized manner. The report shall be delivered to the City within five Business Days of such observation.

4. Hazardous Waste. As required by Section 6.14, the Company shall notify the City of any Hazardous Waste identified in Containers or left at any Premises within twenty-four (24) hours of identification of such material.

C. Summary Assessment. Provide a summary assessment of the overall Solid Waste, Recyclable Materials, Green Waste, Food Scraps, Organic Materials, and Construction and Demolition Debris program from Company's perspective relative to financial and physical status of program. The physical status is to relate to how well the program is operating for efficiency, economy, and effectiveness relative to meeting all the goals and objectives of this Agreement, AB 341, AB 1826, SB 1383, and AB 939. Provide recommendations and plans to improve. Highlight significant accomplishments and problems."

QQ. Article 10, Section 10.3.3 of the Agreement is hereby amended to read as follows:

**"10.3.3 Reports – Annual Report**

The annual report is to be essentially in the form and content of the monthly and quarterly reports. In addition, Company's annual audited/reviewed financial statements shall be included as well as certain operational information. The annual report shall also include a list of Company's Managers and Members."

RR. Article 10, Section 10.3.3 of the Agreement is hereby amended to add the following subsections:

## **"10.3.3 Reports - Annual Report**

### **10.3.3.3 Collection and Subscription Report.**

1. A summary of all data provided in the Tonnage report and Diversion report sections, including quarterly and annual totals and averages.
2. The type(s) of Collection service(s) provided, a list of all Hauler Routes serviced, and a record of the addresses served on each Hauler Route.
3. A summary of Customer subscription data, including the number of accounts; the total number of Generators enrolled with Company for service, listed separately by Service Level and Container type (Cart, Bin, and Roll-Off service), separately by Single-Family, Multi-Family, and Commercial Premises, and separately for each type of Discarded Material; and the number of bulky items Collections performed.
4. A detailed list of Single-Family, Multi-Family, and Commercial Premises including Solid Waste, Recyclable Materials, Green Waste, Food Scraps, and Organic Materials Service Levels, Customer type, and Customer service addresses reflecting Customer Service Levels as of December 1 (for the year in which the report is submitted).
5. The number of Construction and Demolition Debris Collection sites served and Tonnage Collected, Tonnage Diverted, and Diversion level for each Construction and Demolition Debris Collection sites based on Construction and Demolition Debris project reporting required in this Section 10.3.3.3.

### **10.3.3.4 Processing Facility Report.**

1. Temporary Equipment or Operations Failure: If the Company is granted a processing facility temporary equipment or operational failure waiver, in accordance with Section 7.8 of the Agreement, the Company shall include the following documents and information:
  - a. The number of days the Processing facility temporary equipment waiver or operation failure waiver was in effect;
  - b. Copies of any notifications sent to the Agency pursuant to Section 7.8.1 of the Agreement, and copies of Agency notices to Company pursuant to Section 7.8.1 of the Agreement;
  - c. Documentation setting forth the date of issuance of the waiver, the timeframe for the waiver; and,
  - d. A record of the Tons of Recyclable Materials, Green Waste, Food Scraps, and/or Organic Materials redirected to an Alternative Facility or Disposed at a facility approved by the Authority as a result of the waiver, recorded by Collection vehicle or transfer vehicle number/load, date, and weight.

2. Homeless Encampments and Illegal Disposal Sites: The total Tonnage amount of Discarded Materials, listed separately by Discarded Material type, removed from homeless encampments and illegal disposal sites as part of an abatement activity, listing each Collection event separately by date, location, and Tonnage Collected, pursuant to Section 7.8.2 of the Agreement.
3. Quarantined Organic Waste: A record of all compliance agreements for quarantined Organic Waste that are Disposed of, including the name of Generator, date issued, location of final disposition, and the amount of quarantined Organic Waste that was required to be Disposed at a landfill, pursuant to Section 7.8.3 of the Agreement.
4. Written notification that the Approved Organic Materials Processing Site has and will continue to have the capabilities to Process and recover the Compostable Plastic included with the Organic Materials Transported to the Approved Organic Materials Processing Site pursuant to Section 6.3.7 of the Agreement.
5. Written notification to the Agency that the Approved Organic Materials Processing Site has and will continue to have the capabilities to Process clear plastic bags when it recovers Organic Materials, pursuant to Section 6.3.6 of the Agreement.

#### 10.3.3.5 Public Education and Outreach Report.

1. A copy of all education and outreach materials provided to Generators, or otherwise used for education and outreach efforts in accordance with Exhibit 5 of the Agreement, including, but not limited to: flyers, brochures, newsletters, invoice messaging/billing inserts, and website and social media postings.
2. A record of the date and to whom the information was disseminated or direct contact made, in the form of a list that includes: the Generator's name or account name, the type of education or outreach received; the distribution date, and the method of distribution.
3. The number of Organic Material Generators and Commercial Edible Food Generators that received information and the type of education and outreach used.
4. For any mass distribution through mailings or bill inserts, the Company shall maintain a record of the date, a copy of the information distributed, and the type and number of accounts that received the information.
5. A copy of electronic media, including the dates posted of: social media posts, e-mail communications, or other electronic messages.
6. Company shall maintain a record of all technical assistance efforts conducted pursuant to Section 7.7 of the Agreement, including:
  - a. The name and address of the Customer/Generator receiving technical assistance, and account number, if applicable.

b. The date of any technical assistance conducted and the type of technical assistance, including, but not limited to: waste assessments, compliance assessments, direct outreach, workshops, meetings, events, and follow-up communications.

c. A copy of any written or electronic educational materials distributed during the technical assistance process.

7. A copy of all training materials for Customer service representatives related to service in the Authority.

8. A copy of all annual cleanup reports submitted to the Authority in accordance with Section 6.5.2 of the Agreement.

#### 10.3.3.6 Vehicle and Equipment Inventory.

1. A list 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.

2. If applicable, the name, physical location, and contact information of each entity, operation, or facility from whom the RNG was procured.

3. If applicable, the total amount of RNG procured by the Company for use in Company vehicles, in diesel gallon equivalents (DGE), including copies of any receipts, invoices, or other similar documentation evidencing procurement. In addition to the amount procured, Company shall include the total amount actually used in Company vehicles in the calendar year, if these values are different.”

SS. Article 10, Section 10.3.4 of the Agreement is hereby amended to add the following subsections:

### **“10.3.4 Reports – Monthly Report**

The information listed shall be the minimum reported for each service in the most recently completed calendar month.

#### A. Tonnage and Diversion

1. Solid Waste, Recyclable Materials, Green Waste, Food Scraps, Organic Materials, and Construction and Demolition Debris Tonnage Collected by Company, sorted by each City and between Single-Family, Multi-Family, and Commercial and Industrial Premises and the Processing and Disposal Sites used, in Tons.

2. Tonnage Diverted by Company divided by the Tonnage Collected by Company multiplied by 100. The report shall state the Tonnage Diverted and Tonnage Collected as well as the calculated Diversion Level.

3. The total Tonnage amount of Discarded Materials Collected from homeless encampment and illegal Disposal sites, listed separately by Discarded Material type, removed from homeless encampments and illegal disposal sites as part of an abatement activity, listing each Collection event separately by date, location, and Tonnage Collected, pursuant to Section 7.8.2 of the Agreement.

B. Customer Report

1. Number of Containers at each Service Level for each City by Customer type and program including:
  - i. A summary of the total gallons of Cart service, cubic yards of Bin service, and pulls; and cubic yards or Tons from Roll-Off Collection Service by Customer type; and,
  - ii. Calculation of the average volume of service received per: Single-Family (separately identifying dwelling units in a duplex, triplex, or fourplex); Multi-Family Dwelling Unit; and, Commercial Property.
2. A summary of Customer subscription data for each City, including the number of accounts; the number of Customers subscribing to each Cart, Bin, and Roll-Off Collection Service Level listed separately for Single-Family, Multi-Family, and Commercial Properties and separately for each type of Discarded Material; and the number of bulky items Collections performed.
3. List of all Commercial Property and Multi-Family Dwelling Unit Customers by City with a Solid Waste Service Level of two (2) cubic yards of service capacity per week or more. Such list shall include each such Customer's service address and Solid Waste Container, Recyclable Materials Container, and Organic Materials Container Service Levels.
4. The total number of de minimis waivers and physical space constraint waivers granted in the month, including the Generator name and address for each waiver, for each City.
5. The number of waiver reverifications performed by the Company pursuant to Section 7.6.5 of this Agreement by City in the month, if any, including a copy of documentation for each reverification inspection, which shall include, at a minimum: the Generator's name, address, and Generator type; the type of waiver being verified; any photographic or other evidence collected during the inspection; and the resulting recommended conclusion by the Company regarding the validity of the waiver. The Company shall provide a summary of recommendations to the Authority of all waivers which the Company concludes to no longer be warranted.
6. Number of bulky item Collection events by Customer type.

C. Contamination Monitoring

The Company shall submit the following information regarding contamination monitoring:

1. The number of Hauler Route reviews conducted pursuant to Section 7.5 of this Agreement.
2. Description of the Company's process for determining the level of contamination.
3. Summary report of non-Collection notices, which for each notice shall include the date of issuance, Customer name, and service address.
4. A record of each inspection and contamination incident, which shall include, at a minimum:
  - a. Name of the Customer
  - b. Address of the Customer
  - c. The date the contaminated Container was observed
  - d. The staff who conducted the inspection
  - e. The total number of violations found and a description of what action was taken for each
  - f. Copies of all notices issued to Generators with Prohibited Container Contaminants
  - g. Any photographic documentation or supporting evidence.
5. Documentation of the total number of Containers Disposed of due to observation of Prohibited Container Contaminants.
6. A list of all Customers assessed contamination Processing fees, pursuant to Section 7.5 of this Agreement, reported separately by Single-Family, Multi-Family, and Commercial Customers and including the Customer name, Customer address, and reason for the assessment of the contamination Processing fee, and the total number of instances contamination Processing fees were assessed in the month and the total amount of fees collected in the month.
7. Any other information reasonably requested by the Authority, City, or specified in contamination monitoring provisions of this Agreement.

E. Customer Service Report

The Company shall submit the following information regarding Customer service reports:

1. Number of received complaints and investigated complaints by each City, and copies of documentation recorded for each complaint received, which shall at a minimum include the following information: (i) the complaint as received; (ii) the



name and contact information of the complainant, if the complaint is not submitted anonymously; (iii) the identity of the alleged violator, if known; (iv) a description of the alleged violation; including location(s) and all other relevant facts known to the complainant; (v) any relevant photographic or documentary evidence submitted to support the allegations in the complaint; and, (vi) the identity of any witnesses, if known.

2. Copies of all complaint reports submitted to the Authority, pursuant to Section 7.3.4 of this Agreement.
3. Documentation of any follow-up inspections and/or outreach, if any, conducted upon Authority request pursuant to Section 7.3.4.B of this Agreement, which shall include at a minimum: (i) the date the Company investigated the complaint; (ii) documentation of the findings of the investigation; and (iii) any photographic or other evidence collected during the investigation.

F. Generator Waivers. Company shall provide a report that documents each Generator waiver request reviewed by Company, which are required by Section 7.6.3. Company shall identify in the report the Generator name and service address, the type of waiver requested, the status of the waiver (accepted, denied, pending), and other information reasonably requested by the Authority.

G. Education Program Report. Company shall provide the monthly status, including copies of education materials and the date they were provided, of activities identified in Exhibit 5 of this Agreement.”

TT. Article 13, Section 11.1 of the Agreement is hereby amended to read as follows:

### **“11.1 Indemnification**

Company hereby agrees to and shall indemnify and hold harmless Authority, its elected and appointed boards, commissions, officers, employees, and agents and Cities, its elected officials and employees (collectively, indemnitees) from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit in law or equity of any and every kind and description (including, but not limited to, injury to and death of any Person and damage to property, or for contribution or indemnity claimed by third parties) arising or resulting from and in any way connected with (1) the negligence or willful misconduct of Company, its officers, employees, agents, Companies and/or Subcontractors in performing services under this Agreement; (2) the failure of Company, its officers, employees, agents, and/or Subcontractors to comply in all respects with the provisions of this Agreement, Applicable Laws (including, without limitation, the Environmental Laws), ordinances and regulations, and/or applicable permits and licenses; and, (3) the acts of Company, its officers, employees, agents, Companies and/or Subcontractors in performing services under this Agreement for which strict liability is imposed by law (including, without limitation, the Environmental Laws). The foregoing indemnity shall apply regardless of whether such loss, liability, penalty, forfeiture, claim, demand, action, proceeding, suit, injury, death or damage is also caused in part by any of the indemnitees' negligence, but shall not extend to matters resulting from the indemnitees' negligence, willful misconduct or breach of this Agreement. Company further agrees to and shall, upon demand of Authority, at Company's sole cost and expense, defend (with attorneys acceptable to Authority) Authority, its elected and appointed boards and commissions, officers, employees, and agents and Cities, its elected officials and employees against any claims, actions,

suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events.

Company, upon demand of the Authority, made by and through the Authority Counsel, shall protect Authority and appear in and defend the Authority and its elected officials, officers, employees, and agents, in any claims or actions by third parties, whether judicial, administrative, or otherwise, including, but not limited to disputes and litigation over the definitions of "Solid Waste" or the limits of Authority's authority with respect to the grant of licenses, or agreements, exclusive or otherwise, asserting rights under the Dormant Commerce Clause or federal or state laws to provide Solid Waste services in the Authority.

This provision shall survive the expiration of the period during which Collection services are to be provided under this Agreement. The Company shall be entitled to recover costs of defense and damages arising only under this paragraph from the Authority in accordance with Section 8.3.8, if authorized in accordance with State law.

Company's duty to indemnify and defend from the aforementioned events arising during the Term of the Agreement and as it may be extended shall survive the expiration or earlier termination of this Agreement."

UU. Article 11, Section 11.3.G of the Agreement is hereby amended to read as follows:

### **"11.3.G Insurance – Companies and Subcontractors**

Company shall include all companies and Subcontractors providing Collection services under this Agreement as insureds under its policies or shall furnish separate certificates and endorsements for each company and Subcontractor. All coverages for companies and Subcontractors shall be subject to all of the requirements stated herein. All other Subcontractors having face-to-face contact with the Customers shall be required by Company to carry general liability insurance."

VV. Article 13, Section 13.1 of the Agreement is hereby amended to read as follows:

### **"13.1 Events of Default**

All provisions of the Franchise and this Agreement to be performed by Company are considered material. Each of the following shall constitute an event of default.

- A) Fraud or Deceit. If Company practices any fraud or deceit upon Authority.
- B) Failure to Maintain Coverage. If Company fails to provide or maintain in full force and effect the Workers' Compensation, liability, or indemnification coverage as required by this Agreement unless such insurance becomes unavailable.
- C) Violations of Regulation. If Company violates any orders or filings of any regulatory body having jurisdiction over Company, which orders or filings have a material impact on Company's ability to perform this Agreement, provided that Company may contest any such orders or filings by appropriate proceedings conducted in good faith, in which case no breach of the Franchise and this Agreement shall be deemed to have occurred.
- D) Failure to Perform. If Company ceases to provide Collection services as required under this Agreement for a period of two (2) consecutive days or more, for any reason within

the control of Company, including labor disputes. If Authority performs service under Article 12, the Company's failure to perform shall not be considered a default.

- E) Failure to Pay. If Company fails to make any payments required under this Agreement and/or Solid Wastes to provide Authority with required information, reports, and/or records in a timely manner as provided for in the Agreement.
- F) Acts or Omissions. Any other act or omission by Company which violates the terms, conditions, or requirements of this Agreement, the California Integrated Waste Management Act of 1989, as it may be amended from time to time, or any law, statute, ordinance, order, directive, rule, or regulation issued thereunder and which is not corrected or remedied within the time set in the written notice of the violation or, if Company cannot reasonably correct or remedy the breach within the time set forth in such notice, if Company 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.
- G) False or Misleading Statements. Any material representation, warranty or disclosure made to Authority by Company 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.
- H) Seizure or Attachment. There is a seizure of, attachment of, or levy on, the operating equipment of Company, including without limits its equipment, maintenance or office Facilities, or any part thereof.
- I) Petition for Debt Relief. If Company files a voluntary petition for debt relief under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, or shall consent to the appointment of or taking of possession by a receiver, liquidator, assignee (other than as a part of a transfer of equipment no longer useful to Company or necessary for this Agreement), trustee (other than as security for an obligation under a deed of trust), custodian, sequestrator (or similar official) of the Company for any part of Company's operating assets or any substantial part of Company's property, or shall make any general assignment for the benefit of Company's creditors, or shall fail generally to pay Company's debts as they become due or shall take any action in furtherance of any of the foregoing;
- J) Bankruptcy. A court having jurisdiction shall enter a decree or order for relief in respect of the Company, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or Company shall consent to or shall fail to oppose any such proceeding, or any such court shall enter a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or for any part of the Company's operating equipment or assets, or orders the winding up or liquidation of the affairs of Company;
- K) Failure to Provide Assurance of Performance. If Company fails to provide reasonable assurances of performance as required under Section 13.7.

- L) Failure to Implement Collection Program. After January 1, 2022, Company fails to implement a Collection program that complies in all material aspects with the requirements of Article 4 to any Generator, which is essential for the City to achieve compliance with SB 1383.

Company shall be given forty-eight (48) hours from notification by Authority to cure any default arising under subsections B, D, E, H, and K, and shall be given twenty (20) days from notification by Authority to cure default arising under subsection L.”

WW. Article 13, Section 13.3 of the Agreement is hereby amended to read as follows:

### **“13.3 Termination for Cause**

In the event the Company does not meet the productivity standards as set out in their proposal, the Authority may take the following progressive actions:

- A) Assess liquidated damages as listed in Section 13.6.B.I.b for failure to complete Collection of Solid Waste, Recyclable Materials, Organic Materials, and Construction and Demolition Debris within the prescribed hours and on the scheduled day;
- B) Require Company to add a route(s) at the Company's cost;
- C) If, in the event twenty (20) days of Collecting Solid Waste, Recyclable Materials, and Organic Materials during unauthorized hours occurs in two consecutive quarters (occurrences in the first ninety (90) days of this Agreement will not apply towards Rate Year 1 total) after the Company has added a route(s) in accordance with Section 13.3.B, the Authority has the right to terminate the Agreement.”

XX. Article 13, Section 13.4 of the Agreement is hereby amended to read as follows:

### **“13.4 Possession of Property Upon Termination**

In the event of termination for default, the Authority shall have the right to take possession of any and all of Company's land, equipment, and other property used or useful in the Collection, Transportation, Processing, and Disposal of Solid Waste, Recyclable Materials, Organic Materials, Green Waste, or Food Scraps, and the Billing and collection of fees for these services and to use such property. The Authority shall have the right to retain the possession of such property until other suitable arrangements can be made for the provision of Solid Waste, Recyclable Materials, or Organic Materials Collection services and Processing, which may include the award of an agreement to another waste hauling company or for 180 days, whichever occurs first. If the Authority retains possession thereof after the period of time for which Company has already been paid by means of bills issued in advance of providing service for the class of service involved, the Company shall be entitled to the reasonable rental value of such property (which shall be offset against any damages due the Authority for the Company's default).

Company shall furnish the Authority with immediate access to all of its business records related to its Customers and Billing of accounts for Collection services.”

YY. Article 13, Section 13.6.B of the Agreement is hereby amended to read as follows:

### “13.6 Liquidated Damages


13.6.A General. The Authority finds, and Company agrees, 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 Authority as a result of a breach by Company 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 Franchised 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.

13.6.B Service Performance Standards; Liquidated Damages for Failure to Meet Standards. The parties further acknowledge that consistent, reliable Solid Waste, Recyclable Material, Organic Material, Green Waste, and Food Scraps Collection service is of utmost importance to Authority and that Authority has considered and relied on Company's representations as to its quality of service commitment in awarding the Franchise to it. The parties further 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 Company fails to achieve the performance standards, or fails to submit required documents in a timely manner, Authority and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages which Authority will suffer. Therefore, without prejudice to Authority's right to treat such non-performance as an event of default under this Article 13, the parties agree that the following liquidated damage amounts represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the date of this Agreement, including the relationship of the sums to the range of harm to Authority that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or impractical. The following liquidated damage amounts related to SB 1383 in Section 13.6.B.6 will only be applied to the Company if the Authority receives notice from CalRecycle indicating the Authority is out of compliance related to the services the Company provides on behalf of the Authority to be in compliance with SB 1383. In placing their 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 the liquidated damage provisions at the time that the Agreement was made.

Company

Authority

Initial Here

 \_\_\_\_\_

Initial Here

\_\_\_\_\_

Company agrees to pay (as liquidated damages and not as penalty) the amounts set forth below.

The amount of Liquidated Damages specified below shall be adjusted annually on the first day of the Rate Year. The adjustment shall be rounded to the nearest cent. Liquidated Damage amounts shall be adjusted to reflect changes in the All Urban Consumers Index (CPI-U), all items, for the San

Francisco-Oakland-Hayward, CA, Base Period 1982 - 1984 = 100, not seasonally adjusted, compiled and published by the U. S. Department of Labor, Bureau of Labor Statistics or its successor agency, using the method following:

13.6.B.1 Collection Reliability.

- a. For each failure to commence service to a new Customer account within seven (7) days after order, which exceeds twenty-four (24) such failures annually: \$179.85
- b. For each failure to Collect Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, or Construction and Demolition Debris, which has been properly set out for Collection, from an established Customer account on the scheduled Collection day and not Collected within the period described in this Agreement which exceeds twenty (20) such failures quarterly: \$179.85
- c. For each failure to Collect Solid Waste, Recyclable Materials, Organic Materials, or Construction and Demolition Debris, which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pickup days: \$179.85
- d. For each failure to prepare for or properly conduct Annual Cleanups including advertising and press releases: \$299.76
- e. For each failure to perform and submit billing reviews: \$299.76

13.6.B.2 Collection Quality.

- a. For each occurrence of damage to private property which exceeds 36 such occurrences annually: \$299.76
- b. For each occurrence of failure to properly return empty Containers to avoid pedestrian or vehicular traffic impediments or to place cans upright with lids secured which exceeds twenty (20) such occurrences annually: \$179.85
- c. For each occurrence of excessive noise or discourteous behavior: \$299.76
- d. For each failure to clean up Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, and Construction and Demolition Debris spilled from Containers which exceeds twenty (20) such failures annually: \$179.85
- e. For each day one or more routes Company Collects Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, and Construction and Demolition Debris during unauthorized hours (occurrences in the first ninety (90) days of this Agreement will not apply towards Rate Year 1 total): \$179.85
- f. For each day one or more routes Company Collects Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, and Construction and Demolition Debris during unauthorized hours which exceeds twenty (20) such occurrences quarterly (occurrences in the first ninety (90) days of this Agreement will not apply towards Rate Year 1 total): \$599.51

- g. In the event twenty (20) days of Collecting Solid Waste, Recyclable Materials, Organic Materials, Food Scraps, and Green Waste during unauthorized hours occurs in two consecutive quarters then the Company will add one route (occurrences in the first ninety (90) days of this Agreement will not apply towards Rate Year 1 total): Cost absorbed by Company
- h. For each overweight vehicle citation (occurring on or after July 1, 2017): \$809.34

13.6.B.3 Customer Responsiveness.

- a. For each failure to initially respond to a Customer complaint within one (1) business day: \$119.90
- b. For each failure to process Customer complaints to Authority as required by Article 7: \$599.51
- c. For each failure to carry out responsibilities for establishing service: \$599.51

13.6.B.4 Public Education.

- a. For each failure to prepare and distribute a door hanger, flyer, or mailer to Customers regarding specific Collection day, holiday, holiday tree, and clean-up events: \$179.85 per day for each day until mailer is sent
- b. For each failure to conduct community presentations targeted at residents: \$179.85 per event
- c. For each failure to prepare and mail a quarterly newsletter to all residents by the end of each quarter: \$179.85 per day for each day until mailer is sent
- d. For each failure to prepare and distribute "how-to" brochures for each of the four (4) business types: \$179.85 per day
- e. For each failure to meet with business associations: \$179.85 per day
- f. For each failure to conduct waste audits and submit audit reports: \$179.85 per audit
- g. For each failure to provide comprehensive report of findings and suggestions to each company for which an audit was performed: \$179.85 per day
- h. For each failure to distribute period update for Holiday tree Recycling on or before December 25 of each year: \$179.85 per day
- i. For each failure to develop outreach program for individual Commercial sectors: \$179.85 per day
- j. For each failure to prepare and during the Rate Year update to Recycling resource guide: \$179.85 per day



- k. For each failure to participate in Special Events listed in this Agreement: \$359.71 per event-day

13.6.B.5 Timeliness of Submissions to Authority. Any report shall be considered late until such time as a correct and complete report is received by Authority. For each calendar day a report is late, the daily liquidated damage amount shall be:

- a. Monthly Reports: \$119.90 per day
- b. Quarterly Reports: \$199.90 per day
- c. Annual Reports: \$419.66 per day

13.6.B.6 SB 1383.

- a. For each failure to perform Hauler Route reviews per Section 7.5: \$500 per route per year
- b. For each failure to provided targeted technical assistance to all Commercial and Multi-Family Customers annually: \$179.85 per Customer
- c. For each failure to deliver Discarded Materials to the appropriate Designated Disposal Site or Designated Organic Materials Processing Site: \$0 for first five (5) failures; \$1,000 per each subsequent failure
- d. For each failure to deliver Discarded Materials to the appropriate Approved Organic Materials Processing Site, Approved Recyclable Materials Processing Site, or Approved Construction and Demolition Debris Processing Site: \$0 for first five (5) failure; \$1,000 per subsequent failure”

ZZ. Article 14, Section 14.1 of the Agreement is hereby amended to read as follows:

**“14.1 Relationship of Parties**

The parties intend that Company shall perform the services required by this Agreement as an independent Company engaged by Authority and not as an officer or employee of Authority, nor as a partner of or joint venture with Authority. No employee or agent or Company shall be or shall be deemed to be an employee or agent of Authority. Except as expressly provided herein, Company shall have the exclusive control over the manner and means of conducting the Collection of Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, and Construction and Demolition Debris and the Processing of Recyclable Materials and Organic Materials performed under this Agreement, and all Persons performing such services. Company shall be solely responsible for the acts and omissions of its officers, employees, Companies, Subcontractors and agents. Neither Company nor its officers, employees, Companies, Subcontractors and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to Authority employees by virtue of their employment with Authority.”

AAA. Article 14, Section 14.5.2 of the Agreement is hereby amended to read as follows:

### **"14.5.2 Assignment – Authority's Assignment**

Authority may assign and delegate all rights and duties of the Authority, and its Council, Boards and Officials, its rights under this Agreement to any joint powers authority or other public agency; provided, however, that this Agreement will continue to govern only the Collection and Transportation of Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, and Construction and Demolition Debris and Processing of Recyclable Materials and Organic Materials generated within Authority."

BBB. Article 14, Section 14.6 of the Agreement is hereby amended to read as follows:

### **"14.6 Contracting or Subcontracting**

Company shall not engage any Companies or Subcontractors for Collection or Transportation of Solid Waste, Recyclable Materials, Organic Materials, Green Waste, Food Scraps, and Construction and Demolition Debris and Processing of Recyclable Materials and Organic Materials without the prior written consent of Authority."

CCC. Exhibit 5 of the Agreement is hereby amended to read as follows:

### **"Exhibit 5. Public Education and Community Outreach Programs**

The Company shall perform the following services as part of the public education program. Company shall print all materials in English and Spanish. Company shall post all Authority-approved, service-related information on its web site, and shall review and update such service-related information at least once per quarter or more frequently as directed by Authority. Authority may require Company to post information about other Authority and/or City programs, including but not limited to, Edible Food Recovery."

#### **Residential Education Program (minimum requirements)**

##### Year Eight Public Education Activities

- An introductory letter mailed to Single-Family residents explaining any transitions from the existing Collection program to the new program, including the new CNG trucks and expanded recycling program. A "How-to" brochure will be included with the introductory letter.
- The "How-to" brochures will be made of a durable, glossy paper that can be kept for future reference. The "How-to" brochure explains:
  - The specific list of Recyclable Materials to be Collected. This list can be found at Article 1 of the Agreement.
  - The specific list of Organic Materials to be Collected. This list can be found in Article 1 of the Agreement.
  - The specific list of Solid Waste Materials to be Collected. This list contains all non-recyclable, non-compostable and non-hazardous items and will be presented in a format comparable to the example provided in Exhibit5.

Separate brochures shall be prepared for and delivered to Single-Family and Multi-Family residents.

- Single-Family brochures will provide information on services available including:
  - Used motor oil and filter recycling – how to order jugs and filter bags, and how to place them for Collection
  - Household Batteries – what items are accepted and how to place batteries for Collection
  - Extra Garbage – what types of items are accepted and how to schedule a pickup for a fee
  - Universal and E-Waste Item drop off – what types of items are accepted, how to obtain a detailed list of items and how to schedule an appointment
  - Bulky Item Collection - what types of items are accepted, how to obtain a detailed list of items, how to schedule a pick-up for a fee
  - Annual Clean-up – a description of the service, how residents will be notified of their clean-up date and the fee option for a special Collection
  - Roll-off Box rental – what types of boxes are available, what types of materials are accepted, how and when to order a box and an explanation of roll-off exclusivity, how it works and why
  - Household Hazardous Waste – what types of items are accepted and how to make an appointment
  - How to contact WVC&R for service issues, damaged Carts, account inquiries and additional information
- Multi-Family “How-to” brochures will be delivered to complex owners and/or managers to distribute to residents. Multi-Family brochures will provide information on SB 1383 and services available including:
  - Organic Materials – what types of items are accepted in Organic Materials Containers, and how to obtain a detailed list of items
  - Universal and E-Waste Item drop off – what types of items are accepted, how to obtain a detailed list of items and how to schedule an appointment
  - Household Hazardous Waste – what types of items are accepted and how to make an appointment
  - California’s Mandatory Commercial Recycling Program – who is affected, what is required and how to obtain further information

- Roll-off Box rental – what types of boxes are available, what types of materials are accepted, how and when to order a box and an explanation of roll-off exclusivity, how it works and why
- How to contact WVC&R for additional information
- Advertisements will be placed in four community newspapers and on the local patch (online community specific news site) explaining transitions to the new CNG Collection vehicles and expanded Recycling program.

#### Public Education Activities to Be Performed throughout the Term of the Agreement

- At events and as needed, distribute “How-to” brochures as described above.
- Prepare and distribute mailers of the holiday Collection schedule and holiday tree Collection including accepted items, placement and schedule.
- Prepare and distribute Single-Family clean-up event mailers, mailed out to each resident one month prior to their scheduled clean-up. The mailer will include the clean-up date in bold, what items are accepted and not accepted, the option of a special cleanup for \$20 and WVC&R’s contact information.
- A WVC&R outreach coordinator shall visit homeowner associations and/or other groups to promote and explain the program throughout the term of the Agreement, as requested by the associations or scheduled by the Authority.
- A quarterly newsletter shall be distributed to all residents promoting and explaining the programs. The newsletter shall be reviewed and approved by the Authority and distributed to residents at the same time Residential bills are issued. The newsletter will be delivered with the quarterly invoice; for those who do not receive a paper invoice via mail, an e-newsletter will be sent to their email address.
- A corrective actions notice shall be prepared and used in instances where Waste Generators set out inappropriate materials.
- School education programs to teach students about source reduction, reuse, and recyclable materials shall be made available to schools.
- Non-program related information on source reduction, reuse and recyclable materials (e.g. junk mail reduction, Household Hazardous Waste events, grass cycling, Composting, etc.) shall be available.
- Specially designed public education materials and programs to reach Multi-Family residents shall be prepared.

#### **Commercial Education Program (minimum requirements)**

##### Year Eight Public Education Activities

- A second full time outreach coordinator will be hired for years eight and nine of the contract.

- He/she will initially focus on the Commercial sector to increase traditional Recycling Diversion by targeting each City's largest producers and downtown areas, making site visits, meeting with managers and/or contacting owners to offer free site assessments, Recycling presentations and outreach materials including the "How-to" brochures/posters.
- He/she will increase the focus on outreach to children, working through the local schools and libraries, using creative strategies such as drawing and essay contests. Additionally, he/she will increase the focus on Multi-Family complexes by meeting with complex managers and/or owners to offer Recycling presentations and outreach materials for the residents.
- The "How-to" brochure will be in poster form and will be laminated, to post in outdoor enclosures and interior areas. There will be three versions of the "How-to" poster, 1. Commercial without Compost service, 2. Commercial with Compost service and 3. Multi-Family. The "How-to" poster explains:
  - The specific list of Recyclable Materials to be Collected defined in Article 1.
  - The specific list of Garbage Materials to be Collected. This list contains all non-Recyclable, non-Compostable and non-hazardous items and will be presented in a format similar to Exhibit 5.
  - For Commercial Customers with Compost service, the specific list of Food Scrap Materials to be Collected. This list can be found in Article 1.
  - Roll-off Box rental – what types of boxes are available, what types of materials are accepted, how and when to order a box and an explanation of roll-off exclusivity, how it works and why.
  - How to contact WVC&R for service issues, damaged Containers, free site assessments, Recycling outreach, account inquiries and additional information.

#### Public Education Activities to Be Performed throughout the Term of the Agreement

- Prepare and distribute a Recyclable Materials resource guide to provide vendors' names, phone numbers and contacts for purchasing Recycled products, re-use donation locations, and other Recyclable Materials companies, to be updated annually.
- Prepare and distribute a quarterly newsletter to be distributed to all businesses promoting and explaining the programs. The newsletter shall be reviewed and approved by the Authority. The newsletter will be delivered quarterly with an invoice; for those who do not receive a paper invoice via mail, an e-newsletter will be sent to their email address.
- Prepare and distribute an annual notification of AB341, California's Mandatory Commercial Recycling Program, who is affected, what is required and how to obtain further information

Continually recruit new Customers for the clean food waste Composting program, as well as audit for elimination of contaminants.

#### **Commercial Edible Food Generators**

- On or before February 1, 2022 or insert earlier date if desired, the Company shall develop a list (in coordination of the County of Santa Clara), of Food Recovery Organizations and Food Recovery Services operating within the Cities, maintain the list on the Company's Authority-specific website, share the list with the Authority if the Authority and/or City wants to post the list on additional Authority websites, and update the list annually. The list shall include, at a minimum, the following information about each Food Recovery Organization and each Food Recovery Service:
  - Name and physical address;
  - Contact information;
  - Collection service area; and,
  - An indication of types of Edible Food the Food Recovery Service or Food Recovery Organization can accept for Food Recovery.
  
- At least annually, the Company shall provide Commercial Edible Food Generators with the following information:
  - Information about the Authority's Edible Food Recovery program;
  - Information about the Commercial Edible Food Generator requirements under 14 CCR, Division 7, Chapter 12, Article 10;
  - Information about Food Recovery Organizations and Food Recovery Services operating within the Authority, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and,
  - Information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Scraps.
  
- The Company may provide the information required by above by including it with regularly scheduled notices, education materials, billing inserts, or other information disseminated to Commercial Properties.

**All Customers**

- Company shall develop and implement a public education program designed to educate Generators regarding proper methods of handling and Disposing of Hazardous Waste and a load inspection program for Company's personnel to detect and discover Hazardous Waste placed by Generator for Collection by Company.
  
- Not less than once per year during each Rate Year, and by January 1, 2021, Company shall prepare and distribute to each Generator in the Authority a mailer that includes information specified in 14 CCR Section 18985.1(a). Company shall provide the mailer for Authority review and approval prior to ordering and distribution. Such mailer shall be distributed by Company to all Residential and Commercial mailing addresses including individual Multi-Family Dwelling Units and tenants of multi-tenant Commercial properties. Company shall also make this notice

available in an electronic format through the Company's website. Minimum content requirements include:

- Information on the Generator's requirements to properly separate Discarded Materials and place such materials in appropriate Containers pursuant to this Agreement, SB 1383 Regulations, and all other Applicable Law;
- Information on methods for the prevention of Recyclable Materials and Organic Materials generation; managing Organic Materials on Generator's Premises through Composting or other landfill Disposal reduction activities allowed under 14 CCR Sections 18983.1 and 18983.2; sending Organic Materials to Community Composting operations; and any other local requirements regarding Discarded Materials;
- Information regarding the methane reduction benefits of reducing the Disposal of Organic Materials, and the method(s) that the Company uses to recover Organic Materials;
- Information regarding how to recover Recyclable Materials, Organic Materials
- Information related to the public health and safety and environmental impacts associated with the Disposal of Organic Materials;
- Information regarding programs for donation of Edible Food;
- For Commercial Property Customers, information about the Authority's Edible Food Recovery Collection program; Tier One Commercial Edible Food Generators and Tier Two Edible Food Generators requirements specified in 14 CCR, Division 7, Chapter 12, Article 10; Food Recovery Organizations and Food Recovery Services operating within the Authority, and where a list of those Food Recovery Organizations and Food Recovery Services can be found; and, information about actions that Commercial Edible Food Generators can take to prevent the creation of Food Waste;
- Information regarding Self-Hauling requirements;
- Any other federal, State, or local requirements to properly separate Discarded Materials or other necessary actions by Generators, including applicable requirements of the Cities' Municipal Codes, AB 341, AB 1826, and SB 1383 and corresponding regulations."

DDD. Exhibit 10 of the Agreement is hereby amended to read as follows:

### **"Exhibit 10. Disposal and Processing Payment Provisions**

The rates of January 1, 2022 at the Designated Disposal Site, Designated Organic Materials Processing Site, and Designated Construction and Demolition Debris Processing Site are as follows:



	Disposal Rate	Organic Materials Processing Rate	Green Waste Processing Rate	Construction and Demolition Debris Rate
<b>Proprietary Rate</b>	\$34.70/Ton	\$79.32/Ton	\$79.18/Ton	\$59.86/Ton
State AB 1220 Fee	\$1.40/Ton	n/a	n/a	n/a
Santa Clara County AB 939 Fee	\$4.10/Ton	n/a	n/a	n/a
Santa Clara County Solid Waste Planning Fee	\$0.78/Ton	n/a	n/a	n/a
City of San Jose Business Tax	\$13.00/Ton	n/a	n/a	n/a
City of San Jose Solid Waste Enforcement Fee	\$0.52/Ton	\$0.52	\$0.52/Ton	\$0.52/Ton
<b>Total Government Fee Component</b>	\$19.80/Ton	\$0.52/Ton	\$0.52/Ton	\$0.52/Ton
<b>Transportation Component</b>				
<b>TOTAL RATE</b>	\$54.50/Ton	\$79.84/Ton	\$79.70/Ton	\$60.38/Ton

EEE. Exhibit 11 of the Agreement is hereby amended to read as follows:

**“Exhibit 11. Authority Approved Subcontractors and Processing and Transfer Services and Facility Standards**

Company has selected and arranged for Discarded Materials to be Transported to Approved Facilities for Processing in accordance with this Exhibit. The Approved Facilities shall comply with the standards specified in this Exhibit. If the Company does not own or operate one or more of the Approved Facilities, Company shall enter into a subcontract agreement with the owner or facility operator of such Approved Facility(ies) requiring Subcontractor to maintain all required permits and comply with all Applicable Laws, with an exception for approved Construction and Demolition Debris Processing facilities. In such event the requirements of Section 6.7 of the Agreement and

this Exhibit shall additionally pertain to the Subcontractor(s). Such agreement shall be provided to Authority prior to Delivering to any Approved Facility.

**A. General Requirements**

1. Overview. Company agrees to Transport Discarded Materials it Collects in the Authority to an appropriate Approved Facility(ies) for Processing as applicable for each type of Discarded Material. As of the Commencement Date of this Agreement, the Approved Facilities, which were selected by Company and reviewed and approved by the Authority, are listed in the following table and in the definitions in Article 1 of this Agreement. Company will perform all Processing services at Approved Facilities in accordance with Applicable Law, standard industry practice, and specifications and other requirements of this Agreement.

Subcontractor	Approved to Perform
GreenWaste Recovery Incorporated 625 Charles Street, San Jose, CA	Processing of Recyclable Materials, Organic Materials, and Construction and Demolition Debris
Zanker Road Landfill 705 Los Esteros Road, San Jose, CA	Processing of Construction and Demolition Debris
Zanker Materials Processing Facility 675 Los Esteros Road, San Jose, CA	Processing of Construction and Demolition Debris

2. Facility Capacity Guarantee. Company shall guarantee sufficient capacity over the Term of this Agreement to Transfer (if applicable), Transport, and Process all Recyclable Materials, Multi-Family and Commercial Organic Materials, and all Construction and Demolition Debris, unless the Construction and Demolition Debris is delivered to the Designated Construction and Demolition Debris Processing Site, Collected under this Agreement. Company shall cause the Approved Facility(ies) to recover or Process the Discarded Materials as appropriate; market the Recyclable Materials, Organic Materials, and Construction and Demolition Debris recovered from such operations; and Dispose of Residue. Company shall provide the Authority, upon request, with documentation demonstrating the availability of such Transfer (if applicable), Transport, and Processing, capacity as described below.

Upon Authority request, Company shall demonstrate that such capacity is available and allocated to the Authority by provision of its agreement with the Approved Facility(ies) owner(s)/operator(s) (Subcontractor(s)) documenting the Subcontractor’s guarantee to accept the Discarded Materials Company delivers over the Term of this Agreement.

3. Facility Permits. Company shall ensure the facility operator shall keep all existing permits and approvals necessary for use of the Approved Facility(ies), in full regulatory compliance with an exception for approved Construction and Demolition Debris Processing facilities. Company, or facility operator, shall, upon request, provide copies of permits or other approvals and/or notices of violation of permits to the Authority.
4. Notification of Emergency Conditions. Each Approved Facility shall notify the Authority of any unforeseen operational restrictions that have been imposed upon the facility by a regulatory agency or any unforeseen equipment or operational failure that will temporarily

prevent the facility from Processing the Discarded Materials Collected under this Agreement. Company shall notify the Authority in accordance with Section 7.8.1 of the Agreement.

5. Discarded Materials Monitoring/Waste Evaluation Requirements. Company shall conduct material sampling, sorting, and waste evaluations of various material streams as further described in this Exhibit 11, Section E to meet or exceed SB 1383 Regulatory requirements.
6. Compliance with Applicable Law. Company (including its Subcontractors) shall include in their contracts with Approved Facilities that the Approved Facilities are respectively authorized and permitted to accept Discarded Materials in accordance with Applicable Law and are in full compliance with Applicable Law.
7. Records and Investigations. Company shall maintain accurate records of the quantities of Discard Materials Transported to and Accepted at the Approved Facility(ies) and shall cooperate with Authority and any regulatory authority in any audits or investigations of such quantities.
8. Inspections and Investigations. Subject to the rules of the facility, an authorized Authority employee or agent shall be allowed to enter each facility during normal working hours in order to conduct inspections and investigations in order to examine facility operations; Processing activities; contamination monitoring; material sampling and sorting activities, including inspection of end-of-line materials after sorting; and records pertaining to the facility in order to assess compliance with this Agreement, to understand protocols and results, and conduct investigations, if needed. Company shall permit Authority or its agent to review or copy, or both, any paper, electronic, or other records required by Authority.

## **B. Processing Standards**

1. Recovery Required. Company agrees to Transport and deliver all Recyclable Materials, Multi-Family and Commercial Organic Materials, and all Construction and Demolition Debris, unless the Construction and Demolition Debris is delivered to the Designated Construction and Demolition Debris Processing Site, Collected under this Agreement to an Approved Facility for Processing as applicable for each material type. Company shall conduct Processing activities for all Recyclable Materials, Organic Materials, and Construction and Demolition Debris to recover Recyclable Materials and Organic Materials to reduce Disposal. The Processing shall be performed in a manner that minimizes Disposal to the greatest extent practicable and complies with Applicable Law, including SB 1383 Regulations. Pursuant to Sections 7.8.2 and 7.8.3 of this Agreement, Company may Dispose of Organic Waste removed from homeless encampments and illegal disposal sites and quarantined Organic Waste rather than Process such materials and report to the Authority in Accordance with Section 10.3.3.4.
2. Separate Handling Requirements.
  - a. Company shall keep Recyclable Materials, Organic Materials, and Construction and Demolition Debris separate from each other and separate from other any other material streams and shall Process the materials separately from each other.

- b. Pursuant to 14 CCR Section 17409.5.6(a)(1), remnant Organic Material separated from the Solid Waste stream for recovery can be combined with Organic Waste removed from the Organic Materials Collection stream for recovery once the material from the Organic Materials stream has gone through the Organic Waste recovery measurement protocol described in 14 CCR Sections 17409.5.4 and 17409.5.5.
3. Residue Disposal. Company shall be responsible for Disposal of Residue from Processing activities at its own expense and may select the Disposal Facility(ies) to be used for such purpose.
4. Processing Facility Residue Guarantees. Upon request of the Authority, Company shall provide a statement from the facility operator, signed under penalty of perjury, documenting its Residue level. The Residue level shall be calculated separately for each material type and for each Approved Facility used for Recycling and Processing. The Residue level calculation method shall be reviewed and approved by the Authority.
5. Recyclable Materials Processing Standards. Company shall arrange for Processing of all Recyclable Materials at the Approved Recyclable Materials Processing Site, which shall be a facility that recovers materials designated for Collection in the Recyclable Materials Container and in a manner deemed not to constitute landfill Disposal pursuant to 14 CCR Section 18983.1(a), which states that landfill Disposal includes final deposition of Organic Waste (which includes Organic Waste materials that are Collected in the Recyclable Materials Container, such as paper), at a landfill or use of Organic Waste as Alternative Daily Cover (ADC) or Alternative Intermediate Cover (AIC).
6. Organic Materials Processing Standards.
  - a. Company shall arrange for Processing of all Organic Materials at a facility that recovers Organic Materials and in a manner deemed not to constitute landfill Disposal pursuant to 14 CCR Section 18983.1(a) which states that landfill Disposal includes final deposition of Organic Waste, including Organic Materials, at a landfill or use of Organic Waste, including Organic Materials, as Alternative Daily Cover (ADC) or Alternative Intermediate Cover (AIC).
  - b. Company shall arrange for Organic Materials Processing at the Approved Organic Materials Processing Site, which shall be a facility that meets one or more of the following criteria, and such facility or operation is capable of and permitted to accept and recover the types of Organic Materials Collected under this Agreement:
    - i. A “Compostable Material Handling Operation or Facility” as defined in 14 CCR Section 17852(a)(12); small Composting facilities that are otherwise excluded from that definition; or Community Composting as defined in 14 CCR Section 18982(a)(8). The compostable materials handling operation or facility shall, pursuant to 14 CCR Section 17867(a)(16), demonstrate that the percentage of Organic Materials in the materials sent to Disposal is:
      - On and after January 1, 2022, less than 20 percent (20%); and,
      - On and after January 1, 2024, less than 10 percent (10%).

- ii. An “In-vessel Digestion Operation or Facility” as defined in 14 CCR Section 17896.5. The in-vessel digestion facility or operation shall, pursuant to 14 CCR Section 17896.44.1, demonstrate that the percentage of Organic Waste in the materials sent to Disposal is:
  - On and after January 1, 2022, less than 20 percent (20%); and,
  - On and after January 1, 2024, less than 10 percent (10%).
- iii. A “Biomass Conversion Operation” as defined in Section 40106 of the California Public Resources Code.
- iv. Soil amendment for erosion control, revegetation, slope stabilization, or landscaping at a landfill, that is defined as a reduction in landfill Disposal pursuant to 14 CCR Section 18983.1(b)(5).
- v. Land application of compostable materials consistent with 14 CCR Section 17852(a)(24.5) and subject to the conditions in 14 CCR Section 18983.1(b)(6).
- vi. Lawful use as animal feed, as set forth in California Food and Agricultural Code Section 14901 et seq. and Title 3, Division 4, Chapter 2, Subchapter 2 commencing with 14 CCR Article 1, Section 2675.
- vii. Other operations or facilities with processes that reduce short-lived climate pollutants that are approved by the State in accordance with 14 CCR Section 18983.2.

If Company is interested in using an operation, facility, or activity not expressly identified above and not specifically identified in 14 CCR Section 18983.1(b) for Organic Materials Processing, Company shall be responsible for securing the necessary approvals from CalRecycle, pursuant to 14 CCR Section 18983.2, that the facility’s Process or technology constitutes a reduction in landfill Disposal pursuant to 14 CCR Section 18983.1(b)(8) prior to the Authority’s final approval of such operation, facility, or activity.

- c. Preparation of Materials for Processing. The Company shall be responsible for preparing materials for Processing at the Approved Organic Materials Processing Site, which shall include, but is not limited to, removal of visible physical contaminants such as plastic, glass, metal, and chemicals prior to size reduction.
- d. “Overs” Management. The Authority may require that at no cost to the Authority, the Company conduct and provide Authority-specific Organic Materials Processing Residue and “overs” composition data to the Authority reflecting then-current conditions and using a sampling protocol acceptable to the Authority, in its reasonable discretion. In the event that the composition of “overs” includes appreciable quantities (over 10%) of Organic Materials, as determined by Company’s waste evaluation or visual assessment by the Authority, the Company shall immediately inform the Authority Contract Manager and propose a strategy for reducing the “overs” level. At the Company’s

expense, Company shall implement the “overs” management strategy within ten (10) Working Days of Authority approval.

e. Limits on Incompatible Materials in Organic Materials.

i. Limits. Except as described in this Exhibit 11, Section B.6.e, Company’s Transfer/Processing Facility or operation shall only send offsite that Organic Waste recovered after Processing the Organic Materials that meets the following requirements or as otherwise specified in 14 CCR Section 17409.5.8(a):

- On and after January 1, 2022 with no more than 20 percent (20%) of Incompatible Material by weight; and,
- On and after January 1, 2024 with no more than 10 percent (10%) of Incompatible Material by weight.

ii. Measurement. Company shall measure the actual levels of Incompatible Materials in accordance with procedures described in 14 CCR Section 17409.5.8(b).

iii. Exceptions. The limits in this Exhibit 11, Section B.6.e.i shall not apply to the recovered Organic Waste sent offsite from the Transfer/Processing Facility or operation, if the Company sends the recovered Organic Waste from the Transfer/Processing Facility or operation to one or more of the following types of facilities that will further Process the Organic Waste, or as otherwise specified in 14 CCR Section 17409.5.8(c):

- A Transfer/Processing Facility or operation that complies with this Exhibit 11, Section B.6.e.i;
- A compostable materials handling facility or operation that, pursuant to 14 CCR Section 17867(a)(16), demonstrates that the percentage of Organic Waste in the materials sent to Disposal is:
  - a. On and after January 1, 2022, less than 20 percent (20%); and,
  - b. On and after January 1, 2024, less than 10 percent (10%).
- An in-vessel digestion facility or operation that, pursuant to 14 CCR Section 17896.44.1, demonstrates that the percentage of Organic Waste in the materials sent to Disposal is:
  - a. On and after January 1, 2022, less than 20 percent (20%); and,
  - b. On and after January 1, 2024, less than 10 percent (10%).
- An activity that meets the definition of a Recycling center as described in 14 CCR Section 17402.5(d).

7. Construction and Demolition Debris Program Standards.

- a. Company shall comply with the Authority's Construction and Demolition Debris materials Recycling program requirements pursuant to the Cities' Municipal Code.
- b. Company shall deliver mixed Construction and Demolition Debris loads to an Approved Construction and Demolition Debris Processing Site for Recycling, if Construction and Demolition Debris is not delivered to the Designated Construction and Demolition Debris Processing Site as agreed upon by Customer and Company.
- c. Company shall deliver Source Separated Construction and Demolition Debris such as, but not limited to, dirt, concrete, wood waste, cardboard, or other Recyclable Construction and Demolition Debris materials resulting from construction or demolition to an Approved Construction and Demolition Debris Processing Site, and shall deliver Salvageable Materials to a party for reuse or salvage.
- d. Company shall arrange for Processing of Organic Waste in Construction and Demolition Debris at a facility that recovers Organic Waste from Construction and Demolition Debris and in a manner deemed not to constitute landfill Disposal pursuant to 14 CCR Section 18983.1(a), which states that landfill Disposal includes final deposition of Organic Waste at a Landfill or use of Organic Waste as Alternative Daily Cover (ADC) or Alternative Intermediate Cover (AIC).

### **C. Weighing of Discarded Materials**

1. Maintenance and Operation. This Section C of Exhibit 11 applies to motor vehicle scales used at the Approved Facilities. Approved Facilities shall be equipped with one or more State-certified motor vehicle scales in accordance with Applicable Law. Upon request, Company shall arrange for facility operator to provide documentary evidence of such scale certification within ten (10) days of Authority's request during the Term. Licensed weigh master(s) shall operate those scales to weigh all inbound and outbound Collection vehicles Transporting Discarded Materials and all Transfer vehicles Transporting materials to another site. Company shall arrange for facility operator to provide Authority with access to weighing information at all times and copies thereof within three (3) Business Days following the Authority's request. Exceptions to weighing requirements are specified in this Exhibit 11, Section C.7.
2. Vehicle Tare Weights for Approved Facilities. Within thirty (30) days prior to the Commencement Date, Company shall coordinate with the facility operator(s) to ensure that all Collection vehicles used by Company to Transport Discarded Materials to Approved Facilities are weighed to determine unloaded ("tare") weights. Company shall work with facility operator(s) to electronically record the tare weight, identify vehicle as Company's, and provide a distinct vehicle identification number for each vehicle. Company shall provide Authority with a report listing the vehicle tare weight information upon request. Company shall promptly coordinate with facility operator to weigh additional or replacement Collection vehicles prior to Company placing them into service. Company shall check tare weights at least annually, or within fourteen (14) days of an Authority request, and shall re-tare vehicles immediately after any major maintenance service that could impact the weight of the vehicle by more than fifty (50) pounds.



3. Substitute Scales. If any scale at an Approved Facility is inoperable, being tested, or otherwise unavailable, facility operator shall use reasonable business efforts to weigh vehicles on the remaining operating scale(s). To the extent that all the scales are inoperable, being tested, or otherwise unavailable, facility operator shall substitute portable scales until the permanent scales are replaced or repaired. Facility operator shall arrange for any inoperable scale to be repaired as soon as possible.
4. Estimates. Pending substitution of portable scales or during power outages, facility operator shall estimate the Tonnage of the Discarded Materials Transported to and accepted at the Approved Facilities by utilizing the arithmetic average of each vehicle's recorded Tons of Discarded Materials delivered on its preceding three (3) deliveries.

During any period of time the scales are out of service, facility operator shall continue to record all information required by this Exhibit 11, Section C, for each delivery of Discarded Materials to the Approved Facilities and each load of material Transferred to another Approved Facility(ies).

5. Weighing. At the Approved Facilities, facility operator shall weigh and record inbound weights of all vehicles delivering Discarded Materials when the vehicles arrive at the facility. In addition, facility operator shall weigh and record outbound weights of vehicles for which facility operator does not maintain tare weight information. Furthermore, facility operator shall weigh and record outbound weights of all Transfer vehicles Transporting Discarded Materials from a Transfer Facility to another Approved Facility(ies) for Processing or Disposal.
6. Records. Facility operator shall maintain scale records and reports that provide information including date of receipt, inbound time, inbound and outbound weights (or tare weights) of vehicles, vehicle identification number, Authority of origin of materials delivered, type of material, company/hauler identification, and classification, type, weight, and final destination of Discarded Material if the Discarded Materials are Transferred to another Approved Facility(ies).
7. Exceptions to Weighing Requirements. If an Approved Facility does not have motor vehicle scales to weigh Company's vehicles and Discarded Materials delivered to the facility, Company shall obtain a receipt for delivery of the Discarded Materials that identifies the date and time of delivery, the type of material delivered, and the vehicle number. Company or facility operator shall estimate the Tonnage of material delivered for each load based on the volumetric capacity of the vehicle and material density factors (e.g., pounds per cubic yard) approved by or designated by the Authority Contract Manager.
8. Upon-Request Reporting. If vehicle receiving and unloading operations are recorded on video cameras at the Approved Facilities, Company shall make those videos available for Authority review during the Approved Facilities' operating hours, upon request of the Authority, and shall provide the name of the driver of any particular load if available.

#### **D. Discarded Materials Evaluations at Approved Facilities**

1. General. Company shall conduct the following "evaluations" at Approved Facilities if required by Applicable Law referenced below:

- a. Organic Materials Recovery Efficiency Evaluations. If applicable pursuant to 14 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8, Company shall conduct waste evaluations at Approved Facility(ies) used for Processing in accordance with 14 CCR Sections 17409.5.1 to 17409.5.5 and 17409.5.8.
  - b. Evaluation of Organic Materials in Residuals. If applicable pursuant to 14 CCR Sections 17409.5.3, 17409.5.5, 17867, and/or 17896.44.1, Company shall conduct compliance evaluations of Organic Materials to determine the level of Organic Waste in materials sent for Disposal in accordance with 14 CCR Sections 17409.5.3 (Transfer/Processor for mixed waste), 17409.5.5 (Transfer/Processor for Organic Waste), 17867 (Compost operations and facilities), and 17896.44.1 (In-vessel digestion operations and facilities).
2. Record Keeping and Reporting. For the evaluations described above, Company shall maintain all records and submit reports to CalRecycle as described in 14 CCR Division 7, Chapter 3, Article 6.3; 14 CCR Division 7, Chapter 3.1, Article 8; and 14 CCR Division 7, Chapter 3.2, Article 4; and, 14 CCR Sections 18815.5 and 18815.7, as applicable. Company shall report this information to the Authority on a monthly basis in accordance with Section 10.3.
  3. Scheduling of Evaluations. Company shall schedule evaluations during normal working hours. Company shall provide Authority notice of its intent to conduct evaluations at the Approved Facility(ies) at least fourteen (14) days in advance of the evaluations.
  4. Observance of Study by Authority and/or CalRecycle. Company acknowledges that, upon request, a representative of the Authority, the LEA, and/or CalRecycle may oversee its next scheduled sampling and evaluation of any of the evaluations described in this Exhibit 11, Section A, conducted at the Approved Facility(ies).”

FFF. Exhibit 13, of the Agreement is hereby amended to read as follows:

### **“Exhibit 13. Container Specifications**

Company shall use the Company-provided Collection Containers that are currently located at Customers’ Premises or provide Customers with Collection Containers from Company’s current inventory.

At least seven (7) days in advance of Company Container purchases or repainting of metal Containers, Company shall present proposed colors to the Authority for review and approval. If an existing Container breaks or is otherwise rendered non-functional on or after January 1, 2022, the Company shall replace the non-functional Container with a Container that complies with the color and labeling requirements of this Exhibit. Notwithstanding this Exhibit, the Company is not required to replace functional Containers, including Containers purchased prior to January 1, 2022, that do not comply with the color requirements of this Exhibit. prior to the end of the useful life of those Containers.

#### **All Containers**

- A. CONTAINER DESIGN REQUIREMENTS
  1. Container Colors

For all colors, the Company shall obtain written approval from the Authority for the Container color before Company's purchase of the Containers.

- Solid Waste Carts must have a black body and lid.
- Solid Waste Bins must have a green body and black lid.
- Recyclable Materials Carts must have a blue body and lid.
- Recyclable Materials Bins must have a white body and blue lid.
- Organic Materials Carts and Bins must have a green body and lid.
- Construction and Demolition Debris Containers may be in any color, provided that the colors do not conflict with the Container color requirements in this Exhibit 13 and provided that the Construction and Demolition Debris Container colors are consistent for all Construction and Demolition Debris Containers.

2. Labeling Requirements

Commencing on or before January 1, 2022, Company shall place a label or imprint on each new Container body or lid that includes language or graphic images, or both, that indicate the primary materials accepted and the primary materials prohibited in that Container. Labels or imprints shall clearly indicate items that are Prohibited Container Contaminants for each Container. Prior to ordering labels or imprints for Containers, and by August 1, 2021 Company shall submit a copy of its proposed label or imprint, proposed location(s) for placement of labels on each type of Container, and its labeling or imprint plan to the Authority for approval.

**Carts**

A. CART DESIGN REQUIREMENTS

1. General

The Carts shall be manufactured by injection or rotational molding and meet the Container design requirements above and the Cart design and performance requirements as specified below. All Carts selected shall be subject to Authority approval.

2. 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 will provide comfortable gripping area for pulling or pushing the Cart or lifting the lid. Pinch points are unacceptable.

3. Cart Lid

Each Container shall be provided with a lid that continuously overlaps and comes in contact with the Container body or otherwise causes an interface with the Container 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 Container during the dump cycle without interference with the material already deposited in the truck body or the truck body itself and its lifting mechanism; and,
- Permits users of the Container to conveniently and easily open and shut the lid throughout the serviceable life of the Container.

In addition, Container lids should also meet the following requirements:

- 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 Container 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 Container body.

#### 4. Identification Markings

All markings on the Containers shall be approved by the Authority in advance of ordering Carts. An arrow (at least 3 inches by 5 inches) hot stamped in white color shall be placed on the lid, indicating the direction of Cart placement.

In character size of no less than 3/16 inch, the phrase:

PLACE CONTAINER WITH ARROW FACING

STREET FOR COLLECTION

Additionally, the SOLID WASTE, RECYCLING or ORGANIC MATERIALS must be hot stamped in white color on the front or sides of the Cart in characters no less than one inch.

#### B. CART PERFORMANCE REQUIREMENTS

##### 1. General

All Carts shall be designed and manufactured to meet the minimum performance requirements described below.

##### 2. Cart Load Capacity

Depending on the capacity, the Carts shall have a minimum load capacity as noted below without Container distortion, damage, or reduction in maneuverability or any other functions as required herein.

Cart Size (Gallons)	Minimum Load Capacity (LBS)
90-101	200
60-68	130
30-35	70
20	40

3. 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 will interfere with its intended use;
- Resist degradation from ultraviolet radiation;
- Be incapable of penetration by biting or clawing of household pets (i.e., dogs and cats);
- The bottoms of Cart bodies must remain impervious to any damage, that would interfere with the Cart's intended use after repeated contact with gravel, concrete, asphalt or any other rough and abrasive surface;
- All wheel and axle assemblies are to provide continuous maneuverability and mobility as originally designed and intended; and,
- Resist degradation by other airborne gases or particulate matter currently present in the ambient air of the Authority.

4. 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.

5. Stability and Maneuverability

The Carts shall be stable and self-balancing in the upright position, when either empty or loaded to its maximum design capacity with an evenly distributed load, and with the lid in either a closed or an open position.

The Carts shall be capable of maintaining its upright position in sustained or gusting winds of up to twenty-five (25) miles per hour as applied from any direction.

The Carts shall be capable of being easily moved and maneuvered, with an evenly distributed load equal in weight to its maximum design capacity on a level, sloped or stepped surface.

6. 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 Container.

7. Reparability

Minor cracks, holes, and other damages to hinges, wheels, axle, hardware, and other component parts shall be readily repairable by the Company personnel. All repairs must restore the Container to its full functionality to meet the design and performance requirements as set for herein.”

GGG. Exhibit 16. Company’s Implementation Plan is hereby added to the Agreement and is included at the end of this Amendment as Exhibit 1.

### **III. AMENDMENTS TO AGREEMENT RELATED TO COSTS OF SB 1383 PROGRAMS**

HHH. Section 8.3 of the Agreement is hereby amended to read as follows:

#### **“8.3 Company’s Compensation and Rates – Subsequent Rates for Rate Years 8 through 15 and Rate Year 17**

For each Rate Year beginning with Rate Year 8 (i.e., from July 1, 2014 to June 30, 2015), Rates shall be adjusted as described below. For purposes of this calculation, Rates shall be composed of six (6) components: a Collection Rate, a monthly Disposal Rate, a monthly Organics Processing Rate, a

monthly Construction and Demolition Debris Processing Rate, Recycling Surcharge, a Franchise Fee, and other City Fees and surcharges.

8.3.1 Monthly Collection Rate per Generator Adjustment. The monthly Solid Waste Collection Rate, monthly Recycling Collection Rate, and monthly Organic Materials Collection Rate shall be adjusted upward or downward to reflect eighty percent (80%) of the change in the “San Francisco-Oakland-San Jose Metropolitan Area Consumer Price Index (All Urban Consumers; 1982-84=100)” for the most recent twelve (12) month period ending December 31, as published by the U.S. Department of Labor, Bureau of Labor Statistics. No monthly Collection Rate increase shall exceed five percent (5%) per annum, nor shall it be less than one and one-half percent (1.5%). The commercial Solid Waste Collection Rate is inclusive of the total of Organic Materials Collection and Processing costs.

8.3.2 Monthly Disposal Rate per Generator Adjustment. The monthly Disposal Rate consists of two components: the Disposal Proprietary Rate and the Disposal Government Fee. The Disposal Proprietary Rate shall be adjusted in accordance with the agreement between Guadalupe Rubbish Disposal, Inc. and the Authority effective through December 31, 2021 and subsequent agreement with USA Waste of California, Inc. D/B/A Waste Management of South Bay and the Authority effective January 1, 2022.

8.3.3 Monthly Residential Organic Materials Processing Rate per Generator Adjustment. The monthly Residential Organic Materials Processing Rate consists of two components: the Residential Organic Materials Processing Proprietary Rate and the Residential Organic Materials Processing Government Fee. The monthly Residential Organic Materials Processing Proprietary Rate shall be adjusted in accordance with the Agreement between Guadalupe Rubbish Disposal, Inc. and the Authority effective through December 31, 2021 and subsequent agreement with USA Waste of California, Inc. D/B/A Waste Management of South Bay and the Authority effective January 1, 2022.

8.3.4 Monthly Construction and Demolition Debris Processing Rate per Generator Adjustment. The monthly Construction and Demolition Debris Processing Rate consists of two components: the Construction and Demolition Debris Proprietary Rate and the Construction and Demolition Debris Government Fee. The monthly Construction and Demolition Debris Proprietary Rate shall be adjusted in accordance with the Agreement between Guadalupe Rubbish Disposal, Inc. and the Authority effective through December 31, 2021 and subsequent agreement with USA Waste of California, Inc. D/B/A Waste Management of South Bay and the Authority effective January 1, 2022.

8.3.5 Monthly Recycling Surcharge per Generator Adjustment. The monthly Recycling Surcharge shall be remained unchanged from the prior Rate Year.

8.3.6 Monthly Construction and Demolition Debris Surcharge. The monthly Construction and Demolition Debris Surcharge consists of two components: the Transportation component and a Processing fee component. The Transportation component shall be adjusted by upward or downward to reflect eighty percent (80%) of the change in the “San Francisco-Oakland-San Jose Metropolitan Area Consumer



Price Index (All Urban Consumers; 1982-84=100)” for the most recent twelve (12) month period ending December 31, as published by the U.S. Department of Labor, Bureau of Labor Statistics. The Transportation component increase shall not exceed five percent (5%) per annum, nor shall it be less than one and one-half percent (1.5%). The Processing fee component shall be the difference between the current Construction and Demolition Rate at the Designated Facility and the rate charged by the Approved Construction and Demolition Facility as agreed upon by the Company and Customer.

8.3.7 Franchise Fee Adjustment. The Franchise Fee component shall be calculated as described in Exhibit 8 to the Agreement.

8.3.8 Other City Fees and Surcharges Adjustment. The surcharges component is composed of charges for the Vehicle Impact Fee, Street Sweeping Fee, HHW Fee, Authority Administrative Costs and other miscellaneous surcharges, as determined by the Cities, individually or collectively. The Fees component shall be calculated as described in Exhibit 8 to the Agreement.”

III. Section 8.4.2.B.2 of the Agreement is hereby amended to read as follows:

**“8.4.2.B.2 Company’s Compensation and Rates – Calculate Adjusted Costs**

Company shall adjust actual costs for Rate Years 4 and 14 (determined in Section 8.4.2.B.1) above to ensure that non-allowable costs are not included in actual costs. Non-allowable costs include the following:

- a. Labor and equipment costs for personnel and vehicles that are not specified in Exhibit 4.
- b. Payments to directors and/or owners of Company unless paid as reasonable compensation for services actually rendered.
- c. Promotional advertising, entertainment, and travel expenses (above \$5,000 annually in total) unless authorized in advance by the Authority.
- d. Payments to repair damage to property of third parties or the Authority for which Company is legally liable.
- e. Fines for penalties of any nature.
- f. Liquidated Damages assessed under this Agreement.
- g. Federal or State income taxes.
- h. Charitable or political donations.
- i. Depreciation or interest expense for Collection vehicles, Containers, other equipment, offices and other Facilities if such items are leased as specified in Exhibit 4.

- j. Attorney's fees and other expenses incurred by Company in any court proceeding in which the Authority and Company are adverse Parties, unless Company is the prevailing Party in such proceeding.
- k. Attorney's fees and other expenses incurred by Company arising from any act or omission in violation of this Agreement.
- l. Attorneys' fees and other expenses incurred by Company in any court proceeding in which Company'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 Company in a court proceeding in which the legal theory or statute providing a basis of liability against Company also provides for separate potential liability for the Authority derived from the action of its citizens or Rate payers (such as in a CERCLA lawsuit) unless the Company 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 cost to the Related-Party Entities for those products or services, except for Recyclable Materials Processing.
- n. Goodwill.
- o. Unreasonable profit sharing distributions.
- p. Replacement costs for Carts, Bins, or Drop Boxes 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 proposed for Rate Year 6 adjusted using the consumer price index described in Section 8.4.2.B.5.d.
- r. Bad debt write-offs in excess of 2% of annual Rate revenues.
- s. Annual Fee payment in accordance with Section 5.2."

JJJ. Section 8.4.2.B.5.c of the Agreement is hereby amended to read as follows:

**"8.4.2.B.5.c Company's Compensation and Rates – Forecasted Recyclable Materials Processing Costs**

Forecasted Recyclable Materials Processing costs shall be calculated for Rate Years 6 and 16 in the following manner:

Rate Year 6: Forecasted Recyclable Materials Processing cost = (Recyclable Materials Processing cost per Ton in accordance with Exhibit 4) x (total Tons of Recyclable Materials Collected for the most-recently reported twelve-month year).

Rate Year 16: Forecasted Recyclable Materials Processing cost = (Recyclable Materials Processing cost per Ton based on the most-recently report twelve-month average receipt from or payment to

Company's Recyclable Materials Subcontractor) x (total Tons of Recyclable Materials Collected for the most-recently reported twelve-month year)."

KKK. Section 8.4.2.D.2 of the Agreement is hereby amended to read as follows:

**"8.4.2.D.2 Company's Compensation and Rates – Forecasted Organic Materials Processing Cost.**

Annual forecasted Organic Materials Processing cost = (Organic Materials Processing rate at Designated Organic Materials Processing Site) x (total Tons of Single-Family Organic Materials Collected for the most-recently reported twelve-month year). The Organic Materials Processing rate shall not exceed the forecasted Residential Organic Materials Processing Rate. "

LLL. Section 8.4.2.F of the Agreement is hereby amended to read as follows:

**"8.4.2.F Company's Compensation and Rates**

The Rate Adjustment Factor shall be equal the Total Company Compensation for the coming Rate Period divided by the Gross Revenues for the most-recently reported 12-month period, which shall be rounded to the nearest thousandth. It shall be composed of seven (7) components: a Collection Rate adjustment, a Disposal Rate adjustment, a Organic Materials Processing Rate adjustment, a Construction and Demolition Debris Processing Rate adjustment, and a Recycling Surcharge, and City Fees adjustment (Franchise Fee, HHW Fee, Street Sweeping Fee, Vehicle Impact Fee, Authority Administration Costs and other City Fees and Surcharges). The Collection Rate Adjustment factor shall not exceed five percent (5%), nor less than one and one-half percent (1.5%)."

MMM. Article Section 8.4.2 of the Agreement is hereby amended to add the following subsection:

**"8.4.2.G Monthly Construction and Demolition Debris Surcharge**

The monthly Construction and Demolition Debris Surcharge consists of two components: the Transportation component and a Processing fee component. The Transportation component shall be adjusted by upward or downward to reflect eighty percent (80%) of the change in the "San Francisco-Oakland-San Jose Metropolitan Area Consumer Price Index (All Urban Consumers; 1982-84=100)" for the most recent twelve (12) month period ending December 31, as published by the U.S. Department of Labor, Bureau of Labor Statistics. The Transportation component increase shall not exceed five percent (5%) per annum, nor shall it be less than one and one-half percent (1.5%). The Processing fee component shall be the difference between the current Construction and Demolition Rate at the Designated Facility and the rate charged by the Approved Construction and Demolition Facility as agreed upon by the Company and Customer. The Processing fee shall not be subject to City Fees."

NNN. Section 8.7 of the Agreement is hereby amended to read as follows:

**"8.7 Company's Compensation and Rates – Interim Rate Adjustment**

In the event the Authority directs the Company to change its operations in accordance with Section 4.5 of this Agreement or in the event of an extraordinary or unanticipated event including a change in law, a change in Disposal Site, Organic Materials Processing Site, Construction and Demolition Debris Processing Site, or an extraordinary adjustment to the Disposal Proprietary Rate, Disposal

Government Fee, Residential Organic Materials Processing Proprietary Rate, Residential Organic Materials Processing Government Fee, Commercial Organic Materials Processing Fee, Construction and Demolition Debris Proprietary Rate, and/or Construction and Demolition Debris Government Fee, and such adjustment materially affects the Company's annual cost of operations then the Company or the Authority may submit a request for an interim Rate adjustment. In such case, the Company shall provide Authority with its calculations of the impact of the change in a format approved by the Authority. Any proposed change in the ratified Rates shall be subject to Authority review and approval. The Company shall not be entitled to an interim Rate adjustment for any costs associated with additional routes beyond those outlined in the Proposal, unless required under Section 4.5. Nothing in this Section shall be construed to require Authority to accept Company's calculations as correct."

OOO. Exhibit 4 of the Agreement is hereby amended to add the content of Exhibit 2 to this Amendment.

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

WEST VALLEY SOLID WASTE  
MANAGEMENT AUTHORITY  
("Authority")

ATTEST: \_\_\_\_\_  
AUTHORITY CLERK

By \_\_\_\_\_  
AUTHORITY

APPROVED AS TO FORM:

WEST VALLEY COLLECTION  
& RECYCLING, LLC  
("COMPANY")  
By: Waste Connections of California, Inc.,  
Manager

\_\_\_\_\_  
AUTHORITY ATTORNEY

By: Paul Nelson

Name: PAUL NELSON

Title: Division Vice President

By: Robert M. Cloninger

Name: Robert M. Cloninger

Assistant  
Title: Secretary

This page intentionally left blank

**EXHIBIT 1:  
COMPANY'S IMPLEMENTATION PLAN**

---





WVCR 1383 Implementation Plan

	<b>ACTION ITEM</b>	<b>DUE DATE</b>
<b>CONTAINERS</b>	decide on colors	3/31/2021
	begin ordering bins/carts in compliant colors	11/1/2021
<b>CONTAINER LABELING</b>	decide on cart label method	3/31/2021
	develop cart label/imprint	9/1/2021
	develop bin labels	9/1/2021
	print bin labels and if necessary cart labels	12/22/2021
<b>RESIDENTIAL IN KITCHEN PAILS</b>	order pails	9/1/2021
	distribute pails SFD & MFD	12/31/2021
	(begin distribution 11/01/2021, open for discussion around earlier timing)	
<b>OUTREACH</b>	INTRODUCTORY FLYER develop SFD introductory flyer	9/15/2021
	develop commercial/MFD introductory flyer	9/15/2021
	send SFD flyer to HF&H for review	10/1/2021
	send commercial/MFD to HF&H for review	10/1/2021
	print SFD and commercial/MFD flyers	10/15/2021
	mail commercial/MFD flyers	12/15/2021
	distribute SFD flyer with kitchen pails	12/30/2021
	KITCHEN PAIL FLYER develop MFD flyer	10/1/2021
	send to HF&H for review	10/15/2021
	print	10/22/2021
	NCN revise NCN	12/1/2021
	send to HF&H for review	12/13/2021
	print	12/22/2021

## WVCR 1383 Implementation Plan

	ADDITIONAL OUTREACH	develop and implement messaging for:	
		website	1/1/2022
		outgoing phone message	1/1/2022
		billing messages	9/1/2021
		email blast	1/12/2022
		newsletters	ongoing
<b>ASSESS/DATABASE</b>		finalize commercial customer list	7/1/2021
		assess properties	12/1/2021
		implement organics service	1/1/2022
<b>TRAINING</b>		train customer service	1/1/2022
		train drivers	1/1/2022

**EXHIBIT 2:  
CLARIFICATION OF COMPANY'S COMPENSATION  
- ALLOWABLE SB 1383 COSTS**

---



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

REPORT FOR 12-MONTH PERIOD  From July 1, 2021 to June 30, 2022		Residential Cart Service (Form 6A)			Commercial and Multi-Family Cart and Bin Service (Form 6B)					Drop Box (Form 6C)				City-Wide Clean-Up (Form 6D)	TOTAL
		Solid Waste Carts	Recyclable Materials Carts	Organic Materials Carts	Solid Waste Carts & Bins	Recyclable Materials Carts & Bins	Multi-Family Carts - Organic Materials	Multi-Family Bins and Commercial Carts & Bins Green Waste	Multi-Family Bins and Commercial Carts & Bins Food Waste	Solid Waste	Recyclable Materials	Organic Materials	C&D		
<b>1 Account Information</b>															
# of weekly accounts (customers)		30,000	30,000	30,000											
<b>Labor Information</b>															
2 # of regular route personnel				11.0											11.0
3 Labor hours/day/person				1.0											
4 Total labor hours/year		0	0	2,860	0	0	0	0	0	0	0	0	0	0	2,860
<b>Route Information</b>															
# of routes per															
5	Weekday			11.00											11.0
6	Saturday														0.0
7	Sunday														0.0
# of persons per route per															
8	Weekday			1.0											
9	Saturday														
10	Sunday														
# of route hours/day/route per															
11	Weekday			11.0											
12	Saturday														
13	Sunday														
# of route hours per year per:															
14	Weekday			2,860											2,860
15	Saturday														0
16	Sunday														0
17	Total Route Hours per Year (all routes)	0	0	2,860	0	0	0	0	0	0	0	0	0	0	2,860
18	# of FTE routes	0.00	0.00	1.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.38
19	Total # of cart setouts per day for all routes														
20	# of cart setouts/day/FTE route	0	0	0											
21	# of cart setouts per week for all routes	0	0	0											
22	# of household drive-bys per wk for all routes														
23	Set out rate (%)	0%	0%	0%											
24	# of lifts or pulls per week for all routes														
25	# of lifts or pulls per year for all routes				0	0	0	0	0	0	0	0	0	0	
26	# of lifts or pulls per route hour				0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Vehicle Information</b>															
27	# of regular collection vehicles (from Form 4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
28	# of hard to service collection vehicles (from Form 4)	0.0	0.0	0.0											0.0
29	# of spare collection vehicles (from Form 4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
30	Total # of collection vehicles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Tonnage Information (annual)</b>															
31	Solid Waste Collected	(1,560)			(546)										-2,106.0
32	Recyclable Materials Collected														0.0
33	Organic Materials			1,560			468								2,028.0
34	Green Waste														0.0
35	Food Waste								78						78.0
36	C&D Materials														0.0
37	Reusable Materials Collected														0.0
38	Other Materials Collected (Specify)														0.0
39	Total Collected	(1,560)	0	1,560	(546)	0	468	0	78	0	0	0	0	0	0
40	Processing residue disposed														0.0
41	Net Diverted (Line 32 + 33 + 34 + 35 + 36 + 37 + 38 - 40)	0	0	1,560	0	0	468	0	78	0	0	0	0	0	2,106
Projected Diversion Rate														0.0%	

Notes for Form 2:

**Line 1** - Should equal the number of customer serviced on a weekly basis

**Line 2** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6D.

**Line 3** - Identify number of hours per day each regular route employee will work each day (including breaks, pre- and post-route checks, etc., excludes casual/pool personnel).

**Line 4** - Should equal Line 2 \* Line 3 \* 260 days

**Lines 5, 6, and 7** - Information is to be reported for collection routes only and does not include any support (e.g., container delivery routes, cleanup routes, missed pickup routes etc.)

**Line 8, 9, and 10** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6D.

**Lines 11, 12, and 13** - Identify number of hours per day each route will take to complete (including collection time and hauling time to transfer station, landfill, or processing site).

**Line 14** - Should equal Line 5 \* Line 11 \* 260 days

**Line 15** - Should equal Line 6 \* Line 12 \* 52 weeks

**Line 16** - Should equal Line 7 \* Line 13 \* 52 weeks

**Line 17** - Should equal Line 14 + Line 15 + Line 16

**Line 18** - Should equal Line 17 / 2,080 hours

**Line 19** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 6A

**Line 20** - Should equal Line 19 / Line 18

**Line 21** - Should equal Line 19 \* 5 days

**Line 22** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Form 6A.

**Line 23** - Should equal Line 21 / Line 22

**Line 24** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6B - 6D.

**Line 25** - Data to be input by proposer and should equal Line 24 \* 52 weeks. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6B - 6D.

**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 - 6D.

**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 - 6D.

**Line 29** - No input needed by proposer, data linked to Form 4 - Capital. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6D.

**Line 30** - Should equal Line 27 + Line 28 + Line 29

**Lines 31 - 38** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6D.

**Line 39** - Should equal the sum of Line 32 + Line 33 + Line 34 + Line 35 + Line 36 + Line 37 + Line 38

**Line 40** - Data to be input by proposer. Data should reflect the assumptions used for the basis of the costs proposed in Forms 6A - 6D.

**Line 41** - Should equal Line 32 + Line 33 + Line 34 + Line 35 + Line 36 + Line 37 + Line 38 - Line 40

Pulls = pull and return etc.

Full Time Equivalent (FTE) = 40 hours per week, 2,080 hours per year

**Proposed Labor Requirements  
West Valley - 1383 Incremental Costs**

**West Valley Solid Waste Management Authority**

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

<b>Route Personnel Headcount</b> (include fraction of employee)	<b># of Regular Personnel</b>	<b># of Casual/Pool</b>	<b>Total</b>	<b>Average Hourly Rate</b>	<b>Benefits Cost/Year/Hour</b>
Residential Cart Solid Waste	0.0		0.0		
Residential Cart Recyclable Materials	0.0		0.0		
Residential Cart Organic Materials	11.0		11.0	\$67.88	\$23.50
Commercial Cart & Bin Solid Waste	0.0		0.0		
Commercial Cart & Bin Recyclable Materials	0.0		0.0		
Commercial Cart Organic Materials	0.0		0.0		
Commercial Cart & Bin Green Waste	0.0		0.0		
Commercial Cart & Bin Food Waste	0.0		0.0		
Drop Box Solid Waste	0.0		0.0		
Drop Box Recyclable Materials	0.0		0.0		
Drop Box Organic Materials	0.0		0.0		
Drop Box C&D	0.0		0.0		
City-Wide Clean-Ups	0.0		0.0		
<b>Subtotal Route Personnel</b>	<b>11.0</b>	<b>0.0</b>	<b>11.0</b>		

<b>Other Personnel Headcount</b> (include fraction of employee)	<b>Notes</b>	<b># of Employees</b>	<b>Average Hourly Rate</b>	<b>Benefits Cost/Year/Hour</b>
Executive Management (CEO, CFO, COO, etc.)				
General Manager				
Operations Manager				
Route Supervisor				
Dispatcher				
Container Distribution				
Container Maintenance/Welder				
Maintenance Supervisor				
Maintenance Personnel				
Controller				
Staff Accountant				
Office Manager				
Accounting Clerk				
Customer Service Supervisor				
Customer Service Representatives				
Recycling Manager				
Recycling/Public Education Coordinator		1.0	\$39.00	\$18.70
Other (specify): _____				
Other (specify): _____				
Other (specify): _____				
<b>Subtotal Other Personnel</b>		<b>1.0</b>		
	<b>Total All Personnel</b>	<b>12.0</b>		



Capital Requirements  
West Valley - 1383 Incremental Costs

West Valley Solid Waste Management Authority

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

	Quantity									Total Capital Cost Over Contract Term (in 2022 dollars)	Average Price
	New			Used			Total				
	Actual	Spare	Total	Actual	Spare	Total	Actual	Spare	Total		
<b>Vehicles</b>											
Collection Vehicles											
Residential Cart Solid Waste			0			0	0	0	0		N/A
Residential Cart Recyclable Materials			0			0	0	0	0		N/A
Residential Cart Organic Materials			0			0	0	0	0		N/A
Commercial Cart & Bin Solid Waste			0			0	0	0	0		N/A
Commercial Cart & Bin Recyclable Materials			0			0	0	0	0		N/A
Multi-Family Cart Organic Materials			0			0	0	0	0		N/A
Multi-Family Bin and Commercial Cart & Bin Green Waste			0			0	0	0	0		N/A
Multi-Family Bin and Commercial Cart & Bin Food Waste			0			0	0	0	0		N/A
Drop Box Solid Waste			0			0	0	0	0		N/A
Drop Box Recyclable Materials			0			0	0	0	0		N/A
Drop Box Organic Materials			0			0	0	0	0		N/A
Drop Box C&D			0			0	0	0	0		N/A
City-Wide Clean-Up			0			0	0	0	0		N/A
Cart Hard to Service Trucks (Solid Waste)			0			0	0	0	0		N/A
Cart Hard to Service Trucks (Recyclable Materials)			0			0	0	0	0		N/A
Cart Hard to Service Trucks (Organic Materials)			0			0	0	0	0		N/A
<b>Subtotal</b>	0	0	0	0	0	0	0	0	0	\$0	
<b>Other Vehicles</b>											
Pickup Trucks			0			0	0	0	0		N/A
Container Distribution			0			0	0	0	0		N/A
Mobile Service Truck			0			0	0	0	0		N/A
Other (specify):			0			0	0	0	0		N/A
Other (specify):			0			0	0	0	0		N/A
<b>Subtotal</b>	0	0	0	0	0	0	0	0	0	\$0	
<b>Total Vehicle Cost</b>										<b>\$0</b>	
<b>Containers</b>											
<b>Carts</b>											
Solid Waste 20-gallon			0			0	0	0	0		N/A
Solid Waste 35-gallon	0	0	0			0	0	0	0	\$0	N/A
Solid Waste 65-gallon			0			0	0	0	0		N/A
Solid Waste 95-gallon			0			0	0	0	0		N/A
Recyclable Materials 20-gallon			0			0	0	0	0		N/A
Recyclable Materials 35-gallon			0			0	0	0	0		N/A
Recyclable Materials 65-gallon			0			0	0	0	0		N/A
Recyclable Materials 95-gallon			0			0	0	0	0		N/A
Organic Materials 20-gallon			0			0	0	0	0		N/A
Organic Materials 35-gallon	480	40	520			0	480	40	520	\$22,442	\$ 43.16
Organic Materials 65-gallon			0			0	0	0	0		N/A
Organic Materials 95-gallon	720	60	780			0	720	60	780	\$40,178	\$ 51.51
<b>Subtotal</b>	1200	100	1300	0	0	0	1200	100	1300	<b>\$62,620</b>	
<b>Bins</b>											
1 cubic yard			0			0	0	0	0		N/A
1.5 cubic yards			0			0	0	0	0		N/A
2 cubic yards			0			0	0	0	0		N/A
3 cubic yards			0			0	0	0	0		N/A
4 cubic yards			0			0	0	0	0		N/A
6 cubic yards			0			0	0	0	0		N/A
8 cubic yards			0			0	0	0	0		N/A
<b>Subtotal</b>	0	0	0	0	0	0	0	0	0	<b>\$0</b>	
<b>Drop Boxes</b>											
8 cubic yards			0			0	0	0	0		N/A
10 cubic yards			0			0	0	0	0		N/A
15 cubic yards			0			0	0	0	0		N/A
20 cubic yards			0			0	0	0	0		N/A
30 cubic yards			0			0	0	0	0		N/A
40 cubic yards	5		5			0	5	0	5	\$25,500	\$ 5,100.00
<b>Subtotal</b>	5	0	5	0	0	0	0	5	5	<b>\$25,500</b>	
Foodwaste Pails	30000	3000	33000			0	30000	3000	33000	\$336,600	\$ 10.20
Foodwaste Pails	14400	2550	16950			0	14400	2550	16950	\$172,890	\$ 10.20
Other (specify):			0			0	0	0	0		N/A
<b>Subtotal</b>	44400	5550	49950	0	0	0	44400	5550	49950	<b>\$509,490</b>	
<b>Total Container Cost</b>										<b>\$597,610</b>	
<b>Other</b>											
Offices	Description										
Processing Site(s)											
Transfer Station											
Corporation Yard/Maintenance											
Container Storage Yard											
Shop Equipment											
Fueling Equipment											
Computer and Office Equipment											
Other (specify):											
Other (specify):											
<b>Total Other Cost</b>										<b>\$0</b>	
<b>Total Capital Cost</b>										<b>\$597,610</b>	

Summary of Proposed Costs  
West Valley - 1383 Incremental Costs

West Valley Solid Waste Management Authority

Note to proposer: No data input required on this Form 5; costs are pulled automatically from Forms 6A through 6D.

RATE PERIOD 1  From July 1, 2021 to June 30, 2022	Residential Cart Service (Form 6A)		Commercial and Multi-Family Cart and Bin Service (Form 6B)						Drop Box (Form 6C)				City-Wide Clean-Up (Form 6D)	TOTAL
			Organic Materials Carts	Solid Waste Carts & Bins	Recyclable Materials Carts & Bins	Multi-Family Carts - Organic Materials	Multi-Family Bins and Commercial Carts & Bins - Green Waste	Multi-Family Bins and Commercial Carts & Bins - Food Waste	Solid Waste	Recyclable Materials	Organic Materials	C&D		
<b>Cost of Operations</b>														
Labor-Related Costs	\$0	\$0	\$74,352	\$0	\$0	\$278,097	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$352,449
Vehicle-Related Costs	\$0	\$0	\$4,025	\$0	\$0	\$39,156	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,181
Fuel Costs	\$0	\$0	\$9,047	\$0	\$0	\$32,092	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$41,139
Net Processing Costs	\$0	\$0	\$0	\$0	\$0	\$37,365	\$0	\$6,228	\$0	\$0	\$0	\$0	\$0	\$43,593
Other Costs	\$0	\$0	\$104,656	\$0	\$0	\$7,471	\$0	\$0	\$0	\$0	\$5,010	\$0	\$0	\$117,137
Direct Depreciation	\$0	\$0	\$115,406	\$0	\$0	\$63,370	\$0	\$0	\$0	\$0	\$8,500	\$0	\$0	\$187,276
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$0	\$0	\$132,238	\$0	\$0	\$24,795	\$0	\$0	\$0	\$0	\$8,265	\$0	\$0	\$165,298
Total Allocated Costs - Depreciation & Start-Up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cost of Operations</b>	\$0	\$0	\$439,725	\$0	\$0	\$482,345	\$0	\$6,228	\$0	\$0	\$21,775	\$0	\$0	\$950,073
<b>Profit</b>	\$0.00	\$0.00	\$101,929.26	\$0.00	\$0.00	\$87,129.66	\$0.00	\$1,124.92	\$0.00	\$0.00	\$3,933.36	\$0.00	\$0.00	\$194,117.20
<b>Pass-Through Costs</b>														
Disposal Cost	(\$85,020)	\$0	\$0	(\$29,757)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$114,777)
Net Processing Costs - WM Guad			\$124,550											
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Pass-Through Costs</b>	(\$85,020)	\$0	\$124,550	(\$29,757)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$114,777)
<b>Authority Fees</b>														
Franchise Fees (19%)	---	---	---	---	---	---	---	---	---	---	---	---	---	\$0
Authority Admin Fee	---	---	---	---	---	---	---	---	---	---	---	---	---	\$0
Vehicle Impact Fee	---	---	---	---	---	---	---	---	---	---	---	---	---	\$0
HHW Fee	---	---	---	---	---	---	---	---	---	---	---	---	---	\$0
Street Sweeping	---	---	---	---	---	---	---	---	---	---	---	---	---	\$0
<b>Total Authority Fees</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Proposed Costs</b>	(\$85,020)	\$0	\$666,205	(\$29,757)	\$0	\$569,475	\$0	\$7,352	\$0	\$0	\$25,708	\$0	\$0	\$1,029,413

**Collection Cost Proposal  
West Valley - 1383 Incremental Costs**

**West Valley Solid Waste Management Authority**

**Note to proposer: No data input required on Form 6; costs are pulled from Forms 6A-6D.**

SUMMARY (Total Costs from Forms 6A through 6D)	Rate Period
	From July 1, 2021 to June 30, 2022
<b>Labor-Related Costs (include regular &amp; pool personnel)</b>	
Regular Wages	\$0
Overtime Wages	\$285,890
Cart & Pail Delivery - over 3 yrs	\$13,914
Vacation Wages	\$0
Sick Leave Wages	\$0
Workers Compensation Insurance Premiums	\$28,849
Workers Compensation Claims	\$0
Health & Welfare	\$0
Pension/ Retirement Benefits	\$861
Payroll Taxes	\$22,935
Other (Please List)	\$0
Employee Performance Bonus	\$0
Temporary Labor	\$0
<b>Total Labor Related-Costs</b>	<b>\$352,449</b>
<b>Vehicle-Related Costs (do not include depreciation)</b>	
Tires & Tubes	\$0
Parts & Supplies (fluid, oil, etc.)	\$0
Taxes & Licenses	\$0
Other - Total Variable Cost/Hr w/o Fuel	\$43,181
<b>Total Vehicle-Related Costs</b>	<b>\$43,181</b>
<b>Fuel Costs</b>	<b>\$41,139</b>
<b>Net Processing Costs</b>	
Recyclable Materials Processing Costs	\$0.00 /ton \$0
Organic Materials Processing Costs	\$0.00 /ton \$0
Green Waste Processing Costs	\$79.84 /ton \$168,143
Food Scraps Processing Costs	\$0.00 /ton \$0
C&D Processing Costs	\$0.00 /ton \$0
Reusable Materials Handling Costs	\$0.00 /ton \$0
Material Processing Revenue	\$0
CRV recycling revenues	\$0
Other revenues from grants (specify) _____	\$0
<b>Total Net Processing Costs</b>	<b>\$168,143</b>
<b>Other Costs</b>	
Liability & Property Damage Insurance	\$0
Damage Claims	\$0
Equipment Insurance	\$0
Rent	\$0
Utilities	\$0
Telephone	\$0
Non-Vehicle Related Supplies	\$76,148
Non-Vehicle Related Taxes & Licenses	\$0
Training & Safety Programs	\$0
Initial Public Education & Outreach	\$33,217
Continuing Public Education & Outreach	\$0
Uniforms	\$0
Other: Vehicle rental to distribute carts & pails over 3 yrs & Fuel	\$7,772
<b>Total Other Costs</b>	<b>\$117,137</b>
<b>Direct Depreciation</b>	
Container Depreciation	\$187,276
Route Vehicle Depreciation	\$0
Other Depreciation	\$0
<b>Total Direct Depreciation</b>	<b>\$187,276</b>

Collection Cost Proposal

West Valley Solid Waste Management Authority

West Valley - 1383 Incremental Costs

Note to proposer: No data input required on Form 6; costs are pulled from Forms 6A-6D.		
SUMMARY (Total Costs from Forms 6A through 6D)		Rate Period
		From July 1, 2021 to June 30, 2022
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		
From General and Administrative (6E)		\$160,253
From Vehicle Maintenance (6E)		\$5,045
From Container Maintenance (6E)		\$0
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		<b>\$165,298</b>
<b>Allocated Costs - Depreciation and Start-Up Costs</b>		
From General and Administrative (6E)		\$0
From Vehicle Maintenance (6E)		\$0
From Container Maintenance (6E)		\$0
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>		<b>\$0</b>
<b>Total Cost of Operations</b>		<b>\$1,074,623</b>
Gross Operating Ratio; i.e. 95%):	84.7 %	\$194,117
<b>Pass-Through Costs</b>		
Disposal Cost	\$ 54.50 /ton	(\$114,777)
Interest Expense		\$0
<b>Direct Lease Costs</b>		
Route Vehicles		\$0
Other (Please List)		\$0
<b>Total Direct Lease Costs</b>		<b>\$0</b>
<b>Allocated Lease Costs</b>		
From General and Administrative (6E)		\$0
From Vehicle Maintenance (6E)		\$0
From Container Maintenance (6E)		\$0
<b>Total Allocated Lease Costs</b>		<b>\$0</b>
<b>Total Pass-Through Costs</b>		<b>(\$114,777)</b>
<b>Cost Reimbursements to City</b>		
Franchise Fees	19 %	
Authority Admin Fee		
Vehicle Impact Fee		
HHW Fee		
Street Sweeping		
<b>Total Cost Reimbursements to City</b>		<b>\$0</b>
<b>Total Proposed Cost</b>		<b>\$1,153,963</b>

**Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs**

Form 6A

**West Valley Solid Waste Management Authority**

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

	Rate Period			
	From July 1, 2021 to June 30, 2022			
	Solid Waste	Recyclable Materials	Organic Materials	Subtotal
<b>RESIDENTIAL CART COSTS</b>				
Labor-Related Costs (include regular & pool personnel)				
Regular Wages				\$0
Overtime Wages - 1 hr/wk/driver			\$38,825	\$38,825
Pail Delivery ----- over 3 Yrs			10,860	\$10,860
Vacation Wages				\$0
Sick Leave Wages				\$0
Workers Compensation Insurance Premiums			\$20,194	\$20,194
Workers Compensation Claims				\$0
Health & Welfare				\$0
Pension/ Retirement Benefits - Pails - straight time			\$672	\$672
Payroll Taxes			\$3,801	\$3,801
Other (Please List)				\$0
Employee Performance Bonus				\$0
Temporary Labor				\$0
<b>Total Labor Related-Costs</b>	\$0	\$0	\$74,352	\$74,352
Vehicle-Related Costs (do <b>not</b> include depreciation)				
Tires & Tubes				\$0
Parts & Supplies (fluid, oil, etc,)				\$0
Taxes & Licenses				\$0
Other - Total Variable Cost/Hr w/o Fuel			\$4,025	\$4,025
<b>Total Vehicle-Related Costs</b>	\$0	\$0	\$4,025	\$4,025
Fuel Costs			\$9,047	\$9,047
Net Processing Costs				
Recyclable Materials Processing Costs                     \$0.00 /ton	\$0	\$0	\$0	\$0
Organic Materials Processing Costs                     \$0.00 /ton	\$0	\$0	\$0	\$0
Green Waste Processing Costs                     \$79.84 /ton	\$0	\$0	\$124,550	\$124,550
Food Scraps Processing Costs                     \$0.00 /ton	\$0	\$0	\$0	\$0
C&D Processing Costs                     \$0.00 /ton	\$0	\$0	\$0	\$0
Reusable Materials Handling Costs                     \$0.00 /ton	\$0	\$0	\$0	\$0
Material Processing Revenue				\$0
CRV recycling revenues				\$0
Other revenues from grants (specify) _____				\$0
<b>Total Net Processing Costs</b>	\$0	\$0	\$124,550	\$124,550
Other Costs				
Liability & Property Damage Insurance				\$0
Damage Claims				\$0
Equipment Insurance				\$0
Rent				\$0
Utilities				\$0
Telephone				\$0
Non-Vehicle Related Supplies- Labels			\$66,128	\$66,128
Non-Vehicle Related Taxes & Licenses				\$0
Training & Safety Programs				\$0
Initial Public Education & Outreach over 3 yrs			\$30,756	\$30,756
Continuing Public Education & Outreach				\$0
Uniforms				\$0
Other: Vehicle rental to distribute carts & pails over 3 yrs & Fuel			7,772	\$7,772
<b>Total Other Costs</b>	\$0	\$0	\$104,656	\$104,656
Direct Depreciation				
Container Depreciation			\$115,406	\$115,406
Route Vehicle Depreciation				\$0
Other Depreciation				\$0
<b>Total Direct Depreciation</b>	\$0	\$0	\$115,406	\$115,406

**Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs**

Form 6A

**West Valley Solid Waste Management Authority**

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

		Rate Period From July 1, 2021 to June 30, 2022			
RESIDENTIAL CART COSTS		Solid Waste	Recyclable Materials	Organic Materials	Subtotal
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>					
From General and Administrative (6E)		\$0	\$0	\$128,202	\$128,202
From Vehicle Maintenance (6E)		\$0	\$0	\$4,036	\$4,036
From Container Maintenance (6E)		\$0	\$0	\$0	\$0
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		\$0	\$0	\$132,238	\$132,238
<b>Allocated Costs - Depreciation and Start-Up Costs</b>					
From General and Administrative (6E)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6E)		\$0	\$0	\$0	\$0
From Container Maintenance (6E)		\$0	\$0	\$0	\$0
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>		\$0	\$0	\$0	\$0
<b>Total Cost of Operations</b>		\$0	\$0	\$564,275	\$564,275
Gross Operating Ratio; i.e. 95%:	84.7 %	\$0	\$0	\$101,929	\$101,929.26
<b>Pass-Through Costs</b>	per ton				
Disposal Cost	\$54.50	(\$85,020)	\$0	\$0	(\$85,020)
Interest Expense					\$0
<b>Direct Lease Costs</b>					
Route Vehicles					\$0
Other (Please List)					\$0
<b>Total Direct Lease Costs</b>		\$0	\$0	\$0	\$0
<b>Allocated Lease Costs</b>					
From General and Administrative (6E)		\$0	\$0	\$0	\$0
From Vehicle Maintenance (6E)		\$0	\$0	\$0	\$0
From Container Maintenance (6E)		\$0	\$0	\$0	\$0
<b>Total Allocated Lease Costs</b>		\$0	\$0	\$0	\$0
<b>Total Pass-Through Costs</b>		(\$85,020)	\$0	\$0	(\$85,020)
<b>Total Cost</b>		<b>(\$85,020)</b>	<b>\$0</b>	<b>\$666,204</b>	<b>\$581,184</b>

Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs

Form 6B

West Valley Solid Waste Management Authority

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

		Rate Period					Subtotal
		From July 1, 2021 to June 30, 2022					
BIN COSTS		Solid Waste	Recyclable Materials	Organic Materials	Green Waste	Food Waste	
Labor-Related Costs (include regular & pool personnel)							
Regular Wages							\$0
Overtime Wages				\$247,065			\$247,065
Cart Delivery over 3 yrs				3,054			\$3,054
Vacation Wages							\$0
Sick Leave Wages							\$0
Workers Compensation Insurance Premiums	\$1,029,413			\$8,655			\$8,655
Workers Compensation Claims							\$0
Health & Welfare							\$0
Pension/ Retirement Benefits - Cart Delivery				\$189			\$189
Payroll Taxes				\$19,134			\$19,134
Other (Please List)							\$0
Employee Performance Bonus							\$0
Temporary Labor							\$0
<b>Total Labor Related-Costs</b>		\$0	\$0	\$278,097	\$0	\$0	\$278,097
Vehicle-Related Costs (do not include depreciation)							
Tires & Tubes							\$0
Parts & Supplies (fluid, oil, etc.)							\$0
Taxes & Licenses							\$0
Other - Total Variable Cost/Hr w/o Fuel				\$39,156			\$39,156
<b>Total Vehicle-Related Costs</b>		\$0	\$0	\$39,156	\$0	\$0	\$39,156
Fuel Costs				\$32,092			\$32,092
Net Processing Costs							
Recyclable Materials Processing Costs	\$0.00 /ton	\$0	\$0	\$0	\$0	\$0	\$0
Organic Materials Processing Costs	\$0.00 /ton	\$0	\$0	\$0	\$0	\$0	\$0
Green Waste Processing Costs	\$79.84 /ton	\$0	\$0	\$37,365	\$0	\$6,228	\$43,593
Food Scraps Processing Costs	\$0.00 /ton	\$0	\$0	\$0	\$0	\$0	\$0
C&D Processing Costs	\$0.00 /ton	\$0	\$0	\$0	\$0	\$0	\$0
Reusable Materials Handling Costs	\$0.00 /ton	\$0	\$0	\$0	\$0	\$0	\$0
Material Processing Revenue							\$0
CRV recycling revenues							\$0
Other revenues from grants (specify)							\$0
<b>Total Net Processing Costs</b>		\$0	\$0	\$37,365	\$0	\$6,228	\$43,593
Other Costs							
Liability & Property Damage Insurance							\$0
Damage Claims							\$0
Equipment Insurance							\$0
Rent							\$0
Utilities							\$0
Telephone							\$0
Non-Vehicle Related Supplies - Labels				\$5,010			\$5,010
Non-Vehicle Related Taxes & Licenses							\$0
Training & Safety Programs							\$0
Initial Public Education & Outreach- over 3 yrs				\$2,461			\$2,461
Continuing Public Education & Outreach							\$0
Uniforms							\$0
Other (Please List)							\$0
<b>Total Other Costs</b>		\$0	\$0	\$7,471	\$0	\$0	\$7,471
Direct Depreciation							
Container Depreciation				\$63,369.69			\$63,370
Route Vehicle Depreciation							\$0
Other Depreciation							\$0
<b>Total Direct Depreciation</b>		\$0	\$0	\$63,370	\$0	\$0	\$63,370



Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs

Form 6B

West Valley Solid Waste Management Authority

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

BIN COSTS		Rate Period					Subtotal	
		Solid Waste	Recyclable Materials	Organic Materials	Green Waste	Food Waste		
		From July 1, 2021 to June 30, 2022						
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>								
	From General and Administrative (6E)	\$0	\$0	\$24,038	\$0	\$0	\$24,038	
	From Vehicle Maintenance (6E)	\$0	\$0	\$757	\$0	\$0	\$757	
	From Container Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	\$0	
	<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>	\$0	\$0	\$24,795	\$0	\$0	\$24,795	
<b>Allocated Costs - Depreciation and Start-Up Costs</b>								
	From General and Administrative (6E)	\$0	\$0	\$0	\$0	\$0	\$0	
	From Vehicle Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	\$0	
	From Container Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	\$0	
	<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Cost of Operations</b>		\$0	\$0	\$482,345	\$0	\$6,228	\$488,573	
Gross Operating Ratio; i.e. 95%):		84.7 %	\$0	\$0	\$87,130	\$0	\$1,125	\$88,254.59
<b>Pass-Through Costs</b>		per ton						
	Disposal Cost	\$54.50	(\$29,757)	\$0	\$0	\$0	(\$29,757)	
	Interest Expense						\$0	
	Direct Lease Costs							
	Route Vehicles						\$0	
	Other (Please List)						\$0	
	<b>Total Direct Lease Costs</b>		\$0	\$0	\$0	\$0	\$0	
	Allocated Lease Costs							
	From General and Administrative (6E)	\$0	\$0	\$0	\$0	\$0	\$0	
	From Vehicle Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	\$0	
	From Container Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	\$0	
	<b>Total Allocated Lease Costs</b>	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Pass-Through Costs</b>			(\$29,757)	\$0	\$0	\$0	(\$29,757)	
<b>Total Cost</b>			(\$29,757)	\$0	\$569,475	\$0	\$7,352	\$547,070

Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs

Form 6C

West Valley Solid Waste Management Authority

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

	Rate Period				
	From July 1, 2021 to June 30, 2022				
DROP-BOX COSTS	Solid Waste	Recyclable Materials	Organic Materials	C&D	Subtotal
Labor-Related Costs (include regular & pool personnel)					
Regular Wages					\$0
Overtime Wages					\$0
Holiday Wages					\$0
Vacation Wages					\$0
Sick Leave Wages					\$0
Workers Compensation Insurance Premiums					\$0
Workers Compensation Claims					\$0
Health & Welfare					\$0
Pension/ Retirement Benefits					\$0
Payroll Taxes					\$0
Other (Please List)					\$0
Employee Performance Bonus					\$0
Temporary Labor					\$0
Total Labor Related-Costs	\$0	\$0	\$0	\$0	\$0
Vehicle-Related Costs (do <b>not</b> include depreciation)					
Tires & Tubes					\$0
Parts & Supplies (fluid, oil, etc.)					\$0
Taxes & Licenses					\$0
Other (Please List)					\$0
Total Vehicle-Related Costs	\$0	\$0	\$0	\$0	\$0
Fuel Costs					\$0
Net Processing Costs					
Recyclable Materials Processing Costs	\$0.00 /ton	\$0	\$0	\$0	\$0
Organic Materials Processing Costs	\$0.00 /ton	\$0	\$0	\$0	\$0
Green Waste Processing Costs	\$79.84 /ton	\$0	\$0	\$0	\$0
Food Scraps Processing Costs	\$0.00 /ton	\$0	\$0	\$0	\$0
C&D Processing Costs	\$0.00	\$0	\$0	\$0	\$0
Reusable Materials Handling Costs	\$0.00 /ton	\$0	\$0	\$0	\$0
Material Processing Revenue					\$0
CRV recycling revenues					\$0
Other revenues from grants (specify) _____					\$0
Total Net Processing Costs	\$0	\$0	\$0	\$0	\$0
Other Costs					
Liability & Property Damage Insurance					\$0
Damage Claims					\$0
Equipment Insurance					\$0
Rent					\$0
Utilities					\$0
Telephone					\$0
Non-Vehicle Related Supplies			\$5,010		\$5,010
Non-Vehicle Related Taxes & Licenses					\$0
Training & Safety Programs					\$0
Initial Public Education & Outreach			\$0		\$0
Continuing Public Education & Outreach					\$0
Uniforms					\$0
Other (Please List)					\$0
Total Other Costs	\$0	\$0	\$5,010	\$0	\$5,010
Direct Depreciation					
Container Depreciation			\$8,500		\$8,500
Route Vehicle Depreciation					\$0
Other Depreciation					\$0
Total Direct Depreciation	\$0	\$0	\$8,500	\$0	\$8,500

Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs

Form 6C

West Valley Solid Waste Management Authority

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

		Rate Period				Subtotal	
		From July 1, 2021 to June 30, 2022					
DROP-BOX COSTS		Solid Waste	Recyclable Materials	Organic Materials	C&D		
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>							
	From General and Administrative (6E)	\$0	\$0	\$8,013	\$0	\$8,013	
	From Vehicle Maintenance (6E)	\$0	\$0	\$252	\$0	\$252	
	From Container Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	
	<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>	\$0	\$0	\$8,265	\$0	\$8,265	
<b>Allocated Costs - Depreciation and Start-Up Costs</b>							
	From General and Administrative (6E)	\$0	\$0	\$0	\$0	\$0	
	From Vehicle Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	
	From Container Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	
	<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>	\$0	\$0	\$0	\$0	\$0	
	<b>Total Cost of Operations</b>	\$0	\$0	\$21,775	\$0	\$21,775	
	Gross Operating Ratio; i.e. 95%):	84.7 %	\$0	\$0	\$3,933	\$0	\$3,933
	Pass-Through Costs	per ton					
	Disposal Cost	\$0.00	\$0	\$0	\$0	\$0	\$0
	Interest Expense					\$0	
	Direct Lease Costs						
	Route Vehicles					\$0	
	Other (Please List)					\$0	
	<b>Total Direct Lease Costs</b>	\$0	\$0	\$0	\$0	\$0	\$0
	Allocated Lease Costs						
	From General and Administrative (6E)	\$0	\$0	\$0	\$0	\$0	\$0
	From Vehicle Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	\$0
	From Container Maintenance (6E)	\$0	\$0	\$0	\$0	\$0	\$0
	<b>Total Allocated Lease Costs</b>	\$0	\$0	\$0	\$0	\$0	\$0
	<b>Total Pass-Through Costs</b>	\$0	\$0	\$0	\$0	\$0	\$0
	<b>Total Cost</b>	\$0	\$0	\$25,708	\$0	\$25,708	

**Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs**

**West Valley Solid Waste Management Authority**

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

	Rate Period	
	From July 1, 2021 to June 30, 2022	
<b>BULKY COSTS</b>	<b>City-Wide Clean-Up</b>	<b>Subtotal</b>
Labor-Related Costs (include regular & pool personnel)		
Regular Wages		\$0
Overtime Wages		\$0
Holiday Wages		\$0
Vacation Wages		\$0
Sick Leave Wages		\$0
Workers Compensation Insurance Premiums		\$0
Workers Compensation Claims		\$0
Health & Welfare		\$0
Pension/ Retirement Benefits		\$0
Payroll Taxes		\$0
Other (Please List)		\$0
Employee Performance Bonus		\$0
Temporary Labor		\$0
Total Labor Related-Costs	\$0	\$0
Vehicle-Related Costs (do <b>not</b> include depreciation)		
Tires & Tubes		\$0
Parts & Supplies (fluid, oil, etc.)		\$0
Taxes & Licenses		\$0
Other (Please List)		\$0
Total Vehicle-Related Costs	\$0	\$0
Fuel Costs		\$0
Net Processing Costs		
Recyclable Materials Processing Costs	\$0.00 /ton	\$0
Organic Materials Processing Costs	\$0.00 /ton	\$0
Green Waste Processing Costs	\$79.84 /ton	\$0
Food Scraps Processing Costs	\$0.00 /ton	\$0
C&D Processing Costs	\$0.00 /ton	\$0
Reusable Materials Handling Costs	\$0.00 /ton	\$0
Material Processing Revenue		\$0
CRV recycling revenues		\$0
Other revenues from grants (specify) _____		\$0
Total Net Processing Costs		\$0
Other Costs		
Liability & Property Damage Insurance		\$0
Damage Claims		\$0
Equipment Insurance		\$0
Rent		\$0
Utilities		\$0
Telephone		\$0
Non-Vehicle Related Supplies		\$0
Non-Vehicle Related Taxes & Licenses		\$0
Training & Safety Programs		\$0
Initial Public Education & Outreach		\$0
Continuing Public Education & Outreach		\$0
Uniforms		\$0
Other (Please List)		\$0
Total Other Costs	\$0	\$0
Direct Depreciation		
Container Depreciation		\$0
Route Vehicle Depreciation		\$0
Other Depreciation		\$0
Total Direct Depreciation	\$0	\$0

**Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs**

**West Valley Solid Waste Management Authority**

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

BULKY COSTS	Rate Period From July 1, 2021 to June 30, 2022	
	City-Wide Clean-Up	Subtotal
<b>Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>		
From General and Administrative (6E)	\$0	\$0
From Vehicle Maintenance (6E)	\$0	\$0
From Container Maintenance (6E)	\$0	\$0
<b>Total Allocated Costs - Labor, Vehicle, Fuel &amp; Other Costs</b>	\$0	\$0
<b>Allocated Costs - Depreciation and Start-Up Costs</b>		
From General and Administrative (6E)	\$0	\$0
From Vehicle Maintenance (6E)	\$0	\$0
From Container Maintenance (6E)	\$0	\$0
<b>Total Allocated Costs - Depreciation and Start-Up Costs</b>	\$0	\$0
<b>Total Cost of Operations</b>	\$0	\$0
Gross Operating Ratio; i.e. 95%):	84.7 %	\$0
<b>Pass-Through Costs</b>		
Disposal Cost	per ton \$ 54.50	\$0
Interest Expense		\$0
Direct Lease Costs		
Route Vehicles		\$0
Other (Please List)		\$0
<b>Total Direct Lease Costs</b>	\$0	\$0
Allocated Lease Costs		
From General and Administrative (6E)	\$0	\$0
From Vehicle Maintenance (6E)	\$0	\$0
From Container Maintenance (6E)	\$0	\$0
<b>Total Allocated Lease Costs</b>	\$0	\$0
<b>Total Pass-Through Costs</b>	\$0	\$0
<b>Total Cost</b>	<b>\$0</b>	<b>\$0</b>

Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs

West Valley Solid Waste Management Authority

Note to proposer: Input data in yellow shaded areas only.				
Rate Period				
From July 1, 2021 to June 30, 2022				
PROPOSED ALLOCATED COST	General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
Labor-Related Costs (include non-route personnel only)				
Regular Wages	\$80,000			\$80,000
Overtime Wages				\$0
Holiday Wages				\$0
Vacation Wages	\$0			\$0
Sick Leave Wages				\$0
Workers Compensation Insurance Premiums				\$0
Workers Compensation Claims	\$0			\$0
Health & Welfare	\$20,100			\$20,100
Pension/ Retirement Benefits	\$4,000			\$4,000
Payroll Taxes	\$6,120			\$6,120
Other (Please List)				\$0
Employee Performance Bonus	\$10,000			\$10,000
Temporary Labor				\$0
<b>Total Labor Related-Costs</b>	<b>\$120,220</b>	<b>\$0</b>	<b>\$0</b>	<b>\$120,220</b>
Vehicle-Related Costs				
Tires & Tubes				\$0
Parts & Supplies (fluid, oil, etc.)				\$0
Taxes & Licenses				\$0
Other (Please List)				\$0
<b>Total Vehicle-Related Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Fuel Costs		\$5,045		\$5,045
Other Costs				
Liability & Property Damage Insurance				\$0
Damage Claims				\$0
Equipment Insurance				\$0
Rent				\$0
Utilities				\$0
Telephone				\$0
Non-vehicle Related Supplies				\$0
Non-vehicle Related Taxes & Licenses				\$0
Training & Safety Programs				\$0
Initial Public Education & Outreach				\$0
Ongoing, Annual Public Education & Outreach Efforts				\$0
Uniforms				\$0
Bad Debt	\$11,540			\$11,540
Performance Bond				\$0
Corporate Overhead Charge (Please List)	\$28,493			\$28,493
Other (Please List)				\$0
<b>Total Other Costs</b>	<b>\$40,033</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40,033</b>
<b>Total Labor, Vehicle, Fuel, and Other Costs</b>	<b>\$160,253</b>	<b>\$5,045</b>	<b>\$0</b>	<b>\$165,298</b>
Depreciation (non-route specific) and Start-Up Costs				
Vehicle Depreciation (non-route vehicles)				\$0
Other Depreciation				\$0
Initial Public Education & Outreach Efforts				\$0
Procurement Cost Reimbursement				\$0
Start-up Costs				\$0
<b>Total Depreciation and Start-Up Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Detailed Collection Cost Proposal Information  
West Valley - 1383 Incremental Costs**

**West Valley Solid Waste Management Authority**

Note to proposer: Input data in yellow shaded areas only.				
Rate Period				
From July 1, 2021 to June 30, 2022				
PROPOSED ALLOCATED COST	General and Administrative	Vehicle Maintenance	Container Maintenance	Subtotal
Lease Costs				
Facility Costs: _____ (describe)				\$0
Other Lease Costs: _____ (describe)				\$0
Total Lease Costs	\$0	\$0	\$0	\$0
Total Costs to be Allocated	\$160,253	\$5,045	\$0	\$165,298
<b>Labor, Vehicle, Fuel, &amp; Other Costs Allocated Out</b>	<b>Percentage</b>			
To Residential Cart Solid Waste (6A)		\$0	\$0	\$0
To Residential Cart Recyclable Materials (6A)		\$0	\$0	\$0
To Residential Cart Organic Materials (6A)	80.00%	\$128,202	\$4,036	\$132,238
To Commercial Cart & Bin Solid Waste (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Recyclable Materials (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Organic Materials (6B)	15.00%	\$24,038	\$757	\$24,795
To Commercial Cart & Bin Green Waste (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Food Waste (6B)		\$0	\$0	\$0
To Drop Box Solid Waste (6C)		\$0	\$0	\$0
To Drop Box Recyclable Materials (6C)		\$0	\$0	\$0
To Drop Box Organic Materials (6C)	5.00%	\$8,013	\$252	\$8,265
To Drop Box C&D (6C)		\$0	\$0	\$0
To City-Wide Clean-Up (6D)		\$0	\$0	\$0
Total Labor, Vehicle, Fuel & Other Costs Allocated Out	100.00%	\$160,253	\$5,045	\$165,298
<b>Depreciation and Start-Up Costs Allocated Out</b>				
To Residential Cart Solid Waste (6A)		\$0	\$0	\$0
To Residential Cart Recyclable Materials (6A)		\$0	\$0	\$0
To Residential Cart Organic Materials (6A)		\$0	\$0	\$0
To Commercial Cart & Bin Solid Waste (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Recyclable Materials (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Organic Materials (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Green Waste (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Food Waste (6B)		\$0	\$0	\$0
To Drop Box Solid Waste (6C)		\$0	\$0	\$0
To Drop Box Recyclable Materials (6C)		\$0	\$0	\$0
To Drop Box Organic Materials (6C)		\$0	\$0	\$0
To Drop Box C&D (6C)		\$0	\$0	\$0
To City-Wide Clean-Up (6D)		\$0	\$0	\$0
Total Depreciation and Start-Up Costs Allocated Out	0.00%	\$0	\$0	\$0
<b>Lease Costs Allocated Out</b>				
To Residential Cart Solid Waste (6A)		\$0	\$0	\$0
To Residential Cart Recyclable Materials (6A)		\$0	\$0	\$0
To Residential Cart Organic Materials (6A)		\$0	\$0	\$0
To Commercial Cart & Bin Solid Waste (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Recyclable Materials (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Organic Materials (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Green Waste (6B)		\$0	\$0	\$0
To Commercial Cart & Bin Food Waste (6B)		\$0	\$0	\$0
To Drop Box Solid Waste (6C)		\$0	\$0	\$0
To Drop Box Recyclable Materials (6C)		\$0	\$0	\$0
To Drop Box Organic Materials (6C)		\$0	\$0	\$0
To Drop Box C&D (6C)		\$0	\$0	\$0
To City-Wide Clean-Up (6D)		\$0	\$0	\$0
Total Lease Costs Allocated Out	0.00%	\$0	\$0	\$0
Total Allocated Out		\$160,253	\$5,045	\$165,298

Disposal/Processing Cost Proposal

West Valley Solid Waste Management Authority

West Valley - 1383 Incremental Costs

Please provide all costs as \$/Ton effective for Rate Period One (July 1, 2021 through June 30, 2022).  
 Include processing residue disposal costs in "Disposal/Processing Cost"

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

Disposal/Processing Costs -								
Rate Period From January 1, 2022 to December 31, 2022								
	Solid Waste	Recyclable Materials	Organic Materials	Green Waste	Food Waste	Reusable Materials Handling	C&D	Other (Specify)
Disposal/Processing Cost (\$/ton)	\$34.70			\$79.32				
Disposal/Processing Facility Regulatory Fees & Taxes (list separately)								
City Taxes & Fees	\$19.80			\$0.52				
_____								
_____								
_____								
_____								
Total Regulatory Fees (\$/ton)	\$19.80	\$0.00	\$0.00	\$0.52	\$0.00	\$0.00	\$0.00	\$0.00
Total Disposal/Processing Cost (\$/ton)	\$54.50	\$0.00	\$0.00	\$79.84	\$0.00	\$0.00	\$0.00	\$0.00
Processor Fee and Curbside Supplemental Revenues from CRV (\$/ton) (show as a negative value)								
Revenues from the Sale of Materials (\$/ton) (show as a negative value)								
Net Disposal/Processing Cost (\$/Ton)*	\$54.50	\$0.00	\$0.00	\$79.84	\$0.00	\$0.00	\$0.00	\$0.00

\* If the net is a revenue, net processing cost/ton is to show as a negative amount.

Transfer Costs (if applicable)								
Rate Period From January 1, 2022 to December 31, 2022								
	Solid Waste	Recyclable Materials	Organic Materials	Green Waste	Food Waste	Reusable Materials Handling	C&D	Other (Specify)
Transfer Station Cost (\$/Ton)**								
Transfer Station Regulatory Fees & Taxes (list separately)								
_____								
_____								
_____								
_____								
_____								
Total Regulatory Fees (\$/ton)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Transfer Cost (\$/ton)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

\*\* Transfer station fee to include all transfer facility-related costs and the long-haul transportation costs from the transfer station to the processing facility.

Total Disposal/Processing Costs								
Rate Period From January 1, 2022 to December 31, 2022								
	Solid Waste	Recyclable Materials	Organic Materials	Green Waste	Food Waste	Reusable Materials Handling	C&D	Other (Specify)
Total Net Disposal/Processing Costs Including Transfer	\$54.50	\$0.00	\$0.00	\$79.84	\$0.00	\$0.00	\$0.00	\$0.00



# West Valley Collection & Recycling

## Depreciation Schedule for Organic Carts

Depreciation Period (months)            84

		<u>Qty</u>	<u>Cost</u>	<u>Yr 1</u>	<u>Yr 2</u>	<u>Yr 3</u>	<u>Yr 3</u>	<u>Yr 4</u>	<u>Yr 5</u>	<u>Yr 6</u>	<u>Yr 7</u>
				Jun '22	Jun '23	Feb '24	Jun '24	Jun '25	Jun '26	Jun '27	Jun '28
<b>35gal Carts</b>	<b>520</b>	<b>\$ 22,442</b>	\$ 3,206	\$ 3,206	\$ 2,137	\$ 1,069	\$ 3,206	\$ 3,206	\$ 3,206	\$ 3,206	\$ 3,206
<b>95gal Carts</b>	<b>780</b>	<b>\$ 40,178</b>	\$ 5,740	\$ 5,740	\$ 3,826	\$ 1,913	\$ 5,740	\$ 5,740	\$ 5,740	\$ 5,740	\$ 5,740
		<b>\$ 62,620</b>									
Accumulated Depr - 35gal Carts			\$ 3,206	\$ 6,412	\$ 8,549	\$ 9,618	\$ 12,824	\$ 16,030	\$ 19,236	\$ 22,442	
Accumulated Depr - 95gal Carts			\$ 5,740	\$ 11,479	\$ 15,306	\$ 17,219	\$ 22,959	\$ 28,699	\$ 34,438	\$ 40,178	
			\$ 8,946	\$ 17,891	\$ 23,855	\$ 26,837	\$ 35,783	\$ 44,729	\$ 53,674	\$ 62,620	
Remaining Balance - 35gal Carts			\$ 19,236	\$ 16,030	\$ 13,893	\$ 12,824	\$ 9,618	\$ 6,412	\$ 3,206	\$ -	
Remaining Balance - 95gal Carts			\$ 34,438	\$ 28,699	\$ 24,872	\$ 22,959	\$ 17,219	\$ 11,479	\$ 5,740	\$ -	
			\$ 53,674	\$ 44,729	<b>\$ 38,765</b>	\$ 35,783	\$ 26,837	\$ 17,891	\$ 8,946	\$ -	