

**AMENDED AND RESTATED
FRANCHISE AGREEMENT**

BETWEEN

WEST BAY SANITARY DISTRICT

AND

RECOLOGY SAN MATEO COUNTY

FOR

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

*** * ***

**AGREEMENT APPROVED BY SBWMA BOARD
JUNE 22, 2017**

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**AMENDED AND RESTATED
FRANCHISE AGREEMENT
FOR
RECYCLABLE MATERIALS, ORGANIC MATERIALS,
AND SOLID WASTE
COLLECTION SERVICES**

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THIS AMENDED AND RESTATED AGREEMENT ("Agreement") is made as of this 24th day of January, 2018, by and between the WEST BAY SANITARY DISTRICT, an Independent Special District, ("Agency"), and RECOLOGY SAN MATEO COUNTY, a California corporation ("Contractor").

11

RECITALS

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

13
14 **WHEREAS;** the State of California has, through enactment of the California Integrated Waste
15 Management Act of 1989 ("Act"), determined each of the following:

- 16 A. That management of solid waste is a shared responsibility of the State and local
17 governments;
- 18 B. That it is in the public interest for local governments to be authorized and required to
19 provide adequate solid waste handling services;
- 20 C. That the amount of solid waste generated in California, coupled with diminishing landfill
21 space, potential adverse environmental impacts from landfilling solid waste, and the
22 need to conserve natural resources have created an urgent need for State and local
23 agencies to enact and implement an aggressive integrated waste management program;
24 and,

25 **WHEREAS;** the State of California, through the Act, has directed the responsible State agency
26 and all local agencies to maximize the use of feasible waste reduction, recycling, and
27 composting options in order to reduce the amount of solid waste that must be disposed of in
28 landfills; and, the State of California through AB 341, AB 1826, SB 1383, and other legislation
29 have established additional requirements for increased diversion of recyclable materials and
30 organic materials from landfill disposal; and,

31 **WHEREAS;** Agency is a member of the South Bayside Waste Management Authority
32 ("Authority" or "SBWMA"), established pursuant to the California Joint Exercise of Powers Act.
33 In November, 2007, the SBWMA, acting on behalf of Agency and its other members, issued a
34 Request for Proposals to provide collection of solid waste, recyclable materials, and organic
35 materials and related services to Agency and other members of SBWMA; and,

36 **WHEREAS;** on March 11, 2008, Contractor submitted a proposal to provide these services,
37 which was evaluated by the SBWMA; and, on the basis of that evaluation, the SBWMA
38 recommended that Agency enter into an agreement with Contractor; and,

39 **WHEREAS**; in 2009, Agency independently evaluated Contractor's proposal and determined
40 that Contractor had proposed to provide solid waste handling services including collection of
41 recyclable and organic materials in a manner and on terms which were in the best interests of
42 Agency, its residents and businesses, taking into account the qualifications and experience of
43 Contractor and the cost of providing such services; and,

44 **WHEREAS**; on February 24, 2010, the District Board approved Resolution No. 1717, which
45 awarded an exclusive franchise agreement to Recology San Mateo County for Recyclable
46 Materials, Organic Materials, and Solid Waste Collection Services dated February 24, 2010,
47 with a term from January 1, 2011 through December 31, 2020 ("2009 Franchise Agreement");
48 and,

49 **WHEREAS**; on September 11, 2013, the District Board approved Resolution No. 2013-08,
50 which amended the 2009 Franchise Agreement; and,

51 **WHEREAS**; on April 28, 2016, the SBWMA's Board of Directors directed SBWMA staff to
52 negotiate, acting on behalf of Agency and its other members, with Contractor an extension of
53 the 2009 Franchise Agreement, and to do so without a competitive bidding for the collection
54 services; and,

55 **WHEREAS**; the SBWMA and Contractor negotiated a Model Amended and Restated Franchise
56 Agreement that was intended to serve as a model agreement for each Member Agency to use
57 as a basis for its negotiations with Contractor;

58 **WHEREAS**; the SBWMA presented the Model Amended and Restated Franchise Agreement to
59 the SBWMA's Board of Directors on June 22, 2017; and, the Board took action recommending
60 that each Member Agency negotiate an Amended and Restated Franchise Agreement using the
61 Model Amended and Restated Franchise Agreement as the basis for such negotiations; and,

62 **WHEREAS**; the District Board authorized District staff to negotiate this Amended and Restated
63 Franchise Agreement with a term of fifteen (15) years from January 1, 2021 through December
64 31, 2035, and, on January 24, 2018, authorized the District Manager to execute this Agreement;
65 and,

66 **WHEREAS**, this Agreement has been developed by and is satisfactory to the Parties.

67 **NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, and
68 for other good and valuable consideration, Agency and Contractor agree as follows:

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ARTICLE 1
DEFINITIONS

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72 **1.01 DEFINITIONS**

73 Unless the context otherwise requires, capitalized terms used in this Agreement shall
74 have the meanings set forth in the definitions contained in Attachment A.

75 **1.02 STATUTORY DEFINITIONS**

76 Unless a term is otherwise defined in this Agreement, terms used in this Agreement shall
77 have the same meaning as the definitions of those terms contained in the Act. In the
78 event of a conflict between the definition of a term in the Act and in this Agreement, the
79 definition in the Agreement shall prevail.

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81 **ARTICLE 2**
82 **REPRESENTATION AND WARRANTIES OF**
83 **CONTRACTOR**

84 Contractor represents and warrants, as of the date of its execution of this Agreement, the
85 following:

86 **2.01 CORPORATE STATUS**

87 Contractor is a corporation, duly organized, validly existing and in good standing under
88 the laws of the State of California, and is qualified to do business in the State of
89 California.

90 **2.02 CORPORATE AUTHORIZATION**

91 Contractor has the authority to enter into and perform its obligations under this
92 Agreement. The directors (and shareholders, if necessary) of Contractor have taken all
93 actions required by law, the articles of incorporation and bylaws or otherwise to
94 authorize the execution of this Agreement.

95 **2.03 AGREEMENT DULY EXECUTED**

96 The persons signing this Agreement on behalf of Contractor have been authorized to do
97 so and the Secretary's Certificate in Attachment R confirms this. Upon the Effective
98 Date, this Agreement will constitute a legal, valid and binding obligation of Contractor.

99 **2.04 NO CONFLICT WITH APPLICABLE LAW OR OTHER DOCUMENTS**

100 Neither the execution and delivery by Contractor of this Agreement, nor the performance
101 by Contractor of its obligations hereunder (i) conflicts with, violates, or will result in a
102 violation of any existing Applicable Law; or (ii) conflicts with, violates, or will result in a
103 breach or default under any term or condition of any existing judgment, order, or decree
104 of any court, administrative agency or other governmental authority, or of any existing
105 contract or instrument to which Contractor is a party or by which Contractor is bound.

106 **2.05 NO LITIGATION**

107 There is no action, suit, proceeding, or investigation at law or in equity, before or by any
108 court or governmental entity, pending or threatened against Contractor, or otherwise
109 affecting Contractor, wherein an unfavorable decision, ruling, or finding, in any single
110 case or in the aggregate, would (a) materially adversely affect Contractor's performance
111 hereunder, (b) adversely affect the validity or enforceability of this Agreement, or (c)
112 have a material adverse effect on the financial condition of Contractor or the entity
113 providing the guaranty of Contractor's performance.

114 **2.06 FINANCIAL CONDITION**

115 Contractor has made available to Agency information on its financial condition.
116 Contractor recognizes that Agency has relied on this information in evaluating the
117 sufficiency of Contractor's financial resources to perform this Agreement. To the best of
118 Contractor's knowledge, this information is complete and accurate, does not contain any

119 material misstatement of fact and does not omit any fact necessary to prevent the
120 information provided from being materially misleading.

121 **2.07 ABILITY TO PERFORM**

122 Contractor has the expertise and professional and technical capability to perform all of
123 its obligations under this Agreement.

124 **2.08 CONTRACTOR'S INVESTIGATION**

125 Contractor has made an independent investigation and analysis, the results of which are
126 satisfactory to Contractor, of the conditions and circumstances surrounding the
127 Agreement, its content and preparation, and the work to be performed by Contractor
128 under the Agreement. The Agreement accurately and fairly represents the intentions of
129 Contractor, and Contractor enters into this Agreement on the basis of that independent
130 investigation and analysis.

131 **2.09 STATEMENTS AND INFORMATION IN PROPOSAL**

132 The Contractor's "Proposal to Amend and Restate the Franchise Agreement for
133 Recyclables, Organics, and Solid Waste Collection Services", dated January 10, 2017,
134 and supplementary information submitted thereafter by the Contractor to the SBWMA
135 during the SBWMA's negotiation of a Model Amended and Restated Agreement do not
136 contain any untrue statement of a material fact nor omit to state a material fact
137 necessary in order to make the statements made, in light of the circumstances in which
138 they were made, not misleading.

139 **2.10 IRAN CONTRACTING CERTIFICATION**

140 Contractor hereby certifies that Contractor is not identified on a list created by the
141 California Department of General Services ("DGS") pursuant to California Public
142 Contract Code Section 2203 of the Iran Contracting Act of 2010 (the "ICA") as a Person
143 engaging in investment activities in Iran described in Section 2202.5(a) of the ICA, or as
144 a person described in Section 2202.5(b) of the ICA, as applicable. Contractor hereby
145 certifies that Contractor is not a financial institution that extends twenty million dollars
146 (\$20,000,000) or more in credit to another Person, for forty-five (45) Days or more, if that
147 Person will use the credit to provide goods or services in the energy sector in Iran and is
148 identified on the DGS list made pursuant to Section 2203(b).

149 As used in this Section 2.10, "Person" shall mean a "Person" as defined in California
150 Public Contract Code Section 2202(e).

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ARTICLE 3 TERM OF AGREEMENT

154 **3.01 EFFECTIVE DATE AND COMMENCEMENT DATE**

155 This Agreement shall become binding and enforceable as of the date (the "Effective
156 Date") that two-thirds (2/3) of SBWMA's Member Agencies have approved and signed
157 agreements with Contractor substantially similar to this one, as required by Section
158 3.04.B, and all other conditions set forth in Sections 3.04.A and 3.04.B have been
159 satisfied or waived.

160 Contractor's obligation to Collect Solid Waste, Targeted Recyclable Materials, and
161 Organic Materials under the terms and conditions of this Agreement shall begin on
162 January 1, 2021 at 12:01 a.m. (the "Commencement Date") and shall continue for the
163 remainder of the Term.

164 Between the Effective Date and Commencement Date, Contractor shall perform all
165 activities necessary to prepare itself to start providing services required by this
166 Agreement on the Commencement Date.

167 **3.02 TERM**

168 Notwithstanding any other provision of this Agreement to the contrary, the 2009
169 Franchise Agreement, this amendment and restatement thereof, and any other
170 amendments mutually agreed by the Parties, shall together constitute a single
171 agreement between the Parties with a single unbroken term (the "Term").

172 The original Term, set forth in the 2009 Franchise Agreement, began on January 1, 2011
173 with an initial duration of ten (10) years, ending on December 31, 2020. This amendment
174 and restatement extends the Term for an additional fifteen (15) years, for a total Term of
175 twenty-five (25) years. Upon the Effective Date, the Term shall be extended until
176 midnight on December 31, 2035, unless earlier terminated, or extended as provided in
177 Section 3.03.

178 Except as provided below in this Section 3.02, the Parties intend for the 2009 Franchise
179 Agreement to govern the rights and obligations of the Parties through December 31,
180 2020, and for this Agreement to govern the rights and obligations of the Parties from and
181 after January 1, 2021. Thus, to the extent this Agreement amends the 2009 Franchise
182 Agreement, the amendments shall not take effect until January 1, 2021, and shall not be
183 retroactive.

184 As an exception to the foregoing, upon the Effective Date, (i) the 2009 Franchise
185 Agreement shall be amended to extend the Term to 2035 as provided above, and (ii) the
186 2009 Franchise Agreement shall be amended to the extent necessary to give effect to
187 Section 11.02.F of this Agreement.

188 **3.03 EXTENSION OF TERM**

189 A. **Voluntary Extension.** At Agency's discretion, but subject to Contractor's consent,
190 this Agreement may be extended without amendment for a period of no less than
191 one (1) and no more than five (5) additional years for a total Term that does not

192 exceed thirty (30) years or extend beyond December 31, 2040). If Agency desires to
193 extend the Agreement, Agency shall provide the Contractor with written notice of its
194 intention to extend the Agreement on or before December 31, 2032. Such notice by
195 Agency shall specify the duration of the extension. Contractor shall provide written
196 notice to Agency and SBWMA on or before January 31, 2033 whether it consents to
197 the extension.

198 B. **Mandated Extension.** If the Agency and Contractor do not mutually agree to
199 extend the Term of the Agreement, the Agency shall have the sole discretion to
200 extend the Term for a period of twelve (12) months or less by providing the
201 Contractor written notice of its election on or before December 31, 2034, provided,
202 however, that the Term shall only be so extended if eight (8) of the SBWMA's
203 Member Agencies, collectively representing at two thirds (2/3) of the Member
204 Agencies, make such an election for an identical extension period by December 31,
205 2034. Notwithstanding the foregoing, if Contractor demonstrates based on the
206 audited financial statements for the Agency's operations that it experienced a net
207 loss as shown on the Statement of Income and Stockholder's Investment reduced
208 by the amount of general and administrative expenses greater than 9.5% of Total
209 Operating Revenue (if general and administrative expenses are greater than 9.5%
210 of Total Operating Revenue) for its fiscal year ending September 30, 2034, then
211 Agency and Contractor shall meet and confer to discuss the extension and
212 Contractor's Compensation during the period of such extension.

213 **3.04 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

214 A. **Obligation of Agency to Perform.** The obligation of Agency to perform under this
215 Agreement is subject to satisfaction, on or before the Effective Date, of each of the
216 conditions set out below, each of which may be waived in whole or in part by
217 Agency:

218 1. **Accuracy of Representations.** The representations and warranties made by
219 Contractor in Article 2 shall be true and correct on and as of the Effective Date.

220 2. **Absence of Litigation.** There shall be no litigation pending on the Effective
221 Date in any court challenging the execution of this Agreement or seeking to
222 restrain or enjoin its performance.

223 3. **Effectiveness of Agency's Approval.** The approval of this Agreement by
224 Agency shall have become effective, pursuant to California law, on or before
225 the Effective Date.

226 B. **Obligation of Contractor to Perform.** The obligation of Contractor to perform
227 under this Agreement is subject to the satisfaction of the conditions set forth below,
228 each of which may be waived in whole or in part by Contractor.

229 1. **Absence of Litigation.** There shall be no litigation pending on the Effective
230 Date in any court challenging the execution of this Agreement, or seeking to
231 enjoin its performance.

232 2. **Effectiveness of Agency's Approval.** The approval of this Agreement by
233 Agency shall have become effective, pursuant to California law.

234 3. **Approvals by Other Member Agencies.** On or before June 30, 2018, a minimum
235 of eight (8) of the governing bodies of the SBWMA's Member Agencies,

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collectively representing at least two thirds (2/3) of the Member Agencies, have approved and signed agreements with Contractor substantially similar to this one.

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C. **Notice.** If either Party wishes to assert that a condition for its benefit has not been satisfied and has not been waived, it must deliver written notice to that effect to the other party on or before the Effective Date. If no such notice is received, the Agreement will become effective on the Effective Date.

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D. **Good Faith.** Each Party is obligated to perform in good faith the actions, if any, which this Agreement requires it to perform before the Effective Date and to cooperate towards the satisfaction of the conditions set forth above.

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ARTICLE 4 SCOPE OF AGREEMENT

249 **4.01 SCOPE OF AGREEMENT**

250 A. Through this Agreement, Agency grants to Contractor an exclusive franchise,
251 except as provided in Section 4.01.B and in Section 4.02, to Collect the following
252 materials in the Service Area:

- 253 1. Solid Waste generated at Residential Premises, Commercial Premises and
254 Agency Facilities; and,
255 2. Source Separated Targeted Recyclable Materials and Source Separated
256 Organic Materials generated at Residential Premises.

257 B. Through this Agreement, Agency grants to Contractor a non-exclusive right to
258 Collect the following materials in the Service Area:

- 259 1. Source Separated Targeted Recyclable Materials and Source Separated
260 Organic Materials generated at Commercial Premises;
261 2. Major Appliances and Specialty Recyclable or Reusable Materials generated at
262 Residential Premises; and,
263 3. Non-putrescible wastes placed in Drop Boxes.

264 **4.02 LIMITATIONS ON SCOPE**

265 Agency may permit the Collection, Recycling, or Disposal of any of the following
266 materials by Persons other than Contractor without seeking or securing any approval
267 from Contractor:

- 268 A. Solid Waste, Targeted Recyclable Materials, and Organic Materials which are
269 transported personally by the Owner or Occupant of the Premises at which they are
270 generated (or by his or her employees) to a processing or Disposal facility;
- 271 B. Targeted Recyclable Materials and Organic Materials which are Source Separated
272 by the Generator and donated to youth, civic, or charitable organizations;
- 273 C. Recyclable beverage containers delivered for Recycling under the California
274 Beverage Container Recycling Litter Reduction Act, Section 14500 *et seq.*
275 California Public Resources Code;
- 276 D. Animal waste and remains from slaughterhouse or butcher shops, grease waste,
277 and used cooking oil;
- 278 E. By-products of sewage treatment including sludge, sludge ash, grit, and screenings;
- 279 F. Hazardous Waste, Household Hazardous Waste, and Infectious Waste;
- 280 G. Source Separated E-Scrap and Source Separated Universal Waste;
- 281 H. Organic Materials composted at Residential and Commercial Premises;

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- I. Materials generated by State facilities (including public schools), provided that the Generator has arranged services with other Persons or has arranged services with the Contractor through a separate agreement;
 - J. The incidental removal of Solid Waste, Recyclable Materials, or Organic Materials when the primary service performed is either of the following:
 - 1. Landscaping, gardening, weed or refuse abatement, yard clean-up, or grading of a lot; or,
 - 2. Construction, remodeling, or demolition of a building or structure.
 - K. Solid Waste generated at Residential Premises collected by others on an infrequent, unscheduled, "on-call" basis (other than On-Call Bulky Item Collection Service scheduled by Customers per Section 5.05).

293 **4.03 GEOGRAPHIC LIMITS ON CONTRACTOR'S OPERATIONS**

294 Contractor was established specifically to perform services for some or all of the
295 SBWMA Member Agencies. The methodology established in this Agreement, and in
296 those agreements between Contractor and other Member Agencies, for adjusting
297 Contractor's Compensation annually and allocating it among Member Agencies depends
298 on accurate financial and accounting records. For that reason, Contractor will limit its
299 operations to only SBWMA Member Agencies so that its annual financial reports will
300 contain only costs and revenues associated with service to those Member Agencies.

301 Affiliates of Contractor may perform services for other communities in San Mateo County
302 so long as they do not use Contractor's resources (equipment or labor) and so long as
303 costs associated with their operations are not included in Contractor's financial
304 statements.

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ARTICLE 5 COLLECTION SERVICES

308 **5.01 GENERAL**

- 309 A. The work to be performed and services to be provided by Contractor include the
310 furnishing of all labor, supervision, equipment, materials, supplies, and all other
311 items necessary to perform the work and provide the services described, at the
312 times and in the manner required by this Agreement. The enumeration of, and
313 specification of requirements for, particular items of labor, supervision, equipment,
314 materials, or supplies shall not relieve Contractor of the duty to furnish all others, as
315 may be required, whether enumerated elsewhere in the Agreement or not.
- 316 B. Contractor shall perform the work and provide the services pursuant to this
317 Agreement in a thorough and professional manner so that the residents and
318 businesses within the Agency are provided reliable, courteous, and high-quality
319 service at all times. The enumeration of, and specification of requirements for,
320 particular aspects of service quality shall not relieve Contractor of the duty of
321 accomplishing all other aspects in the manner provided in this Article, whether such
322 other aspects are enumerated elsewhere in the Agreement or not.
- 323 C. Contractor acknowledges that the Agency is committed to diverting materials from
324 Disposal through the implementation of source reduction, donation, reuse,
325 Recycling, and composting programs and that the Agency may, at some time in the
326 future, implement, in accordance with Section 15.12, new programs that may impact
327 the overall quantity or composition of Solid Waste, Targeted Recyclable Materials,
328 and/or Organic Materials to be Collected by Contractor.

329 **5.02 SOLID WASTE COLLECTION**

- 330 A. **Single-Family Dwelling (SFD)**
- 331 1. General. Contractor shall Collect Solid Waste from SFD once per week from
332 Contractor-provided Carts, and shall bill Customers for the service at Agency-
333 approved Rates. Contractor shall provide extra Collection pick-ups of
334 Containers within one (1) Business Day of Customer's request and shall bill
335 Customer at Agency-approved Charges specified in Attachment Q.
- 336 2. Collection Location. Contractor shall Collect Carts Curbside unless: (i) the
337 Occupant is provided a Special Handling Service exemption; or, (ii) the
338 Customer has requested Backyard Collection Service and has agreed to pay
339 for Backyard Collection Service at the Agency-approved Charge. Contractor
340 shall bill Customers with Backyard Collection Service at Agency-approved
341 Charges specified in Attachment Q. For Customers with Special Handling
342 Service and Backyard Collection Service, Contractor shall Collect Carts from
343 and return Carts to the alternative service location (such as the side yard or
344 backyard) specified by the Customer. Contractor shall make reasonable
345 accommodations with regard to provision and servicing of Containers (e.g.,
346 Container size and type, placement of Containers for Collection, etc.) at no

347 additional cost to Customers who meet the Agency's Special Handling Service
348 criteria.

349 3. Informing Customer of Collection Location Options. Contractor will notify all
350 Residential Customers annually of the Special Handling Service and Backyard
351 Collection Service options and submit, for approval, a draft notification to
352 Agency thirty (30) Days prior to the anticipated date of distribution to
353 Customers. New service recipients shall be notified upon signing up for
354 Collection service of the Special Handling Service and Backyard Collection
355 Service options.

356 4. Special Handling Service Eligibility. Customers desiring Special Handling
357 Service will be required to submit an application, in a form approved by
358 Agency. Contractor shall review applications to determine whether the
359 Customer meets Agency's eligibility criteria and shall provide a written
360 response within five (5) Business Days after receipt of the application. Unless
361 otherwise directed by Agency, Customers are eligible if they provide (i)
362 evidence of their "handicap status" by the California Department of Motor
363 Vehicles, or (ii) evidence that no Occupant of the Residential Premises is
364 physically able to place Carts Curbside for Collection. On an annual basis,
365 Contractor may request reverification of Special Handling Service eligibility
366 from Customer.

367 **B. Multi-Family Dwellings**

368 1. General. Contractor shall Collect Solid Waste from Multi-Family Dwellings as
369 frequently as scheduled by Customer, but not less than once per week, and
370 shall bill Customers at Agency-approved Rates. Contractor shall provide extra
371 Collection pick-ups of Containers within one (1) Business Day of Customer's
372 request and shall bill Customers at Agency-approved Charges specified in
373 Attachment Q. Customers must subscribe to a minimum service level of three
374 (3) times per week Collection in order to be eligible for Collection on Saturday
375 and/or Sunday.

376 2. Containers. Contractor shall allow Multi-Family Dwelling Customers to use
377 Carts or Bins for Solid Waste Collection that are shared by the Occupants of
378 the Premises. Contractor shall provide one (1) or more Cart(s) or Bin(s) to
379 such Customers as requested by Customer, provided that no less than ninety-
380 six (96) gallons per week of Container capacity are provided for every five (5)
381 dwelling units in the Multi-Family Residential Complex.

382 3. General Service Conditions. The standard Rates for Collection services
383 assume that Containers are accessible by Contractor's vehicles and personnel.

384 If the Container is wheeled and is three (3) cubic yards or less in capacity and
385 is not a Compactor, the standard Rate includes Collection from the Container
386 located Curbside or in enclosures or on private or public property at a distance
387 less than or equal to fifty (50) feet of access by Contractor's vehicle, provided
388 that access to the Container is paved and the slope is less than seven percent
389 (7%). The distance to the Container shall be measured in one of the following
390 ways depending on the conditions of the Premises: (i) from the face of the curb
391 to the nearest edge of the Container, (ii) if there is no curb, from the edge of the
392 roadway nearest the nearest edge of the Container, or (iii) from the lifting

393 mechanism on the Collection vehicle if the vehicle can be driven on the
394 Premises.

395 If the Container does not have wheels, or is greater than three (3) cubic yards
396 in capacity, or is a Compactor, the standard Rate includes Collection from a
397 location accessible by Contractor's vehicle (regardless of the distance from the
398 curb or roadway), provided that access to the Container is paved and the slope
399 is less than seven percent (7%). A slope shall be deemed to be seven percent
400 (7%) or more if the slope measures 7% or more using a slope measurement
401 device.

402 For each Container that does not meet the above accessibility requirements,
403 Contractor shall offer Long Distance Service or Container Relocation Service
404 as described below for Containers that are eligible for such service. If the
405 Container is not eligible for such service, or the Customer notifies Contractor
406 that it does not want such service, then Contractor shall not be required to
407 Collect the Container unless it meets the above accessibility requirements.

408 4. Long Distance Service. For wheeled Containers that are more than fifty (50)
409 feet from the curb or edge of roadway (using the measurement method
410 described above), Contractor shall provide Long Distance Service. Long
411 Distance Service is an additional service Contractor shall provide that involves
412 Contractor's route personnel manually pushing, pulling, or otherwise moving the
413 Container more than fifty (50) feet to a serviceable location and returning the
414 Container to its storage location after Collection. The Long Distance Service is
415 a regularly scheduled service that is performed each day the Contractor
416 provides Collection service for the Container. Contractor shall charge the
417 Customer for Long Distance Service at Agency-approved Charge specified in
418 Attachment Q.

419 5. Container Relocation Service. If a Container is located in an area that is not
420 serviceable by a regular Collection vehicle, Contractor shall provide Container
421 Relocation Services. Contractor shall charge the Customer for Container
422 Relocation Service at Agency-approved Charge specified in Attachment Q.
423 Conditions in which Container Relocation Services may be applicable include:
424 sloped access with slope greater than or equal to seven percent (7%);
425 subterranean areas that are inaccessible by a regular Collection vehicle; and
426 gravel areas.

427 Container Relocation Service is an additional service provided by Contractor
428 that involves the Contractor dispatching a secondary vehicle and route
429 personnel to move the Container with the assistance of the vehicle from an
430 inaccessible storage location to a serviceable location. In such case, the
431 service also involves the return of the Container to its storage location, which
432 may be performed manually by route personnel of the regular Collection
433 vehicle or by using the secondary vehicle. The Container Relocation Service is
434 a regularly scheduled service that is performed each day the Contractor
435 provides Collection service for the Container. If Contractor provides Container
436 Relocation Service for a Container, it is not entitled to charge for Long Distance
437 Service.

438 6. Determination of Service Needs and Disputes. Whether the Customer receives
439 Long Distance Service or Container Relocation Service shall be determined by

440 Contractor in its reasonable discretion based on conditions at the Customer's
441 site or the need to maintain safety or operational efficiency. In the event of a
442 dispute between Contractor and a Customer regarding the Long Distance
443 Service, Container Relocation Service, and/or the distance or degree of slope,
444 Contractor shall provide email notification to Agency and Customer, and
445 Agency shall work with the Contractor and Customer to resolve the dispute.
446 Agency may independently measure the slope and/or distance. Agency shall
447 make the final determination of the service arrangements and whether any
448 Attachment Q Charges apply.

449 7. Container Collection Location. Contractor shall give special consideration when
450 determining the Collection location for Multi-Family Residential complexes to
451 ensure that the flow of traffic is not impeded and that it does not result in
452 aesthetic degradation of an area. The designated Collection location, if
453 disputed by Customer or Contractor, shall be determined by the Agency.
454 Additionally, if, in the Agency's opinion, the location of an existing Collection
455 location is inappropriate, Agency may require the Customer or Contractor to
456 relocate the Collection Containers.

457 **C. Commercial Premises**

458 1. General. Contractor shall Collect Solid Waste from Commercial Premises as
459 frequently as scheduled by the Customer, but not less than once per week, and
460 shall bill Customers for the service at Agency-approved Rates. Contractor
461 shall provide extra Collection pick-ups of Containers within one (1) Business
462 Day of Customer's request and shall bill Customer at Agency-approved
463 Charges specified in Attachment Q. Customers must subscribe to a minimum
464 service level of three (3) times per week Collection in order to be eligible for
465 Collection on Saturday and/or Sunday.

466 2. Container Service Requirements. Container service requirements described
467 for Multi-Family Premises in Sections 5.02.B.3 through 5.02.B.7 are applicable
468 for Commercial Premises.

469 3. Service Methods. Specifically, the Contractor shall offer the following Collection
470 service methodologies to Commercial Customers:

471 a. Individual Cart or Bin Service. Contractor shall allow each
472 Commercial Premises to use Carts, Bins, Compactors, or Drop
473 Boxes for Solid Waste Collection.

474 b. Centralized Cart or Bin Service. Contractor shall allow each
475 Commercial Premises to use Carts or Bins for Solid Waste Collection
476 that are shared by the Occupants of two (2) or more adjacent
477 Commercial Premises. In such case, Contractor shall provide one or
478 more Carts or Bins as requested by the Customer(s) provided that no
479 less than ninety-six (96) gallons of Container capacity is provided for
480 every four (4) Commercial Premises.

481 c. Drop Boxes and Compactors. Contractor shall allow a Customer to
482 use a Drop Box or Compactor for Solid Waste Collection to meet the
483 Customer's Disposal needs. In such case, Contractor shall provide
484 Customer with a choice of Container capacities ranging from three
485 (3) to forty (40) cubic yards (or similar sizes). Contractor shall allow

486 Customers to purchase or lease Compactors through an outside
487 vendor. Regular maintenance of Compactors shall be required by
488 Customer (or outside vendor) as frequently as needed to keep the
489 Compactors in good working order and functioning at high
490 compaction levels.

491 **D. Agency Facilities**

- 492 1. General. Contractor shall Collect Solid Waste from Agency Facilities as
493 frequently as scheduled by the Agency, but not less than once per week.
494 Agency must subscribe to a minimum service level of three (3) times per week
495 Collection in order to be eligible for Collection on Saturday and/or Sunday.
- 496 2. Service Methods. Specifically, the Contractor shall offer the following Collection
497 service methodologies to Agency Facilities:
 - 498 a. Individual Cart or Bin Service. Contractor shall allow each Agency
499 Facility to use Carts, Bins, Compactors, or Drop Boxes for Solid
500 Waste Collection.
 - 501 b. Centralized Cart or Bin Service. Contractor shall allow each Agency
502 Facility to use Carts or Bins for Solid Waste Collection that are
503 shared by the Occupants of two or more adjacent Agency Facilities.
504 In such case, Contractor shall provide one or more Carts or Bins as
505 requested by the Agency provided that no less than ninety-six (96)
506 gallons of Container capacity is provided for every four (4) Agency
507 Facilities.
 - 508 c. Drop Boxes and Compactors. Contractor shall allow Agency to use a
509 Drop Box or Compactor for Solid Waste Collection to meet the
510 Agency's Disposal needs. In such case, Contractor shall provide
511 Agency with a choice of Container capacities ranging from three (3)
512 to forty (40) cubic yards (or similar sizes). Contractor shall allow
513 Agency to purchase or lease Compactors through an outside vendor.
514 Regular maintenance of Compactors shall be required by Agency (or
515 outside vendor) as frequently as needed to keep the Compactors in
516 good working order and functioning at high compaction levels.
- 517 3. Solid Waste from Public Street, Parks, and Parking Lot Litter Receptacles.
518 Contractor shall Collect Solid Waste from public litter receptacles located on
519 streets and in parking lots, and from public litter receptacles in parks that are
520 accessible for Curbside Collection. Contractor shall also Collect Solid Waste
521 that is contained in bags or boxes and placed adjacent to public litter
522 receptacles. These Collections will be made between one (1) and seven (7)
523 Days per week, as determined by Agency. Contractor is responsible for
524 notifying Agency if a public litter receptacle is inoperable within twenty-four (24)
525 hours of observing or being notified of the defect. A list of public litter
526 receptacles is included in Attachment B. Agency shall annually be allowed to
527 increase the number of public litter receptacles provided Collection service by
528 an additional five percent (5%) of the total number of receptacles in service as
529 of January 1 of each Rate Year after Rate Year Eleven (2021) without being
530 billed for such service. The maximum number of public litter receptacles that
531 Contractor will service without billing Agency shall increase by five percent

- 532 (5%) each Rate Year after Rate Year Eleven (2021), even if Agency does not
533 actually increase the number of receptacles by five percent (5%) in that Rate
534 Year.
- 535 4. Scope of Service Requirements. Contractor shall provide the Agency with the
536 Collection services described above at the service locations, service levels, and
537 frequencies identified in Attachment B. Contractor shall provide and maintain
538 Collection Containers for the Agency's use, with the exception of public litter
539 receptacles (or public Solid Waste receptacles) and public Targeted Recyclable
540 Materials receptacles, which shall be provided and maintained by the Agency.
541 Contractor shall offer the type and size of Collection Containers that Contractor
542 provides Commercial Customers pursuant to Section 5.02.C.
- 543 5. Tonnage Allocation. Contractor may integrate Collection of Solid Waste,
544 Targeted Recyclable Materials, and Organic Materials from Agency Facilities
545 with other Collection services in the Service Area, provided that Contractor
546 attributes estimated Tonnage Collected from Agency Facilities separately from
547 other Customers upon the Agency's request.
- 548 6. No Billing for Service. Contractor shall not bill Agency for the services required
549 by this Section 5.02.D, including Long Distance Service, Container Relocation
550 Service, and lock/unlock service.

551 **5.03 TARGETED RECYCLABLE MATERIALS COLLECTION**

- 552 A. **General.** Contractor shall Collect Targeted Recyclable Materials from Customers
553 that have Source Separated the Targeted Recyclable Materials from Solid Waste
554 and placed these materials in the Customer's Recyclable Materials Collection
555 Container for Collection by Contractor.

556 In accordance with Section 15.12, the Agency may direct that Contractor modify its
557 scope of service to include Collection of additional types of Recyclable Materials
558 beyond those materials defined as Targeted Recyclable Materials in Attachment A.
559 If the Agency directs Collection of additional Recyclable Materials, such Recyclable
560 Materials shall thereafter be considered Targeted Recyclable Materials and
561 Contractor shall not receive additional Contractor's Compensation for Collection
562 service if the Targeted Recyclable Materials are placed by Generator in the
563 Recyclable Materials Container unless Contractor can demonstrate that Collection
564 of the additional material(s) requires modification to Collection routes to
565 accommodate the additional volume of the material(s).

566 B. **Single-Family Dwellings**

- 567 1. General. Once per week, Contractor shall Collect Single-Stream Targeted
568 Recyclable Materials from SFD. Contractor shall provide each SFD Customer
569 with one (1) Cart for Single-Stream Targeted Recyclable Materials. Contractor
570 shall provide each Customer with a sixty-four (64) gallon Cart specified in
571 Attachment D, unless Customer requests an alternative Cart specified in
572 Attachment D. Customers can request additional Targeted Recyclable
573 Materials Carts from Contractor for regular weekly Collection service, and
574 Contractor shall bill Customers at Agency-approved Charges specified in
575 Attachment Q.

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2. Collection Location. For SFD Recyclable Materials Cart Collection, Contractor shall comply with the same Collection provisions specified for Solid Waste Cart Collection pursuant to Sections 5.02.A.2, 5.02.A.3, and 5.02.A.4.
3. Used Motor Oil and Used Motor Oil Filters. Contractor shall Collect Used Motor Oil and Used Motor Oil Filters placed at the Collection location by Customer for Collection in Contractor-provided or Contractor-approved Containers. Contractor shall not be required to Collect more than five (5) gallons of Used Motor Oil per Customer per Collection. Contractor shall provide up to five (5) one-gallon translucent plastic Used Oil jugs with screw-on tops for Used Motor Oil Collection and up to five (5) six (6) mil plastic zip-close type bags for Used Motor Oil Filter Collection to SFD Customers, upon Customer's request, within five (5) Business Days of such request, at no additional cost to Customer. Information in English and Spanish, regarding the Used Motor Oil and Used Motor Oil Filter Collection program and instructions for the use and set out of these materials shall be provided with the Used Motor Oil jugs and Used Motor Oil Filter bags. Diversion of Used Motor Oil shall be calculated with a conversion factor of one (1) gallon of Used Motor Oil equaling seven (7) pounds.
4. Household Batteries and Cell Phones. Contractor shall Collect from SFD Premises Household Batteries and Cell Phones placed on top of the Recyclable Materials Cart in Contractor-provided or Customer-provided clear zip-close or tie-close plastic bags clearly marked "Used Batteries and Cell Phones." Contractor shall empty the bag at the point of Collection and leave it to be reused by the Customer by placing it inside the Cart handle. Customers will be notified to place all Household Batteries in a clear zip-close plastic bag; tape the contacts of button cell batteries; and wrap Cell Phones in paper (for protection) prior to placing in the plastic bag. While Customers will be encouraged to follow the participation parameters, Contractor shall be required to Collect if Customers do not follow these instructions.
5. Collection Day. Contractor shall Collect Targeted Recyclable Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries, and Cell Phones from SFD on the same day that Solid Waste Collection is provided.

C. Multi-Family Residential Premises

1. General. Multi-Family Dwelling Customers that subscribe to Solid Waste Collection service shall be entitled to Single-Stream Targeted Recyclable Materials Collection at no additional charge, and Contractor shall provide the level of service required by Multi-Family Dwelling Customers requesting Recyclable Materials Collection services. Contractor shall provide each Multi-Family Dwelling Customer with Containers for Single-Stream Targeted Recyclable Materials Collection. At a minimum, Contractor shall provide twenty (20) gallons per week of Container capacity for Single-Stream Targeted Recyclable Materials Collection for every Multi-Family Dwelling at the Premises. Contractor shall provide each Customer with Carts or Bins as specified in Attachment D, as requested by the Customer.

Contractor shall Collect Single-Stream Targeted Recyclable Materials Generated at Multi-Family Residential Complexes at least once per week or more frequently, up to six (6) times per week, as scheduled by the Customer

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provided that the Generator has Source Separated the Targeted Recyclable Materials from Solid Waste and placed the materials in the appropriate Contractor-provided Container. Contractor shall Collect Single-Stream Targeted Recyclable Materials at the designated location agreed upon by Contractor and Multi-Family Dwelling Customer. The designated Collection location, if disputed by Customer or Contractor, shall be determined by the Agency. Carts and Bins may be shared by the Occupants of the Multi-Family Residential Complexes. Contractor shall provide extra Carts for use in the mail, utility, or similar room of Multi-Family Residential Complexes if requested by the Customer.

2. Personal Recycling Tote-Bag Distribution. Upon receipt of a request for Recycling Tote-Bags from a Multi-Family Dwelling Customer or Occupant, Agency, or SBWMA, Contractor shall: (i) deliver the Recycling Tote-Bags within five (5) Business Days to the property Owner, property manager, or Occupant who requested the Recycling Tote-Bags; (ii) prior to complying with (i), contact the property Owner or property manager directly by phone or in person to determine if additional Recycling Tote-Bags are needed and/or if they are interested in a site assessment of the property; (iii) upon request for a site assessment, ensure that a site assessment is done per the requirements set forth in Section 7.05. Contractor shall provide notification to Agency and SBWMA of the Day which the Tote Bags were delivered and to whom they were delivered with submittal of Contractor's monthly reports per Section 9.05. Contractor's monthly reports shall also include an inventory of Recycling Tote-Bags in stock.

3. Household Battery and Cell Phone Collection

a. Multi-Family Residential Complexes with individual Recycling Carts for each dwelling unit. Contractor shall Collect Household Batteries and Cell Phones placed on top of the Recyclable Materials Cart in Contractor-provided or Customer-provided clear zip-close or tie-close plastic bags clearly marked "Used Batteries and Cell Phones." Customers will be notified to place all Household Batteries in a clear zip-close plastic bag; tape the contacts of button cell batteries; and wrap cell phones in paper (for protection) prior to placing in the plastic bag. While Customers will be encouraged to follow the participation parameters, Contractor shall be required to Collect the Household Batteries and Cell Phones if Customers do not follow these instructions.

b. Multi-Family Residential Complexes with Individual, Shared, or Centrally-stored Recycling Carts or Bins. Contractor shall provide one (1) or more centrally located Containers for the accumulation of Household Batteries and Cell Phones. The number and location of the Containers and the frequency of Collection shall be mutually agreed to between the Contractor and the Owner or manager of the complex. In the event the Owner or property manager requests that the materials be Collected on an on-call basis, Contractor shall provide that service at no additional cost.

669 4. Container Service Requirements. Container service requirements described
670 for Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7
671 are applicable for Collection of Targeted Recyclable Materials from Multi-
672 Family Premises.

673 **D. Commercial Premises**

674 1. General. Commercial Customers that subscribe to Solid Waste Collection
675 service shall be entitled to Collection of Targeted Recyclable Materials at no
676 additional charge, and Contractor shall provide the level of service required by
677 Commercial Customers requesting Recyclable Materials Collection services.
678 The level of service Contractor shall provide includes: Single-Stream Targeted
679 Recyclable Materials Collection or Source Separated Collection of cardboard,
680 mixed paper, food and recyclable beverage containers, or other Targeted
681 Recyclable Materials in a manner that best suits the needs of the Commercial
682 Customer.

683 Contractor shall Collect Single-Stream Targeted Recyclable Materials or other
684 Source Separated Recyclable Materials Generated at Commercial Premises at
685 least once per week or more frequently, up to seven (7) times per week, as
686 scheduled by the Customer provided that the Generator has Source Separated
687 the Targeted Recyclable Materials from Solid Waste and placed the materials in
688 the appropriate Contractor-provided Container. Contractor shall Collect
689 Targeted Recyclable Materials at the designated location agreed upon by
690 Contractor and Customer. The designated Collection location, if disputed by
691 Customer or Contractor, shall be determined by the Agency.

692 2. Service Methods. Contractor shall allow Commercial Customers to select a
693 Collection service method that best suits the needs of its Premises. Specifically,
694 the Contractor shall offer the following choices to Commercial Customers:

695 a. Cart service. Contractor shall allow Commercial Customers to use Carts
696 for Targeted Recyclable Materials Collection.

697 b. Bin service. Contractor shall allow Commercial Customers to use Bins for
698 Targeted Recyclable Materials Collection.

699 c. Shared Cart or Bin service. Contractor shall allow Commercial Customers
700 to use Carts or Bins for Targeted Recyclable Materials Collection that are
701 shared by the Occupants of two (2) or more Commercial Premises. In such
702 case, Contractor shall provide one (1) or more Carts or Bins to such
703 Premises as requested by Customer(s).

704 d. Drop Boxes and Compactors. Contractor shall allow Commercial
705 Customers to use Drop Boxes or Compactors for Targeted Recyclable
706 Materials. Contractor shall allow Customers to purchase or lease
707 Compactors through an outside vendor. Regular maintenance of
708 Compactors shall be required by Customer (or outside vendor) as
709 frequently as needed to keep the Compactors in good working order and
710 functioning at high compaction levels.

711 3. Container Service Requirements. Container service requirements described for
712 Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7 are

713 applicable for Collection of Targeted Recyclable Materials from Commercial
714 Premises.

715 **E. Agency Facilities**

716 1. General. Agency Facilities that subscribe to Solid Waste Collection service shall
717 be entitled to Collection of Targeted Recyclable Materials, and Contractor shall
718 provide the level of service required by Agency Facilities requesting Targeted
719 Recyclable Materials Collection services and shall not bill Agency for such
720 services. The level of service Contractor shall provide includes: Single-Stream
721 Targeted Recyclable Materials Collection or Source Separated Collection of
722 cardboard, mixed paper, food and recyclable beverage containers, or other
723 Targeted Recyclable Materials in a manner that best suits the needs of the
724 Agency Facility.

725 Contractor shall Collect Single-Stream Targeted Recyclable Materials or other
726 Source Separated Targeted Recyclable Materials Generated at Agency
727 Premises at least once per week or more frequently, up to seven (7) times per
728 week, as scheduled by the Agency provided that the Generator has Source
729 Separated the Targeted Recyclable Materials from Solid Waste and placed the
730 materials in the appropriate Contractor-provided Container. Contractor shall
731 Collect Targeted Recyclable Materials at the designated location agreed upon
732 by Contractor and Agency.

733 2. Service Methods. Contractor shall allow Agency Facilities to select a Collection
734 service method that best suits the needs of its Premises. Specifically, the
735 Contractor shall offer the following choices to Member Agency Facilities:

736 a. Cart service. Contractor shall allow Agency Facilities to use Carts for
737 Targeted Recyclable Materials Collection. Contractor shall provide each
738 Customer with a choice of one (1) or more Carts as specified in Attachment
739 D.

740 b. Bin service. Contractor shall allow Agency Facilities to use Bins for
741 Targeted Recyclable Materials Collection. Contractor shall provide each
742 Agency with a choice of one (1) or more Bins for each Agency Facility.

743 c. Centralized Cart or Bin service. Contractor shall allow Agency Facilities to
744 use Carts or Bins for Targeted Recyclable Materials Collection that are
745 shared by the Occupants of two (2) or more adjacent Agency Facilities. In
746 such case, Contractor shall provide one (1) or more Carts or Bins to such
747 Premises as requested by Agency.

748 d. Drop Boxes and Compactors. Contractor shall allow Agency Facilities to
749 use Drop Boxes or Compactors for the Collection of Targeted Recyclable
750 Materials. Contractor shall allow Agency to purchase or lease Compactors
751 through an outside vendor. Regular maintenance of Compactors shall be
752 required by Agency (or outside vendor) as frequently as needed to keep the
753 Compactors in good working order and functioning at high compaction
754 levels.

755 3. Public Recycling Receptacles. Contractor shall Collect Recyclable Materials
756 from public Recycling receptacles located on streets and parking lots, and from
757 public Recycling receptacles in parks that are accessible for Curbside

758 Collection. Contractor shall also Collect Recyclable Materials that are contained
759 in bags or boxes and placed adjacent to public Recycling receptacles. These
760 Collections will be made between one (1) and seven (7) Days per week, as
761 determined by Agency. If Contractor concludes upon visual inspection that the
762 Recyclables placed in (or adjacent to) the public Recyclables receptacles have a
763 Contamination Level greater than that which is acceptable at the MRF,
764 Contractor shall Collect the materials as Solid Waste. Contractor is responsible
765 for notifying Agency if a public Recycling receptacle is inoperable within twenty-
766 four (24) hours of observing or being notified of the defect. A list of public
767 Recycling receptacles is included in Attachment B. If persistent contamination
768 occurs in public Recycling receptacles then, at Contractor's request, appropriate
769 Agency staff shall meet with Contractor to discuss ways to address the problem.
770 Contractor shall not bill Agency for the services described in this paragraph.

771 **5.04 ORGANIC MATERIALS COLLECTION**

772 A. **Single-Family Dwelling.** Contractor shall Collect Source Separated Organic
773 Materials from SFD once per week. Collection of Organic Materials, Targeted
774 Recyclable Materials, and Solid Waste from the SFD shall occur on the same Day
775 each week. Contractor shall provide each Customer with one (1) Cart to be used
776 for storage and Collection of Organic Materials. Customers may request additional
777 Organic Materials Carts from Contractor for regular weekly Collection service, and
778 Contractor shall bill Customer at Agency-approved Charges specified in Attachment
779 Q. The Contractor shall provide Customers with a ninety-six (96) gallon Cart as
780 specified in Attachment D, unless the Customer requests an alternative Cart size, in
781 which case, the Contractor shall provide an alternative Cart as specified in
782 Attachment D.

783 For SFD Organic Materials Cart Collection, Contractor shall comply with the same
784 Collection provisions specified for Solid Waste Cart Collection pursuant to Sections
785 5.02.A.2, 5.02.A.3, and 5.02.A.4.

786 During the Term, Contractor shall provide, within five (5) Business Days of request
787 by Occupant, Kitchen Pails to new SFD Customers and to SFD Customers whose
788 Kitchen Pail is lost, stolen, damaged, or destroyed (such replacement shall be
789 limited to one (1) per year per Customer at no additional cost). Residents will be
790 discouraged from placing Kitchen Pail Curbside for Collection and will be instructed
791 to deposit the contents of the Kitchen Pail into the Organic Materials Cart.

792 B. **Multi-Family Premises.** Multi-Family Dwelling Customers shall have the option of
793 voluntarily subscribing to Organic Materials or Plant Materials Collection services,
794 Contractor shall bill Customers for such service at Agency-approved Rates.
795 Contractor shall Collect Source Separated Organic Materials or Plant Materials from
796 Multi-Family Residential Complexes that have subscribed to Organic Materials or
797 Plant Materials Collection service as frequently as scheduled by Customer, but not
798 less than once per week. Contractor shall provide each Customer with a choice of
799 Carts or Bins as specified in Attachment D. Contractor shall Collect Organic
800 Materials and Plant Materials at the location agreed upon by Contractor and
801 Customer. The designated Collection location, if disputed by Customer or
802 Contractor, shall be determined by the Agency.

803 Container service requirements described for Multi-Family Solid Waste Collection in
804 Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Organic
805 Materials or Plant Materials from Multi-Family Premises.

806 C. **Commercial Premises.** Commercial Customers shall have the option of voluntarily
807 subscribing to Organic Materials or Plant Materials Collection services, and
808 Contractor shall bill Customers for such service at Agency-approved Rates.
809 Contractor shall provide Organic Materials or Plant Materials Collection service to
810 any and all Customers requesting service. Contractor shall Collect Organic
811 Materials or Plant Materials from Commercial Premises that have subscribed to
812 Organic Materials or Plant Materials Collection service as frequently as scheduled
813 by Customer, but not less than once per week.

814 Contractor shall allow Commercial Customers to select a Collection service method
815 that best suits the needs of its Premises. Specifically, the Contractor shall offer to
816 Commercial Organic Materials or Plant Materials Customers the Containers and
817 service choices that are offered for Commercial Solid Waste Collection pursuant to
818 Section 5.02.C.

819 Container service requirements described for Multi-Family Solid Waste Collection in
820 Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Organic
821 Materials or Plant Materials from Commercial Premises.

822 D. **Agency Facilities.** Agency Facilities shall have the option of voluntarily subscribing
823 to Organic Materials or Plant Materials Collection services. Contractor shall not bill
824 Agency for such services.

825 Contractor shall provide Organic Materials or Plant Materials Collection service to
826 Agency Facilities requesting service. Contractor shall Collect Organic Materials or
827 Plant Materials from Agency Facilities that have subscribed to Organic Materials or
828 Plant Materials Collection service as frequently as scheduled by Agency, but not
829 less than once per week.

830 Contractor shall allow Agency to select a Collection service method that best suits
831 the needs of its Facilities. Specifically, the Contractor shall offer to Agency Facilities
832 the service choices that are offered for Solid Waste Collection from Agency
833 Facilities pursuant to Section 5.02.D.

834 E. **Holiday Tree Collection.** Contractor shall annually Collect Holiday Trees from
835 Residential Premises from January 2 through January 31. Contractor shall provide
836 this service on the regularly scheduled Organic Materials Collection Day.
837 Contractor will be required to Collect trees or pieces of trees, which are eight feet
838 (8') or less in length, void of tinsel, lights, ornaments, other decorations, and metal
839 or plastic stands (although flocked trees are acceptable), and are placed adjacent to
840 an Organic Materials Cart. Contractor shall make accommodations and provide
841 Collection service for Customers who are unable to cut trees into lengths of eight
842 feet (8') or less at no additional cost to the Customer and shall not bill Agency for
843 such services. After January 31, Contractor will be required to Collect trees placed
844 inside an Organic Materials Cart. These Collection parameters apply to both Special
845 Handling and Backyard Collection Service.

846 Contractor shall deliver a Bin or Drop Box for Holiday Tree Collection to Multi-
847 Family Residential Complexes upon request of the Owner or property manager.
848 Contractor shall provide this Collection service annually commencing January 2 and

849 shall continue to provide this service as long as requests are submitted to
850 Contractor, at no additional cost to Customer(s) and shall not bill Agency for such
851 services. The location for delivery of the Bin or Drop Box shall be agreed upon by
852 the Owner or property manager, and Contractor shall remove the Bin or Drop Box,
853 or Collect the trees loose, on the date requested by the Owner or property manager.
854 If the use of a Bin or Drop Box is not feasible, Contractor shall Collect the
855 uncontainerized Holiday Trees from one (1) or more designated consolidation
856 locations (e.g., adjacent to a Solid Waste enclosure) at each Multi-Family
857 Residential Complex as determined by the Owner or property manager. Contractor
858 shall be required to Collect all trees or pieces of trees, which are eight feet (8') or
859 less in length, void of tinsel, lights, ornaments, other decorations, and metal or
860 plastic stands (although flocked trees are acceptable) and are placed in the Bin or
861 Drop Box or at the agreed upon location. Contractor shall make accommodations
862 and provide Collection service for Customers who are unable to cut trees into
863 lengths of eight feet (8') or less at no additional cost to the Customer and shall not
864 bill Agency for such services.

865 Prior to December of each year, Contractor shall notify all Multi-Family Dwelling
866 Customers of this program and explain the limitations to the program, the dates of
867 service, and any materials preparation or participation requirements, including the
868 option to order a Bin or Drop Box, or Collect the trees loose from designated
869 Collection locations. To encourage participation in this program, Contractor shall
870 not charge Customers an additional fee for this service.

871 **5.05 RESIDENTIAL ON-CALL BULKY ITEM COLLECTION SERVICE**

872 A. **SFD General.** Contractor shall provide two (2) separate On-Call Curbside Bulky
873 Item Collection Service events to each Single-Family Dwelling Residential Premise
874 annually upon Owner's or Occupant's request at no cost to the Customer. Customer
875 may request additional Bulky Item Collection service events; and, Contractor shall
876 bill for the additional service at Agency-approved Charges in Attachment Q.
877 Contractor shall schedule the On-Call Bulky Item Collection Service events on the
878 regularly scheduled Solid Waste Collection Day for Single-Family Dwellings, no
879 more than ten (10) Business Days after the Owner's or Occupant's request subject
880 to the conditions specified in Section 5.05.H.

881 B. **MFD General.** Contractor shall provide two (2) separate On-Call Curbside Bulky
882 Item Collection Service events to each Multi-Family Residential Complex annually
883 upon Owner's or property manager's request at no cost to the Owner or property
884 manager. Owner or property manager may request additional Bulky Item Collection
885 service events; and, Contractor shall bill for the additional service at Agency-
886 approved Charges specified in Attachment Q. Contractor shall schedule On-Call
887 Curbside Bulky Item Collection Service events no more than ten (10) Business
888 Days after the Multi-Family Residential Complex Owner's or property manager's
889 request subject to the conditions specified in Section 5.05.H. Contractor will be
890 required to accommodate the Multi-Family Residential Complex's on-site
891 constraints to ensure convenient and safe collection events in an effort to maximize
892 diversion and minimize environmental impacts.

893 Contractor shall assist Owners and property managers of Multi-Family Residential
894 Complexes with scheduling events to effectively and efficiently provide the volume
895 of Collection service to which the complex is entitled annually based on the number
896 of Residential Premises at the complex. The provision of On-Call Collection of Bulky
897 Items is not intended to encourage or permit Multi-Family Residential Premises to
898 reduce the level of regularly scheduled Solid Waste Collection service that has been
899 previously provided to the complex. If Contractor, in its reasonable business
900 judgment, concludes that an Owner or property manager of a Multi-Family
901 Residential Complex is requesting On-Call Bulky Item Collection in order to reduce
902 its historical level of regular Solid Waste Collection service, Contractor may present
903 a factual report to Agency in support of an application to decline further requests for
904 On-Call Bulky Item Collection events at that complex for the remainder of the
905 calendar year. Within thirty (30) Days, Agency will review the application and report
906 and determine whether Contractor may decline all subsequent requests from that
907 complex for that calendar year or may limit the number of On-Call Bulky Item
908 Collection events it must provide. Until Agency makes, and notifies Contractor of,
909 its determination, Contractor is not required to provide additional On-Call Bulky Item
910 Collection service events to the complex in question.

911 C. **Scheduling of Events.** Contractor shall allow the scheduling of On-Call Bulky Item
912 Collection Service events from February 1 through December 31 of each Rate Year.
913 Contractor may provide additional On-Call Bulky Item Collection Service events for
914 a Customer beyond two (2) per Rate Year, and shall bill Customers for additional
915 service at Agency-approved Charges specified in Attachment Q. Contractor is
916 required to notify Customer if they have already received the annually allocated two
917 (2) Collection events within one (1) Business Day of Customer request. If Contractor
918 fails to notify Customer that they have received the annually allocated two (2)
919 Collection events, Contractor shall provide the service and is not entitled to
920 additional Contractor's Compensation from Customer or Agency for a third or
921 subsequent On-Call Bulky Item Collection Service event.

922 D. **Accepted Materials.** Residential Premises may place Solid Waste, Recyclable
923 Materials, and/or Organic Materials for Collection with the following allowances:

924 1. Solid Waste, Targeted Recyclable Materials, Organic Materials – Up to two (2)
925 cubic yards of materials per event, provided that such materials, except as set
926 forth below have been bagged, boxed, bundled, or containerized by the
927 Customer.

928 2. The Customer may place up to three (3) large items from the categories below:

929 a. Major Appliances – One (1) large appliance per event (e.g., washing
930 machine, clothes dryer, refrigerator, freezer).

931 b. Bulky Items – One (1) large Bulky Item per event (e.g., reusable furniture,
932 mattresses, four tires).

933 c. E-Scrap – One (1) item per event (e.g., a computer, computer monitor, or
934 television).

935 Contractor shall reject: liquids or sludge; dirt, rock, concrete or asphalt; materials
936 which exceed five (5) feet in length; commercial-sized refrigerators or freezers;
937 Construction and Demolition Debris; Hazardous Waste; or Infectious Waste.

938 Contractor may reject any individual item that weighs more than two-hundred (200)
939 pounds (excluding Major Appliances) unless Customer has paid, or has agreed in
940 advance to pay, an additional fee for service at Agency-approved Charges specified
941 in Attachment Q. Contractor may reject un-containerized Discarded Materials with
942 the exception of Major Appliances, Bulky Items, E-Scrap, and large pieces of
943 Organic Material such as tree limbs and dimensional lumber.

944 E. **Recycling and Reuse.** Contractor shall Collect materials in a manner that
945 maximizes reuse, Recycling, composting, and diversion of materials from Disposal.
946 Contractor shall make reasonable efforts to ensure that diversion goals are met or
947 exceeded. Disposal of materials shall be the Contractor's last option. At a
948 minimum, Contractor shall divert from Disposal: cardboard, E-Scrap, useable
949 furniture, Major Appliances, mattresses, Organic Materials, wood waste, and other
950 reusable or Recyclable Materials.

951 F. **Handling Major Appliances.** Major Appliances, Universal Waste, and E-Scrap
952 shall be reused, Recycled, or Disposed by Contractor in accordance with
953 requirements of Applicable Law. Any changes to such regulations made after
954 January 1, 2011 shall be addressed as though they are a Change in Law in
955 accordance with Section 11.05.

956 G. **Collection and Processing Methods.** All materials that can be handled by the
957 SFD Single-Stream Recycling, Organic Materials, or Solid Waste route Collection
958 vehicle would be assigned to one of these vehicles for Collection, with the goal of
959 maximizing diversion. All Collection of Bulky Items will be assigned for Collection by
960 a Collection vehicle, and the driver will segregate items Collected according to their
961 suitability for: (1) reuse or Recycling, and (2) Disposal, prior to their transport to
962 Shoreway Recycling and Disposal Center for processing. Any remaining items will
963 be Collected by a dispatched Collection vehicle. Contractor shall utilize these
964 procedures and vehicles in a manner that provides the maximum diversion of the
965 material Collected from the On-Call Bulky Item Collection Service event.

966 H. **Maximum Number of Daily Events.** Contractor shall schedule up to a maximum
967 of one hundred fifty (150) On-Call Curbside Bulky Item Collection Service events
968 per service day for the SBWMA Service Area ("daily limit"). The maximum number
969 of daily events includes On-Call Bulky Item Collection Service events provided to
970 both Single-Family and Multi-Family Residential Complexes, and those events
971 provided at no charge and events paid for by the Customer, Owner, or property
972 manager. Contractor shall schedule On-Call Curbside Bulky Item Collection Service
973 events no more than ten (10) Business Days after the Owner's or Occupant's
974 request up to the maximum number of daily events. Upon reaching the maximum
975 number of daily events, requested On-Call Curbside Bulky Item Collection Service
976 event shall be scheduled on the next available regularly scheduled Solid Waste
977 Collection Day.

978 SBWMA may adopt an allocation system for On-Call Bulky Item Collection Service
979 events, in order to allocate the "daily limit" for such events among Member
980 Agencies. If adopted, Contractor shall comply with the allocation system.

981 The Agency agrees not to assess Liquidated Damages if Contractor does not meet
982 the ten (10) Business Day requirement if the delay has resulted from (i) the volume
983 of On-Call Bulky Item Collection events being in excess of the "daily limit" for the

984 SBWMA Service Area or Agency, or (ii) the Customer's request to schedule the
985 event on a date more than ten (10) Business Days in the future.

986 Contractor shall notify the SBWMA and Agency when the daily average number of
987 events reaches one hundred and forty (140) events, where the daily average is
988 calculated on a weekly basis. When this threshold occurs, Parties shall meet and
989 confer to agree on a strategy for handling the volume of Bulky Item Collection
990 Service events.

991 **5.06 AGENCY FACILITY ON-CALL BULKY ITEM COLLECTION SERVICE**

992 Contractor shall provide each Agency Facility with one annual On-Call Bulky Item
993 Collection service event and shall not bill Agency for such services. Agency may request
994 additional Bulky Item Collection service events; and, Contractor shall bill for the
995 additional service at Agency-approved Charges specified in Attachment Q. The On-Call
996 Bulky Item Collection Service provisions set forth in Section 5.05 shall apply to the On-
997 Call Bulky Item Collection Service provided to Agency Facilities with the following
998 exceptions for frequency and service level/acceptable materials.

999 **A. Frequency of Service**

1000 Contractor shall provide this service to each Agency Facility annually.

1001 **B. Service Level/Accepted Materials**

1002 Agency Facilities may place for Collection, Solid Waste, Recyclable Materials,
1003 and/or Organic Materials with the following allowances:

- 1004 1. Solid Waste – Contractor shall provide a six (6) cubic yard or smaller Bin upon
1005 request.
- 1006 2. Recyclable Materials, Organic Materials – Up to two (2) cubic yards of
1007 materials per event, provided that such materials, except as set forth below
1008 have been bagged, boxed, bundled, or containerized by the Customer.
- 1009 3. The Agency may place up to three (3) large items from the categories below:
 - 1010 a. Major Appliances – One (1) large appliance per event (e.g., washing
1011 machine, clothes dryer, refrigerator, freezer).
 - 1012 b. Bulky Items – One (1) large Bulky Item per event (e.g., reusable furniture,
1013 mattresses, four tires).
 - 1014 c. E-Scrap – One (1) item per event (e.g., a computer, computer monitor, or
1015 television).

1016 Contractor shall reject: liquids or sludge; dirt, rock, concrete, or asphalt; materials
1017 which exceed five (5) feet in length; commercial-sized refrigerators or freezers;
1018 Construction and Demolition Debris; Hazardous Waste; or, Infectious Waste.
1019 Contractor may reject any individual item that weighs more than two-hundred (200)
1020 pounds (excluding Major Appliances) unless Customer has paid, or has agreed in
1021 advance to pay an additional fee for service at Agency-approved Charges specified
1022 in Attachment Q, and Contractor may reject un-containerized Discarded Materials
1023 with the exception of Major Appliances, Bulky Items, E-Scrap, and large pieces of
1024 Organic Material such as tree limbs and dimensional lumber.

1025 **5.07 CONFIDENTIAL DOCUMENT DESTRUCTION SERVICE EVENT**

1026 The SBWMA will take the lead in scheduling one confidential document destruction
1027 service event for each Member Agency annually at no additional cost to Agency or
1028 Customers. The SBWMA will hire and pay for a third party document destruction service
1029 provider to service the event. The document destruction service provider shall provide
1030 adequate equipment and staffing necessary for the event and shall ensure full
1031 destruction of confidential documents and other materials delivered by Customers to the
1032 site of the event. Contractor shall reimburse the SBWMA for the cost of one confidential
1033 document destruction event per Member Agency per year, up to maximum of one
1034 thousand two hundred dollars (\$1,200.00) per event, but otherwise shall have no
1035 involvement with the event. The cost reimbursement amount shall be adjusted annually
1036 commencing with Rate Year Twelve (2022) by one hundred percent (100%) of the
1037 Annual Index Change in CPI-U, as defined in Attachment K.

1038 **5.08 COLLECTION FOR LARGE VENUES AND COMMUNITY EVENTS**

1039 Contractor shall provide Collection services, upon request, to any Venue and
1040 Community Event within Service Area. Specifically, Contractor shall provide, at a
1041 minimum, Solid Waste and Targeted Recyclable Materials Collection services, and shall
1042 also provide Organic Materials Collection services if one (1) cubic yard or more of
1043 Organic Material is generated per day at the Venue or Community Event. Contractor
1044 shall provide Collection as frequently as requested by the Agency or the Community
1045 Event organizer. Contractor shall provide an adequate number and type of Collection
1046 Container(s) for the Venue or Community Event and shall coordinate its Collection
1047 services with Agency or Community Event organizer. Containers shall be appropriately
1048 labeled to collect Solid Waste, Recyclable Materials, or Organic Material, per the
1049 requirements specified by the SBWMA. Upon request of the Agency or the Community
1050 Event organizer, Contractor shall provide an adequate number of its employee(s) for
1051 each Community Event to ensure all Solid Waste, Recyclable Materials, and Organic
1052 Materials Collection locations (i.e., Containers that are placed on-site for use by event
1053 patrons) are kept clean and uncontaminated; to empty or exchange Containers as the
1054 need arises; and to respond to overages or spills.

1055 Within ten (10) Business Days of Contractor receiving a request to supply an Community
1056 Event with Solid Waste, Targeted Recyclable Materials, and Organic Materials
1057 Collection services, the Contractor will either meet with or schedule a meeting with the
1058 Community Event organizer to discuss the Community Event's parameters, including
1059 location, number of people attending, type of Community Event, type of food being
1060 provided, and other related issues. Once parameters of the Community Event are
1061 determined, proper Containers will be provided by Contractor, with emphasis on
1062 Recycling and diversion of the materials generated.

1063 Contractor shall also supply and staff an information booth at each Venue and
1064 Community Event, upon request from Agency. In addition, Contractor shall prepare and
1065 distribute information to the public at Venues and Community Events describing the
1066 Collection options available at the Venue or Community Event and promoting Recycling
1067 programs in the Agency, upon request from Agency. All information prepared for
1068 distribution to Venues and Community Events shall be approved by Agency prior to
1069 distribution. The Contractor shall report the Tonnage of material Collected at each

1070 Venue and Community Event to the Agency and, upon Agency request, to the
1071 Community Event organizer.

1072 For Venues and Community Events, which are required to comply with the Large
1073 Venues and Events Recycling Law, codified at Public Resources Code Section 42648 et
1074 seq., Contractor shall assist the Venue or Community Event organizer in preparing a
1075 Recycling plan and reporting all information required by those provisions of the law.
1076 Contractor shall be required to provide, at a minimum, the following information for each
1077 Venue or Community Event:

- 1078 1. List of qualifying large Venues and Community Events in Service Area.
- 1079 2. Physical and mailing address.
- 1080 3. Contact name, address, phone number, and email address.
- 1081 4. Type of Venue or Community Event (e.g., museum, concert, sporting event).
- 1082 5. Status of the Venue or Community Event written waste diversion/Recycling plan.
- 1083 6. A description of the extent in which the plan has been implemented.
- 1084 7. Service level provided (i.e., Solid Waste, Recyclable Materials, and Organic
1085 Materials).
- 1086 8. Tons disposed and diverted, by material type.
- 1087 9. Description of the scope and types of diversion programs provided.
- 1088 10. Other information required by law.

1089 Contractor shall provide the Collection services required by this Section for the Agency-
1090 sponsored Venues and Community Events listed on Attachment C, at no charge to the
1091 Agency or the Community Event organizer. A preliminary list of Agency-sponsored
1092 Venues and Community Events is provided in Attachment C. Agency may add additional
1093 events to those listed in Attachment C or modify this list if events change during the
1094 Term and shall make such modifications as part of the Three-Year Public Education
1095 Plan (in accordance with Section 7.03.B). If the number of events listed in Attachment C
1096 increases during the Term above the number on the preliminary list on Attachment C,
1097 Contractor shall be entitled to receive compensation for the number of additional events
1098 provided service each Rate Year based on the Charges for additional events specified in
1099 Attachment Q. For other Venues and Community Events, Contractor may bill the Venue
1100 or Community Event organizer at the Agency-approved Charges for comparable On-Call
1101 Commercial Solid Waste and Organic Materials Collection Service. Recyclable
1102 Materials Collection service shall be provided at no additional cost to Community Events
1103 that subscribe to Solid Waste or Organic Materials Collection service.

1104 **5.09 ABANDONED WASTE CLEANUP COLLECTION SERVICE**

1105 A. **General.** Contractor shall provide abandoned waste cleanup Collection service to
1106 Agency as provided herein. Contractor shall schedule up to a maximum of thirty
1107 (30) abandoned waste Collection events per service day for the SBWMA Service
1108 Area. Contractor shall make every effort to collect abandoned waste within one (1)
1109 Business Day of being notified by Agency, SBWMA, Customer, or Contractor's
1110 vehicle drivers and route supervisors of the occurrence of abandoned waste or
1111 illegal dumping. Upon reaching the maximum thirty (30) events, Collection of

1112 abandoned waste event shall be scheduled and performed by Contractor on the
1113 next available service day. This service shall require Contractor to Collect
1114 abandoned or illegally dumped Solid Waste, Recyclable Materials, and Organic
1115 Materials. This service does not include Collection of litter or litter abatement
1116 activities.

1117 Contractor shall notify the SBWMA and Agency when the daily average number of
1118 events reaches twenty-five (25) events, where the daily average is calculated on a
1119 weekly basis. When this threshold occurs, Parties shall meet and confer to agree on
1120 a strategy for handling the volume of abandoned waste Collection events.

1121 B. **Materials to be Collected.** Contractor shall only be required to Collect abandoned
1122 waste materials of the types that Contractor is required to Collect under the On-Call
1123 Bulky Item Collection program, as specified in Section 5.05.D. Abandoned waste
1124 shall only be Collected by Contractor in public right of ways, and Contractor shall
1125 not be responsible for any Collection of abandoned waste materials that are on
1126 private properties or easements where ownership of properties are in question or
1127 shared.

1128 C. **Collection Protocols.** For abandoned Recyclable Materials, Organic Materials,
1129 and Solid Waste, Contractor shall dispatch its regular route drivers to provide
1130 Collection service. For Bulky Items, Contractor shall dispatch a Collection vehicle
1131 capable of Collecting the Bulky Items to provide the Collection service. For other
1132 items including, but not limited to, Hazardous Waste, Household Hazardous Waste,
1133 and Sharps, Contractor shall promptly notify Agency.

1134 D. **Processing.** All abandoned or illegally dumped materials Collected by Contractor
1135 shall be transported to Shoreway Recycling and Disposal Center for processing,
1136 with the exception of scrap metal, and all related diversion statistics shall be
1137 included in the appropriate reports to the Agency for all materials Collected.
1138 Contractor shall be allowed to transport scrap metal directly to a licensed scrap
1139 metal recycler. Contractor shall, to the greatest extent possible, deliver all reusable
1140 non-metal abandoned waste items to organizations such as Society of St. Vincent
1141 de Paul and Goodwill Industries, or other organizations as directed by Agency.

1142 E. **Agency-Specific Reporting.** The Agency may request Contractor to interface with
1143 an Agency-specific web-based application for reporting completion of abandoned
1144 waste collections. In such case, Agency shall compensate Contractor on an annual
1145 basis for this additional effort at a rate to be mutually agreed by Agency and
1146 Contractor.

1147 **5.10 COATS FOR KIDS PROGRAM**

1148 If requested by Agency, Contractor shall implement a "Coats for Kids Program" annually
1149 at no additional cost to Customers and shall not bill Agency for such services. The
1150 program shall consist of Contractor's drivers Collecting coats from Customers on their
1151 route over a one (1) to two (2) week period during the fall, as well as from Collection
1152 Containers placed by Contractor in various public locations specified by Agency, such as
1153 libraries, City Hall, and businesses. The coats collected through this program will be
1154 sorted and laundered by Contractor, and arrangements made by Contractor for
1155 distribution to a local non-profit organization, such as the Family Services Agency. Prior
1156 to the implementation of the program, Contractor shall present a detailed program plan
1157 to Agency for review and approval. All related diversion statistics shall be included in the

1158 appropriate reports to the Agency. Annually, no later than sixty (60) Days prior to the
1159 start of the program, Contractor shall notice Agency regarding the program start and end
1160 date.

1161
1162 The general scope of outreach that shall be conducted in order to properly promote the
1163 program shall include, but not be limited to promotion on websites, and distribution of
1164 media such as flyers and press releases.

1165 **5.11 COMPOST GIVE-AWAY**

1166 Contractor shall coordinate with the Agency to host "Bring Your Own Bucket" (BYOB)
1167 giveaway of compost to residents. Contractor shall take the lead in organizing the
1168 delivery of compost by Operator to either Shoreway Environmental Center (if Contractor
1169 is delivering compost in a Drop Box) or directly to the event (by Operator). The BYOB
1170 compost giveaway shall provide residents with free compost to enrich their gardens
1171 while also educating residents on the benefits of home composting. If included in the
1172 Three-Year Public Education Plan as a requirement, Contractor representatives shall be
1173 on hand to distribute Recycling guides and other educational material promoting waste
1174 reduction and Recycling. Contractor is required to deliver to Agency thirty (30) cubic
1175 yards of compost annually in one (1) or two (2) deliveries for the BYOB events and/or for
1176 use at Agency facilities and shall not bill Agency for such services. Agency shall
1177 schedule events as far in advance as possible. Contractor can only schedule up to four
1178 (4) events in any weekend and lead-time is needed to ensure adequate promotion of the
1179 event. The SBWMA will take the lead promoting the BYOB events. If Agency requests
1180 delivery of more than thirty (30) cubic yards of compost annually, Contractor shall
1181 provide the delivery and bill Agency the Charge specified in Attachment Q or Contractor
1182 shall be entitled to an increase in Contractor's Compensation for the Rate Year that the
1183 compost is delivered to Agency based on the Charge specified in Attachment Q.

1184 **5.12 FEE FOR SERVICE ON CALL BULKY ITEM COLLECTION**

1185
1186 In addition to collections provided under Section 5,05 and Section 5,06, Contractor shall
1187 Collect Bulky Items from Single-Family, Multi-Family, and Commercial Customers and
1188 Agency Facilities and shall charge Customers the Rate established by Agency, which
1189 will cover the cost of service. The cost of service in 2021 is specified in Attachment Q,
1190 Contractor will schedule fee for service On-Call Bulky Item Collection service on the
1191 Customer's regularly scheduled Collection Day or a Business Day scheduled by
1192 Contractor, no more than ten (10) Business Days after Customer's request. The fee for
1193 service On-Call Bulky Item Collection Service shall be limited to Collection of Bulky
1194 Items, Major Appliances, and E-Scrap.
1195 When a Commercial Customer calls to request and schedule the collection of Bulky
1196 Items, Contractor shall ask the caller to describe the items to be collected, and will
1197 provide the caller with an estimate of the cost to provide the service, based on Rates
1198 established by Agency.
1199

1200 **5.13 COMMUNITY DROP-OFF EVENTS**

1201 Upon request by Agency, Contractor shall hold drop-off events at a location selected by
1202 the Agency to allow Residential Customers to drop off acceptable materials. Acceptable
1203 materials, which shall be determined by the Agency, may include one or more of the
1204 following: E-Scrap, Universal Waste, Recyclable Materials, Organic Materials, and
1205 Solid Waste.

1206 A. General Requirements. Contractor shall promote, manage, staff, and operate
1207 drop-off event(s) for Residential Customers scheduled for one (1) weekend Day
1208 (i.e., Saturday or Sunday) or two (2) consecutive weekend Days upon request from
1209 Agency.

1210 The Agency shall approve the date of the drop-off event and all advertisements or
1211 public announcements related to such event. Contractor shall promote the event by
1212 preparing Billing inserts to be included in each Customer's Bill and by advertising in
1213 a minimum of two local area newspapers as approved by the Agency.

1214 Contractor shall manage, staff, and supervise the event. Contractor shall provide
1215 traffic control and signage; inspect materials delivered to the event; separate
1216 materials; document each material type and quantity; transport Collected materials
1217 to reuse, processing, or Disposal locations; and clean up the location at the end of
1218 the event.

1219 Contractor shall not charge Customers delivering materials to the event.

1220 B. Accepted Materials. Customers may deliver and Contractor shall accept Major
1221 Appliances, Bulky Items, Source Separated Targeted Recyclable Materials, Source
1222 Separated Organic Materials, tires (i.e., four (4) per Customer, removed from rims,
1223 no commercial tires), clean unpainted wood, Construction and Demolition Debris,
1224 Universal Waste, E-Scrap, and Solid Waste. Contractor shall be allowed to reject:
1225 liquids or sludge; cement; dirt; asphalt; concrete; Hazardous Waste; or Infectious
1226 Waste. Contractor shall not establish a limit on the volume or weight of materials
1227 that a Customer may bring for Collection.

1228 C. Participants. Contractor shall verify Residents live in the Agency by reviewing a
1229 driver's license or utility bill.

1230 D. Event Hours. Contractor shall accept materials from Residential Customers over
1231 one (1) weekend Day (i.e., Saturday or Sunday) or two (2) consecutive weekend
1232 Days from 8:00 a.m. to 5:00 p.m.

1233 E. Recycling and Reuse. Contractor shall Collect materials in a manner that
1234 maximizes reuse, Recycling, composting, and diversion of materials from Disposal.
1235 Contractor shall make reasonable efforts to ensure that diversion goals are met or
1236 exceeded. Contractor shall separate Recyclable Materials and Organic Materials
1237 and transport such materials to the Designated Transfer and Processing Facility or
1238 an alternative processing site with advance authorization from Agency. Contractor
1239 shall coordinate with re-use vendor(s) to have a representative present at the drop-
1240 off event to accept donated clothes or other reusable items. Disposal of materials
1241 shall be the Contractor's last option.

1242 F. Handling Major Appliances. Major Appliances shall be reused, Recycled, or
1243 Disposed by Contractor in accordance with requirements of Applicable Law. Any

1244 changes to such regulations made after January 1, 2011 shall be addressed as
1245 though they are a Change in Law in accordance with Section 11.05.

1246 G. Scheduling Community Drop-Off Events. Upon request from Agency, Contractor
1247 shall promote, manage, staff, and operate community drop-off events described in
1248 this Section. If Agency exercises such right, it shall provide written notice to
1249 Contractor at least three (3) months before the first day of the requested drop-off
1250 event. Agency shall compensate Contractor for such service based on Contractor's
1251 Charge specified in Attachment Q.

1252 H. Confidential Document Destruction Service. If requested by Agency, Contractor
1253 shall provide confidential document destruction service at the drop off event(s).
1254 Contractor shall provide adequate equipment and staffing necessary for the event
1255 and shall ensure full destruction of confidential documents and other materials
1256 delivered by Customers at the site of the event. This service shall be provided by
1257 Contractor at no additional cost to Customers and shall not bill Agency for such
1258 services.

1259 5.14 MIXED USE BUILDINGS

1260 A. **General.** Contractor shall provide Solid Waste, Targeted Recyclable Materials, and
1261 Organic Materials Collection services to Mixed Use Building Customers in
1262 accordance with the requirements for provision of these services to Commercial
1263 Customers pursuant to Sections 5.02.C, 5.03.D, and 5.04.C. Contractor shall work
1264 cooperatively with the Owner or property manager of the Mixed Use Building to
1265 agree on the type and size of Containers to be provided and whether or not the
1266 Commercial and Residential portions of the Mixed Use Building will share service or
1267 have designated Containers for Collection.

1268 B. **Service Capacity.** For the Residential Premises of the Mixed Use Buildings,
1269 Contractor shall provide no less than ninety-six (96) gallons per week of Solid
1270 Waste Container capacity for every five (5) Residential dwelling units. At a
1271 minimum, Contractor shall provide twenty (20) gallons per week of Container
1272 capacity for Single-Stream Targeted Recyclable Materials Collection for every
1273 Residential dwelling at the Mixed Use Building.

1274 C. **Recycling Tote Bags.** Contractor shall provide the Residential Premises units of
1275 the Mixed Use Building with Recycling Tote Bags in accordance with the Multi-
1276 Family Recycling Tote Bags requirements pursuant to Section 5.03.C.2.

1277 D. **Household Battery and Cell Phone Collection.** Contractor shall provide the
1278 Residential Premises of the Mixed Use Building with Household Battery and Cell
1279 Phone Collection in accordance with the Multi-Family Household Battery and Cell
1280 Phone Collection service requirements pursuant to Section 5.03.C.3.

1281 E. **Bulky Item Collection.** Contractor shall provide the Residential Premises of the
1282 Mixed Use Building with two (2) annual On-Call Bulky Item Collection Service
1283 events per Mixed Use Building in accordance with the Multi-Family On-Call Bulky
1284 Item Collection service requirements pursuant to Section 5.05. Such service must
1285 be requested by the Owner or property manager.

1286 F. **Recycling Promotion.** Contractor shall provide the Residential Premises of the
1287 Mixed Use Building with the Recycling promotion services that are provided to
1288 Multi-Family Dwellings under Section 7.05, and shall provide the Commercial units

1289 of the Mixed Use Building with the Recycling promotion services that are provided
1290 to Commercial Premises under Section 7.04.

1291 G. **Holiday Tree Collection.** Contractor shall provide Holiday Tree Collection Service
1292 to Residential Premises of the Mixed Use Building in accordance with the Multi-
1293 Family Holiday Tree Collection Service requirements in Section 5.04.E.

1294 H. **Other**

1295 1. Conflict. The Parties acknowledge that Mixed Use Building is a new category
1296 and that Mixed Use Buildings may be coded in Contractor's software system as
1297 Multi-Family Residential Complexes, as Commercial Customers, or (in the
1298 event of separate accounts for the Residential and Commercial parts of the
1299 Premises) as both. In the event of any conflict between the provisions of this
1300 Agreement relating to Mixed Use Buildings, on the one hand, and those
1301 relating to Multi-Family Residential Complexes or Commercial Premises, on the
1302 other hand, the provisions relating to Mixed Use Buildings shall govern.

1303 2. Customer Database. Contractor shall use good faith efforts, within the
1304 constraints of its existing software system and cost structure, to develop a
1305 method for coding Mixed Use Buildings in the Contractor's customer service
1306 and routing databases to allow for various reports to be generated for Mixed
1307 Use Buildings. The approach to coding the Mixed Use Buildings, and
1308 implementation thereof, shall be reviewed and approved by the SBWMA on or
1309 before the Commencement Date.

1310 3. Collection Vehicles. At its option, Contractor may provide Collection service to
1311 Mixed Use Buildings using its Single-Family or Commercial Collection vehicles.

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ARTICLE 6 TRANSPORTATION

1316 **6.01 TRANSPORTATION OF COLLECTED MATERIALS**

1317 Contractor shall transport and deliver all Solid Waste, Source Separated Targeted
1318 Recyclable Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries, Cell
1319 Phones, Bulky Items, Abandoned Waste, and Organic Materials Collected under this
1320 Agreement to the Designated Transfer and Processing Facility. Once Collected
1321 materials are deposited by Contractor at the Designated Transfer and Processing
1322 Facility, such materials shall become the property of SBWMA or Operator. The
1323 Contractor is not responsible for providing processing services except as provided in
1324 Section 6.04.

1325 **6.02 LIMITATIONS ON CONTAMINATION**

1326 A. **General.** The Agency is required by the Act and other State legislation/regulations
1327 (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383)
1328 and its implementing regulations to divert a substantial portion of Solid Waste
1329 generated by residents, businesses, and institutions within its Service Area from
1330 Disposal at a landfill. In order to accomplish this, the Agency, through the SBWMA,
1331 has made a major investment in new recycling equipment and facilities at Shoreway
1332 Recycling and Disposal Center. In order for that equipment to operate efficiently,
1333 the amount of Contamination in loads of Recyclable Materials, Organic Materials,
1334 and Plant Materials delivered to Shoreway Recycling and Disposal Center must be
1335 limited to specific levels. Moreover, higher levels of Contamination can make
1336 processed Recyclable Materials unmarketable or substantially reduce the price that
1337 purchasers are willing to pay. The cost that the SBWMA must charge users of
1338 Shoreway Recycling and Disposal Center (including Agency) is directly affected by
1339 the amount of revenue generated by sales of Recyclable Materials processed by its
1340 Operator. Therefore, for both environmental and financial reasons, it is important
1341 that Contractor place a high priority on ensuring that Contamination in loads of
1342 Recyclable Materials, Plant Materials, and Organic Materials delivered to Shoreway
1343 Recycling and Disposal Center is minimized. Contractor shall work collaboratively
1344 with Agency and SBWMA to accomplish this and will implement the specific
1345 measures described in this Section and Section 6.03.

1346 B. **Contamination Levels.** The maximum Contamination Levels for each category of
1347 Recyclable Materials, Plant Materials, and Organic Materials are specified in Table
1348 1.

Table 1. Maximum Contamination Levels	
Material Category	Maximum Contamination Level (% by weight)
Commercial Source Separated or Targeted Recyclable Materials	10%
MFD and Commercial Plant Materials	5%
Single-Family Organic Materials	5%
Commercial Organic Materials	10%

1349 If two (2) or more loads from the same route are brought to Shoreway Recycling
 1350 and Disposal Center in a given month with Contamination Levels greater than those
 1351 specified in Table 1, Contractor shall visually inspect materials at the point of
 1352 Collection on that route to identify the source of the Contamination. If the source
 1353 can be identified, Contractor shall follow up with the Customer(s) that need further
 1354 assistance to reduce Contamination and to resolve the Contamination issue. At any
 1355 time, the SBWMA may request for the sampling of a load of materials.

1356 **C. Inspecting for Excessive Contamination in Single Loads**

1357 The Operator will inspect loads of materials delivered to Shoreway Recycling and
 1358 Disposal Center. The Operator may set aside for sampling a load of material that
 1359 appears to exceed the Contamination Levels in Table 1.

1360 When setting aside a load for sampling, the Operator will document the truck
 1361 number, the date and time of delivery, and will take a photograph of the load. The
 1362 methodology for sampling of single loads is set forth in Attachment E.

1363 If an entire load is sorted to determine Contamination, as contemplated by
 1364 subsections D and E below, then Contractor or its representative shall have the
 1365 right to be present at, observe, and photograph and video all aspects of the sort.

1366 **D. Supplemental Processing Fee for Excessive Contamination in Salvageable
 1367 Single Loads**

1368 If a load of materials is determined based on (1) sorting of the entire load, or (2)
 1369 sample testing pursuant to Section 6.02.C to contain Contamination in excess of the
 1370 levels specified in Table 1, but is determined by the SBWMA to be salvageable,
 1371 Contractor shall be required to pay SBWMA a supplemental processing fee of
 1372 \$25.00 per Ton for the load.

1373 The supplemental processing fees shall be adjusted annually by the Annual Index
 1374 Change in CPI-U in the same manner described in Attachment K.

1375 **E. Payment of Transfer, Transportation, and Disposal of Unsalvageable Single
 1376 Loads**

1377 If a load of materials is determined based on (1) sorting of the entire load, or (2)
 1378 sample testing pursuant to Section 6.02.C to contain Contamination in excess of
 1379 the levels specified in Table 1, and is determined by SBWMA to be
 1380 unsalvageable, Contractor shall reimburse SBWMA for the cost of transfer,
 1381 transportation, and Disposal of the load, which shall be calculated as the weight

1382 of the load multiplied by the then-current per-Ton fee for transfer, transport, and
1383 Disposal pursuant to the agreement between the SBWMA and Operator.

1384 **6.03 CONTRACTOR METHODS OF CONTROLLING CONTAMINATION**

1385 A. **General.** Contractor shall assist in controlling Contamination Levels by helping to
1386 educate Customers on acceptable and non-acceptable materials, by monitoring the
1387 contents of Collection Containers and by refusing to Collect Containers of Targeted
1388 Recyclable Materials, Plant Materials, and Organic Materials that appear to exceed
1389 the maximum Contamination Levels in Section 6.02 Table 1, all as and to the extent
1390 set forth in this Section 6.03.

1391 Drivers that dismount from Collection vehicles in order to empty Containers shall lift
1392 the Container lid and observe the contents. If Contamination appears to be present
1393 in excess of the applicable maximum Contamination Level, the driver will not empty
1394 the Container, but will instead affix a "non-collection notice." The non-collection
1395 notice shall (i) inform the Customer of the reason(s) for non-collection, (ii) include
1396 the date and time the notice was left, and (iii) describe the premium Charge to
1397 Customer for Contractor to return and Collect the Container after Customer
1398 removes the Contamination. The driver shall document the non-collection event
1399 and a customer service representative shall update the Customer's computerized
1400 account record to note the event. Upon request from Customer, Contractor shall
1401 Collect Containers that received non-collection notices within one (1) Business Day
1402 of Customer's request if the request is made at least two (2) Business Days prior to
1403 the regularly scheduled Collection Day. Contractor shall bill Customer for the extra
1404 Collection service event ("extra pick-up") at Agency-approved Charges specified in
1405 Attachment Q only if Contractor notifies Customer of the premium Charge for this
1406 service at the time the request is made by Customer.

1407 Drivers providing automated Collection service shall observe, via the hopper video
1408 camera and monitor system, the contents of the Containers as it is being emptied
1409 into the vehicle. If the driver observes Contamination in excess of the applicable
1410 maximum Contamination Level, the driver shall affix a "courtesy notice" to the
1411 emptied Container. The courtesy notice shall (i) inform the Customer of the
1412 observed presence of unacceptable levels of Contamination, (ii) include the date
1413 and time the notice was left, (iii) describe the premium charge to Customer for
1414 Contractor to return and Collect Contaminated Containers after Customer removes
1415 the Contamination. The next day on which that Customer is to receive service, the
1416 driver shall dismount the Collection vehicle, lift the lid of the Container, and visually
1417 inspect the contents. If the driver determines that the Container again contains
1418 excess Contamination, the Container shall not be Collected. Instead, the driver will
1419 record the non-collection event in the on-board computer system and shall affix a
1420 non-collection notice to the Container.

1421 If a driver observes Hazardous Materials in an uncollected Container, the driver
1422 shall record that observation in the on-board computer system and also inform the
1423 route supervisor. The route supervisor shall investigate and initiate applicable
1424 action within one (1) Business Day.

1425 Whenever a Container at a Commercial or a Multi-Family Dwelling Complex
1426 Customer is not Collected, Contractor shall contact the Customer on the scheduled
1427 Collection Day by telephone to explain why the Container was not Collected.

1428 Whenever a Container is not Collected because of excess Contamination, a
1429 customer service representative shall contact the Customer to discuss, and
1430 encourage the Customer to adopt, proper materials-preparation and separation
1431 procedures.

1432 B. **Periodic Route Audits.** Contractor shall conduct a route audit of any route from
1433 which two (2) or more loads are found to exceed the applicable maximum
1434 Contamination Levels set forth in Section 6.02 Table 1 during any thirty (30) day
1435 period, as well as any other route whose loads consistently exceed the maximum
1436 Contamination Levels.

1437 When a route is identified as requiring a route audit, Contractor will provide a route
1438 auditor to precede the Collection vehicle and physically examine the contents of
1439 each Container or Cart prior to emptying. The route auditor shall affix non-collection
1440 notices to at least ninety percent (90%) of all Containers that contain Contamination
1441 in excess of applicable maximum Contamination Levels.

1442 Contractor shall submit a monthly route audit report within five (5) Business Days
1443 after the end of each route audit that has been conducted during the previous
1444 month. The report shall describe in detail Contractor's conduct of the audit, as well
1445 as the public education and outreach activities that it employed to encourage and
1446 facilitate changes in Customer behavior that will reduce Customers discarding
1447 Contamination in Containers designated for Recyclable Materials or Organic
1448 Materials.

1449 The audit of a route shall continue for a period of four (4) consecutive weeks after
1450 the route has been identified as requiring an audit under the first paragraph of this
1451 Section 6.03.B.

1452 **6.04 PROCESSING OF OTHER MATERIALS**

1453 Upon request by Agency, and with the prior approval of SBWMA, the Contractor shall be
1454 responsible for, or shall arrange for, processing, Recycling, and/or reuse of Bulky Items,
1455 Major Appliances, and Specialty Recyclable or Reusable Materials (excluding
1456 Construction and Demolition Debris) Collected pursuant to this Agreement. If Agency
1457 determines a need for processing of other materials, changes can be made as described
1458 in Section 15.12.

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ARTICLE 7 OTHER SERVICES

1461 **7.01 CUSTOMER BILLING**

1462 A. **Billing.** Contractor shall prepare and mail Bills for services provided to Customers
1463 by Contractor and shall collect Customer payments.

1464 1. Frequency. Contractor shall Bill Single-Family Customers quarterly in amounts
1465 equal to the Agency-approved Rates and Charges for service for a three (3)
1466 month period (i.e., using a quarterly format), unless the Agency requests a
1467 more frequent Billing interval in which case the Contractor shall be entitled to a
1468 reasonable adjustment in its compensation related to the additional costs for
1469 the Agency-directed change in Billing frequency. Contractor shall issue Single-
1470 Family Residential Bills three (3) months in advance in a manner such that
1471 one-third (1/3) of SFD Customers are Billed each month. Contractor shall bill
1472 Multi-Family Dwelling and Commercial Customers monthly in arrears in the
1473 amount equal to Customers' subscribed Rates and Charges for service for a
1474 one (1) month period.

1475 2. Automated Billing and Payment. In an effort to reduce paper waste, Contractor
1476 shall make available to all Customers an automated Billing and payment
1477 system. This system should be website-based and allow Customers to view
1478 and pay Bills through Contractor's website. Through the Contractor's website,
1479 Customers may request to cease paper Billing and receive all Bills through e-
1480 mail and/or Contractor's website. Contractor shall ensure that the electronic
1481 Billing and payment website conforms to industry-standard practices for
1482 electronic commerce security. However, Contractor shall ensure that these
1483 Customers are compiled in a list to ensure that Billing inserts are mailed
1484 directly.

1485 3. Bill Format. Contractor shall Bill Customers using a Bill format (i.e., post-card
1486 Billing format or conventional envelope/insert) approved by the Agency, if
1487 Customer does not opt-out by requesting use of the automated Billing and
1488 payment system. Contractor shall promote the website-based Billing and
1489 payment system on all paper Bills sent to Customers. Agency shall have the
1490 right to revise the Billing format (e.g., size, font, frequency, etc.) and to itemize
1491 certain charges and to review the Billing procedures. Contractor shall be
1492 compensated for any cost increases that result from the Agency-directed
1493 change to the Billing format.

1494 4. Records. Contractor shall maintain, for inspection by the Agency, copies of
1495 Customer Billings and receipts, in chronological order, for a period of five (5)
1496 years after the date of service. Contractor shall maintain those records in
1497 electronic format. SBWMA and Agency staff or representatives shall be given
1498 access to such records upon one (1) Business Day notice.

1499 Agency shall be allowed to access and review Contractor's Billing systems on
1500 an appointment basis and such access shall not be unreasonably withheld by
1501 Contractor.

- 1502 5. Rates. Agency shall establish, by resolution or ordinance, Rates for the types
1503 of service provided as described in Section 11.07 or elsewhere in this
1504 Agreement. Contractor shall Bill and collect at those Agency-approved Rates.
- 1505 6. Service Stops. Contractor shall allow Customers to suspend service and
1506 Billings when the Premises are unoccupied. Single-Family Residential
1507 Customers may suspend service for a minimum of one (1) Service Day on a
1508 maximum of three (3) occasions each Rate Year. Commercial Customers may
1509 suspend service for a minimum of two (2) Service Days on a maximum of six
1510 (6) occasions each Rate Year. Multi-Family Customers may not suspend
1511 service without prior written approval from Agency. The Billings for both
1512 Residential and Commercial Customers shall be prorated by Contractor in
1513 accordance with Customer's requests to suspend service.
- 1514 B. **Delinquent Payment**. Residential Customers shall be considered delinquent sixty
1515 (60) Days after start of the quarter in which the services are provided, and Multi-
1516 Family Dwelling and Commercial Customers shall be considered delinquent thirty
1517 (30) Days after payment is due. Contractor shall address the issue of delinquent
1518 payment as specified in Attachment H.
- 1519 C. **Local Office**. Contractor shall maintain a local office in the Shoreway
1520 Environmental Center, located at 225 Shoreway Road, San Carlos, California, for
1521 acceptance of in-person payment of bills. If office space at Shoreway Environmental
1522 Center becomes unavailable for the Contractor's use, Contractor shall establish a
1523 local office in the SBWMA Service Area. Such a change shall be considered an
1524 Agency-directed change in scope and handled in accordance with provisions in
1525 Section 15.12. At the local office, Contractor shall accept as payment personal
1526 checks, money orders, cashiers' checks, and credit cards. The local office shall be
1527 open for business from 8:00 a.m. until 5:00 p.m. Monday through Friday, exclusive
1528 of Holidays specified in Attachment A for the local office.
- 1529 D. **Contractor Revenue Collection**. Contractor shall collect revenue for services
1530 described herein on behalf of the Agency. Revenues collected on behalf of the
1531 Agency or SBWMA shall be handled as described in Article 11 of this Agreement.
- 1532 E. **Review of Billings**. Contractor shall review its Billings to Customers, issued
1533 pursuant to Section 7.01.A. The purpose of the review is to determine that the
1534 amount which Contractor is Billing each Customer is correct in terms of the level of
1535 service (i.e., frequency of Collection, size of Container, location of Container) being
1536 provided to such Customer by Contractor. Contractor shall review Customer
1537 accounts not less than once every three (3) calendar years for each Commercial,
1538 Multi-Family Dwelling, and SFD Customer, unless Agency directs Contractor to do
1539 so more frequently. Contractor shall submit to Agency a written report of the status
1540 of its review annually no later than forty-five (45) Days after the end of each
1541 calendar year. The intent of this Section is for Agency to receive reports on an
1542 annual basis for one-third (1/3) of all Customer accounts, and for all Customer
1543 accounts to be reviewed every third year of the Agreement. The scope of the
1544 review and the reviewer's work plan shall be submitted to Agency for approval no
1545 later than six (6) months before the submission of the first report.
- 1546 F. **Agency or SBWMA Billing Review**. Contractor acknowledges that Agency or
1547 SBWMA may perform, or cause to be performed, Billing reviews periodically.
1548 Contractor agrees to participate and cooperate with SBWMA and Agency and its

1549 agents to accomplish these reviews and conduct any data collection and report
1550 preparation that may be requested. The Contractor's full cooperation with these
1551 reviews may include, but is not limited to: (i) allowing Agency or SBWMA staff or
1552 consultants to ride along with drivers in Collection vehicles during daily Collection
1553 operations; (ii) providing for interviews of personnel at all levels, with or without
1554 management oversight; (iii) providing reporting related to franchised operations
1555 available through Contractor's automated systems; and, (iv) adjusting routing, public
1556 information, outreach, or program availability based upon the recommendations of
1557 the audit, if approved by the SBWMA or Agency.

1558 G. **Privacy of Customer Information.** Contractor shall not distribute or sell Customer,
1559 Owner, or Occupant information such as names, addresses, and telephone
1560 numbers to other Persons with the exception of distribution to the Agency, SBWMA,
1561 or its agents for reporting and contract compliance purposes and distribution to
1562 Contractor's Billing agent (if Contractor uses a Related Party Entity or Subcontractor
1563 for Billing purposes).

1564 **7.02 CUSTOMER SERVICE**

1565 Contractor is responsible for ensuring that all staff and Customer service representatives
1566 (CSR) maintain a professional and courteous demeanor when in contact with Agency,
1567 SBWMA, and the public. Contractor shall be responsible for all employee interactions
1568 with Customers, SBWMA, and Agency staff. Contractor is required to ensure that its
1569 Customers are consistently treated courteously and are presented with timely,
1570 responsive, and thorough solutions to problems and requests for information. Contractor
1571 shall meet monthly to discuss compliance with the Customer service standards
1572 described herein if requested by Agency.

1573 A. **Local Office**

1574 Contractor shall operate a local office at the Shoreway Environmental Center,
1575 located at 225 Shoreway Road, San Carlos. If office space at Shoreway
1576 Environmental Center becomes unavailable for the Contractor's use, Contractor
1577 shall establish a local office in the SBWMA Service Area. Such a change shall be
1578 considered an Agency-directed change in scope and handled in accordance with
1579 provisions in Section 15.12. Contractor's office hours shall be, at a minimum, from
1580 8:00 a.m. to 5:00 p.m., Monday through Friday, exclusive of Holidays specified in
1581 Attachment A for the local office. Contractor shall be responsible for ensuring that a
1582 qualified representative is available at a local office within the SBWMA Service Area
1583 during office hours to communicate with the public and accept Bill payments from
1584 Customers. Contractor shall offer bi-lingual Customer service at the local office by
1585 employing CSRs with English and Spanish language capabilities. The local office
1586 and Customer service telephone number(s) shall either be a local or toll free call.

1587 Contractor's telephone system shall adequately handle the volume of calls typically
1588 experienced on the busiest days. Contractor shall have a company representative,
1589 an answering service, or voice-mail system available for calls received during non-
1590 business hours and Holidays specified in Attachment A for the local office.

1591 Contractor shall employ sufficient Customer service staff and management
1592 practices to ensure that the Average Speed of Answer is equal to or less than thirty
1593 (30) seconds and the maximum Hold Time is ninety (90) seconds or less.

1594 Contractor shall be required to track all informational requests so that appropriate
1595 public outreach materials can be designed to target commonly asked questions.
1596 Contractor shall be responsible for promoting use of the Contractor's website for
1597 scheduling of On-Call Collection Service events and obtaining answers related to
1598 common informational requests through: (i) public education and promotion
1599 materials; and, (ii) a recorded message Customers will hear while on-hold with the
1600 Customer service department.

1601 Contractor shall maintain and publicize an e-mail address whereby Customers can
1602 communicate with the Contractor's Customer service staff. Contractor shall monitor
1603 the email at least once per Business Day, and ensure that a twenty-four (24) hour
1604 response time is maintained.

1605 **B. Customer Service Call Center and Staffing**

1606 Contractor is required to operate a Customer service call center that will serve as
1607 the primary telephone point of contact and information for all services. The
1608 Customer service call center hotline is required to be staffed live during regular
1609 business hours (i.e., Monday through Friday 8:00 a.m. to 5:00 p.m.) by sixteen (16)
1610 Customer service representatives (includes one (1) receptionist who performs
1611 Customer service activities). In addition, the Customer service call center shall offer
1612 multi-lingual Customer service by employing a minimum of two (2) bilingual
1613 Customer service representatives with English and Spanish language capabilities,
1614 and contracting with a service to provide bilingual capacity for other languages
1615 including Cantonese, Mandarin, and Vietnamese. Contractor shall provide
1616 immediate access to interpreters for over one-hundred and seventy-five (175)
1617 languages through the use of Language Line service, or a similar service.

1618 **C. Website**

1619 Contractor shall maintain and publicize an up-to-date website whereby Customers
1620 can conduct business with Contractor in both English and Spanish. Contractor is
1621 required to update the website monthly, and more frequently if necessary. At a
1622 minimum, the website shall:

- 1623 1. Allow Customers to view and pay Bills issued by Contractor, as required in
1624 Section 7.01;
- 1625 2. Allow Customers to schedule services Including On-Call Service events, On-
1626 Call Bulky Item Collections, extra Collections, service changes, temporary Drop
1627 Box service, service terminations, and service stops;
- 1628 3. Provide answers to frequently asked questions Including: proper Container set-
1629 out instructions; list of acceptable Recyclable and Organic Materials; Collection
1630 Days (in response to Customer input of service address); Billing issues,
1631 Customer service telephone and e-mail contact information; and the
1632 Designated Transfer and Processing Site hours, directions, and acceptable
1633 materials;
- 1634 4. Provide complete list of Agency-approved Rates and Charges for all
1635 Customers;
- 1636 5. Allow Customers to file Complaints and receive from Contractor e-mail
1637 responses to Complaints;

- 1638 6. Provide a link to enable Customers to email Contractor; and,
1639 7. Maintain and produce visitor logs and reporting including website and individual
1640 page visitation, number of web-based Bill payments per month, number of
1641 website-submitted Complaints per month, and individual and summary
1642 Customer Complaint and resolution reporting.

1643 **D. Customer Information System Requirements**

1644 Contractor is required to use a Customer information system with software
1645 applications capable of documenting all correspondence and conversations,
1646 pertaining to the services specified herein, between Contractor, Customers,
1647 Occupants, Agency, and SBWMA. The system shall include, at a minimum, the
1648 following data fields:

- 1649 1. Date and time of Customer correspondence or contact with Contractor (e.g.,
1650 phone call, email)
1651 2. Date and time response was provided
1652 3. Date and time resolution was provided
1653 4. Customer's name and contact information (multiple phone numbers and email
1654 addresses)
1655 5. Account address
1656 6. Service address
1657 7. Occupant address
1658 8. Service location information including:
1659 a. Number of units
1660 b. Number, size, and type of Solid Waste, Organic Materials, and Targeted
1661 Recyclable Materials Containers
1662 c. Collection Service Day
1663 d. Route number
1664 e. Backyard service status
1665 f. Special Handling Service status
1666 g. Bulky Item Collection history (e.g., number of annual services performed,
1667 date requested, date provided)
1668 9. Service issue, Complaint, or Inquiry
1669 10. Time frame stipulated for Contractor to resolve issue
1670 11. Description of Contractor's resolution of service issue or Complaint, or
1671 response to Inquiry
1672 12. Date and time that Contractor's resolution took place
1673 13. CSR or Contractor's employee identification code of employee inputting the
1674 Complaint or Inquiry
1675 14. CSR or Contractor's employee identification code of employee inputting the
1676 resolution

1677 The system shall be capable of:

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- 1679 1. Providing real-time access to complete Customer contact history from the
1680 commencement of service in 2011;
- 1681 2. Providing Agency and SBWMA the capacity to submit work orders (e.g.,
1682 specifying the Inquiry, Complaint, or request for service) electronically directly
1683 to Contractor using Contractor's web-based software;
- 1684 3. Documenting non-Collection events including problem description and
1685 resolution;
- 1686 4. Tracking non-Collection events necessary to fulfill the requirements in Section
1687 8.02(F); and,
- 1688 5. Fulfilling Customer service reporting requirements as specified in Article 9.
- 1689 E. **Monthly Meetings with Agency.** If requested, Contractor shall meet monthly with
1690 Agency to discuss compliance with the Customer service standards specified in this
1691 Section 7.02, Attachment I (Performance Incentives and Disincentives), and
1692 Attachment J (Liquidated Damages).
- 1693 F. **Quality Assurance Program.** Each month Contractor's Customer service
1694 representatives shall contact by telephone a minimum of two hundred (200)
1695 Customers within the SBWMA Service Area to inquire about the quality of their
1696 Customer service experience when interacting with the Contractor's Customer
1697 service center. The Customers contacted shall be (i) representative of different
1698 Service Sectors, (ii) distributed among Member Agencies, and (iii) selected from
1699 among Customers that have recently contacted the Contractor via phone and spoke
1700 live with a Customer service representative. The Customers contacted each day
1701 shall be randomly selected from the pool of Customers that contacted the
1702 Contractor the prior Business Day and such calls shall be evenly distributed (e.g.,
1703 approximately 12 to 13 calls per Business Day) throughout the month with some
1704 exceptions as follows: calls will be made during non-peak call volume days (i.e., 2nd,
1705 3rd, and 4th weeks after billing); and no calls will be made immediately after a
1706 holiday. When placing the calls, the Contractor will use a standardized survey that
1707 will be completed during the phone interview of the Customer. If a message is left
1708 with the Customer, the message left by the Contractor shall direct the Customer to
1709 complete an online survey. Both survey instruments (for phone interviews and
1710 online survey) shall have similar questions and be subject to approval by the
1711 SBWMA. Contractor employees placing the calls shall not be the same employee
1712 that spoke to the Customer the prior Business Day; Contractor employees shall be
1713 calling Customers that another employee spoke to the prior Business Day.
1714 Customer service representatives shall ask about (i) Customers' satisfaction with
1715 Solid Waste, Recyclable Materials, Organic Materials, and Bulky Item Collection
1716 services, (ii) Customers' satisfaction of the Customer service experience when
1717 interacting with the Contractor's Customer service department, and, (iii) Customer's
1718 suggestions for opportunities to improve service. The quality assurance program
1719 reporting requirements are specified in subsection 9.05.G.
- 1720 G. **Preprogrammed Call Transfer.** Contractor shall maintain the ability to provide
1721 preprogrammed call transfer service to Agency. With this communications feature
1722 in place, when a Customer calls Contractor about an issue or concern that pertains
1723 to Agency but is not related to Collection services provided by Contractor,
1724 Contractor shall immediately transfer the phone call to the offices of Agency through

1725 a dedicated telephone line designated by Agency. The call transfer shall be
1726 seamless, and appear to the Customer as if Contractor were transferring the call
1727 internally.

1728 H. **Customer Service Operations Plan.** Contractor shall annually submit its
1729 Customer service operations plan. The Customer service operations plan shall
1730 describe how Contractor uses its customer relationship management system, linked
1731 to on-board GPS tracking system, to share real-time information between
1732 Customers, drivers, customer service representatives, managers, and SBWMA and
1733 Agency staff. The plan will provide details on how Contractor automatically detects
1734 and records information on each Customer pickup, real-time transmission of service
1735 extras, blocked cars, safety notes, and exceptions to service.

1736 **7.03 PUBLIC EDUCATION AND PROMOTION**

1737 Contractor and Agency agree that all public education activities will be a collaborative
1738 effort among the SBWMA, Agency, and Contractor. Contractor shall be responsible for
1739 ensuring that its Customers consistently receive a high level of service and
1740 responsiveness.

1741 A. **General.** Contractor acknowledges and agrees that education and public
1742 awareness are critical and essential elements of any effort to achieve diversion.
1743 Contractor shall educate Residential and Commercial Customers on the following:
1744 (i) the benefits of source reduction, reuse, Recycling, and Composting and related
1745 program opportunities; (ii) proper handling of Hazardous Waste; (iii) specific
1746 services offered by the Contractor; and (iv) Rates for Collection services. The
1747 public education program shall include distribution of public education materials
1748 when Collection services are changed during the Term; and when new Collection
1749 services are implemented during the Term. In addition, the public education
1750 program shall include on-going education activities throughout the Term.
1751 Educational materials that SBWMA will pay for, produce and jointly distribute, shall
1752 include, but not be limited to, those listed in Section 7.03(D).

1753 B. **Three-Year Public Education and Recycling Technical Assistance Plan.** The
1754 SBWMA, Member Agencies, and Contractor shall cooperate to prepare a joint
1755 Public Education and Recycling Technical Assistance Plan every three (3) years
1756 (Three-Year Plan). The Three-Year Plan will be an SBWMA-wide plan; therefore,
1757 separate plans will not be prepared for each Member Agency. Generally, the Three-
1758 Year Plan will focus on coordinating public education and recycling technical
1759 assistance efforts and making efficient use of each Party's available resources in
1760 those areas. In the case of Contractor, the process may and potentially result in
1761 modifying Contractor's activities through a reallocation of Waste Zero Specialists'
1762 staff time and public education and outreach resources, to the extent they can be
1763 reallocated without causing the Contractor to default in performance of its
1764 expressed obligations under this Agreement.

1765 The Parties shall cooperate to finalize the Three-Year Plan on or before January 1
1766 of Rate Years Eleven (2021), Fourteen (2024), Seventeen (2027), Twenty (2030),
1767 Twenty-three (2033) and, if the Term is so extended, Twenty-six (2036) and
1768 Twenty-nine (2039). SBWMA and Contractor shall jointly develop a schedule for
1769 preparation of the Plan, which shall involve the following elements:

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1. Public Education Plan. Working collaboratively with the Contractor, SBWMA will develop, and the Contractor shall review, the first section of the Three-Year Plan, which shall include a detailed list of public education activities to be undertaken by SBWMA and Contractor for the coming three (3) Rate Years. The plan shall list each public education piece or activity (e.g., newsletters, Bill inserts, flyers, newspaper advertisements, website enhancements, etc.) to be prepared or conducted in the coming three (3) Rate Years, the purpose of the piece, the key subject(s) to be covered, the anticipated date of issuance/completion, performance standards, and quarterly reporting requirements. In addition, the plan shall list all Community Events for each Member Agency that the Contractor plans to attend and the public education it intends to provide at each such event (e.g., exhibit at Earth Day Event, Chamber of Commerce meetings, etc.) in the three (3) coming Rate Years.
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2. Recycling Technical Assistance Plan. Working collaboratively with the SBWMA, Contractor shall develop a draft of the second section of the Three-Year Plan, which shall include a detailed list of Commercial, Mixed Use, and Multi-Family Recycling technical assistance activities to be undertaken by Waste Zero Specialists for the coming three Rate Years, the objectives of such activities, specific performance standards for the activities, the anticipated time frames for completion, the distribution of such activities across Member Agencies, quarterly reporting requirements, and any specific actions to be undertaken to meet the specific needs of one or more Member Agencies. Pursuant to Sections 7.04 and 7.13, SBWMA may request an adjustment in the staffing level for the Waste Zero Specialists.
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3. Plan Review. SBWMA shall coordinate with the Member Agencies to seek input on the Three-Year Plan. After Member Agencies have provided their input, the Contractor shall provide the SBWMA with its final comments for both sections of the Three-Year Plan two (2) weeks after receiving the revised draft of the plan.
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4. Completion of Plan Activities. During each Rate Year, the SBWMA, Agency, and Contractor shall each complete all elements and tasks specified in the Three-Year Plan that it has agreed to perform, in accordance with the schedule and budget presented in the Three-Year Plan. The Agency or SBWMA may, by providing written approval to Contractor, waive or postpone completion of any requirement of Contractor stated in the Three-Year Plan (it being understood that such right of Agency shall only apply to activities within Agency's Service Area). Waste Zero Specialists shall be dedicated to performing services for the SBWMA and Member Agencies and Customers within the SBWMA Service Area. Their main focus shall be on performing the tasks identified in the Public Education and Recycling Technical Assistance Plan. In addition to the tasks defined in the Public Education and Recycling Technical Assistance Plan, Agency recognizes that Waste Zero Specialists will participate in Contractor's employee programs such as company training programs, occasional staff meetings, and other activities, provided that such participation is commensurate with their position.
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- C. **Content and Production Requirements.** The SBWMA will prepare all public education materials and request that they be reviewed by Contractor prior to production. Contractor shall review and comment on the materials within two (2)

1818 weeks of request from the SBWMA or Agency. Bill inserts shall be designed and
1819 produced by the SBWMA with review and comment by Contractor, and approval
1820 from the Agency.

1821 The public education materials shall emphasize use of visual/graphic images as
1822 much as practical. Furthermore, the materials shall include a clear listing of
1823 program participation parameters and targeted materials.

1824 All public education materials shall be printed on paper containing the highest levels
1825 of recycled-content material reasonably practical.

1826 The SBWMA shall develop a multi-lingual approach to preparing all public education
1827 materials, and all public education materials shall be provided in both English and
1828 Spanish.

1829 **D. SBWMA and Agency Responsibilities**

1830 SBWMA shall take primary responsibility for implementation of the public education
1831 and outreach campaign that will be used to announce changes in Collection
1832 services. Development of the public education and promotion strategy and
1833 implementation schedule will be a collaborative process among Contractor,
1834 SBWMA, and Agency.

1835 The SBWMA and Agency's responsibilities with regard to public education and
1836 promotion activities shall include, but not be limited to, the following:

- 1837 1. Provision of public education to SFD, MFD, Commercial, and Agency Facility
1838 Customers with a broad focus on waste prevention, reuse, and Recycling.
- 1839 2. Preparation and distribution of newsletters for all SFD and MFD Occupants, at
1840 frequency determined by SBWMA or Agency.
- 1841 3. Preparation and distribution of Multi-Family Dwelling toolkits for MFD complex
1842 Owners and managers.
- 1843 4. Purchase of desk-side and other interior Targeted Recyclable Materials and
1844 Organic Materials receptacles for Commercial Customers.
- 1845 5. Purchase of Recycling Tote-Bags for distribution to MFD complexes.
- 1846 6. Preparation and distribution of an electronic newsletter for the Commercial
1847 sector and MFD complex managers.
- 1848 7. Preparation and provision of outreach materials to schools.
- 1849 8. Development and maintenance of SBWMA website.
- 1850 9. Production of decals for Used Motor Oil jugs.
- 1851 10. Production of Household Battery and Cell Phone Recycling bags.
- 1852 11. Each Rate Year, SBWMA shall develop and produce the following Bill inserts
1853 (for distribution by Contractor):
 - 1854 a. Annual On-Call Collection Services Collection notice (one (1) SFD Solid
1855 Waste Bill insert).
 - 1856 b. Annual Holiday Tree Recycling notice (separate for SFD and MFD - two
1857 (2) Solid Waste Bill inserts).
 - 1858 c. Annual "Reduce Holiday Packaging" notice (one (1) SFD and MFD Solid
1859 Waste Bill insert).

- 1860 d. Twice annual compost giveaway notice (two (2) SFD and MFD Solid
1861 Waste Bill inserts).
- 1862 e. Twice annual Commercial Recycling notice (two (2) Commercial Solid
1863 Waste Bill inserts).
- 1864 f. Annual Commercial Recycling awards notice (one (1) Commercial Solid
1865 Waste Bill insert).
- 1866 12. If Agency or SBWMA requests distribution of additional Bill inserts, SBWMA or
1867 Agency shall develop and produce the Bill inserts.
- 1868 13. Prepare and manage press releases.
- 1869 E. **Contractor Responsibilities.** Contractor will be required to provide the following
1870 services:
- 1871 1. Actively collaborate with Agency and SBWMA on the public education strategy
1872 and development of materials.
- 1873 2. Distribute public education and promotion materials to new Customers during
1874 the Term.
- 1875 3. Provide public education door hangers, posters, and other promotional
1876 materials to Multi-Family Dwelling Customers during the Term.
- 1877 4. Deliver Recycling Tote-Bags to MFD complexes.
- 1878 5. Deliver desk-side and other interior Targeted Recyclable Materials and Organic
1879 Materials receptacles for Commercial Customers and Agency Facilities.
- 1880 6. Produce and deliver non-collection notices, in both English and Spanish. The
1881 format and content of the non-collection notices must be approved in advance
1882 by Agency and SBWMA.
- 1883 7. Affix Used Motor Oil Recycling decals to jugs for inclusion in Used Motor Oil
1884 Recycling kits.
- 1885 8. Assemble and deliver Used Motor Oil Recycling kits upon request from SFD
1886 Customers. Kits must be provided to Customer within five (5) Business Days of
1887 Customer request.
- 1888 9. If approved by Agency, deliver Household Battery and Cell Phone Recycling
1889 bags upon request from Customers. Bags must be provided to Customer within
1890 five (5) Business Days of Customer request.
- 1891 10. Staff a booth at local public events and distribute promotional and educational
1892 materials.
- 1893 11. Coordinate with SBWMA regarding SBWMA student tours at Shoreway
1894 Environmental Center; make classroom presentations upon request; provide
1895 school activities for students about the 4Rs.
- 1896 12. Conduct presentations at community meetings, service clubs, senior centers,
1897 and neighborhood associations.
- 1898 13. Promote recycling and organics Collection programs on the sides of Collection
1899 and route supervisors' vehicles. These advertising campaigns must be
1900 approved in advance by Agency and SBWMA.
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14. Each Rate Year insert with its Bills, up to twelve (12) Solid Waste Bill inserts produced by SBWMA or Agency. A total of nine (9) Bill inserts are specified in subsection D above.
 15. If Agency has specified a post card Bill format, the notices described as "Bill inserts" shall be separately mailed by Contractor. In addition, if Bills (in whatever format) are mailed at intervals that do not accommodate the timely distribution of the specified notices, notices shall be separately mailed as necessary by Contractor. Agency shall reimburse Contractor for any postage fees paid by Contractor to conduct such separate mailings.
 16. Contractor's outreach and education material shall place a strong emphasis on Recycling and reuse, encouraging Customers to take advantage of donation opportunities offered by local non-profit organizations such as the Society of St. Vincent de Paul, Goodwill Industries, and the Salvation Army. In addition, Contractor shall promote other resources for reuse, such as the Freecycle Network™, an online resource for the free and local exchange of goods, the Resource Area for Teachers (RAFT), local schools, and other community organizations that are in need of reusable goods.
 17. Upon request by Agency, Contractor shall promote its services to Customers using Agency's email distribution list or an email distribution list authorized by Agency.
 18. As appropriate, Contractor shall request SBWMA or Agency to issue press releases related to programs, and, upon request, provide draft content for such press releases.
- F. Reserved**
- G. Meeting Requirements**
- Upon request from Agency or SBWMA, the general manager or his/her designee is required to meet quarterly, and more frequently if necessary, with Agency and/or SBWMA staff to review public education and promotion activities. In addition, the general manager or his/her designee shall be required to represent Contractor at all monthly SBWMA Board of Director meetings.
- H. Agency Rights**
- Contractor acknowledges that the public education and promotion activities listed are critical to the success of Agency's diversion performance relative to the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383). As such, Contractor acknowledges Agency's rights to the following:
1. Contractor shall make available to Agency and SBWMA all public educational materials used by Contractor, which Agency and SBWMA shall approve prior to their use;
 2. Agency and SBWMA shall retain the right to modify, expand, or reduce the minimum public education requirements;
 3. Agency may require Contractor to work with a public education consultant selected by Agency or the SBWMA;
 4. Agency may perform, or request that the SBWMA perform on its behalf, the public education efforts assigned to the Contractor; and,

1947 5. Agency or SBWMA may provide additional, supplemental public education
1948 materials as it deems appropriate.

1949 I. **Reporting Requirements**

1950 Contractor shall prepare and submit reports related to its public education activities
1951 as provided in Article 9.

1952 J. **Service Notice**

1953 Contractor shall periodically prepare and distribute to each Customer a notice listing
1954 Agency-approved Rates for standard Collection services, Agency-approved
1955 Charges for other services, annual Holiday Collection Schedule, and a general
1956 summary of services required under this Agreement to be provided Customers and
1957 optional services which may be furnished by Contractor. Such notice shall be
1958 approved by the Agency prior to distribution.

1959 **7.04 COMMERCIAL RECYCLING PROMOTION PROGRAM**

1960 A. **Commercial Recycling Promotion Program Staff.** Contractor shall maintain a
1961 Commercial Recycling promotion program staff that will be primarily responsible for
1962 supporting Commercial, Mixed Use Building, and Multi-Family Dwelling Accounts
1963 and Agency Facilities Recycling-related and Organics-related Collection services.
1964 The Commercial Recycling promotion staff for the SBWMA Service Area shall
1965 consist of Waste Zero Specialists (recycling coordinators), as specified in
1966 Attachment O.

1967 Contractor shall notify Agency and SBWMA within ten (10) Business Days if any of
1968 the Waste Zero Specialists resigns or is terminated from employment, and shall use
1969 reasonable good faith efforts to initiate recruitment of the position within thirty (30)
1970 days.

1971 If Contractor has one or more Waste Zero Specialist positions unfilled, as approved
1972 in the Three-Year Recycling Technical Assistance Plan, for more than ninety (90)
1973 Days, Contractor and SBWMA shall meet and confer regarding the reasons for the
1974 difficulty in filling the position(s) and ways to remedy the employment gap. In
1975 addition, Contractor shall reimburse Agency for the cost of each such unfilled
1976 position for the period exceeding ninety (90) Days. The Contractor shall calculate
1977 the cost reimbursement for the unfilled position(s) including the avoided cost of
1978 wages, benefits, payroll taxes, and workers compensation insurance, for such
1979 position and shall provide supporting documentation justifying its cost
1980 reimbursement calculations. Such reimbursement shall be made as a deduction to
1981 Contractor's Compensation through the annual Contractor's Compensation
1982 adjustment process described in Article 11 and Attachment K.

1983 SBWMA reserves the right to request an increase or decreases in the number of
1984 Waste Zero Specialists. Such a change shall be considered an Agency-directed
1985 change in service and handled in accordance with provisions in Section 15.12.

1986 B. **Signs and Placards.** Contractor shall be responsible for preparing, distributing,
1987 and posting signs at Commercial Collection Premises that promote Targeted
1988 Recyclable Materials and Organic Materials Collection services, describe the
1989 program requirements, and identify allowable and prohibited types of materials for
1990 Collection. At a minimum, the signs or placards shall be durable and weather

- 1991 resistant, and affixed in the Container areas. Upon request from Customer,
 1992 Contractor shall provide signs and Container labeling in a second language such
 1993 as, but not limited to, Spanish. Within ten (10) Business Days of a Customer's
 1994 request, Contractor shall provide extra signs for use in areas such as employee
 1995 training areas, break rooms, kitchens, and janitorial areas at Commercial Premises.
 1996 The design of all signs and placards shall be approved by Agency or SBWMA prior
 1997 to distribution by Contractor.
- 1998 C. **Community Events.** At the direction of the Agency or SBWMA, Contractor shall
 1999 participate in and promote diversion techniques at Community Events and local
 2000 activities. Participation includes providing educational and public outreach
 2001 information and promotional giveaways in an effort to promote the Agency's waste
 2002 reduction and recycling program goals. Each year the Community Events that
 2003 Contractor agrees to participate in shall be outlined in the Three-Year Public
 2004 Education Plan described in Section 7.03.B. Attachment C presents a preliminary
 2005 list of the Community Events, which may be modified annually through the
 2006 development of the Three-Year Public Education Plan, as described in Section
 2007 5.08.
- 2008 D. **Notification to Commercial Customers.** Immediately upon request from a new or
 2009 current Customer for new or changes in service, Contractor shall notify Customer by
 2010 phone or email of the Targeted Recyclable Materials and Organic Materials
 2011 Collection services offered by Contractor. Such notification shall be made available
 2012 in English and Spanish.
- 2013 E. **Targeted Commercial Recycling Promotion.** To assist Customers in maximizing
 2014 participation in Recyclable Materials and Organic Materials Collection programs,
 2015 Contractor shall provide Commercial Customers with on-site waste assessments
 2016 based on visual assessment of Collection Containers and technical assistance in
 2017 selecting appropriate service levels. In providing such assistance, Contractor shall
 2018 follow the Three-Year Recycling Technical Assistance Plan described in Section
 2019 7.03.B, which will include details on the type of Commercial Recycling technical
 2020 assistance promotion and the number of waste assessments for Customers to be
 2021 provided in Agency's Service Area. For all other Commercial Customers not
 2022 specified in the Three-Year Plan, Contractor shall provide technical assistance as
 2023 needed or requested and visual on-site Collection Container assessments.
 2024 Contractor shall document the names of the Customers receiving the waste
 2025 assessments, the date of the assessment, the Solid Waste, Source Separated or
 2026 Targeted Recyclable Materials, or Organic Materials service levels at the time of the
 2027 assessment, and recommended changes to service level(s). Upon request,
 2028 Contractor shall provide details of waste assessments to Agency or SBWMA.
- 2029 F. **Enclosure Specifications.** Contractor shall work with the Agency to develop
 2030 standard specifications for Collection Container enclosures at Multi-Family
 2031 Residential Complexes, Mixed Use Buildings, and Commercial Premises to ensure
 2032 that Container enclosures have adequate space and suitable configuration to allow
 2033 the Contractor to safely and efficiently service the Containers. The enclosure
 2034 specifications shall require provision of adequate space for Solid Waste, Targeted
 2035 Recyclable Materials, and Organic Materials Collection Containers. Contractor
 2036 provided the enclosure specifications to the Agency on or before the effective date
 2037 of the 2009 Franchise Agreement and shall be required to update these
 2038 specifications as frequently as needed or as requested by Agency.

- 2039 G. **Plan Review.** Contractor shall review plans for land use or property developments,
 2040 upon request of the Agency, to assess the adequacy of Container enclosure space
 2041 allowances for Solid Waste, Recyclable Materials, and Organic Materials Collection
 2042 Containers and the accessibility of Containers by Collection vehicles. The
 2043 Contractor's review shall be completed by the Contractor within ten (10) Business
 2044 Days of request by Agency and receipt of the project design drawings. If site
 2045 conditions warrant, the Contractor shall conduct a site visit of the proposed property
 2046 to complete its evaluation. The Contractor's review shall be summarized in a letter
 2047 report that states acceptability of the proposed enclosure arrangements or notes
 2048 specific changes that are required to comply with the enclosure specification. The
 2049 letter report shall be signed by the Person that conducted the review, or designee,
 2050 on behalf of the Contractor. This review shall include, but not be limited to:
- 2051 1. Adequacy of the Container enclosure space to store Containers for the
 2052 anticipated volume of Solid Waste, Targeted Recyclable Materials, and Organic
 2053 Materials generated by a development of the size and purpose contemplated;
 - 2054 2. Adequacy of Container enclosure space to store Containers for Solid Waste,
 2055 Targeted Recyclable Materials, and Organic Materials in a fashion that allows
 2056 for the greatest possible diversion of materials; and,
 - 2057 3. Adequacy and accessibility of the Container enclosure space for Contractor to
 2058 safely and efficiently service all Containers in the contemplated service
 2059 locations taking into account the dimensions of the enclosure space, the
 2060 access road dimensions, parking arrangements, pedestrian traffic, change in
 2061 elevation, other site considerations, and Collection vehicle capabilities.
- 2062 H. **Reporting.** Contractor shall prepare and submit reports related to the Commercial
 2063 Recycling promotion program as provided in Article 9.
- 2064 I. **Mandatory Commercial Recycling Assistance to Agency.** Contractor shall
 2065 assist Agency and SBWMA with implementing, monitoring, and reporting on
 2066 Commercial, Mixed Use, and MFD Customers' compliance with requirements for
 2067 Recyclable Materials and Organic Materials diversion under AB 341, AB 1826, or
 2068 other similar Applicable Law. Upon Agency's reasonable request and in accordance
 2069 with Section 9.09.E, Contractor shall provide Agency with periodic reports on
 2070 Commercial, Mixed Use, and MFD Customers that do not appear to be complying
 2071 with State or local diversion regulations, policies, or requirements of, based on the
 2072 observations of Contractor's employees and/or subscription data.

2073 **7.05 MULTI-FAMILY RECYCLING PROMOTION PROGRAM**

- 2074 A. **Multi-Family Dwelling Promotion.** Contractor shall provide Waste Zero
 2075 Specialists to work directly with Owners or property managers of Multi-Family
 2076 Residential Complexes to implement the Single-Stream Targeted Recyclable
 2077 Materials and Organic Materials Collection services, and to assess Customer
 2078 service for all Multi-Family Residential Complexes. The Multi-Family complexes
 2079 that Contractor shall visit each year and the outreach activities that shall be
 2080 performed shall be outlined in the Three-Year Recycling Technical Assistance Plan
 2081 described in Section 7.03.B and approved by the Agency and SBWMA. The
 2082 Contractor's implementation activities may include, but shall not be limited to, the
 2083 following types of tasks for Multi-Family Residential Complexes that subscribe to

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Single-Stream Targeted Recyclable Materials and/or Organics Materials Collection services:

1. Site Assessments. Contractor shall contact or meet in person with Owner or property manager to explain the Single-Stream Targeted Recyclable Materials and/or Organics Materials Collection program of Multi-Family Residential Complexes containing five (5) or more Residential units to determine the appropriate number and type of Solid Waste and Recyclable Materials Containers and the frequency of Collection. As part of its standard Collection Services, Contractor shall provide Containers for Organics Material such as Food Scraps, compostable paper, and Plant Materials, and Single-Stream Targeted Recyclable Materials or Source Separated Targeted Recyclable Materials such as newspaper, cardboard, mixed paper, glass, aluminum, etc. depending on the needs of the Multi-Family Residential Complex. If practical, Contractor shall locate the Solid Waste, Recyclable Materials, and Organic Materials Containers in the same area so tenants carry materials to one location. Contractor shall also offer Recyclable Materials Carts for use in the mail area of the Premises. A site assessment shall be conducted by Contractor when Targeted Organics Materials or Recyclable Materials Collection services are initially provided at a Multi-Family Residential Complex, and as requested by Customer or deemed necessary by Contractor throughout the Term of this Agreement.
 2. Service Level Adjustments. Within five (5) Business Days of completing the site assessment or receiving a request from a Customer, Contractor shall adjust the Customer's service level by providing any Solid Waste, Recyclable Materials, and/or Organic Materials Containers needed for change in service, removing unneeded Containers, and revising the Customer's service level in the Billing system to reflect the monthly Rate for the new service level. At the time new Containers are delivered or existing Containers are removed, the Contractor shall confirm that all Containers are properly labeled and shall provide public education signage for the Container areas and extra signs for public and common areas such as mail and laundry rooms, etc.
 3. Distribution of Public Education Materials. Contractor shall provide Owner or property manager with education materials developed by Agency, SBWMA or Contractor, which describe the requirements of the Recyclable Materials and/or Organic Materials Collection program (as applicable), including flyers, door hangers and Recycling Tote-Bags for distribution to tenants, signage for common areas such as mail rooms and laundry rooms, Kitchen Pails, and move-in kits for new tenants.
- B. **Notification to Multi-Family Dwelling Customers.** Upon request from a new or current Customer for new or changes in service, Contractor shall notify the Customer by mail or email of the Targeted Recyclable Materials and Organic Materials Collection services offered by Contractor. Such notification shall be made available in English and Spanish.
- C. **Signs and Placards.** Contractor shall be responsible for preparing, distributing, and posting signs and placards at Multi-Family Dwelling Premises that promote Targeted Recyclable Materials and Organic Materials Collection services, describe the program requirements, and identify allowable and prohibited types of materials

2131 for Collection. At a minimum, these signs shall be durable, weather resistant and
2132 posted in the Container areas. Upon request of the Customer, Contractor shall
2133 provide signage and Container labeling in a second language such as, but not
2134 limited to, Spanish. Within ten (10) Business Days of a Customer's request,
2135 Contractor shall provide extra signage for use in areas such as laundry and mail
2136 rooms at Multi-Family Residential Complexes. The design of all signs and placards
2137 shall be approved by Agency or SBWMA prior to distribution by Contractor.

2138 **7.06 WASTE GENERATION/CHARACTERIZATION STUDIES**

2139 Contractor acknowledges that Agency may perform Solid Waste, Recyclable Materials,
2140 and/or Organic Materials generation and characterization studies periodically to
2141 determine the composition and Contamination Levels of Collected materials. Contractor
2142 agrees to participate and cooperate with SBWMA and Agency and its agents and to
2143 accomplish studies and data collection and prepare reports, as needed, to determine
2144 weights and volumes of Solid Waste, Targeted Recyclable Materials, Plant Materials,
2145 and Organic Materials and characterize materials generated, Disposed, transformed,
2146 diverted, or otherwise handled/processed to satisfy requirements of the Act and other
2147 State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB
2148 1061, and SB 1383). Contractor shall also facilitate visual audits of Multi-Family
2149 Dwelling, Commercial, and Agency Cart and Bin service accounts. The visual audits will
2150 entail tipping the contents of Customers' Containers on the tipping floor at the
2151 Designated Transfer and Processing Facility and visually observing and documenting
2152 the contents (without pursuing a detailed weight-based characterization study). The
2153 materials will then be processed at the Designated Transfer and Processing Facility.
2154 Contractor shall be required to facilitate said visual audits at the request of Agency;
2155 however, the annual total quantity of requests for visual audits for each Service Sector
2156 shall be limited to ten percent (10%) of the total number of accounts for each Service
2157 Sector.

2158 The SBWMA will use the Contamination Measurement Procedures set forth in
2159 Attachment E, to determine the Contamination Levels of single loads of materials
2160 delivered to the Designated Transfer and Processing Facility.

2161 **7.07 PROGRAM EVALUATION**

2162 The Agency may require the Contractor to periodically conduct audits of the Residential
2163 and Commercial Solid Waste, Targeted Recyclable Materials, and Organic Materials
2164 Collection programs to assess one (1) or more of the following performance indicators:
2165 average volume of Targeted Recyclable Materials per set-out per Customer, average
2166 volume of Organic Materials per set-out per Customer, participation level (i.e., number of
2167 Customers setting out Containers per week), Contamination Levels, etc. Contractor
2168 shall perform up to five (5) Days of route auditing, at no additional cost to Customers and
2169 shall not bill Agency for such services, once per calendar year. Prior to the program
2170 evaluation audit, Agency and Contractor shall meet and discuss the purpose of the audit
2171 and agree on the method, scope, and data to be provided by the Contractor. If Agency
2172 requires more than five (5) Days of auditing for the purposes of program evaluation, the
2173 activity shall be considered an Agency-directed change in scope and handled in
2174 accordance with provisions in Section 15.12.

2175 If the Contractor does not Collect Multi-Family Dwelling Solid Waste, Targeted
2176 Recyclable Materials, and Organic Materials using dedicated Collection vehicles,

2177 thereby precluding regular and accurate reporting of the Tonnage of Solid Waste,
2178 Targeted Recyclable Materials, and Organic Materials Collected from Multi-Family
2179 Residential Complexes, the Agency may require the Contractor to conduct a semi-
2180 annual or annual Tonnage assessment that involves separately Collecting, weighing,
2181 and reporting Multi-Family Dwelling Solid Waste, Targeted Recyclable Materials, and
2182 Organic Materials to quantify Tonnage Collected during a given week. This assessment
2183 shall be performed by Contractor at no additional cost to Customers and shall not bill
2184 Agency for such services.

2185 If the Agency wants to collect program data, perform field work, conduct route audits to
2186 investigate Customer participation levels and set-out volumes, and/or evaluate and
2187 monitor program results related to Solid Waste, Targeted Recyclable Materials, Organic
2188 Materials, Bulky Items, and abandoned waste Collected in the Agency by the Contractor,
2189 the Contractor shall cooperate with the Agency and its agent(s), which may include the
2190 SBWMA and its consultants.

2191 **7.08 PROVISION OF EMERGENCY SERVICES**

2192 Contractor shall provide emergency services at the Agency's request in the event of
2193 major accidents, disruptions, or natural calamities. Emergency services may include,
2194 but are not limited to: assistance handling, salvaging, processing, composting, or
2195 Recycling materials; or Disposing of Solid Waste following a major accident, disruption,
2196 or natural calamity. Contractor shall be capable of providing emergency services within
2197 twenty-four (24) hours of notification by the Agency or as soon thereafter as is
2198 reasonably practical in light of the circumstances. Emergency services which exceed
2199 the Contractor's obligations shall be compensated in accordance with Article 11. If
2200 Contractor cannot provide the requested emergency services, the Agency shall have the
2201 right to temporarily take possession of the Contractor's equipment for the purposes of
2202 providing emergency services in accordance with Article 12.

2203 **7.09 MFD AND COMMERCIAL RECYCLING BLITZ**

2204 Upon Agency's request, Contractor shall provide a Recycling Blitz outreach program that
2205 will target Multi-Family Dwelling, Mixed Use, and Commercial Customers as needed.
2206 Such a change shall be considered an Agency-directed change in scope and handled in
2207 accordance with Section 15.12. As part of the Recycling Blitz, Contractor may be
2208 required to offer to provide Single-Stream Targeted Materials Recycling and Organic
2209 Materials Collection Service to Multi-Family Dwelling and Commercial Customers that
2210 are currently receiving limited or no Recycling or Organic Materials Collection service.
2211 The promotional materials, messages, and communications used by Contractor to
2212 support Recycling Blitz activities shall be developed collaboratively with the SBWMA and
2213 Agency and production of materials shall be paid for by Contractor and shall not bill
2214 Agency for such services or SBWMA. All promotional materials used by Contractor shall
2215 be authorized by the SBWMA and Agency.

2216 If Contractor is required to conduct a Recycling Blitz, Contractor shall form a Recycling
2217 Blitz team, utilizing the Waste Zero Specialists, to assist in this promotion campaign. The
2218 focus of the Recycling Blitz program shall be on Customers that are either not currently
2219 Recycling or diverting Organic Materials, or have only limited service. The Recycling
2220 Blitz team shall work with Customers to expand Collection of Targeted Recyclable and
2221 Organic Materials and make recommendations for reduced Solid Waste Container sizes

2222 and/or frequency of Solid Waste Collection service. Contractor shall work collaboratively
2223 with the SBWMA and Agency.

2224 **7.10 CARBON FOOTPRINT MEASURING**

2225 Contractor shall annually file its emissions data with the California Climate Action
2226 Registry (CCAR). Upon request of Agency or SBWMA, Contractor shall provide
2227 emissions data filed with CCAR; a description of Contractor's carbon footprint; and,
2228 a description of Contractor's activities both planned and implemented to reduce its
2229 carbon footprint for the previous calendar years.

2230 **7.11 ENVIRONMENTAL MANAGEMENT PROGRAM**

2231 Contractor shall implement and maintain an environmental management program
2232 combining several elements to minimize the environmental impacts of its operations in
2233 the Service Area. Contractor shall provide upon request from Agency a description of
2234 topics discussed at its bi-monthly environmental team roundtable and training program
2235 meeting(s) and the semiannual corporate environmental compliance staff meetings.
2236 Contractor shall provide Agency access to its environmental and safety tracking system
2237 (NEST) upon request. Contractor shall provide Agency copies of its internal
2238 environmental compliance audits, third-party audits, and disposition of corrective actions,
2239 within thirty (30) Days upon request from Agency.

2240 **7.12 ANNUAL ROUTE ASSESSMENT**

2241 Contractor shall conduct a route assessment of the Service Area each Rate Year. This
2242 comprehensive route assessment shall require Contractor to assess all of its Solid
2243 Waste, Targeted Recyclable Materials, and Organic Materials Collection Customers over
2244 a one (1) week period during the same month each year for the Term. The assessment
2245 is intended to annually confirm and update Contractor's data related to Customer
2246 accounts, service levels and operations, including, but not limited to: (i) number of
2247 Accounts; (ii) Customer address; (iii) number and type of Containers at each Account;
2248 and (iv) Collection frequency of each Container at each Account; (v) Bin and Cart lifts;
2249 (vi) Drop Box pulls; (vii) service stops; (viii) route hours per year; and (ix) Tonnage
2250 Collected. All service level information related to lifts and pulls shall be derived in part
2251 from Contractor's database management system. All route labor hours shall be based
2252 on total route hours for routes exclusive to each Agency and Tonnage information shall
2253 be based on actual Tons Collected. For routes that service more than one Agency, the
2254 Tonnage Collected on these routes and total route hours shall be allocated to the
2255 respective Agencies based on the type and number of accounts and service levels
2256 attributable to each Agency.

2257 **7.13 RIGHT OF AGENCY OR SBWMA TO MAKE CHANGES TO OTHER SERVICES**

2258 A. **Quarterly Review.** Beginning on the Commencement Date, and on a quarterly
2259 basis thereafter, Contractor shall meet with Agency and SBWMA to discuss the
2260 services performed by the Contractor pursuant to Sections 7.03 through 7.07
2261 ("Other Services"). The purpose of the meetings will be to review the performance
2262 and results of the Other Services compared to the milestones, goals, and
2263 performance standards stated in the then-current Three-Year Public Education and
2264 Recycling Technical Assistance Plan. Contractor's quarterly reports provided in

2265 accordance with the reporting requirements of Article 9 shall be used to review
2266 performance, and Contractor shall provide other information requested by Agency
2267 or SBWMA necessary to evaluate the performance of each Other Service.

2268 B. **Change in Services.** Agency or SBWMA may, without amending this Agreement,
2269 direct Contractor to increase or decrease the performance or scope of one or more
2270 of the Other Services. Contractor shall promptly and cooperatively comply with such
2271 direction. If such changes cause an increase or decrease in the cost of performing
2272 the Other Services, an equitable adjustment in the Contractor's Compensation shall
2273 be made in accordance with change in service provisions in Section 15.12.
2274 Contractor shall continue to perform the new or changed service while the
2275 appropriate adjustment in Contractor's Compensation is being determined.

2276 C. **Additional Services.** Agency or SBWMA may direct the Contractor to perform
2277 additional services pertaining to Sections 7.03 through 7.07, but not described
2278 herein, and Contractor shall provide a cost proposal in accordance with change in
2279 service provisions in Section 15.12. If the Contractor and SBWMA cannot agree on
2280 terms and conditions for such additional services within one-hundred twenty (120)
2281 Days from the date which the SBWMA first requests a proposal from Contractor to
2282 perform such services, Agency or SBWMA may perform these services itself or
2283 permit a third-party or parties other than Contractor to provide such Other Services.
2284 Contractor shall provide such third-party or parties access to and use of Facilities
2285 and Contractor information as necessary for such third-party or parties to perform all
2286 such Other Services.

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ARTICLE 8
REQUIREMENTS FOR OPERATIONS,
EQUIPMENT, AND PERSONNEL

2291 **8.01 COLLECTION HOURS AND SCHEDULES**

2292 **A. Hours of Collection**

- 2293 1. Residential. Residential Solid Waste, Targeted Recyclable Materials, and
2294 Organic Materials (including all such services provided to SFD and Multi-Family
2295 Dwelling Premises) shall be Collected on weekdays (i.e., Monday through
2296 Friday) between 6:00 a.m. and 6:00 p.m. exclusive of Holidays defined in
2297 Attachment A for Collection service.
- 2298 2. Commercial, Mixed Use, and Agency Facilities. Commercial, Mixed Use, and
2299 Agency Facilities Solid Waste, Targeted Recyclable Materials, and Organic
2300 Materials shall be Collected on weekdays (i.e., Monday through Friday)
2301 between 3:00 a.m. and 6:00 p.m. and weekends (i.e., Saturday and Sunday)
2302 between 6:00 a.m. and 5:00 p.m., exclusive of Holidays specified in Attachment
2303 A for Collection service. The Agency may restrict or require modifications to
2304 hours for Collection from Commercial Premises, Mixed Use Buildings, and
2305 Agency Facilities to resolve noise Complaints, and, in such case, the Agency
2306 Manager may restrict the allowable operating hours.
- 2307 3. Commercial, Mixed Use, and Agency Facilities Exception. Collection from
2308 Commercial Premises, Mixed Use Buildings, and Agency Facilities that are
2309 two-hundred (200) feet or less from Residential Premises shall only occur
2310 between the hours of 6:00 a.m. and 6:00 p.m., Monday through Saturday and
2311 all such operations shall be in accordance with permissions provided to
2312 Contractor by Agency. The Agency may restrict or require modifications to
2313 hours for Collection from Commercial Premises, Mixed Use Buildings, and
2314 Agency Facilities to resolve noise Complaints, and, in such case, the Agency
2315 Manager may restrict the allowable operating hours.
- 2316 4. Exception. In the event of an unforeseen circumstance, the Contractor may
2317 Collect materials from Residential Premises, Commercial Premises, Mixed Use
2318 Buildings, or Agency Facilities that are two-hundred (200) feet or less from
2319 Residential Premises between the hours of 3:00 a.m. and 6:00 p.m., Monday
2320 through Saturday, upon prior written approval from the Agency Manager.
- 2321 5. Local Noise Ordinance. If an Agency ordinance regulating noise limits the
2322 hours of Collection more restrictively than the preceding subsections, the terms
2323 of the ordinance shall govern.
- 2324 6. Modification. The Collection hours and distances set forth in Sections 8.01.A.3
2325 and 8.01.A.4 may be adjusted by mutual agreement of Agency (acting through
2326 the Agency Manager) and Contractor (acting through its General Manager),
2327 provided that the Collection hours and distances are at all times consistent with
2328 Agency ordinances.

2329 B. **Route Schedules.** Routes over which Contractor's vehicles travel to affect the
2330 Collection and transport of Solid Waste, Targeted Recyclable Materials, and
2331 Organic Materials shall be selected to minimize damage to Agency and private
2332 streets, and minimize inconvenience and disturbance to the public. The route
2333 schedules and routing maps shall be subject to the approval of Agency prior to
2334 Commencement of services. Contractor shall use due care to obey all traffic laws
2335 and prevent materials being transported from being spilled or scattered during
2336 transport.

2337 Contractor shall be prepared to review its operations plan outlining the Collection
2338 routes, intervals of Collection and Collection times for all materials Collected under
2339 this Agreement with the Agency or its representatives at least annually. More
2340 frequent reviews may be required if operations are not satisfactory based on
2341 documented observations or reports or Complaints. If the plan is determined to
2342 inadequately address the unsatisfactory performance as documented by
2343 observations and Complaints, the Agency may direct Contractor to revise the plan
2344 incorporating any changes into a revised plan and review said revised plan with the
2345 Agency within thirty (30) Days of the initial meeting with the Agency.

2346 C. **Contingency Plan.** Contractor shall submit to Agency ninety (90) Days prior to
2347 Commencement Date, a written contingency plan demonstrating Contractor's
2348 arrangements to provide vehicles and personnel and to maintain uninterrupted
2349 service during breakdowns, and in case of natural disaster or other emergency,
2350 including the events described in Section 14.09.

2351 8.02 COLLECTION STANDARDS

2352 A. **Reserved**

2353 B. **Servicing Containers and Missed Pick-Ups**

2354 1. General. Contractor shall Collect the contents and return each Container to the
2355 location where the Occupant properly placed the Container for Collection.
2356 Contractor shall place the Containers upright with lids properly closed and
2357 secured.

2358 Contractor shall use due care when handling Containers. Contractor shall not
2359 throw, roughly handle, damage, or break Containers.

2360 Upon Customer request, Contractor shall provide special services including:
2361 unlocking and locking Containers; accessing locked Container enclosures (e.g.,
2362 with a key or combination lock); providing Container Relocation Service; and,
2363 providing Long Distance Service. Contractor shall provide these services upon
2364 request from Customer and Contractor shall bill Customer at Agency-approved
2365 Charges specified in Attachment Q. Section 5.02 provides additional
2366 information on general Container service requirements, Long Distance Service,
2367 and Container Relocation Service.

2368 2. Missed Pick-Ups. When notified of a missed pick-up, Contractor shall Collect
2369 the Solid Waste, Targeted Recyclable Materials, or Organic Materials on the
2370 day the notice is received, if possible, and in all cases shall Collect the missed
2371 pick-up by 6:00 p.m. of the next Business Day following receipt of the missed
2372 pick-up notification.

- 2373 C. **New Customers and Change in Service Levels.** Contractor shall deliver
2374 Containers and initiate Collection services for a new Customer within five (5)
2375 Business Days of the Customer's request for service. If an existing Customer
2376 requests a change in the number or size of their Solid Waste, Recyclable Materials,
2377 or Organic Materials Containers and/or frequency of Collection, the Contractor shall
2378 deliver additional Containers and/or remove Containers and shall initiate changes in
2379 the Collection services within five (5) Business Days of the Customer's request for a
2380 change in service.
- 2381 D. **Separate Collection of Materials and Allocation of Agency Materials.**
2382 Contractor shall separately Collect and segregate Solid Waste, Targeted
2383 Recyclable Materials, and Organic Materials from each other and shall not
2384 Comingle these materials at any time during the transportation or delivery of those
2385 materials to the Designated Transfer and Processing Facility. Solid Waste,
2386 Targeted Recyclable Materials, and Organic Materials Collected in the Agency,
2387 which are combined with materials Collected from other SBWMA Member
2388 Agencies, shall be allocated by Contractor to the Agency's Collection program
2389 based on volume or Tonnage using a method approved by the Agency and
2390 SBWMA. Contractor shall not Collect materials from within Agency in the same
2391 Collection vehicles used to provide Collection service to non-SBWMA Member
2392 Agencies, unless provided written approval by Agency.
- 2393 E. **Setout Instructions to Customer.** Contractor shall instruct Customers as to any
2394 preparation of Solid Waste, Targeted Recyclable Materials, or Organic Materials
2395 and the proper placement of Containers. If Customers are not adhering to
2396 Contractor's instructions, Contractor shall notify such Customers in writing. In
2397 cases of extreme or repeated failure to comply with the instructions, Contractor may
2398 decline to pick-up the Targeted Recyclable Materials or Organic Materials provided
2399 that Contractor leaves an adequate number of non-Collection notices on the
2400 Container, as determined by the Agency, indicating the reason for refusing to
2401 Collect the material. Such notices shall also identify the steps Generator must take
2402 to recommence Collection service.
- 2403 F. **Non-Collection Notices.** Contractor may choose not to Collect materials for the
2404 following reasons: (i) Source Separated or Targeted Recyclable Materials or
2405 Organic Materials do not comply with the allowable Contamination thresholds; (ii)
2406 materials contain Hazardous Waste; or (iii) the loaded weight of a Container
2407 exceeds the maximum load limit specified by the Cart manufacturer and specified in
2408 Attachment D. In such case, Contractor shall issue non-Collection notices stating
2409 the reason(s) the materials were not Collected. The non-Collection notice shall be
2410 affixed prominently onto the Cart to ensure that it is not inadvertently removed from
2411 Cart due to weather conditions. The non-Collection notices must be protected from
2412 rain, if precipitation is present or forecasted, by placing the notice in a clear plastic
2413 bag prior to affixing to Cart.
- 2414 Contractor shall document the use of non-Collection notices by recording the date
2415 and time of issuance, address of service recipient, reason(s) for issuance, name of
2416 employee who issued the notice, and truck and route numbers. The notice shall
2417 conform to the requirements specified in Section 6.03.A, be at least two inches by
2418 six inches (2" x 6") in size and shall be approved by the SBWMA. The non-
2419 Collection notices must identify the steps the Generator must take to recommence
2420 Collection service. In the event a Container is not Collected due to excessive

2421 Contamination and Customer does not take the necessary steps to recommence
2422 Collection service, Contractor shall bill the Customer for Collection of the excessive
2423 Contamination at Agency-approved Charges specified in Attachment Q. The
2424 Agency-approved Charges includes: (i) a return trip Charge, and, (ii) an extra Solid
2425 Waste Collection Charge.

2426 Contractor shall report monthly to Agency any non-Collection notices issued.
2427 Contractor shall take direction from the Agency with regard to termination or
2428 reinstatement of service to a service recipient due to numerous non-Collection
2429 notices issued to the same Customer.

2430 **G. Collection of Excess Materials (Overages).** Contractor shall direct its employees
2431 to Collect an Overage on two (2) occasions each Rate Year at no additional cost to
2432 Customer. Contractor must provide a notice to Customer documenting the Overage
2433 in order to count the Overage Collection towards the allocated two (2) per Rate
2434 Year for each Customer. Customers that place an Overage for Collection for a third
2435 and subsequent events, may be assessed an Overage fee by Contractor if
2436 Contractor has directly contacted the Customer via a phone call or voice message
2437 notifying them of the Overage Collected. Contractor shall bill Customer for a third
2438 and subsequent Overage events at Agency-approved Charges specified in
2439 Attachment Q. Contractor shall provide Customers the opportunity to request an
2440 Overage Collection service in advance. In such case, Contractor shall bill the
2441 Customer at the Agency-approved Charge specified in Attachment Q.

2442 Contractor shall provide Customers the opportunity to subscribe to Overage
2443 Collection service, in advance, or purchase Overage bag(s) from the Contractor.
2444 Contractor shall provide Customers the opportunity to purchase Overage bags
2445 through its Customer service department or electronically via Contractor's website.
2446 The Overage bag(s) shall have markings identifying it as the Contractor's Overage
2447 bag. Contractor shall mail or deliver Overage bags to Customers within three (3)
2448 Business days of Customer's request. The Charge for Overage bags is specified in
2449 Attachment Q and includes all aspects of purchasing the bags, printing, and
2450 distribution (i.e., mailing or direct delivery by Contractor). Customers shall also be
2451 provided the opportunity to purchase Overage bags at Contractor's local office. The
2452 quantity of Overage bags per request from Customer shall be limited to five (5) per
2453 request.

2454 If the Agency and/or Contractor receive numerous Complaints (as determined by
2455 the Agency) from Customers regarding Customer dissatisfaction with the
2456 requirement to purchase Overage bags, the Agency reserves the right to require the
2457 Contractor to modify its Overage program to better serve its Customers and/or
2458 require the Customer to subscribe to additional Collection service.

2459 **H. Care of Private Property.** Contractor shall not damage private property.
2460 Contractor shall ensure that its employees: (i) close all gates opened in making
2461 Collections, unless otherwise directed by the Customer, (ii) do not cross landscaped
2462 areas, and (iii) do not climb or jump over hedges and fences.

2463 Agency shall refer Complaints about damage to private property to Contractor.
2464 Contractor shall repair, to its previous condition, all damage to private or public
2465 property caused by its employees.

2466 Contractor shall endeavor to resolve all claims regarding damage to private property
2467 as soon as reasonably practicable following receipt thereof, made by Owners or
2468 Occupants of property served by Contractor, for damages to property including, but
2469 not limited to, Containers. In the event such damage shall have been caused by the
2470 negligence or intentional acts of Contractor, its officers, agents, or employees,
2471 Contractor shall promptly repair or replace such damaged property. The provisions
2472 of this Section 8.02.H shall not be deemed a limitation upon any other provisions of
2473 this Agreement, or any rights or remedies which may accrue to Agency by reason of
2474 Contractor's acts or omissions to act hereunder. Contractor is required to repair
2475 damage and/or resolve claims regarding damage to property within thirty (30) Days
2476 of receipt of the Complaint.

2477 This Section 8.02.H shall not apply to damage to public or private roads or
2478 driveways caused by the weight of Contractor's vehicles. If a Customer requests
2479 Contractor to provide on-premises (i.e., non-Curbside) service, and in doing so
2480 would require Contractor to drive its Collection vehicle on a private road or
2481 driveway, then, as a condition to providing that service, Contractor shall require the
2482 Customer, property owner, or other responsible party to sign a reasonable waiver
2483 releasing Contractor from liability for such damage.

2484 I. **Litter Abatement**

2485 1. Minimization of Spills. If any Solid Waste, Targeted Recyclable Materials, or
2486 Organic Materials are spilled or scattered during Collection or transportation
2487 operations, the Contractor shall promptly clean up all spilled and scattered
2488 materials. Contractor shall use due care to prevent vehicle oil, vehicle fuel, or
2489 other liquids from being spilled during Collection or transportation operations
2490 including maintenance of the Collection vehicles to minimize and correct any
2491 leaks. Contractor shall ensure that all liquid spills or leaked liquids or fluids are
2492 cleaned up promptly on the same day that they occur.

2493 Contractor shall not transfer loads from one vehicle to another on any public
2494 street, unless it is necessary to do so because of mechanical failure,
2495 emergency (e.g., combustion of material in the vehicle), accidental damage to
2496 a vehicle, or unless approved by the Agency.

2497 2. Clean-Up. During Collection operations, the Contractor shall clean-up litter in
2498 the immediate vicinity of any Container storage area (including the areas where
2499 Containers are delivered for Collection) if Contractor's actions are the cause of
2500 the litter. Each Collection vehicle shall be equipped with protective gloves, a
2501 broom, and shovel at all times for cleaning up litter. Absorbent material shall
2502 be carried on each Collection vehicle at all times and used by Contractor for
2503 cleaning up liquid spills. The Contractor shall document and discuss instances
2504 of repeated spillage not caused by it with the Customer where spillage occurs,
2505 and Contractor shall report such instances to Agency. If the Contractor has
2506 attempted to have a Customer stop creating spillage but is unsuccessful, the
2507 Agency will attempt to rectify such situation with the Customer. Contractor
2508 shall coordinate with Agency regarding Agency street cleaning activities to
2509 minimize litter.

2510 3. Covering of Loads. Contractor shall cover all open Drop Boxes with an
2511 Agency-approved cover, at the Collection location before transporting materials
2512 to the Designated Transfer and Processing Facility.

- 2513 J. **Noise.** All Collection operations shall be conducted as quietly as possible and shall
 2514 conform to applicable federal, State, County, and Agency noise level regulations.
 2515 Contractor shall promptly resolve any Complaints of noise to the satisfaction of the
 2516 Agency.
- 2517 K. **Route Books and Route Maps.** For each Collection route, Contractor shall
 2518 maintain a route book and route map that documents each Customer on the route,
 2519 their service address, service level, and the order in which Customers shall be
 2520 serviced (e.g., the order in which routes shall be driven). Contractor shall distribute
 2521 new route books and route maps to its Collection vehicle drivers as frequently as
 2522 necessary; and each driver shall note differences in the service levels shown in the
 2523 route book, adding and subtracting Customers and service levels, as necessary.
 2524 Route supervisors shall periodically check the routes to ensure that drivers are
 2525 providing service in accordance with their route books. Contractor shall provide
 2526 Agency with route books and maps including assessor parcel data when available
 2527 within ten (10) Business Days of request.
- 2528 L. **Change in Collection Schedule.** Contractor shall notify Agency a minimum of
 2529 sixty (60) Business Days prior to a change in the Residential Collection schedule or
 2530 two (2) weeks for minor adjustments (defined as less than the average size of a
 2531 single route per the Collection service metrics delineated in the prior year's
 2532 Compensation Application), and shall request approval of Contractor's notice to
 2533 Residential Customers thirty (30) Business Days prior to a change in Service Day,
 2534 unless this requirement is waived in writing by Agency. Contractor shall notify
 2535 Owners and Occupants of Residential Premises not later than ten (10) Business
 2536 Days prior to any change in Residential Collection operations which results in a
 2537 change in the day on which Solid Waste, Targeted Recyclable Materials, and
 2538 Organic Materials Collection occurs. Contractor shall not permit any Customer to
 2539 go more than five (5) Business Days without service in connection with a Collection
 2540 schedule change.

2541 **8.03 UNLOADING MATERIALS AT THE DESIGNATED TRANSFER AND PROCESSING**
 2542 **FACILITY**

2543 Contractor shall be required to unload at the Designated Transfer and Processing
 2544 Facility all materials from its Collection vehicles by its own personnel. Contractor shall be
 2545 required to ensure that unloaded materials are properly placed in the designated areas
 2546 and containers as directed by Operator and SBWMA. For example, Contractor shall be
 2547 required to deposit at the Designated Transfer and Processing Facility Batteries and Cell
 2548 Phones, Used Motor Oil, and Used Motor Oil Filters in the containers provided by
 2549 Operator and designated for storage of these materials. Contractor shall cooperate with
 2550 Operator to ensure its Collection vehicles unload Solid Waste, Targeted Recyclable
 2551 Materials, Organic Materials, and other materials (e.g., Batteries, Cell Phones, Used
 2552 Motor Oil, and Used Motor Oil Filters) Collected by Contractor in the locations
 2553 designated by Operator and SBWMA.

2554 **8.04 VEHICLES**

2555 A. **General.** Contractor shall provide a fleet of Collection vehicles sufficient in number
 2556 and capacity to efficiently perform the work required by the Agreement in strict
 2557 accordance with its terms. Contractor shall have available sufficient back-up
 2558 vehicles for each type of Collection vehicle used (e.g., side loader, front loader, and

2559 roll-off vehicles) to respond to mechanical breakdowns, Complaints, and
2560 emergencies. Contractor shall maintain a spare ratio of ten percent (10%) for all
2561 Collection vehicles used in the SBWMA Service Area. It is contemplated that, as of
2562 the Commencement Date, all Collection vehicles will be vehicles that Contractor
2563 purchased during the term of the 2009 Franchise Agreement and will be nearing the
2564 end of their useful life.

2565 Contractor shall purchase and place into service after the Commencement Date all
2566 new vehicles to replace its Collection vehicles and other vehicles used by
2567 Contractor in the SBWMA Service Area in accordance with the Contractor-prepared
2568 equipment replacement schedule in Attachment N. The new vehicles shall replace
2569 all vehicles in service on the Commencement Date. The vehicles shall be
2570 purchased and placed in service in accordance with the timeline shown in
2571 Attachment N unless an alternative timeline is agreed upon by the SBWMA
2572 provided that all new vehicles shall be in service on or before June 15, 2026. The
2573 estimated depreciation and interest expenses for the acquisition of new vehicles
2574 shall be included in Contractor's Compensation for 2021 and adjustments during the
2575 Term shall be made in accordance with Attachment K. Agency has no responsibility
2576 to pay Contractor for remaining net book value of any Vehicles, Containers, or other
2577 equipment that is not fully depreciated at end of Term, unless Agency elects to
2578 purchase Containers pursuant to Section 8.05.F of the Agreement.

2579 At no time after the Commencement Date shall any vehicle used to perform the
2580 services required under this Agreement exceed fifteen (15) years of age from the
2581 first date the vehicle was registered unless agreed upon by the SBWMA. Collection
2582 vehicles and other vehicles whose acquisition costs are included in the calculation
2583 of Contractor's Compensation may be used only in the SBWMA Service Area.

2584 **B. General Vehicle Specifications**

- 2585 1. All vehicles used by Contractor in providing Solid Waste, Targeted Recyclable
2586 Material, and Organic Material Collection services shall be registered with the
2587 California Department of Motor Vehicles.
- 2588 2. All Collection vehicles shall have leak-proof bodies designed to prevent
2589 leakage, spillage, and/or overflow and shall be designed so that Collected
2590 materials are not visible.
- 2591 3. All vehicles shall comply with California Environmental Protection Agency
2592 (EPA) noise emission regulations and California Air Resources Board air
2593 quality regulations and other applicable pollution control regulations.
- 2594 4. All Collection vehicles shall have cameras to monitor driving and loading
2595 activities including, at a minimum: (i) back-up cameras mounted at the rear and
2596 side of the vehicle; and, (ii) a hopper camera clearly displaying the contents of
2597 the hopper prior to compaction.
- 2598 5. Contractor shall be required to operate an adequate number of Collection
2599 vehicles that shall be capable of servicing hard-to-service areas and accessing
2600 long driveways in the Service Area.
- 2601 6. All Collection vehicles shall be capable of unloading materials in the
2602 Designated Transfer and Processing Facility buildings taking clearance
2603 heights, especially in the MRF, into consideration.

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7. All Collection vehicles shall be equipped with and shall utilize on-board computers and GPS tracking devices with real-time transmission to all levels of Contractor's operations. The on-board computer system shall: (i) capture all operations data needed to complete the Contractor's reporting requirements for this Agreement; (ii) capture all operating data needed to prepare the Contractor's Application; and (iii) allow Customer service staff direct real-time access to driver data including vehicle location, Container set-out and service data, and notes regarding service issues.
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8. All Collection vehicles shall be equipped with a broom, shovel, absorbent materials, and other approved cleanup devices and materials for emergencies, or any spillage or leaks that may occur.
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9. Route supervisors and management personnel shall use one-half (0.5) Ton hybrid pickup trucks while performing services.
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10. Contractor developed preliminary specifications for vehicles that will be purchased and placed into service after the Commencement Date. These specifications, which were the basis for Contractor's vehicle depreciation and interest costs (presented in Attachment N), are presented in Attachment P. At least eighteen (18) months prior to Contractor's initial acquisition of new Collection vehicles to be placed into service after January 1, 2021, Contractor shall meet and confer with the SBWMA to discuss the type of vehicles to be purchased and fuel options. The Agency and SBWMA may be interested in considering different fuel options with the goal of minimizing the air emission impact of the Collection vehicles. At the request of the Agency or SBWMA, Contractor shall provide vehicle information, specifications, and fuel options and a cost impact analysis of various fueling options. Contractor shall obtain the SBWMA's approval in the fuel selection prior to ordering new Collection vehicles. SBWMA recognizes that Contractor's vehicle purchase plan anticipates purchases over multiple years. This meet and confer obligation is intended to occur prior to Contractor's initial purchase of new Collection vehicles to discuss a strategy for all vehicles purchased after January 1, 2021 unless Parties agree otherwise.
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- C. **Vehicle Identification.** Contractor's name, local telephone number, and a unique vehicle identification number designated by Contractor for each vehicle shall be prominently displayed on all four (4) sides of the vehicles, in letters and numbers with a maximum five (5) digit sequence, that are no less than two and one-half (2.5) inches in height. Contractor shall not place any other information or logo on Contractor vehicles, unless approved in writing by SBWMA. Vehicles shall be clearly labeled to indicate the materials Collected by that vehicle, specifically; "Solid Waste," "Recyclables," or "Organic Materials," as directed by SBWMA.
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- D. **Inventory.** Contractor shall furnish the Agency and SBWMA a written inventory of all vehicles used in providing service, and shall update the inventory annually. The inventory shall list all vehicles by manufacturer, identification number, date of acquisition, type, capacity, decibel rating, average weight of load, and average loaded axle weights.
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- E. **Cleaning and Maintenance**

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1. General. Contractor shall maintain all of its properties, vehicles, facilities, and equipment used in providing service under this Agreement in a good, safe, neat, clean, and operable condition at all times.
 2. Cleaning. Vehicles used in the Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials shall be thoroughly washed, and thoroughly steam cleaned weekly so as to present a clean appearance. Agency may inspect vehicles at any time to determine compliance with this Agreement. Contractor shall also make vehicles available to the San Mateo County Health Department for inspection, at any frequency it requests.
 3. Repainting or Refurbishing. Contractor shall repaint or refurbish to the satisfaction of the Agency all vehicles used in the Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials within thirty (30) Business Days' notice from Agency, if Agency determines that their appearance warrants painting. The cost for Agency-directed repainting shall be incurred by Contractor.
 4. Maintenance. Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles which are not operating properly shall be removed from service until repaired and operating properly. Contractor shall perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule or in accordance with California Highway Patrol standards, whichever are more stringent. Contractor shall keep accurate records of all vehicle maintenance, recorded according to date and mileage and shall make such records available to Agency upon request. Hydraulic oil, engine oil, and other spills from Collection vehicles in the Service Area are a concern to the Agency. Contractor shall include as part of maintenance activities a process for tracking the number and nature of automotive spills (type of fluid, amount lost, failure point) and diagnosing the cause of those spills. Based on the results of the process, Contractor shall implement appropriate corrective actions to address issues that are contributing factors to vehicle spills (e.g., revise specifications for specific part failures, revise preventative maintenance schedule to address timing of failures), so that each occurrence is controlled and minimized.
 5. Repair. Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown, hydraulic oil or engine oil leaks, or any other cause so as to maintain all equipment in a safe and operable condition. If an item of repair is covered by a warranty, Contractor shall obtain warranty performance. Contractor shall maintain accurate records of repair, which shall include the date and mileage, nature of repair and the verification by signature of a maintenance supervisor that the repair has been properly performed.
 6. Storage. Contractor shall arrange to store all vehicles and other equipment in safe and secure location(s) in accordance with all applicable zoning regulations.
- F. **Operation**. Vehicles shall be operated in compliance with federal, State, and local laws and regulations including, but not limited to, the California Vehicle Code, the regulations of the California Air Resources Board (CARB) Waste Collection Vehicle Regulations as established in the California Code of Regulations Title 13 Section

2696 2700 et seq.; and all applicable safety and local ordinances. Annually, Contractor
2697 shall provide the SBWMA and Agency with documentation of such compliance for
2698 each vehicle. For example, with regard to CARB regulations, such documentation
2699 shall demonstrate, at a minimum, the vehicle number, make, model, year, control
2700 technology used or planned, and the year that the control technology was applied or
2701 is planned to be applied. Contractor shall not load vehicles in excess of the
2702 manufacturer's recommendations or limitations imposed by federal, State, or local
2703 weight restrictions on vehicles or roads.

2704 Contractor equipment used for Collection services shall be registered with the
2705 California Department of Motor Vehicles. Equipment shall comply with US EPA
2706 noise emission regulations, currently codified at 40 CFR Part 205, and other
2707 applicable noise control regulations, and shall incorporate noise control features
2708 throughout the entire vehicle.

2709 Annually, Contractor shall have each Collection vehicle weighed at the Designated
2710 Transfer and Processing Facility to determine the unloaded weight ("tare weight") of
2711 the vehicle, and the total loaded weight of each load delivered to the Designated
2712 Transfer and Processing Facility. Upon a major repair that could affect the
2713 Collection vehicle tare weight, Contractor shall have the Collection vehicle re-
2714 weighed to establish a new tare weight. Contractor shall track and make
2715 adjustments to routes to eliminate ongoing over-weights associated with individual
2716 routes.

2717 8.05 CONTAINERS

2718 A. **General.** Contractor shall provide all Containers, Bins, Kitchen Pails, and Drop
2719 Boxes, as appropriate, to all Customers as part of its obligations under this
2720 Agreement. Contractor shall ensure that Agency encroachment or other required
2721 permits are obtained by Customer prior to delivering Containers. As of the
2722 Commencement Date, all Containers may be used. Contractor-provided Containers
2723 shall be designed and constructed to be watertight and prevent the leakage of
2724 liquids. All Carts shall be manufactured by injection or rotational molding methods;
2725 contain post-consumer content; and meet the Container design and performance
2726 requirements provided in Attachment D – Container Specifications. Containers
2727 provided to Customers shall have a useful life of ten (10) years as evidenced by a
2728 manufacturer's warranty or other documentation acceptable to the Agency.

2729 All Containers with a capacity of one (1) cubic yard or more shall meet applicable
2730 federal, State, and local regulations for Bin safety; shall be covered with attached
2731 lids; and shall have the capability to be locked if required or requested by Customer
2732 or Agency.

2733 All Containers shall be maintained in a safe, serviceable, and functional condition.

2734 B. Container Specifications

2735 1. Sizes. The Container sizes to be provided to Single-Family, Multi-Family,
2736 Commercial, and Agency Facility Customers are specified in Attachment D.
2737 Contractor shall provide Customers with a choice of Container capacities
2738 specified in Attachment D, and Customers may select their preferred Container
2739 size(s).

- 2740 2. Color. The colors of the Containers provided to Single-Family, Multi-Family,
2741 Commercial, and Agency Facility Customers are specified in Attachment D.
- 2742 3. Loading. Minimum allowable loading requirements for the Bin and Drop Box
2743 contents shall be approved by the Agency prior to purchase based on the
2744 minimum manufacturer's load limits, as specified in Attachment D.
- 2745 C. **Container Labeling**. Contractor shall label each Container with white, hot-stamped
2746 lettering, and in-mold or heavy duty vinyl adhesive labels with graphics, illustrations,
2747 or artwork that clearly conveys the type of materials (e.g., Solid Waste, Recyclable
2748 Materials, cardboard, mixed paper, Organic Materials, wood waste, metal, etc.) to
2749 be placed in the Container for Collection. The labeling shall be positioned on each
2750 Container so it is visible to the Customer and Collection vehicle drivers on the front
2751 side, and top. The labeling shall be durable and weather resistant to outdoor
2752 conditions and have a minimum ten (10) year lifetime.
- 2753 All Containers shall prominently display information and graphics agreed upon by
2754 Agency, SBWMA, and Contractor pursuant to Article 7.
- 2755 Final Container labeling layout, graphics, and text shall be approved by the Agency
2756 and SBWMA prior to distribution to Customers.
- 2757 D. **Cleaning and Painting**. Contractor shall be responsible for steam cleaning and
2758 repainting all Containers, except Carts, to present an aesthetically pleasing clean
2759 appearance and to ensure this equipment is safely maintained and operationally
2760 sound. Contractor shall repaint all used Containers on an as needed basis. Upon
2761 Customer's request, Contractor shall steam clean all Solid Waste and Recyclable
2762 Materials Containers (or exchange existing Containers with clean Containers) twice
2763 annually, except Carts provided to Residential Premises, which Contractor is not
2764 obligated to clean or exchange. Contractor shall clean all Organic Materials
2765 Containers (or exchange existing Containers with clean Containers) quarterly,
2766 except Carts provided to Residential Premises, which Contractor is not obligated to
2767 clean or exchange. Contractor shall offer additional cleaning (or clean Container
2768 exchange) to Customers requesting such service and shall bill Customers for such
2769 cleaning (or Container exchange) at Agency-approved Charges specified in
2770 Attachment Q.
- 2771 Contractor shall be responsible for cleaning Containers at no additional charge to
2772 Customer to ensure that nuisance or public health concerns associated with vectors
2773 are addressed within two (2) Business Days after receipt of notification of said
2774 condition.
- 2775 If any Container is impacted by graffiti, Contractor shall remedy the situation within
2776 forty-eight (48) hours of being notified.
- 2777 E. **Repair and Replacement**. Contractor shall repair or replace all Containers
2778 damaged by Collection operations (e.g., vehicle apparatus interface) or otherwise
2779 inoperable (e.g., due to regular wear and tear) within three (3) Business Days of
2780 being notified by Customer or observing the damaged Container. If the repair or
2781 replacement cannot be completed within three (3) Business Days, the Contractor
2782 shall notify Customer and provide a Container of the same size or larger until the
2783 original Container can be replaced.

2784 At no additional cost, Contractor shall replace Customer Carts that have been
2785 stolen, lost, damaged, or destroyed within five (5) Business Days. Contractor shall
2786 allow Customer to exchange Containers for a Container of a different size at no
2787 additional cost and shall replace Containers within five (5) Business Days of
2788 Customer request.

2789 The Contractor recognizes that the majority of Containers in service on the
2790 Commencement Date have nearly reached the end of their useful life or will reach
2791 the end of the useful life during the Term of the Agreement. Contractor has planned
2792 to replace Containers that have reached the end of their useful life on a rolling basis
2793 over the Term of the Agreement. Contractor's estimated depreciation and interest
2794 expense for Container replacement over the Term and these expenses are included
2795 in Contractor's Compensation in the amount specified in Attachment K. Contractor
2796 shall not be entitled to an adjustment to Contractor's Compensation or Rates for
2797 Container replacements purchased during the Term of the Agreement.

2798 F. **Agency's Rights to Containers.** All Carts, Bins, and Drop Boxes purchased or
2799 leased by Contractor and put into service at Customers' Premises before the first
2800 anniversary of the Commencement Date shall become property of the Agency upon
2801 expiration or early termination of this Agreement. All Carts, Bins, and Drop Boxes
2802 purchased or leased and put into service at Customers' Premises on or after the
2803 first anniversary of the Commencement Date that have not been fully depreciated
2804 shall be available to the Agency, at the Agency's option, at their net book value,
2805 upon expiration or early termination of this Agreement.

2806 At its sole discretion, the Agency may elect not to exercise its rights under this
2807 subsection. In such case, the Containers shall remain the property of the Contractor
2808 upon the expiration or earlier termination of this Agreement. In such case,
2809 Contractor shall be responsible for removing all Containers in service from
2810 Premises. Contractor shall do so within ten (10) Business Days after such
2811 expiration or earlier termination or in accordance with an alternative Container
2812 removal schedule agreed upon by the Parties, provided that Agency has notified
2813 Contractor at least ninety (90) Days before such expiration or earlier termination
2814 whether or not it intends to acquire the Containers.

2815 G. **Lock Service (Key Service).** In order to promote security, respond to Customer
2816 needs, and minimize the impact or occurrence of illegal dumping and theft of
2817 Recyclable Materials, Contractor will provide to Customers, at the Agency-approved
2818 Charges specified in Attachment Q, locks for enclosures used to store Containers or
2819 locks for Containers and ensure the enclosures or Containers are locked after
2820 providing Collection Service.

2821 Only Contractor, Agency, and the participating Customers will be provided with a
2822 key to the enclosures and access to the Containers. The Contractor shall
2823 prominently display the service schedule on the enclosure and any changes in
2824 service shall be displayed on the enclosure by Contractor within one (1) Business
2825 Day of making the change. If the Carts or Bins are left "outside" in a designated
2826 area, each Container will be locked (keyed alike), and only Contractor staff, Agency
2827 staff, and the participating Customers will be provided with a key to access the
2828 Containers. At least once each calendar year, Contractor's route supervisor shall
2829 visit each of the participating Customers with shared Containers, respond to any

2830 questions or concerns, check the areas for contamination, litter, or damage and
2831 change the lock and distribute new "keyed alike" keys to Agency staff and
2832 Customers.

2833 **8.06 PERSONNEL**

2834 A. **General.** Contractor shall furnish such qualified drivers, mechanical, supervisory,
2835 customer service, clerical, and other personnel as may be necessary to provide the
2836 services required by this Agreement in a safe, thorough, professional, and efficient
2837 manner and shall provide, at a minimum, the number and type of personnel listed in
2838 Attachment O in total for the SBWMA Service Area. All personnel furnished by
2839 Contractor shall be subject to the "relationship of parties" provisions of Section
2840 15.01.

2841 B. **Reserved.**

2842 C. **Collective Bargaining Agreements.** If Contractor negotiates a new collective
2843 bargaining agreement with a union representing its employees, or an amendment to
2844 a collective bargaining agreement currently in force, either of which increases
2845 wages or benefits greater than wage and benefit costs included in Contractor's
2846 Compensation (through adjustments described in Article 11 and Attachment K), the
2847 Agency is not required to include costs attributable to the increased wages or
2848 benefits in Contractor's Compensation during the Term of the Agreement.

2849 D. **Approval of Management.** Contractor recognizes the importance of establishing a
2850 successful relationship between its management and Agency and SBWMA staff.
2851 Before extending an offer of employment for the position of general manager, both
2852 initially and throughout the Term, Contractor shall provide the SBWMA with the
2853 description of the proposed position; an opportunity to review and comment upon
2854 the position description, the background, experience, and qualifications of each
2855 candidate being considered for the position, and an opportunity to meet with each
2856 candidate. Contractor shall give thoughtful consideration to the SBWMA's
2857 comments on the descriptions of the proposed position and each candidate, but
2858 shall have the ultimate right to make employment decisions in its best business
2859 judgment.

2860 If the Agency is dissatisfied with the performance of the management personnel, the
2861 Agency shall contact the general manager to discuss the employee's performance.
2862 If the Agency is dissatisfied with the general manager, the Agency shall contact the
2863 group manager to discuss the general manager's performance.

2864 Contractor shall advise the affected management employee of any complaints
2865 made by the Agency regarding the employee's performance. The Parties shall
2866 meet and confer in good faith to address the Agency's concerns, and shall agree on
2867 a corrective course of action to be implemented immediately. Contractor agrees to
2868 consider in good faith, but shall not be bound by, any requests by the Agency to
2869 transfer or re-assign a management employee should the Agency maintain in good
2870 faith that it can no longer work constructively with said employee.

2871 E. **Provision of Field Supervision.** Contractor shall designate qualified employees
2872 as supervisors of field operations. The field supervisor shall devote their time in the
2873 field supervising, managing, and monitoring Collection operations for reliability,

2874 quality, efficiency, safety, and for responding to Complaints. The number of field
2875 supervisors is specified in Attachment O in total for the SBWMA Service Area.

2876 F. **Driver Qualifications.** All drivers shall be trained and qualified in the operation of
2877 Collection vehicles, and must have in effect a valid license, of the appropriate class,
2878 issued by the California Department of Motor Vehicles. Contractor shall use the
2879 Class II California Department of Motor Vehicles employer "Pull Notice Program" to
2880 monitor its drivers for safety.

2881 G. **Customer Service Representative Training.** Customer service representatives
2882 shall be trained on specific Agency service requirements, a minimum of once per
2883 quarter. An Agency information sheet shall be provided to each Customer service
2884 representative for easy reference of Agency requirements and general Customer
2885 needs. Contractor shall provide the information sheet, training agenda, and
2886 associated documentation within five (5) Business Days of request from Agency.

2887 H. **Safety Training.** Contractor shall provide suitable operational and safety training
2888 for all of its employees who operate Collection vehicles or equipment or who are
2889 otherwise directly involved in such Collection. Contractor shall train its employees
2890 involved in Collection to identify, and not to Collect, Hazardous Waste, or Infectious
2891 Waste. Upon the Agency's request, Contractor shall provide a copy of its safety
2892 policy and safety training program, the name of its safety officer, and the frequency
2893 of its trainings.

2894 I. **No Gratuities.** Contractor shall not permit its employees to demand or solicit,
2895 directly or indirectly, any additional compensation or gratuity from members of the
2896 public for Collection services or accept gratuities or compensation in exchange for
2897 additional Collection services.

2898 J. **Employee Conduct and Courtesy.** Contractor shall employ only competent and
2899 qualified personnel who serve the public in a courteous, helpful, and impartial
2900 manner. Contractor shall use its best efforts to assure that all employees present a
2901 neat appearance and conduct themselves in a courteous manner. Contractor shall
2902 regularly train its employees in Customer courtesy, shall prohibit the use of loud or
2903 profane language, and shall instruct Collection employees to perform the work as
2904 quietly as possible. If any employee is found not to be courteous or not to be
2905 performing services in the manner required by this Agreement, Contractor shall take
2906 all appropriate corrective measures. The Agency may require Contractor to
2907 reassign an employee, if the employee has conducted himself or herself
2908 inconsistently with the terms of this Agreement.

2909 Contractor shall adopt policies and procedures consistent with State and federal law
2910 that ensure a sober and drug-free workplace. This includes strictly prohibiting
2911 unlawful manufacture, distribution, possession, or use of any controlled substance
2912 in the workplace, regardless of whether the employee is on duty at the time.
2913 Further, the policies and procedures shall prohibit an employee from operating
2914 either Agency or Contractor equipment and vehicles (whether on or off duty) while
2915 under the influence of alcohol or drugs. The purpose of these policies and
2916 procedures is to ensure workplace safety, productivity, efficiency, and the quality of
2917 Contractor's service to Customers.

2918 K. **Uniforms.** While performing services under this Agreement, all Contractor's
2919 employees performing field service shall be dressed in clean uniforms and shall

2920 wear visible identification that include the employee's name and/or employee
2921 number, and Contractor's name. Uniform type, style, colors, and any modifications
2922 may be subject to approval by the Agency.

2923 **8.07 HAZARDOUS WASTE INSPECTION AND HANDLING**

2924 A. **Inspection Program and Training.** Contractor is required to inspect Solid Waste,
2925 Targeted Recyclable Materials, Organic Materials, and other materials put out for
2926 Collection and may reject Solid Waste, Targeted Recyclable Materials, Organic
2927 Materials, and other materials observed to be contaminated with Hazardous Waste
2928 and not Collect Hazardous Waste put out with Solid Waste, Targeted Recyclable
2929 Materials, and Organic Materials. Contractor shall develop a load inspection
2930 program that includes the following components: (i) personnel and training; (ii) load
2931 checking activities; (iii) management of wastes; and (iv) record keeping and
2932 emergency procedures.

2933 Contractor's load checking personnel, including its Collection vehicle drivers, shall
2934 be trained in: (i) the effects of Hazardous Substances on human health and the
2935 environment; (ii) identification of prohibited materials; and (iii) emergency
2936 notification and response procedures. Collection vehicle drivers shall inspect
2937 Containers before Collection when practical.

2938 B. **Response to Hazardous Waste Identified During Collection.** Under no
2939 circumstances shall Contractor's employees knowingly Collect Hazardous Waste or
2940 remove unsafe or poorly containerized Hazardous Waste from a Collection
2941 Container. If Contractor determines that material placed in any Container for
2942 Collection is Hazardous Waste or other material that may not legally be accepted or
2943 safely processed at the Designated Transfer and Processing Facility or presents a
2944 hazard to Contractor's employees, or those at the Designated Transfer and
2945 Processing Facility, the Contractor shall have the right to refuse to accept such
2946 material. The Generator shall be contacted by the Contractor and requested to
2947 arrange proper Disposal. If the Generator cannot be reached immediately, the
2948 Contractor shall, before leaving the Premises, leave a non-collection notice, which
2949 indicates the reason for refusing to Collect the material and lists the phone number
2950 for the San Mateo County Household Hazardous Waste Facility, or other resources
2951 as directed by Agency. Contractor's environmental technician shall be notified to
2952 handle the issue with the Generator. The Contractor's environmental technician
2953 shall be required to guide the Generator to safely containerizing the Hazardous
2954 Waste and shall explain the Generator's options for proper disposition of such
2955 material.

2956 If Hazardous Waste is found in a Collection Container or Collection area that could
2957 possibly result in imminent danger to people or property, the Contractor shall
2958 immediately notify the Agency's Fire Department using the nine-one-one (911)
2959 emergency telephone number. The Contractor shall notify the Agency of any
2960 Hazardous Waste identified in Containers or left at any Premises within twenty-four
2961 (24) hours of identification of such material.

2962 C. **Response to Hazardous Waste Identified at Designated Transfer and**
2963 **Processing Facility.** Contractor shall not knowingly deliver Unpermitted Material to
2964 the Designated Transfer and Processing Facility. The Operator shall use
2965 reasonable business efforts and standard industry practices to detect and discover

2966 Unpermitted Material at the facility and shall not knowingly accept Unpermitted
2967 Material. In the event that Unpermitted Material is delivered to the Designated
2968 Transfer and Processing Facility, the Operator shall be entitled to pursue whatever
2969 remedies, if any, it may have against the Generator or Person(s) bringing such
2970 Unpermitted Material to the Designated Transfer and Processing Facility provided
2971 that in no case shall the Agency be considered the Person bringing such
2972 Unpermitted Material to the Designated Transfer and Processing Facility.

2973 Contractor acknowledges that in the event the operator identifies Unpermitted
2974 Materials in the materials delivered by Contractor before the materials are unloaded
2975 at the facility, the Operator has the right to reject the load and direct the Contractor
2976 to cause removal and Disposal of the Unpermitted Material in a safe and lawful
2977 manner, at the sole expense of the Contractor. If the Unpermitted Materials are
2978 delivered to the Designated Transfer and Processing Facility by Contractor and
2979 unloaded at the facility before their presence is detected, and the Generator cannot
2980 be identified or fails to remove the material after being requested to do so, the
2981 Contractor shall arrange for and/or pay for its proper Disposal. Contractor shall
2982 make reasonable efforts to identify and notify the Generator. The Contractor shall
2983 make a good faith effort to recover the cost of any transportation and Disposal from
2984 the Generator, and the cost of this effort, as well as the cost of Disposal shall be
2985 chargeable to the Generator, if appropriate documentation, as deemed necessary
2986 by the Agency, is provided to the Agency within five (5) Business Days of the
2987 occurrence.

2988 In the event Contractor delivers Unpermitted Materials on a frequent or continuous
2989 basis to the Designated Transfer and Processing Facility and the Contractor refuses
2990 to provide for the proper handling and disposition of such Unpermitted Material, the
2991 Operator may provide written notice to Agency of such refusal by Contractor.

2992 **D. Reporting, Regulations, and Record Keeping.** Contractor shall comply with
2993 emergency notification procedures required by Applicable Laws and regulatory
2994 requirements. Contractor shall notify all appropriate agencies, including the
2995 California Department of Toxic Substances Control and Local Emergency
2996 Response Providers and the National Response Center of reportable quantities of
2997 Hazardous Waste found or observed in Solid Waste, Targeted Recyclable
2998 Materials, Organic Materials, Electronic Waste, Universal Waste, and Construction
2999 and Demolition Debris anywhere within Service Area. In addition to other required
3000 notifications, if Contractor observes any substances which it or its employees
3001 reasonably believe or suspect to contain Hazardous Wastes unlawfully Disposed of
3002 or released on any Agency property, including storm drains, streets or other public
3003 rights of way, Contractor will immediately notify the Agency and SBWMA.

3004 All records required by regulations shall be maintained at the Contractor's Facility.
3005 These records shall include: waste manifests, waste inventories, waste
3006 characterization records, inspection records, incident reports, and training records.
3007 Contractor shall maintain records showing the types and quantities, if any, of
3008 Hazardous Waste found in Solid Waste, Targeted Recyclable Materials, and
3009 Organic Materials, which was inadvertently Collected from Customers within the
3010 Service Area, but diverted from landfilling.

3011 **8.08 COMMUNICATION AND COOPERATION WITH AGENCY AND SBWMA**

3012 A. **Communications.** The Contractor's general manager shall have e-mail capabilities
3013 to enable the Agency, SBWMA, and the Contractor's general manager to
3014 communicate via e-mail. Contractor's general manager shall respond to Agency
3015 and SBWMA email correspondence within twenty-four (24) hours.

3016 B. **Monthly Meetings.** Upon request from Agency, beginning on the Commencement
3017 Date, and then on a monthly basis thereafter, Contractor shall meet with the Agency
3018 and SBWMA to discuss progress of each active diversion program, quality, and
3019 reliability of Collection services, and compliance with the terms of the Agreement.
3020 SBWMA may attend and participate in these meetings. At each monthly meeting,
3021 the Agency, Contractor, and SBWMA, if attending, shall have the opportunity to
3022 present and discuss proposed changes in service such as changing program
3023 requirements or modifying Collection methods.

3024 C. **Inspection by Agency.** Agency shall have the right, but not the obligation, to
3025 observe and inspect all of the Contractor's operations under this Agreement. In
3026 connection therewith, Agency and SBWMA shall have the right to enter facilities
3027 used by Contractor during operating hours, speak to any of Contractor's employees,
3028 and receive cooperation from such employees in response to inquiries. In addition,
3029 upon reasonable notice and without interference with Contractor's operations,
3030 Agency and SBWMA may review and copy any of Contractor's operational and
3031 business records related to this Agreement. If Agency or SBWMA so requests,
3032 Contractor shall make specified personnel available to accompany Agency and
3033 SBWMA employees on inspections and shall provide electronic copies of records
3034 stored in electronic media.

3035 **8.09 COOPERATION WITH DESIGNATED TRANSFER AND PROCESSING FACILITY**
3036 **OPERATOR**

3037 A. **Communications.** If requested by SBWMA, the Contractor shall meet with the
3038 SBWMA and Operator at least once each month to discuss issues related to the
3039 interaction of operations between Contractor and Operator including, but not limited
3040 to:

- 3041 1. Traffic flow;
- 3042 2. Vehicle weighing procedures;
- 3043 3. Targeted Recyclable Materials and Organic Materials Contamination;
- 3044 4. Hazardous Waste screening and safety policies;
- 3045 5. Receiving hours;
- 3046 6. Billing and payment of gate fees for delivery of materials;
- 3047 7. Vehicle parking;
- 3048 8. Employee facilities; and,
- 3049 9. Maintenance facilities.

3050 The Contractor's general manager shall have e-mail capabilities to enable the
3051 Operator and the Contractor's general manager to communicate via e-mail.

3052 Contractor's general manager shall respond to the Operator's email
3053 correspondence within twenty-four (24) hours.

3054 B. **Coordination of Hours.** Contractor shall plan its Collection routes to be
3055 compatible with the Designated Transfer and Processing Facility receiving hours,
3056 which shall be, at a minimum, Monday through Friday from 3:00 a.m. to 6:00 p.m.
3057 and Saturday and Sunday from 6:00 a.m. to 5:00 p.m. Contractor shall deliver
3058 Collected materials to the Designated Transfer and Processing Facility during the
3059 receiving hours of the Designated Transfer and Processing Facility.

3060 C. **Compliance with Facility Rules.** Contractor shall cooperate with Operator and
3061 comply with Operator's requirements including: (i) how and where to unload
3062 Collection vehicles; (ii) respecting operations and construction of new facilities; and,
3063 (iii) the Operator's Hazardous Waste exclusion program. Contractor shall also
3064 cooperate with the Contamination assessment procedures specified in Attachment
3065 E-1. All costs charged by the SBWMA for acceptance of Contractor's materials
3066 shall be paid by Contractor. Contractor shall receive compensation for transfer and
3067 processing costs in accordance with Article 11.

3068 8.10 BUY-RECYCLED POLICY

3069 The Contractor shall comply with the purchasing requirements described in this Section,
3070 and shall document its on-going compliance with these requirements upon Agency
3071 request.

3072 A. **Recycled Paper.** The Contractor shall use recycled paper for invoices, Bills,
3073 reports, and public education materials. The recycled paper shall have at least
3074 thirty percent (30%) post-consumer recycled content for uncoated paper and ten
3075 percent (10%) post-consumer recycled content for coated paper based on federal
3076 standards. Contractor shall state on all materials prepared with post-consumer
3077 recycled content the following: "Printed on Recycled Paper."

3078 B. **Re-Refined Motor Oil.** Contractor shall be encouraged but not required to use re-
3079 refined motor oil for its Collection vehicles.

3080 C. **Recycled Plastic.** Contractor shall purchase Carts and Kitchen Pails that contain
3081 the minimum post-consumer content as specified in Attachment D. All Carts and
3082 Kitchen Pails shall be one hundred percent (100%) recyclable.

3083 8.11 ANNUAL PERFORMANCE HEARING

3084 A. **Objectives.** Agency or SBWMA may hold a public performance hearing in April or
3085 May of each Rate Year, at which time Contractor shall be present and shall
3086 participate by making a presentation and responding to questions. Agency or
3087 SBWMA shall convene the hearing to address the positive and negative aspects of
3088 Contractor's overall performance. The purpose of the hearing may also involve
3089 discussion and review of technological, economic, and regulatory changes in
3090 Collection, waste reduction, Recycling, processing, and Disposal practices that can
3091 improve quality of service; increase waste reduction and diversion; and ensure
3092 services are being provided effectively and economically. Topics for discussion and
3093 review at the performance hearing shall include, but not be limited to: Contractor's
3094 accomplishments and compliance with various provisions of the Agreement,

3095 services provided, feasibility of providing new services, application of new
3096 technologies, Customer Complaints, possible amendments to this Agreement,
3097 developments in the Applicable Laws and regulations, new initiatives for meeting or
3098 exceeding waste reduction and Recycling goals, regulatory constraints, and
3099 Contractor performance. Agency or SBWMA and Contractor may each select
3100 additional topics for discussion at the performance hearing.

3101 B. **Process.** Within sixty (60) Days of notification provided by Agency or SBWMA to
3102 Contractor of its intent to conduct a performance hearing, Agency or SBWMA will
3103 submit questions to Contractor pertaining to Contractor's performance and
3104 Contractor shall submit its written response within thirty (30) Days. Agency or
3105 SBWMA and Contractor shall meet to discuss the questions and Contractor's
3106 response prior to submittal by Contractor. Agency or SBWMA and Contractor may
3107 request from one another information or documents related to the scheduled public
3108 hearing and Agency or SBWMA and Contractor shall provide such information
3109 promptly.

3110 In addition to Contractor's responses to the questions submitted by Agency or
3111 SBWMA, Contractor may be required to submit a self-assessment report of
3112 Contractor's performance and information pertaining to the following:

3113 1. Recommended Changes or New Services. Changes and/or new services
3114 recommended to improve Agency's or SBWMA's ability to meet and/or exceed
3115 the Agency's or SBWMA's waste reduction and recycling goals and those of
3116 the Act and other State legislation/regulations (such as, but not limited to, AB
3117 341, AB 901, AB 1594, AB 1826, SB 1061, and SB 1383).

3118 2. Complaint Records. The reports required by this Agreement regarding
3119 Complaints shall be used as one basis for review. Contractor may submit other
3120 relevant performance information and reports for consideration. Agency or
3121 SBWMA may request Contractor to submit specific information for the hearing.
3122 In addition, any Person may submit comments or Complaints during or before
3123 the hearing, either orally or in writing, and these shall be considered.

3124 3. Action Plan. Contractor shall prepare and submit an action plan for improving
3125 and/or modifying its Collection services and other services if requested.

3126 Not less than ten (10) Business Days prior to the scheduled hearing date, Agency
3127 or SBWMA and Contractor shall exchange any written reports and other documents
3128 that will be provided or presented at the hearing. Not less than five (5) Business
3129 Days before the scheduled hearing date, Agency or SBWMA and Contractor shall
3130 ensure their availability to discuss the content and underlying support for such
3131 reports.

3132 Agency or SBWMA and Contractor shall attend and participate in the performance
3133 hearing. Contractor may be required to present an oral report on its performance at
3134 the performance hearing. Contractor's failure to attend and participate in the
3135 performance hearing and provide an oral presentation upon request; provide a
3136 written response to the questions or request for a self-assessment report submitted
3137 by Agency or SBWMA; or submit an action plan if requested by Agency or SBWMA
3138 may result in Liquidated Damages pursuant to Attachment J.

3139 Within sixty (60) Days after the conclusion of each performance hearing, Agency or
3140 SBWMA may issue a report. As a result of the review, Agency or SBWMA may

3141 require Contractor to provide expanded or new services within a reasonable time
3142 frame and for reasonable compensation; and Agency or SBWMA may direct
3143 Contractor to take corrective actions for any performance inadequacies.

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ARTICLE 9 RECORD KEEPING AND REPORTING

3147 **9.01 GENERAL**

3148 Contractor shall compile and maintain records related to its performance as necessary to
3149 develop the reports required by this Agreement. Contractor agrees to conduct data
3150 collection, record keeping, and reporting activities necessary to meet the reasonable
3151 reporting and Solid Waste, Recyclable Materials, and Organic Materials program
3152 management needs of the Agency, and to comply with Contractor's obligations under
3153 the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB
3154 1826, and SB 1383), other Applicable Laws, and the requirements of this Agreement.

3155 Record keeping and reporting requirements specified in this Agreement shall not be
3156 considered a comprehensive list of reporting requirements. In particular, Article 9 is
3157 intended to highlight the general nature of records and reports and their minimum
3158 content and is not meant to comprehensively define the scope and content of the
3159 records and reports. Upon written direction or approval of Agency, the records and
3160 reports required by Contractor in accordance with this and other Articles of the
3161 Agreement shall be adjusted in number, format, or frequency.

3162 Contractor shall maintain all records necessary to allow the Agency to determine
3163 Contractor's compliance with the terms of the Agreement and compliance with the
3164 Performance Standards and Performance Incentives/Disincentives presented in this
3165 Agreement including, but not limited to, those related to the quality of Collection services
3166 and customer service and those identified in Attachments I and J. The records shall be
3167 maintained in a manner that allows for easy verification of Contractor's performance.

3168 **9.02 GENERAL RECORD KEEPING PROVISIONS**

3169 A. **General.** Contractor shall maintain records required to conduct its operations, to
3170 support requests it may make to Agency, and to respond to requests from Agency.
3171 All records shall be maintained for five (5) years after the expiration or early
3172 termination of this Agreement.

3173 In order to set Contractor's Compensation pursuant to Article 11, it is necessary for
3174 Contractor to maintain accurate, detailed financial and operational information in a
3175 consistent format and to make such information available to the Agency in a timely
3176 fashion, and in accordance with reporting requirements specified in this Article.

3177 B. **Inspection of Records.** Agency shall have the right to inspect or review the payroll
3178 tax reports, specific documents or records required expressly or by inference
3179 pursuant to this Agreement, or any other similar records or reports of Contractor
3180 that Agency shall deem, in its sole discretion, reasonably necessary to evaluate
3181 reports, compensation applications provided for in this Agreement, and Contractor's
3182 performance or other matters related to this Agreement.

3183 The Agency, its auditors, and other agents selected by the Agency, shall have the
3184 right, during regular business hours, to conduct unannounced on-site inspections
3185 and review of the records and accounting systems of Contractor and to make
3186 copies of any of Contractor's documents relevant to this Agreement. Upon request,
3187 Contractor shall arrange for records of Related Party Entities to be made available

3188 to Agency and its official representatives for review, to the extent such records are
3189 reasonably necessary to evaluate reports, compensation applications, Contractor's
3190 performance, or other matters related to this Agreement.

3191 C. **Retention of Records.** Unless otherwise herein required, Contractor shall retain all
3192 records and data required to be maintained by this Agreement for the Term plus at
3193 least five (5) years after expiration or early termination of the Agreement. Records,
3194 and data shall be in a chronological and organized form and readily and easily
3195 interpreted. At the Agency's request, records and data required to be retained shall
3196 be retrieved in a timely manner (which shall not exceed more than ten (10)
3197 Business Days unless Contractor obtains prior written approval from the Agency) by
3198 Contractor and made available to the Agency.

3199 Contractor shall maintain copies of all Billings and Billing Collections (e.g.,
3200 Customer payments) records or copies of Billing summary reports (that document
3201 all Billings and Billing Collections for each Customer) for five (5) years, following the
3202 date of Billings, for inspection and verification by Agency.

3203 Records and data required to be maintained that are not specifically directed to be
3204 retained that are, in the sole opinion of the Agency, material to the determination of
3205 Contractor's Compensation or Rates or to determination of Contractor's
3206 performance, shall be retrieved by Contractor and made available to the Agency in
3207 a timely manner (which shall not exceed ten (10) Business Days unless Contractor
3208 obtains prior written approval from the Agency). When records and data are not
3209 retained or provided by the Contractor, the Agency may make reasonable
3210 assumptions regarding what information is contained in such records and data, and
3211 such assumption(s) shall be conclusive in whatever action the Agency takes.

3212 D. **Record Security.** Contractor shall maintain adequate record security to preserve
3213 records from events that can be reasonably anticipated such as a fire, theft, and an
3214 earthquake. Electronically-maintained data and/or records shall be protected,
3215 backed up, and stored at a separate site from the original data.

3216 9.03 RECORD KEEPING REQUIREMENTS

3217 A. Maintenance of Financial and Operational Records

3218 1. General. In order to effectuate Contractor's Compensation pursuant to Article
3219 11, it is necessary for Contractor to maintain accurate, detailed financial and
3220 operational information in a consistent format and to make such information
3221 available to the Agency and the SBWMA in a timely fashion.

3222 2. Contractor's Accounting Records. Contractor shall maintain accurate and
3223 complete accounting records containing the underlying financial and operating
3224 data relating to, and showing the basis for computation of, all costs associated
3225 with providing services under this Agreement. The accounting records shall be
3226 prepared in accordance with Generally Accepted Accounting Principles (GAAP)
3227 consistently applied.

3228 B. Collection Service Records

3229 Records shall be maintained and retained by Contractor for Agency relating to:

3230 1. Customer and Billing information including, but not limited to, the following for
3231 each Customer.

- 3232 a. Names, addresses, and phone numbers of Customer, Billing contact
3233 Person, and, if appropriate, for property manager or on-site contact
3234 Person.
- 3235 b. Solid Waste service level, Targeted Recyclable Materials service level,
3236 and Organic Materials service level (where service level includes the
3237 number of Containers, size of each Container, and the Collection
3238 frequency of each Container).
- 3239 c. Number of tenant or living units at Multi-Family Residential Complexes.
- 3240 d. Service exemptions for SFD Premises (if applicable).
- 3241 e. Special services (e.g., Backyard and Special Handling Collection for SFD
3242 Premises, push/pull service, lock/unlock service, Container Relocation
3243 Service, Long Distance Service, etc.).
- 3244 2. Contractor's Customer and Billing system shall allow for information to be
3245 compiled easily and separately for each Service Sector.
- 3246 3. Weight and volume of material Collected by type (e.g., Solid Waste, Targeted
3247 Recyclable Materials, Organic Materials). Where possible, information shall be
3248 provided separately for each Service Sector.
- 3249 4. Route sheets and route maps identifying the accounts serviced by each
3250 Collection vehicle on a daily basis (e.g., detailed GPS reports).
- 3251 5. Facilities, equipment, and personnel used.
- 3252 6. Facilities and equipment operations, maintenance, and repair.
- 3253 7. Tonnage of Solid Waste, Targeted Recyclable Materials, Universal Waste, and
3254 Organic Materials listed separately by materials type and Service Sector and
3255 the facility where materials were delivered (e.g., Designated Transfer and
3256 Processing Facility).
- 3257 8. Monthly Overall Diversion Level, monthly SFD Diversion Level, and the monthly
3258 Commercial Diversion Level (each stated as a percentage) and calculated in
3259 accordance with Attachment I.
- 3260 9. Targeted Recyclable Materials, Used Motor Oil and Used Motor Oil Filters,
3261 Household Batteries, Cell Phones, and Organic Materials Collection
3262 participation and set-out rates.
- 3263 10. Tonnage of materials Collected from On-Call Bulky Item Collection services
3264 described in Sections 5.05, 5.06 and 5.12, community collection events as
3265 described in Sections 5.13 and 5.14, and abandoned waste clean-up events
3266 described in Section 5.09, reported separately by material type Collected and
3267 listing destination where materials were delivered (e.g., Goodwill Industries,
3268 Designated Transfer and Processing Facility, etc.).
- 3269 11. Tonnage of Solid Waste, Recyclable Materials, and Organic Materials
3270 Collected from Venues and Community Events as described in Section 5.08
3271 reported separately by material type Collected and reported separately for each
3272 Venue and Community Event as the total Tonnage of each material type for
3273 each Venue or Community Event monthly.

- 3274 12. Volume of Used Motor Oil and number of Used Motor Oil Filters Collected by
3275 Contractor reported separately for each facility where materials were delivered.
- 3276 **C. Other Programs Records**
- 3277 Records for other programs shall be tailored to specific needs. In general,
3278 Contractor shall maintain and retain the following records:
- 3279 1. Plans, tasks, and milestones; and,
- 3280 2. Accomplishments including activities conducted, dates, quantities of products
3281 used, produced or distributed, and numbers of participants and responses.
- 3282 **D. Customer Service Records.** Daily logs of all Complaints and Inquiries shall be
3283 retained for a minimum of thirty-six (36) months. Contractor shall maintain and
3284 retain customer service center records which include, but are not limited to, the
3285 following statistics:
- 3286 1. Number of calls received on a daily and monthly basis;
- 3287 2. Number of calls answered on a daily and monthly basis;
- 3288 3. Number of abandoned (dropped) calls on a daily and monthly basis;
- 3289 4. Average abandoned time (i.e., Hold Time before abandoning call);
- 3290 5. Number of delayed calls (i.e., calls where caller is placed on hold before
3291 speaking with a customer service agent) on a daily and monthly basis;
- 3292 6. Average Hold Time for incoming calls on a daily and monthly basis;
- 3293 7. Percentage of calls answered by a Person within thirty (30) seconds on a daily
3294 and monthly basis;
- 3295 8. Percentage of calls answered within three (3) minutes on a daily and monthly
3296 basis;
- 3297 9. Number of e-mail responses sent from the customer service department to
3298 Customers on a monthly basis;
- 3299 10. Number and percentage of Complaint and Inquiry e-mails or submissions
3300 through Contractor website that received responses before close of business
3301 on the Day received on a monthly basis;
- 3302 11. Number and percentage of Complaint and Inquiry e-mails that received
3303 responses by the close of business on the Day following the receipt of the
3304 Complaint or Inquiry;
- 3305 12. Number of Complaints and Inquiries received through Contractor's website on
3306 a daily and monthly basis;
- 3307 13. Names of all Customer service representatives employed; and,
- 3308 14. Minimum, average, and maximum number of customer service representatives
3309 employed during each month.
- 3310 **E. CERCLA Defense Records.** Agency views the ability to defend against CERCLA
3311 and related litigation as a matter of great importance. For this reason, the Agency
3312 regards the ability to prove where Solid Waste Collected in the Agency area was
3313 taken for transfer or Disposal, to be matters of concern. Contractor shall maintain

3314 data retention and preservation systems which can establish where Solid Waste
3315 Collected in the Service Area was delivered for transfer or Disposal. This provision
3316 shall survive the expiration of this Agreement.

3317 F. **Compilation of Information for State Law Purposes.** Contractor shall compile
3318 information on amounts of Solid Waste delivered to the Designated Transfer and
3319 Processing Facility and to other locations, as well as other information which the
3320 Agency may reasonably request.

3321 Contractor shall maintain these records for a minimum of ten (10) years after
3322 expiration or earlier termination of the Agreement. Contractor shall provide these
3323 records to Agency (upon request or at the end of the record retention period) in an
3324 organized and indexed manner rather than destroying or Disposing of them.

3325 9.04 GENERAL REPORTING REQUIREMENTS

3326 A. **Purpose.** Records shall be maintained and retained in forms, on media, and by
3327 methods that facilitate flexible use of data contained in them to structure reports, as
3328 needed. Reports are intended to compile recorded data into useful forms of
3329 information that can be used to, among other things:

- 3330 1. Evaluate Diversion performance
- 3331 2. Evaluate Contractor's performance
- 3332 3. Monitor Customer participation in Targeted Recyclable Materials and Organic
3333 Materials Collection programs and in other programs using several different
3334 performance measures
- 3335 4. Monitor changes in the number of Customers and Customers' service levels
- 3336 5. Determine needs for adjustment to programs and cost for such changes
- 3337 6. Evaluate customer service and Complaints
- 3338 7. Determine and set Contractor's Compensation and Rates

3339 B. **Report Format.** Contractor may propose report formats that are responsive to the
3340 objectives and audiences for each report. The format of each report shall be
3341 approved by Agency. The Agency may review and request changes to Contractor's
3342 report formats and content and Contractor shall not unreasonably deny such
3343 requests. Contractor agrees to submit all reports by e-mail in a format compatible
3344 with the Agency's software and computers so the Agency can sort and analyze
3345 data. Contractor shall provide a certification statement, under penalty of perjury by
3346 the responsible Contractor official, that the report being submitted is true and
3347 correct to the best knowledge of such official after their reasonable inquiry.

3348 C. **Submittal Schedule and Instructions.** Contractor shall submit monthly reports
3349 within fifteen (15) Days after the end of the reporting month, quarterly reports within
3350 thirty (30) Days after the end of the reporting quarter, and annual reports within
3351 forty-five (45) Days after the end of the reporting year. Contractor shall submit (via
3352 e-mail) all reports to the person(s) designated by SBWMA and Agency. Each
3353 quarterly report shall be in lieu of the monthly report for the third month of the
3354 quarter; thus, Contractor shall submit a total of thirteen (13) periodic reports per
3355 year: eight (8) monthly reports, four (4) quarterly reports, and one (1) annual report.

- 3356 D. **Failure to Report.** The refusal or failure of Contractor to file any required reports,
 3357 or to provide required information to Agency, or the inclusion of any materially false
 3358 or misleading statement or representation by Contractor in such report shall be
 3359 deemed a Contractor default as described in Section 14.01 subject to the notice and
 3360 cure provisions of that section and shall subject Contractor to all remedies which
 3361 are available to the Agency under the Agreement or otherwise.
- 3362 E. **Accuracy of Reports.** The failure of Contractor to file accurate and timely reports,
 3363 proposal(s), information, or correspondence to Agency or SBWMA, or the inclusion
 3364 of any inaccurate or misleading data, statement or representation by Contractor in
 3365 such report(s), proposal(s), information, or correspondence to Agency or SBWMA,
 3366 shall be subject to Liquidated Damages as set forth in Attachment J. In addition, the
 3367 inclusion of any materially false or misleading statement or representation by
 3368 Contractor in such report shall be deemed a Contractor default as described in
 3369 Section 14.01 subject to the notice and cure provisions of that Section and shall
 3370 subject Contractor to all remedies which are available to the Agency under the
 3371 Agreement or otherwise.
- 3372 F. **Source Files.** Contractor shall provide the SBWMA the following information: (i)
 3373 with each monthly or quarterly report, a spreadsheet provided by Operator showing
 3374 all Tonnages Collected by Contractor and delivered to the Shoreway Recycling and
 3375 Disposal Center from Member Agencies during the reporting month, listed
 3376 separately by Member Agency, material type, and Service Sector; (ii) with each
 3377 monthly or quarterly report, a spreadsheet containing the information required by
 3378 Sections 9.06.B, 9.06.D, and 9.06.E; and, (iii) with each annual report, a
 3379 spreadsheet containing the information required by Section 9.07.B. Such
 3380 information need not be included in the published reports provided to Agency.

3381 **9.05 MONTHLY REPORTS**

- 3382 Monthly reports shall present the information described in this Section in a format agreed
 3383 upon by the Agency.
- 3384 A. **Tonnage Information.** Contractor shall provide the Tonnage information requested
 3385 below by Service Sector on a monthly and year-to-date basis, with a comparison to
 3386 the prior year. However, the Agency reserves the right to request the monthly
 3387 Tonnage data by route.
- 3388 1. Solid Waste. Total Solid Waste Tonnage Collected and Disposed by Service
 3389 Sector.
 - 3390 2. Targeted Recyclable Materials Services. Total Targeted Recyclable Materials
 3391 Tonnage Collected and delivered for processing by Service Sector listed
 3392 separately by material type Collected (e.g., Single-Stream Recyclable
 3393 Materials, Source Separated cardboard, Source Separated paper, Used Motor
 3394 Oil, Used Motor Oil Filters, etc.).
 - 3395 3. Organic Materials Services. Total Organic Materials Tonnage Collected and
 3396 delivered for processing by Service Sector listed separately by material type
 3397 (e.g., Plant Materials, Food Scraps, or Organic Materials).
- 3398 B. **Diversion Level.** Contractor shall provide the monthly and year-to-date Calculated
 3399 Overall Diversion Level, the monthly and year-to-date Residential Diversion Level,

- 3400 and the monthly and year-to-date Commercial Diversion Level (each stated as a
 3401 percentage) calculated in accordance with Attachment I, with a comparison to the
 3402 prior year. In addition, Contractor shall present the calculations used to determine
 3403 the diversion levels.
- 3404 C. **Complaint, Inquiry and Service Requests Data.** Contractor shall provide
 3405 information on the number of Complaints, Inquiries service requests received from
 3406 Customers, Generators, or other Person by category (e.g., missed pickups, noise
 3407 Complaints, scheduled On-Call Bulky Item Collection events, Overage events,
 3408 Billing concerns, property damage claims, requests for information, delivery of
 3409 Recycling Tote-Bags, inventory of Recycling Tote-Bags, etc.). Complaint summary,
 3410 for each month, summarized by nature of Complaint, Inquiry, and service request
 3411 on a compatible computer disc or other memory device approved by Agency. The
 3412 categorization of Complaints, Inquiries, and service requests shall be agreed upon
 3413 by the Agency, SBWMA, and Contractor prior to the Commencement Date, and
 3414 shall be adjusted during the Term upon agreement between Agency, SBWMA and
 3415 Contractor.
- 3416 D. **Call Center Data.** Number of calls received, number of calls answered, number of
 3417 dropped calls, percentage of dropped calls, Average Hold Time, percentage of calls
 3418 answered in thirty (30) seconds.
- 3419 E. **Monthly Gross Revenues and Fee Reports.** Pursuant to Article 10, a statement
 3420 itemizing each fee paid by Contractor to Agency in the month; detailing calculation
 3421 of each monthly fee amount; and stating monthly Gross Revenue Billed, by Service
 3422 Sector, for all operations conducted or permitted by this Agreement.
- 3423 F. **Abandoned Waste Collection.** Contractor shall provide a list of all abandoned
 3424 waste Collection events performed identifying the address of each Collection
 3425 location.
- 3426 G. **Multi-Family Tote Bag Distribution.** Contractor shall provide a report on Multi-
 3427 Family Tote Bag Distribution as required by Article 5, Collection Service, Section
 3428 5.03.C.2.
- 3429 H. **Other Information.** Other information or reports that Agency may reasonably
 3430 request or require be added to reporting. These requests may include, but shall not
 3431 be limited to, information regarding on-call Bulky Item Collection programs,
 3432 abandoned waste Collection, Used Motor Oil and Used Motor Oil Filter Collection,
 3433 and Community Events and Venues Collection.

3434 **9.06 QUARTERLY REPORTS**

3435 Quarterly reports shall present the information described in this Section, in addition to
 3436 the monthly information required under Section 9.05.

- 3437 A. **On-Site Customer Assessments and Visual Audits.** Contractor shall report the
 3438 number of site assessments and visual audits conducted for Multi-Family Dwelling,
 3439 Commercial, and Agency Customers, which are required by Sections 7.04 and 7.05.
 3440 SBWMA may request additional statistics as necessary.
- 3441 B. **Public Education Activities.** Contractor shall report the following public education
 3442 activity information.
- 3443 1. Public education materials produced and total number of each distributed.

- 3444 2. Dates, times, and names of meetings or events attended.
- 3445 3. Dates, times, and names of school(s) where presentations were performed.
- 3446 4. Completion of other activities specified in the then-current Three-Year Public
3447 Education Plan.
- 3448 5. Other educational activities as may be requested by Agency.
- 3449 C. **Determination and Payment of Liquidated Damages.** In accordance with the
3450 requirements of Section 14.07, Contractor shall provide a report that identifies any
3451 non-compliance with performance measures listed in Attachment J and include
3452 calculation of the Liquidated Damages due. Contractor may include with its report a
3453 written request to meet with Agency's Manager or his or her designee to discuss
3454 Contractor's evidence refuting the basis for assessing Liquidated Damages
3455 pertaining to unacceptable employee behavior. In such cases, Contractor shall
3456 include with its report evidence in writing and written testimony of its employees and
3457 others relevant to the incident(s)/non-performance. Agency's Manager or his or her
3458 designee will provide Contractor with a written explanation of his or her
3459 determination on each incident(s)/non-performance. The decision of Agency's
3460 Manager or his or her designee shall be final.
- 3461 D. **Account Summary.** Provide the following account summary information in table
3462 format:
- 3463 1. Number of Customers in each Rate and Charge category.
- 3464 2. Total number of Residential, Commercial, and Drop Box Customers
3465 subscribing to Solid Waste, Targeted Recyclable Materials, and Organic
3466 Materials Collection service listed separately by Service Sector and material
3467 type.
- 3468 3. Percentage of Customers subscribing to Targeted Recyclable Materials
3469 Collection service (listed separately for Multi-Family, Commercial, and Drop
3470 Box Customers), which shall be equal to the total number of Targeted
3471 Recyclable Materials Customers divided by the total number of Solid Waste
3472 Customers.
- 3473 4. Percentage of Customers subscribing to Organic Materials Collection service
3474 (listed separately for Multi-Family, Commercial, and Drop Box Customers),
3475 which shall be equal to the total number of Organic Materials Customers
3476 divided by the total number of Solid Waste Customers.
- 3477 5. Weekly gallons or cubic yards of service provided to Residential, Commercial,
3478 and Drop Box Customers subscribing to Solid Waste, Targeted Recyclable
3479 Materials, and Organic Materials Collection service listed separately by Service
3480 Sector and material type for one week.
- 3481 E. **Operational Data.** Contractor shall submit the following:
- 3482 1. A summary of Collection route operational data including: average number of
3483 Customers and Containers serviced per route per Day for each Collection
3484 route; average number of actual both on-route and off-route hours per Day by
3485 route (distinguishing between Standard Collection Vehicle Routes and Special
3486 Collection Vehicle Routes, if appropriate);

3487 2. List of the one hundred (100) largest generators based on weekly Solid Waste
3488 volumes (listed in descending order) within Agency for both Commercial and
3489 Multi-Family Customers. This reporting shall include, at a minimum: the name
3490 of the Customer; the name of the business; the address of the business; the
3491 type(s) of service received (e.g. Collection of Solid Waste, Single-Stream
3492 Targeted Recyclable Materials, Plant Materials, Food Scraps, Organic
3493 Materials, Source Separated cardboard, Source Separated paper, etc.); the
3494 volume of service received weekly measured in cubic yards; the frequency of
3495 service received measured in number of Collections per week; the diversion
3496 volume measured as total service level volume divided by Targeted
3497 Recyclables Materials and/or Organic Materials Collection volume; and, the
3498 change in service level from the prior quarter.

3499 F. **Recycling Technical Assistance Plan Status Report.** Contractor must prepare
3500 and submit to Agency and SBWMA, a Recycling Technical Assistance Plan Status
3501 Report providing required reporting information identified in the then-current Three-
3502 Year Plan (prepared in accordance with Section 7.03.B).

3503 G. **Determination and Payment of Performance Incentives and Disincentives.** In
3504 accordance with the requirements of Section 11.07, Contractor shall provide on a
3505 quarterly basis a report that identifies compliance with the performance standards
3506 listed in Attachment I and includes calculation of the performance incentive
3507 payments and disincentive assessments due. Performance incentives (in the form
3508 of increased compensation to Contractor) will be awarded by Agency for excellent
3509 performance on aspects of diversion and Customer service as specified in
3510 Attachment I.

3511 All performance incentives and disincentives payments are to be included in
3512 Contractor's annual Rate Application and Contractor's Compensation for the next
3513 Rate Year will be increased or decreased by the net amount of performance
3514 incentive payments and disincentive assessments calculated in the Application.
3515 Performance incentives and disincentives for Diversion and Average Speed of
3516 Answer and performance disincentives for Ninety (90) Second Maximum Hold Time
3517 shall be calculated in aggregate for the SBWMA Service Area and Agency's share
3518 shall be proportional based on the Tons of Solid Waste Collected by Contractor for
3519 the previous Rate Year.

3520 H. **Quality Assurance Program.** Contractor shall report quarterly on quality of the
3521 Customer service experience when Customer was interacting with Contractor,
3522 described in Section 7.02.F, during the prior month. The report shall include (i)
3523 name and Service Sector of each Customer contacted, (ii) date and time, (iii) name
3524 of Customer service representative placing call, (iv) summary of Customer's
3525 responses to questions and other information provided, and (v) follow-up actions
3526 taken, if any, in response to calls. The actual surveys shall be kept by the
3527 Contractor compliant with the record keeping requirements of the Agreement and
3528 such surveys shall be made available to the Agency or SBWMA upon request.

3529 9.07 ANNUAL REPORTS

3530 Annual reports shall present the information described in this Section, in addition to the
3531 monthly and quarterly report information required under Sections 9.05 and 9.06. The
3532 monthly and quarterly report information shall be presented as well as the annual totals

3533 for the Rate Year, when applicable (e.g., for Tonnage data, Diversion Level, Complaint
3534 and Inquiry data, Gross Revenue Billed, and Franchise Fees, etc.)

3535 **A. Operational Information**

3536 1. Routes by Service Sector

3537 a. Number of routes per Day

3538 b. Types of vehicles

3539 c. Crew size per route

3540 e. Number of full-time equivalent routes

3541 f. Number of accounts per route

3542 g. Total hours per Service Sector per Day and per year

3543 h. Average cost per route

3544 i. Route sheets and maps

3545 2. Personnel

3546 a. Organizational chart

3547 b. Job classifications and number of full-time equivalent positions for each
3548 (e.g. administrative, customer service representatives, drivers,
3549 supervisors, educational staff, etc.)

3550 c. Annual wages by job classification including benefits

3551 3. Productivity Statistics

3552 a. Number of accounts per Service Sector

3553 b. Number of set-outs per Service Sector

3554 c. Tons per route per Day by Service Sector

3555 4. Operational Changes

3556 a. Number of routes

3557 b. Staffing

3558 c. Supervision

3559 d. Collection services

3560 5. Equipment - An inventory of equipment in accordance with Section 8.04.D.

3561 6. Billing - Billing review report in accordance with Section 7.01.F.

3562 **B. Customer Account Information.** As part of the annual reporting requirement,
3563 Contractor shall make available to Agency detailed Customer account information in
3564 tabular format and in electronic format (in computer software format that is
3565 compatible with the Agency's) Including the following information for each
3566 Customer: account number; service address; assessor parcel number for Accounts
3567 agreed to by Contractor and Agency; Customer's name, address, and phone
3568 number; Billing contact name, Billing address, and phone number; Solid Waste,
3569 Targeted Recyclable Materials, and Organic Materials Collection service level (i.e.,
3570 number of Containers, size of Containers, frequency of Collection, and Day(s) of
3571 Collection), and Rate or Charge billed. For Multi-Family Customers, the Customer

- 3572 account information shall also include the number of dwelling units at each Multi-
 3573 Family Residential Complex.
- 3574 C. **Customer Service Operations.** Contractor shall annually prepare and submit, to
 3575 Agency and SBWMA, a Customer Service Operations Plan that shall include, at a
 3576 minimum, the following sections:
- 3577 1. Customer Service Call Center
- 3578 a. Provide the number CSR supervisory staff and describe their
 3579 responsibilities.
- 3580 b. Contractor must describe its training strategy for CSR and CSR
 3581 supervisory staff.
- 3582 c. Contractor must describe its strategy and overall approach to attracting
 3583 and retaining a high quality CSR staff.
- 3584 2. Website
- 3585 a. Number of on-line payments made
- 3586 b. Number of On-Call Collection Services scheduled
- 3587 c. Number of On-Call Bulky Goods Collections scheduled
- 3588 d. Number of extra Solid Waste pick-ups scheduled
- 3589 e. Number of service changes requested
- 3590 f. Number of Complaints documented and resolved
- 3591 3. Customer Information System
- 3592 a. Status of any changes or upgrades made to system software
- 3593 b. Description of proposed changes to system software
- 3594 c. Explanation and schedule of training activities
- 3595 4. Staffing
- 3596 5. Commercial customer service
- 3597 D. **Related Party Entities.** Contractor agrees that all financial transactions with all
 3598 Related Party Entities shall be approved in advance in writing and disclosed
 3599 annually (coinciding with Contractor's annual audited financial statements referred
 3600 to in this Section 9.07) to the Agency in a separate disclosure letter to the Agency.
 3601 This letter shall include the following information: a general description of the nature
 3602 of each transaction, or type of (for many similar) transaction, as applicable. Such
 3603 description shall include for each (or similar) transaction, amounts, specific Related
 3604 Party Entity, basis of amount (how amount was determined), and description of the
 3605 allocation methodology used to allocate any common costs. Amounts shall be
 3606 reconciled to the Related Party Entity disclosures made in Contractor's annual
 3607 audited financial statements referred to in this Section.
- 3608 At the Agency's request, Contractor shall provide the Agency with copies of working
 3609 papers or other documentation deemed relevant by the Agency relating to
 3610 information shown in the annual disclosure letter. The annual disclosure letter shall
 3611 be provided to the Agency within sixty (60) Business Days of Contractor's Fiscal
 3612 Year end.
- 3613 E. **Contractor's Review of Billings.** Pursuant to the requirements described in
 3614 Section 7.01.F, Contractor shall submit a report on its review of Billings.

3615 F. **Determination and Payment of Liquidated Damages.** In accordance with the
3616 requirements of Sections 14.07 and 11.07.D, Contractor shall provide with its
3617 annual report, a report that identifies any non-compliance with the performance
3618 standards listed in Attachment J and includes calculation of the Liquidated
3619 Damages due. This report shall be accompanied by supporting documentation
3620 identifying Contractor's compliance or non-compliance with the specified
3621 performance standards. The report submittal shall be accompanied by a check
3622 from Contractor in the amount of the Liquidated Damages due (per Contractor's
3623 calculation and self-reporting) for the reporting period.

3624 G. **Determination and Payment of Performance Incentives and Disincentives.** In
3625 accordance with the requirements of Section 11.07, Contractor shall provide with its
3626 annual report, a report that identifies any non-compliance with the performance
3627 standards listed in Attachment I and includes calculation of the performance
3628 incentive payments and disincentive assessments due. Performance Incentives (in
3629 the form of increased compensation to Contractor) will be awarded by Agency for
3630 excellent performance on aspects of Solid Waste diversion, Collection service
3631 delivery and customer service as specified in Attachment I. Performance
3632 disincentives will be assessed by Agency for substandard performance on aspects
3633 of Solid Waste diversion, Collection service delivery and customer service specified
3634 in Attachment I.

3635 Payment related to performance incentives and disincentives are to be included in
3636 Contractor's annual Rate Application and Contractor's Compensation for the next
3637 Rate Year will be increased or decreased by the net amount of performance
3638 incentive payments and disincentive assessments calculated. performance
3639 incentives and disincentives shall be calculated as specified in Attachment I.

3640 **9.08 REQUIRED SPECIFIC REPORTING**

3641 Event-specific reports shall be submitted following the occurrence of the event as
3642 described in this Section.

3643 A. **Report of Accumulated Solid Waste; Unauthorized Dumping.** As required by
3644 Section 7.07, Contractor shall report: (i) the addresses of any Premises at which the
3645 driver observes that Solid Waste, Targeted Recyclable Materials, and/or Organic
3646 Materials is accumulating; and (ii) the address, or other location description, at
3647 which Solid Waste, Targeted Recyclable Materials, and/or Organic Materials has
3648 been dumped in an apparently unauthorized manner. The report shall be delivered
3649 to the Agency within one (1) Business Day of such observation.

3650 B. **Hazardous Waste.** As required by Section 8.07, the Contractor shall notify the
3651 Agency of any Hazardous Waste identified in Containers or left at any Premises
3652 within twenty-four (24) hours of identification of such material.

3653 C. **Reporting Adverse Information.** Contractor shall provide Agency two (2) copies
3654 (one (1) to the Agency Manager, one (1) to the Agency Attorney) of all reports,
3655 pleadings, applications, notifications, Notices of Violation, communications or other
3656 material relating specifically to Contractor's performance of services pursuant to this
3657 Agreement, submitted by Contractor to, or received by Contractor from, the United
3658 States or California Environmental Protection Agency, the California Department of
3659 Resources Recycling and Recovery (CalRecycle), the Securities and Exchange
3660 Commission or any other federal, State, County, or local agency, including any

3661 federal or State court. Copies shall be submitted to Agency simultaneously with
3662 Contractor's filing or submission of such matters with said agencies. Contractor's
3663 routine correspondence to said agencies need not be submitted to Agency, but shall
3664 be made available to Agency promptly upon Agency's written request.

3665 **9.09 UPON-REQUEST REPORTING**

3666 A. **Holiday Tree Services.** Within ten (10) Business Days of Agency's request,
3667 Contractor shall report the Tonnage of Holiday Trees Collected at the Drop Box
3668 sites or at drop-off sites (if drop-off sites were established).

3669 B. **Summary Assessment.** Within thirty (30) Days of Agency's request, highlight
3670 significant accomplishments and problems. Identify recommendations and/or plans
3671 to improve services.

3672 C. **Hazardous Waste Records.** A summary or copy of the Hazardous Waste records
3673 required under Section 8.07.D.

3674 D. **GPS Route Reports.** Contractor shall provide GPS reports as reasonably
3675 requested by Agency or SBWMA.

3676 E. **Other.** The Agency reserves the right to request additional reports from the
3677 Contractor, and the Contractor shall deliver such reports within twenty-five (25)
3678 Business Days of such request provided that such information is similar in nature to
3679 the required elements of the monthly, quarterly, or annual reporting requirements
3680 described in Sections 9.05, 9.06, and 9.07. If the information requested by the
3681 Agency is not typically part of the Contractor's reporting requirements described in
3682 Sections 9.05, 9.06, and 9.07, Contractor shall provide such information if the
3683 Contractor is required to maintain the information under the record-keeping
3684 requirements described in Sections 9.01, 9.02, and 9.03.

3685 Contractor acknowledges that the Agency has to submit information to State and
3686 local agencies related to the Act, AB 341, AB 1826, and SB 1383 and may require
3687 additional reporting from the Contractor. If Agency needs additional information to
3688 complete its reports, Contractor shall provide additional information to the extent
3689 Contractor has maintained records on the information requested. The Parties
3690 acknowledge that Contractor shall provide reports to the Agency, and shall not
3691 submit reports to State or local agencies on the behalf of the Agency.

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ARTICLE 10

FRANCHISE FEE AND OTHER FEES

3695 **10.01 GENERAL**

3696 The fees described in this Article shall be treated as Other Pass-Through Costs for the
3697 purposes of determining the Revenue Requirement and shall be recoverable through the
3698 Agency-approved Rates and Charges that Contractor bills Customers. Contractor shall
3699 separately identify any of the fees established under this Article on Customer bills if
3700 directed to do so by Agency.

3701 **10.02 FRANCHISE FEE**

3702 In consideration of the exclusive franchise granted to Contractor by this Agreement, and
3703 to reimburse Agency for costs incurred in administering this Agreement, Contractor shall
3704 pay to Agency a Franchise Fee specified in Attachment M.

3705 **10.03 OTHER FEES**

3706 Agency has adopted other fees, which are intended to recover the costs of services
3707 related to Solid Waste management, Recycling, and cleanliness of public streets and/or
3708 public litter and Recycling containers through inclusion in Rates. The other fees
3709 currently in effect, or which are expected to be in effect as of January 1, 2021 are listed
3710 in Attachment M.

3711 **10.04 TIME AND METHOD OF PAYMENT**

3712 On or before the twentieth (20th) Day of each month, Contractor shall pay to Agency (i)
3713 the amount of the Franchise Fees due on Gross Revenues Billed during the immediate
3714 previous month, and (ii) one-twelfth of any other fee established by Agency unless
3715 Agency directs a different payment schedule for such other fees.

3716 Contractor shall provide, concurrently with the payment of fees, a statement showing the
3717 calculation of each fee, including the Gross Revenues Billed from Customers in each
3718 Service Sector for that month. The statement shall be in a format, and contain the level
3719 of detail, specified by Agency. Payments from Contractor to Agency shall be made by
3720 wire transfer or other method authorized by Agency.

3721 If a fee is not paid on time, Contractor shall pay a late payment charge to the Agency
3722 equal to two percent (2%) of the fees due for that month. In addition, Contractor shall
3723 pay an additional two percent (2%) on any unpaid balance for each thirty (30) Day period
3724 a portion of the fee due remains unpaid. Late payment charges are not included in
3725 Contractor's Compensation and may not be recovered through Rates or Charges.
3726 Changes to Contractor's Compensation to reflect increases or decreases in fees, or the
3727 addition of new fees, are not subject to the Special Compensation Review provisions in
3728 Section 11.05.

3729 **10.05 ADJUSTMENTS TO FEES; ADDITIONAL FEES**

3730 Agency may from time to time adjust the amount of the fees described in this Article and
3731 may establish other fees. Changes in the total amount of fees to be collected by

3732 Contractor and remitted to Agency shall be reflected in an adjustment to Contractor's
3733 Compensation and Rates.

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ARTICLE 11 CONTRACTOR'S COMPENSATION AND RATES

3737 11.01 OVERVIEW

- 3738 A. Contractor's Compensation includes three components:
- 3739 1. Annual Cost of Operations. These include the cost of labor, equipment,
3740 materials and supplies, fuel, insurance, bonds, taxes, overhead and all other
3741 costs necessary to perform all the services required, in the manner required, by
3742 this Agreement, with the exception of costs identified in subsection A.3.
- 3743 2. Profit. Contractor's profit is determined by applying the Operating Ratio of ninety
3744 and one-half percent (90.5%) to annual costs of operation described in
3745 subsection A.1.
- 3746 3. Contractor Pass-Through Costs. These consist of costs that Contractor is
3747 obligated to pay but on which Contractor does not earn a profit and consist of: (i)
3748 interest expense, and (ii) adjustments to compensation to reflect Agency-specific
3749 Agreement changes (labeled in Attachment N as "Contract Changes to Specific
3750 Agencies").
- 3751 B. Attachment N includes baseline financial and operational information that shall be
3752 used to calculate Contractor's Compensation for 2021. The projected 2021 Annual
3753 Costs of Operation, Profit, and Contractor Pass-Through Costs shown on
3754 Attachment N: (i) were prepared by Contractor; (ii) were allocated among Member
3755 Agencies based on the allocations used for Contractor's Application for Rate Year
3756 2017; and, (ii) have been adjusted to reflect refinements in the scope of services
3757 and decisions by individual Member Agencies as to specific programs, levels of
3758 service, or other unique factors affecting only their jurisdiction.
- 3759 C. Contractor's Compensation for Rate Year Eleven (2021) shall be determined as
3760 provided in Section 11.02.A. Annually thereafter, Contractor's Compensation shall
3761 be adjusted as provided in Section 11.02.D.
- 3762 D. After the conclusion of each Rate Year, SBWMA will conduct a revenue
3763 reconciliation process as provided in Section 11.03. The purpose of this procedure
3764 is to reconcile Net Revenues Billed by Contractor for a Rate Year with the approved
3765 Contractor's Compensation for that Rate Year. Adjustments to Contractor's
3766 Compensation will be made in a subsequent Rate Year to recover any excess
3767 revenue from Contractor or to compensate Contractor for a revenue shortfall.
- 3768 E. However, no adjustments to Contractor's Compensation will be made for
3769 differences between total costs of operation or Contractor Pass-Through Costs as
3770 calculated for the Rate Year and as actually incurred, with the exception of cost
3771 differences due to changes in scope of services (Section 15.12) or as authorized by
3772 a special compensation review (Section 11.05) or an adjustment under Section
3773 3.03.B. If Contractor's actual annual cost of operations, actual profits and actual
3774 Contractor's Pass-Through Costs are more or less than the amounts included in the
3775 annual calculation of Contractor's Compensation, Contractor is neither entitled to an

3776 increase in compensation, nor subject to a reduction in compensation, in future
3777 Rate Years.

3778 **11.02 DETERMINATION OF CONTRACTOR'S COMPENSATION**

3779 A. **Contractor's Compensation for Rate Year Eleven (2021).** Contractor's
3780 Compensation for 2021 shall be determined in 2020 by adjusting Contractor's
3781 projected 2021 Contractor's Compensation shown on Attachment N to reflect the
3782 following factors:

- 3783 • Change in Customer account and service levels as provided in Attachment K;
3784 and,
- 3785 • Change in fuel prices as provided in Attachment K.

3786 B. **Different Compensation Methods for Other Member Agency.** If Contractor
3787 enters into a franchise agreement with any other Member Agency which uses a
3788 substantially different methodology for calculating Contractor's Compensation than
3789 that set forth in Article 11 and Attachments K and N of this Agreement, then (i) for
3790 purposes of calculating Contractor's Compensation under this Agreement,
3791 Contractor's costs of providing service to such other Member Agency shall continue
3792 to be calculated using the methodology set forth in Attachments K and N, and, (ii)
3793 Contractor's Compensation for providing service to such other Member Agency
3794 shall be as set forth in the franchise agreement between it and Contractor. Any such
3795 franchise agreement shall (i) implement the performance incentives and
3796 disincentives provided for in this Agreement, and, (ii) require Contractor to pay
3797 sums due to SBWMA for delivery of materials from such Member Agency to
3798 Shoreway Recycling and Disposal Center.

3799 C. **Reserved**

3800 D. **Contractor's Compensation for Subsequent Rate Years.** Contractor's
3801 Compensation shall be adjusted annually, commencing with the determination of
3802 Contractor's Compensation for Rate Year Twelve (2022) and continuing through the
3803 remaining Term including any extension periods to reflect inflation (or deflation),
3804 changes in service levels, and the difference between Contractor's Compensation
3805 approved for the prior Rate Year (e.g., 2021) and Net Revenues Billed (e.g., 2021)
3806 and similarly for subsequent Rate Years.

3807 E. **No Changes for Actuals.** During the Term, no changes to Contractor's
3808 Compensation will be made to reflect actual costs, actual profit, or actual Contractor
3809 Pass-Through Costs, except for adjustments related to vehicle acquisition costs, as
3810 provided in Attachment K.

3811 F. **Change in Contractor's Compensation for Rate Years Eight, Nine, and Ten**
3812 **(2018, 2019, 2020).** The Contractor's Compensation for Rate Years Eight, Nine,
3813 and Ten (2018, 2019, 2020) shall be determined in accordance with the procedures
3814 specified in Attachment K of the 2009 Franchise Agreement with the following
3815 exceptions:

3816 1. In Rate Years Eight, Nine, and Ten (2018, 2019, 2020), an adjustment shall be
3817 made to allocated indirect costs to account for a reduction in the staffing of
3818 Contractor's Waste Zero Specialists (from 8 full-time positions to 6 full-time
3819 positions). The adjustment shall be made by adding a new line item to the
3820 Contractor's Compensation adjustment calculations (after the General and
3821 Administrative line item), which shall be titled "Adjustment for Waste Zero
3822 Specialists" and include a negative amount of \$200,000 for Rate Year Eight
3823 (2018). The annual reduction amount shall be adjusted annually for Rate Year
3824 Nine (2019) and Ten (2020) using the same adjustment method used to adjust
3825 the General and Administrative costs.

3826 2. In Rate Year Ten (2020), the vehicle depreciation shall be \$4,092,539.

3827 **11.03 ANNUAL REVENUE RECONCILIATION PROCESS**

3828 After completion of each Rate Year, a revenue reconciliation process will be
3829 implemented as provided in this Section and further described in Attachment K, Section
3830 10.

3831 The purpose of this process is to determine, for each Member Agency, the difference
3832 between the actual Net Revenue Billed by Contractor for such Member Agency for the
3833 preceding Rate Year and the calculated Contractor's Compensation approved for such
3834 Member Agency for that Rate Year.

3835 The Contractor shall submit a report to Agency and SBWMA on or before March 31 of
3836 each Rate Year, commencing March 31, 2021.

3837 The report shall include the following information (items) for the preceding Rate Year:

3838 A. **Gross Revenue Billed.** Gross Revenue Billed is the total amount billed by
3839 Contractor or Agency to Customers for all services attributable to the Rate Year in
3840 question as further defined in Attachment A. The report shall identify the amount of
3841 Gross Revenue Billed attributable to each Member Agency. (In the case of Member
3842 Agencies that bill Customers directly for some or all of the services provided by
3843 Contractor, Gross Revenue Billed shall include all amounts paid to Contractor by
3844 those Member Agencies.)

3845 B. **Payments to SBWMA.** Payments to SBWMA are the amounts charged by SBWMA
3846 for delivery of materials to the Designated Transfer and Disposal Facility. They do
3847 not include payments to SBWMA pursuant to Section 6.02 for excess
3848 Contamination. The report shall identify the amount of these payments attributable
3849 to each Member Agency, using the methodology described in Attachment K,
3850 Section 8.

3851 C. **Payments to Agencies for Franchise Fees and Other Fees Described in Article**
3852 **10.** The report shall identify the amount of these payments attributable to the Rate
3853 Year in question made to each Member Agency.

3854 D. **Revenues Attributable to Additional Service.** In addition to regularly scheduled
3855 Collection service, Contractor may provide additional services to Customers or

3856 Agency on regular basis or "on-call" basis. A list of these additional services and
3857 Charges is included as Attachment Q. Contractor shall bill Customer for these
3858 services, or Agency when services are provided to Agency, at Agency-approved
3859 Charges specified in Attachment Q. The report shall identify the amount of billings
3860 for each Member Agency for additional services listed on Attachment.

3861 Because the amount of such additional services may vary from year to year and is
3862 unpredictable, the costs and revenues associated with them are not included in
3863 SBWMA's prospective calculation of Contractor's Compensation or in the revenue
3864 reconciliation process described in Attachment K, with the exception that the
3865 revenue reconciliation process shall include Gross Billed Revenue received from
3866 SFD Customers that subscribe to Backyard Collection Services up to the first twenty
3867 percent (20%) of SFD Customers that subscribe to such service. If more than
3868 twenty percent (20%) of the SFD Customers subscribe to Backyard Collection
3869 Services, Contractor shall retain revenues received from SFD Customers in excess
3870 of the first twenty percent (20%) of SFD Customers that subscribe to Backyard
3871 Collection Services. For example, if 10,000 SFD Customer subscribe to Collection
3872 services, the Gross Billed Revenue from up to 2,000 SFD Customers subscribing to
3873 Backyard Collection Services shall be included in the revenue reconciliation
3874 process. To continue this example, revenues from any additional SFD Customers
3875 (above the first 2,000 Customers) subscribing to Backyard Collection Services shall
3876 not be included revenue reconciliation and shall be retained by the Contractor. The
3877 report provided by Contractor shall include the Backyard Collection Service
3878 revenues and calculation of the portion of such revenues to be included in the
3879 revenue reconciliation.

3880 E. **Net Revenue Billed.** Net Revenue Billed equals the result obtained by subtracting
3881 the sum of items B, C, and D above from item A above [i.e., Net Revenue Billed = A
3882 - (B+C+D)]. In this calculation, item D shall equal the Gross Revenue Billed from
3883 Attachment Q Charges less revenue to be included in the revenue reconciliation
3884 process for the Backyard Collection Service charge as described in item D above.

3885 F. **Liquidated Damages; Performance Incentives and Disincentives.** Liquidated
3886 Damages assessed by Member Agencies pursuant to Section 14.07 are not
3887 included in the revenue reconciliation process. Similarly, performance incentive
3888 payments and performance disincentive assessments provided for in Section 11.07
3889 are not included in the revenue reconciliation process.

3890 G. **Comparison to Contractor's Compensation.** The report shall identify the
3891 approved Contractor's Compensation for each Member Agency and shall compare it
3892 to Net Revenue Billed for such Member Agency to determine the revenue shortfall
3893 or revenue surplus.

3894 H. **SBWMA Review.** The SBWMA will review the report and underlying financial data
3895 for accuracy, will confer with Member Agencies to confirm data as to each Agency,
3896 and will meet with Contractor to resolve any errors or inconsistencies.

3897 The SBWMA will incorporate its conclusions as to revenue shortfalls or revenue
3898 surpluses experienced by Contractor as to each Member Agency into its calculation

3899 of Contractor's Compensation for the following Rate Year distributed to all Member
3900 Agencies in the fall of each year.

3901 I. **Final Rate Year.** The revenue reconciliation process will be conducted for the last
3902 Rate Year of the Agreement.

3903 **11.04 APPLICATION PROCESS FOR CONTRACTOR'S COMPENSATION**

3904 A. **Application Date and Content.** Contractor shall prepare and submit to Agency and
3905 SBWMA by June 15 of each year, beginning on June 15, 2020 for Rate Year Eleven
3906 (2021) Contractor's Compensation, an Application for determination of Contractor's
3907 Compensation for the next Rate Year. This Application shall cover all Member
3908 Agencies and shall present the calculation of Contractor's Compensation for each
3909 Member Agency using the methodology prescribed in Attachment K and illustrated
3910 in Attachment N. Contractor shall provide any additional information requested by
3911 the Agency or by SBWMA during its review of the Application.

3912 B. **Review of Application.** The Application shall be reviewed by SBWMA for
3913 accuracy and consistency with the procedures for determining Contractor's
3914 Compensation specified in this Agreement as described in Attachment K. SBWMA
3915 shall share with Contractor any factual or calculation errors identified in the
3916 Application and Contractor shall have the opportunity to revise its Application.

3917 C. **SBWMA Report on Application.** As provided in Attachment K, SBWMA staff shall
3918 distribute, on or before September 1 of each year, a report in draft form which (i)
3919 identifies the amount of Contractor's Compensation and Pass-Through Costs
3920 calculated for each Agency for the following Rate Year, and (ii) provides an overall
3921 percentage increase or decrease in Agency's Rates which SBWMA calculates will
3922 generate Customer revenues sufficient to cover Contractor's Compensation and
3923 Pass-Through Costs.

3924 SBWMA will take into account comments received from Agency and other Member
3925 Agencies within ten (10) Days after distribution of the report in draft form. A final
3926 report will be presented to and considered by the SBWMA Board of Directors and
3927 approved for distribution to all Member Agencies on or before October 1 of each
3928 year. The determination of Contractor's Compensation and the estimation of Pass-
3929 Through Costs for each Member Agency contained in the final Report shall be
3930 binding on Contractor and Agency.

3931 **11.05 SPECIAL COMPENSATION REVIEW**

3932 A. **Eligible Items.** The Contractor may apply to the Agency for consideration of a
3933 special review of Contractor's Compensation, and the Agency may initiate such a
3934 review, if one or more of the following events occur and cause an increase in or
3935 decrease to Contractor's Compensation by two percent (2%) or more for the then-
3936 current Rate Year. If one or more of the following events occur and cause an
3937 increase in or decrease to Contractor's Compensation by less than two percent
3938 (2%) for the then-current Rate Year, such cost impact shall be considered at the
3939 time the annual Contractor's Compensation adjustment process is performed in

- 3940 accordance with Section 11.02, and Contractor may be compensated retroactively
3941 for such cost subject to Agency approval.
- 3942 1. Provision of emergency services pursuant to Section 7.08.
- 3943 2. Flood, earthquake, or other similar catastrophic event affecting the Agency
3944 which is beyond the control of and not the fault of the Contractor.
- 3945 3. Change in Law occurring after January 1, 2011.
- 3946 4. Changes in the Rates charged for Backyard Collection Service and/or Curbside
3947 Collection Service that alter the price differential between the two, causing
3948 Customers to migrate from one to the other, with the result of increasing or
3949 decreasing Contractor's annual cost of operation by two percent (2%) or more.
- 3950 A special compensation review must be requested by Contractor, or initiated by
3951 Agency, within twelve (12) months after one of the above-described events has
3952 occurred unless otherwise agreed to by the Agency.
- 3953 B. **Ineligible Items.** A special review of Contractor's Compensation may not be
3954 initiated for any of the following reasons:
- 3955 1. Increases or decreases in Contractor's cost of operations in excess of the
3956 adjustments provided through the annual adjustment mechanism described in
3957 Attachment K.
- 3958 2. Growth or decline in the number of Customers or their service levels, with the
3959 exception of adjustments described in Attachment K.
- 3960 3. Changes in the mix of Container sizes or frequency of Collection, with the
3961 exception of adjustments described in Attachment K.
- 3962 C. **Review of Costs.** Agency shall have the right to review any and all financial and
3963 operating records of Contractor. Agency will take into account the net overall impact
3964 of the event on Contractor's Compensation, including reductions in cost resulting
3965 from curtailments in service levels or other factors.
- 3966 D. **Submittal of Request.** Contractor must submit its request for a special review in a
3967 form and manner specified by the Agency, together with required cost and
3968 operational data. Agency will review the request and determine the amount owed, if
3969 any, to Contractor and the time period to be covered by special compensation
3970 circumstances.
- 3971 E. **Burden of Justification.** In a special compensation review under this Section,
3972 Contractor shall bear the burden of justifying to the Agency by substantial evidence
3973 its entitlement to continuation of current, as well as any increases in, Contractor's
3974 Compensation. If the Agency determines that the Contractor has not met its
3975 burden, it shall notify Contractor that it is prepared to deny Contractor's request for
3976 an increase in compensation, or to proceed with a reduction in compensation.
3977 Within ten (10) Days after such notice, Contractor may request a hearing before the
3978 Agency's governing body to produce additional evidence. Upon such request, the
3979 Agency shall provide a hearing before the Agency governing body.

3980 F. **Hearing.** Based on evidence presented to it, including, that submitted by
3981 Contractor, the Agency governing body may grant some, all, or none of the
3982 requested increase in, or may reduce, Contractor's Compensation. In the event
3983 Agency denies Contractor's requested increase in whole or in part, Contractor shall
3984 have the right to present its claim to a court of competent jurisdiction.

3985 G. **Cost of Review.** Contractor shall bear all reasonable costs incurred by Agency
3986 (including assistance provided to it by SBWMA) of a special review which it has
3987 requested up to a maximum of sixty thousand dollars (\$60,000). Costs of a review
3988 requested by Contractor may not be included in Contractor's Compensation,
3989 charged to Agency or Customers, nor included in the calculation used as rationale
3990 to initiate a special compensation review.

3991 **11.06 COMPENSATION ADJUSTMENTS FOR CHANGES IN SCOPE OF SERVICES OR**
3992 **SERVICE LEVELS**

3993 In the event the Agency directs a change in accordance with Section 15.12, an equitable
3994 adjustment in Contractor's Compensation will be made, effective with the
3995 commencement of the change, to reflect increases or decreases, if any, in Contractor's
3996 Compensation. The adjustment in compensation will also reflect the corresponding
3997 change in profit. The change in Contractor's Compensation will therefore consist of the
3998 sum of (i) the incremental change to costs, and (ii) profit adjustment at the allowed
3999 operating ratio of ninety and one-half percent (90.5%).

4000 Within forty-five (45) Days of a request by Agency to initiate a change in service,
4001 Contractor shall present a proposal to Agency containing a complete description of the
4002 following, if and to the extent applicable:

- 4003 1. Collection methodology to be employed.
- 4004 2. Equipment to be utilized (number of vehicles, types, capacity, age, etc.).
- 4005 3. Labor requirements (number of employees by classification).
- 4006 4. Type of Containers to be used.
- 4007 5. Description of program publicity/education/marketing materials to be developed.
- 4008 6. Estimated Tonnage to be diverted and the methodology for determining that
4009 diverted Tonnage.
- 4010 7. Anticipated impacts of the change, if any, on performance incentive and disincentive
4011 measures included in Attachment I.
- 4012 8. Description of end uses of Collected material.
- 4013 9. Three (3) year projection of the financial impact of the program's operations in a
4014 balance sheet and operating statement format including documentation of the key
4015 assumptions underlying the projections and the support for those assumptions,
4016 giving full effect to the savings or costs to existing services and the Rate impact to
4017 affected Customers.
- 4018 10. Monitoring tools and quantitative measures including: cost per Ton; annual
4019 diversion; and pre-implementation as well as expected post-implementation route
4020 information including cost per route and accounts or lifts per route per Day.

4021 **11.07 RATE-SETTING PROCESS**

4022 A. **General.** The Agency shall be solely responsible for establishing and adjusting
4023 Rates as described in this Article.

4024 B. **Annual Review Process.** The Rates shall be reviewed annually by Agency,
4025 commencing with Rate Year Eleven (2021) and continuing through the remaining
4026 Term including any extension periods. The Agency shall adjust Rates as necessary
4027 to generate annual Gross Revenues Billed equal to Contractor's Compensation
4028 approved for the Rate Year and other approved Pass-Through Costs (such as
4029 Disposal and processing costs and Agency fees).

4030 If Agency elects to set Rates that are below those recommended in the SBWMA
4031 report, (or delays acting to revise Rates such that the recommended Rates do not
4032 go into effect until after January 1), and the Revenue Reconciliation process
4033 conducted by SBWMA for that Rate Year demonstrates that Net Revenues Billed
4034 were less than the approved Contractor's Compensation contained in the SBWMA
4035 report, interest shall accrue on the difference. Interest shall apply (i) to fifty percent
4036 (50%) of the difference during the Rate Year in which the shortfall in revenue
4037 occurred, and (ii) one-hundred percent (100%) of the difference during the
4038 immediately following Rate Year. The interest rate applied to both years shall be
4039 the prime rate in effect when SBWMA issued the report for that Rate Year plus one
4040 percent (1%). Interest payment arrangements shall be governed by the July 8, 2015
4041 Memorandum of Understanding between Contractor and SBWMA, which is
4042 provided in Attachment S.

4043 C. **Rate Structure.** The Agency shall have the sole and exclusive right to change the
4044 relationship of individual Rates in comparison with other Rates and to allocate total
4045 Contractor's Compensation among Service Sectors and Lines of Business. If a
4046 change in the Rates charged for Backyard Collection service or Curbside Collection
4047 service causes a Customer migration from one to the other which in turn increases
4048 or decreases Contractor's annual cost of operation, either Party may initiate a
4049 special compensation review subject to conditions specified in Section 11.05.

4050 If at any time Contractor believes that a Rate not included in the Agency-approved
4051 Rate schedule would be necessary or useful, Contractor shall notify the Agency and
4052 recommend establishment of such Rate. For example, if a Customer requests
4053 Collection of a fifteen (15) cubic yard Compactor five (5) times per week and the
4054 Agency-approved Rate schedule does not include this level of service, the
4055 Contractor shall recommend that the Agency establish a Rate for this level of
4056 service.

4057 D. **Liquidated Damages.** Contractor shall pay Agency the amounts, if any, due for
4058 Liquidated Damages under Section 14.07 and Attachment J with submittal of its
4059 annual report to Agency pursuant to Section 9.07.

4060 E. **Performance Incentives and Disincentives.** Contractor shall submit an annual
4061 report on the Performance Incentives and Disincentives detailed in Attachment I
4062 with submittal of its quarterly and annual reports to Agency and SBWMA pursuant
4063 to Section 9.06 and Section 9.07. Contractor shall pay Agency or Agency shall pay
4064 Contractor the net amount, if any, due for Performance Incentives and Disincentives
4065 calculated pursuant to Section 11.07, Attachment I, and Attachment N.

4066 Payment related to Performance Incentives and Disincentives are to be included in
4067 Contractor's Application and Contractor's Compensation for the next Rate Year will
4068 be increased or decreased by the net amount of Performance Incentive payments
4069 and Disincentive assessments calculated.

4070 **11.08 NOTICE OF RATE ADJUSTMENTS**

4071 If requested by Agency, Contractor shall provide Agency with a complete and current list
4072 of its Customer addresses within ten (10) Days of the request. In addition, if requested
4073 by Agency, Contractor shall arrange for notices (prepared by Agency) to be mailed.

4074 **11.09 POTENTIAL RATE CONSTRAINTS**

4075 A. The parties recognize that, as of the date this Agreement is entered into, there is no
4076 authoritative judicial determination of whether Articles 13.C and 13.D of the
4077 California Constitution apply to rates and charges imposed by private enterprises for
4078 Solid Waste handling and Recycling services when those charges are regulated by
4079 a local government.

4080 Until such authoritative judicial guidance is available, the Agency reserves the right,
4081 in its sole discretion to provide notice of proposed Rates or Charges increases, and
4082 an opportunity for public hearing and protest as required by Article 13.D of the
4083 California Constitution.

4084 B. The Agency will not be in default of this Agreement if (i) a majority protest prevents
4085 a proposed Rate increase from being adopted, (ii) a court rules that Rates adopted
4086 by the Agency are not consistent with Article 13.D, or (iii) an initiative reduces Rates
4087 from those in effect. After any such event, the Parties shall promptly meet and
4088 confer in good faith to consider modifications to service levels commensurate with
4089 the Rates that Contractor may legally charge.

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ARTICLE 12
AGENCY RIGHT TO USE EQUIPMENT AND
FACILITIES

4095 **12.01 PURPOSE**

4096 The Parties recognize (i) that frequent and continuous collection of Solid Waste,
4097 Targeted Recyclable Materials, and Organic Materials is an essential public service and
4098 an important element of public health in developed communities such as Agency, and (ii)
4099 that even a temporary interruption in the Collection and transport services entrusted to
4100 Contractor may threaten the public health and safety, as well as causing serious
4101 financial harm to business operations in the Agency.

4102 The purpose of this Article is to provide the Agency the ability to respond to such threats
4103 to the public health, safety, and welfare by making use of Contractor's Facilities and
4104 equipment. This Article applies to any interruption of services, regardless of whether or
4105 not Contractor's failure to perform is excused under Section 14.09.

4106 **12.02 CONDITIONS AUTHORIZING AGENCY'S RIGHT TO USE OF FACILITIES AND**
4107 **EQUIPMENT**

4108 If Contractor, for any reason, fails, refuses or is unable to Collect Solid Waste, Targeted
4109 Recyclable Materials, and Organic Materials at the times and in the manner required by
4110 this Agreement, and transport them to the Designated Transfer and Processing Facility,
4111 for more than two (2) Business Days, Agency may invoke this Article. Agency shall
4112 provide Contractor written notice that it intends to consider invoking this Article at a
4113 public meeting of its governing body, to be held two (2) or more Business Days from the
4114 date of the notice.

4115 At the meeting, the governing body may invoke its rights under this Article if it
4116 determines that there has been an interruption in Collection service and that such
4117 interruption may continue, thereby threatening the public health, safety and welfare. If
4118 the governing body makes that determination, it may also determine to exercise the
4119 Agency's right to (i) perform Collection and transport services with its own personnel
4120 and/or those of other Member Agencies which have invoked this right under their
4121 Franchise Agreements with Contractor or authorize a third party to do so, and (ii) take
4122 possession of any of Contractor's property, including vehicles and other equipment used
4123 or useful in providing such services or in the Billing and collection of Rates billed for such
4124 services (collectively "Properties").

4125 **12.03 NOTICE TO CONTRACTOR**

4126 Agency shall deliver written notice to Contractor of its determination to exercise its right
4127 to provide Collection services and to make use of Contractor's Properties to do so.
4128 Upon receipt of the notice, Contractor shall immediately take all steps necessary to
4129 make available to Agency any of its vehicles and equipment that are requested by
4130 Agency. Contractor shall also cooperate in any other way requested by Agency to assist
4131 Agency in providing Collection services on a temporary basis.

4132 **12.04 RIGHTS AND RESPONSIBILITIES OF PARTIES**

4133 Agency will be responsible for the proper use and operation of Contractor's Properties,
4134 including maintenance and repair of vehicles and equipment. Agency will defend,
4135 indemnify and hold Contractor harmless from claims by third parties that are due solely
4136 to Agency's negligence in operating Contractor's vehicles or equipment, and not due in
4137 whole or in part to defects in the design or manufacture of the vehicles or equipment or
4138 to Contractor's failure to maintain them in good and safe operating condition.

4139 If the interruption in service is excused under Section 14.09, Agency will pay Contractor
4140 one hundred dollars (\$100) per Business Day per vehicle, which will constitute full
4141 compensation for use of all Properties. If the interruption in service constitutes a breach
4142 of contract or default, no payment is required.

4143 Revenue received from Customers that is attributable to the period of time during which
4144 Agency provides temporary Collection service shall accrue to Agency rather than
4145 Contractor.

4146 Agency may delegate the use and operation of any or all of Contractor's Properties to a
4147 third party.

4148 If the interruption of Collection service is caused by a breach of contract or default by
4149 Contractor, Liquidated Damages and performance disincentives will continue to accrue
4150 until Contractor resumes the provision of Collection services in full compliance with the
4151 Agreement.

4152 **12.05 DURATION OF AGENCY'S RIGHT TO POSSESSION AND USE OF**
4153 **VEHICLES/EQUIPMENT**

4154 Agency may retain possession of Contractor's Properties and provide Collection
4155 services until the Contractor demonstrates to Agency's satisfaction that it is ready,
4156 willing, and able to resume providing such services, or one hundred eighty (180) Days
4157 from the notice given under Section 12.03, whichever occurs first.

4158 Agency has no obligation to exercise its rights under this Article or, having done so, to
4159 continue to provide Collection services. It may at any time, in its sole discretion,
4160 relinquish possession of Contractor's Properties to Contractor.

4161 Contractor's Properties shall be returned to Contractor in a condition substantially the
4162 same as that which existed at the time the Agency took possession of them, ordinary
4163 wear and tear excepted.

4164 **12.06 GENERAL**

4165 The Agency's exercise of its rights under this Article, (i) does not constitute taking or
4166 damaging of property for which compensation (other than as provided in this Article)
4167 must be paid, and (ii) does not exempt Contractor from its indemnity obligations under
4168 Article 13, which are meant to extend to circumstances arising under this Article,
4169 provided that Contractor is not required to indemnify Agency against claims arising from
4170 the sole negligence of Agency's employees or agents in the operation and use of
4171 Contractor's Properties during the time the Agency has sole possession of them.

4172 The Agency's exercise of its rights under this Article does not limit its ability to seek any
4173 of the remedies available to it under Article 14.

4174 The Agency's rights under this Article do not preclude its permanent acquisition of
4175 Contractor's vehicles and equipment used in providing service to Agency through the
4176 exercise of eminent domain.
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ARTICLE 13
INDEMNITY, INSURANCE, BOND, GUARANTY

4180 **13.01 INDEMNIFICATION**

4181 Contractor shall indemnify, defend, and hold harmless Agency, its officers, employees
4182 and agents (collectively, the "Indemnitees"), from and against (i) any and all liability,
4183 penalty, claim, demand, action, proceeding, or suit, of any and every kind and
4184 description, whether judicial, quasi-judicial, or administrative in nature, (ii) any and all
4185 loss including, but not limited to, injury to and death of any person and damage to
4186 property, and (iii) contribution or indemnity demanded by third parties (collectively, the
4187 "Claims"), arising out of or occasioned in any way by, directly or indirectly, Contractor's
4188 performance of, or its failure to perform, its obligations under this Agreement. The
4189 foregoing indemnity shall not apply to the extent that a Claim is caused solely by the
4190 active negligence or intentional misconduct of the Indemnitees, but shall apply if the
4191 Claim is caused by the joint negligence of Contractor and other Persons, including an
4192 Indemnatee. Upon the occurrence of any Claim, Contractor shall defend (with attorneys
4193 reasonably acceptable to Agency) the Indemnitees. Contractor's duty to defend and
4194 indemnify shall survive the expiration or earlier termination of this Agreement.

4195 **13.02 INSURANCE**

4196 A. **Types and Amounts of Coverage.** Contractor shall procure from an insurance
4197 company or companies admitted or authorized to do business in the State of
4198 California, and shall maintain in force at all times during the Term, the following
4199 types and amounts of insurance:

4200 1. **Workers' Compensation and Employer's Liability.** Contractor shall maintain
4201 workers' compensation insurance covering its employees in statutory amounts
4202 and otherwise in compliance with the laws of the State of California. Contractor
4203 shall maintain employer's liability insurance in an amount not less than one
4204 million dollars (\$1,000,000) per accident or disease. Contractor shall not be
4205 obligated to carry workers compensation insurance if (i) it qualifies under
4206 California law and continuously complies with all statutory obligations to self-
4207 insure against such risks; (ii) furnishes a certificate of Permission to Self Insure
4208 issued by the Department of Industrial Relations; and (iii) furnishes updated
4209 certificates of Permission to Self Insure periodically to evidence continuous self
4210 insurance.

4211 2. **Comprehensive General Liability.** Contractor shall maintain comprehensive
4212 general liability insurance with a combined single limit of not less than ten million
4213 dollars (\$10,000,000) per occurrence covering all claims and all legal liability for
4214 personal injury, bodily injury, death, and property damage, including the loss of
4215 use thereof, arising out of, or occasioned in any way by, directly or indirectly,
4216 Contractor's performance of, or its failure to perform, services under this
4217 Agreement.

4218 The insurance required by this subsection shall include:

4219 (i) Premises Operations (including use of owned and non-owned
4220 equipment);

- 4221 (ii) Personal Injury Liability with employment exclusion deleted;
- 4222 (iii) Broad Form Blanket Contractual with no exclusions for bodily injury,
- 4223 personal injury or property damage (including coverage for the
- 4224 indemnity obligations contained herein);
- 4225 (iv) Owned, Non-Owned, and Hired Motor Vehicles;
- 4226 (v) Broad Form Property Damage.

4227 The comprehensive general liability insurance shall be written on an "occurrence"
 4228 basis (rather than a "claims made" basis) in a form at least as broad as the most
 4229 current version of the Insurance Service Office commercial general liability
 4230 occurrence policy form (CG0001). If occurrence coverage is not obtainable,
 4231 Contractor must arrange for "tail coverage" on a claims made policy to protect
 4232 Agency from claims filed within four (4) years after the expiration or earlier
 4233 termination of this Agreement relating to incidents that occurred prior to such
 4234 expiration or termination.

4235 3. Automobile Liability. Contractor shall maintain automobile liability insurance
 4236 covering all vehicles used in performing service under this Agreement with a
 4237 combined single limit of not less than ten million dollars (\$10,000,000) per
 4238 occurrence for bodily injury and property damage.

4239 4. Pollution (Environmental Impairment) Liability. Contractor shall maintain pollution
 4240 liability insurance coverage of not less than ten million dollars (\$10,000,000) per
 4241 occurrence covering claims for on-site, under-site, or off-site bodily injury and
 4242 property damage as a result of pollution conditions arising out of its operations
 4243 under this Agreement.

4244 B. Acceptability of Insureds. The insurance policies required by this section shall be
 4245 issued by an insurance company or companies admitted to do business in the State
 4246 of California, subject to the jurisdiction of the California Insurance Commissioner,
 4247 and with a rating in the most recent edition of Best's Insurance Reports of size
 4248 category XV or larger and a rating classification of A+ or better.

4249 C. Required Endorsements. Without limiting the generality of Sections 13.02.A and
 4250 13.02.B, the policies shall contain endorsements in substantially the following form:

4251 1. Workers' Compensation and Employers' Liability Policy.

4252 (a) "Thirty (30) Days prior written notice shall be given to the West Bay
 4253 Sanitary District in the event of cancellation or non-renewal of this policy."
 4254 Such notice shall be sent to:

4255 West Bay Sanitary District
 4256 500 Laurel Street, Menlo Park, CA 94025
 4257 Attn: District Manager

4258 (b) "Insurer waives all right of subrogation against the West Bay Sanitary District
 4259 and its officers and employees for injuries or illnesses arising from work
 4260 performed for the West Bay Sanitary District."

4261 2. Comprehensive General Liability Policy; Automobile Liability Policy; Pollution
 4262 Liability Policy; and Hazardous Materials Policy.

- 4263 (a) "Thirty (30) Days prior written notice shall be given to the West Bay Sanitary
4264 District in the event of cancellation, reduction of coverage, or non-renewal of
4265 this policy." Such notice shall be sent to:
- 4266 West Bay Sanitary District
4267 500 Laurel Street, Menlo Park, CA 94025
4268 Attn: District Manager
- 4269 (b) "The West Bay Sanitary District, its officers, employees, and agents are
4270 additional insureds on this policy."
- 4271 (c) "This policy shall be considered primary insurance as respects any other
4272 valid and collectible insurance maintained by the West Bay Sanitary District,
4273 including any self-insured retention or program of self-insurance, and any
4274 other such insurance shall be considered excess insurance only."
- 4275 (d) "Inclusion of the West Bay Sanitary District as an insured shall not affect the
4276 West Bay Sanitary District's rights as respects any claim, demand, suit or
4277 judgment brought or recovered against the Contractor. This policy shall
4278 protect Contractor and the West Bay Sanitary District in the same manner as
4279 though a separate policy had been issued to each, but this shall not operate
4280 to increase the company's liability as set forth in the policy beyond the
4281 amount shown or to which the company would have been liable if only one
4282 party had been named as an insured."
- 4283 D. **Deductibles and Self-Insured Retentions.** The liability policies described in
4284 Sections 13.02.A(2) and 13.02.A(3) may contain a deductible or self-insured
4285 retention not to exceed \$500,000 per occurrence. This amount may not be
4286 increased without Agency's prior written consent.
- 4287 Contractor remains responsible for the payment of all losses and investigation,
4288 claim administration and defense expenses, including those of the Agency.
- 4289 E. **Delivery of Proof of Coverage.** No later than ninety (90) Days before the
4290 commencement of operations, Contractor shall furnish Agency one or more
4291 certificates of insurance on a standard ACORD form substantiating that each of the
4292 coverages required hereunder is in force, in form and substance satisfactory to
4293 Agency. Such certificates shall show the type and amount of coverage, effective
4294 dates and dates of expiration of policies and shall be accompanied by all required
4295 endorsements. If Agency requests, copies of each policy, together with all
4296 endorsements, shall also be promptly delivered to Agency. Contractor shall furnish
4297 renewal certificates to Agency to demonstrate maintenance of the required
4298 coverages throughout the Term.
- 4299 F. **Other Insurance Requirements**
- 4300 1. In the event performance of any services is delegated to a Subcontractor,
4301 Contractor shall require such subcontractor to provide statutory workers'
4302 compensation insurance and employer's liability insurance for all of the
4303 Subcontractor's employees engaged in the work. The liability insurance
4304 required by Section 13.02.A(2) and the automobile liability policy required by
4305 Section 13.02.A(3) shall cover all Subcontractors or the Subcontractor must
4306 furnish evidence of insurance provided by it meeting all of the requirements of
4307 this Section 13.02.

- 4308 2. Contractor shall comply with all requirements of the insurers issuing policies.
4309 The carrying of insurance shall not relieve Contractor from any obligation under
4310 this Agreement, including those imposed by Section 13.01. If any claim is
4311 made by any third Person against Contractor or any Subcontractor on account
4312 of any occurrence related to this Agreement, other than claims by employees
4313 for work-related incidents, Contractor shall promptly report the facts in writing to
4314 the insurance carrier and to the Agency.
- 4315 3. If Contractor fails to procure and maintain any insurance required by this
4316 Agreement, Agency may take out and maintain such insurance as it may deem
4317 proper and may require Contractor to reimburse it for the cost incurred within
4318 thirty (30) Days and/or deduct the cost from any monies due Contractor.
4319 Agency may also treat the failure as a Contractor default.
- 4320 4. Agency is not responsible for payment of premiums for or deductibles under
4321 any required insurance coverages.
- 4322 5. Any excess or umbrella policies shall be written on a "following form" basis.

4323 **13.03 FAITHFUL PERFORMANCE BOND**

4324 Pursuant to the 2009 Franchise Agreement, Contractor shall have a faithful performance
4325 bond in effect until December 31, 2020. On or before the Commencement Date,
4326 Contractor shall file with Agency a bond securing the Contractor's faithful performance of
4327 its obligations under this Agreement. The principal sum of the bond shall be no less
4328 than ten percent (10%) of the amount of the Rate Year Ten (2020) annual Revenue
4329 Requirement for Agency shown on Attachment N. The form of the bond shall be as set
4330 out in Attachment F. The bond shall be executed as surety by a corporation admitted to
4331 issue surety bonds in the State of California, regulated by the California Insurance
4332 Commissioner, and with a financial condition and record of service satisfactory to
4333 Agency.

4334 The term of the bond shall be twenty-four (24) months. The bond shall be extended, or
4335 replaced by a new bond in the same principal sum (adjusted by the Annual Index
4336 Change in the CPI-U, which are defined in Attachment K), for the same term (i.e.,
4337 twenty-four (24) months) and in the same form, bi-annually thereafter. Not less than
4338 ninety (90) Days before the expiration of the initial, or any subsequent, bond, Contractor
4339 shall furnish either a replacement bond or a continuation certificate substantially in the
4340 form attached as Attachment F, executed by the surety.

4341 It is the intention of this Section that there be in full force and effect at all times a bond
4342 securing the Contractor's faithful performance of the Agreement, throughout its Term.

4343 For the purposes of this Section, the Consumer Price Index shall be "CPI-U" means the
4344 All Urban Consumers Index (CPI-U) compiled and published by the U.S. Department of
4345 Labor, Bureau of Labor Statistics or its successor agency, using the following
4346 parameters.

4347 CPI-U Parameters:
4348 Area – San Francisco-Oakland-San Jose Metropolitan Area
4349 Item – All Items
4350 Base Period – Current 1982-84=100
4351 Not seasonally adjusted
4352 Periodicity – Bi-monthly

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Series ID – cuura422sa0

4354 **13.04 ALTERNATIVE SECURITY**

4355 Agency may, in its sole discretion, allow Contractor to provide alternative security in the
4356 amount set forth in Section 13.03, in the form of (a) a prepaid irrevocable standby letter
4357 of credit in form and substance satisfactory to Agency, approved by the Agency's
4358 Attorney and issued by a financial institution acceptable to Agency, or (b) a certificate of
4359 deposit in the name of the Agency and in a form and with a term satisfactory to Agency,
4360 accompanied by an agreement giving Agency the right to draw on the funds deposited
4361 satisfactory to Agency and with a financial institution acceptable to Agency. Interest on
4362 the certificate of deposit will be payable to Contractor.

4363 **13.05 HAZARDOUS WASTE INDEMNIFICATION**

4364 Contractor shall indemnify, defend, and hold harmless the Indemnitees against all
4365 claims, of any kind whatsoever paid, incurred, or suffered by, or asserted against
4366 Indemnitees arising from or attributable to any repair, cleanup or detoxification, or
4367 preparation and implementation of any removal, remedial, response, closure, or other
4368 plan (regardless of whether undertaken due to governmental action) concerning any
4369 Hazardous Wastes released, spilled, or disposed of by Contractor pursuant to this
4370 Agreement. The foregoing indemnity is intended to operate as an agreement pursuant
4371 to Section 107(e) of the Comprehensive Environmental Response, Compensation and
4372 Liability Act, ("CERCLA"), 42 U.S.C. Section 9607(e), and California Health and Safety
4373 Code Section 25364, to defend, protect, hold harmless, and indemnify Indemnitees from
4374 liability and shall survive the expiration or earlier termination of this Agreement.
4375 Notwithstanding the foregoing, Contractor is not required to indemnify the Indemnitees
4376 against claims arising from Contractor's delivery of Solid Waste, Recyclable Materials,
4377 and Organic Materials to the Designated Transfer and Processing Facility, or their
4378 subsequent delivery to other processing locations or the ultimate Disposal Site, unless
4379 such claims are due to Contractor's negligence or willful misconduct.

4380 **13.06 INDEMNIFICATION RELATED TO VARIOUS STATE REQUIREMENTS**

4381 Contractor agrees to indemnify and hold harmless the Indemnitees against all fines
4382 and/or penalties imposed by the California Department of Resources Recycling and
4383 Recovery (CalRecycle) or the Local Enforcement Agency (LEA) based on Contractor's
4384 failure to comply with laws, regulations, or permits issued or enforced by CalRecycle or
4385 the LEA or caused or contributed to by the Contractor's failure to perform obligations
4386 under this Agreement. This indemnity obligation is subject to the limitations and
4387 conditions in Public Resource Code Section 40059.1 but is enforceable to the maximum
4388 extent allowable by that Section. This indemnity shall survive the termination or earlier
4389 expiration of this Agreement. The indemnity shall pertain to the Act, AB 341, AB 901, AB
4390 1826, AB 1594, SB 1016, SB 1383, and other laws, regulations, or permits issued or
4391 enforced by the CalRecycle or the LEA.

4392 **13.07 GUARANTY**

4393 Concurrently with execution of the 2009 Franchise Agreement, Contractor furnished a
4394 Guaranty of its performance thereunder, in the form of Attachment G, properly executed
4395 by Recology Inc., a California corporation. Said Guaranty by its terms applies to any

4396 amendment to the 2009 Franchise Agreement, including this Agreement. Recology Inc.
4397 then owned and as of the date hereof continues to own all of the issued and outstanding
4398 common stock of Contractor.

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ARTICLE 14

DEFAULT AND REMEDIES

4402 **14.01 EVENTS OF DEFAULT**

4403 Each of the following shall constitute an event of default ("Contractor default"):

4404 A. Contractor fails to perform its obligations under Article 5, 6, or 7 of this Agreement
4405 and its failure to perform is not cured within ten (10) Business Days after written
4406 notice from Agency.

4407 B. Contractor fails to perform its obligations under any other Article of this Agreement
4408 and its failure to perform is not cured within ten (10) Days after written notice from
4409 Agency, provided that if the nature of the failure is such that it will reasonably
4410 require more than ten (10) Days to cure, Contractor shall not be in default so long
4411 as it promptly commences the cure and diligently proceeds to completion of the
4412 cure, and provided further that neither notice nor opportunity to cure applies to
4413 events described in subsections C through H.

4414 C. Contractor ceases to provide Collection and transportation services for a period of
4415 two (2) Business Days for any reason within the Contractor's control, including labor
4416 unrest such as strike, work stoppage or slowdown, sickout, picketing, or other
4417 concerted job action by Contractor's employees.

4418 D. Contractor files a voluntary petition for relief under any bankruptcy, insolvency, or
4419 similar law.

4420 E. An involuntary petition is brought against Contractor under any bankruptcy,
4421 insolvency, or similar law which remains un-dismissed or un-stayed for ninety (90)
4422 Days.

4423 F. Contractor fails to furnish a replacement bond or a continuation certificate of the
4424 existing bond not less than ten (10) Days before expiration of the performance
4425 bond, as required by Section 13.03 or fails to maintain all required insurance
4426 coverage in force.

4427 G. Contractor fails to provide reasonable assurance of performance when required
4428 under Section 14.10.

4429 H. A representation or warranty contained in Article 2 proves to be false or misleading
4430 in a material respect as of the date such representation or warranty was made.

4431 **14.02 RIGHT TO SUSPEND OR TERMINATE UPON DEFAULT**

4432 A. Upon any Contractor default, Agency may terminate this Agreement or suspend it, in
4433 whole or in part. Such suspension or termination shall be effective thirty (30) Days
4434 after Agency has given notice of suspension or termination to Contractor, except that
4435 such notice may be effective in a shorter period of time, or immediately, if the
4436 Contractor default is one which endangers the health, welfare, or safety of the public,
4437 such as the failure to Collect Solid Waste, Recyclable Materials, or Organic Materials
4438 for the period of time specified in Section 14.01.C. Notice may be given orally in
4439 person or by telephone to the representative of Contractor designated in or under

4440 Section 15.10 (or, if he/she is unavailable, to a responsible employee of Contractor)
4441 and shall be effective immediately. Written confirmation of such oral notice of
4442 suspension or termination shall be sent by personal delivery, facsimile, or other
4443 expedited means of delivery to Contractor within twenty-four (24) hours of the oral
4444 notification at the address shown in Section 15.09. Contractor shall continue to
4445 perform the portions of the Agreement, if any, not suspended, in full conformity with
4446 its terms.

4447 B. Agency may also suspend or terminate this Agreement, upon the same notice
4448 provisions, if Contractor's ability to perform is prevented or materially interfered with
4449 by a cause which excuses nonperformance under Section 14.09, despite the fact
4450 that nonperformance in such a case is neither a breach nor a Contractor default.

4451 **14.03 SPECIFIC PERFORMANCE**

4452 By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-
4453 quality service, the lead time required to effect alternative service, and the rights granted
4454 by Agency to Contractor, the remedy of damages for a breach hereof by Contractor is
4455 inadequate and Agency shall be entitled to injunctive relief.

4456 **14.04 RIGHT TO PERFORM; USE OF CONTRACTOR PROPERTY**

4457 If this Agreement is suspended and/or terminated due to a Contractor default, Agency
4458 shall have the right to perform, by contract, in conjunction with other Member Agencies,
4459 or otherwise, the work herein or such part thereof as it may deem necessary. In the
4460 event of Contractor's default, Agency shall have the right to use any of Contractor's
4461 equipment, Facilities, and other property reasonably necessary for the provision of
4462 services hereunder and for the Billing and collection of Rates and Charges billed for
4463 those services, upon the terms provided in Article 12. Agency shall have the right to
4464 continue use of such property until other suitable arrangements can be made for the
4465 provision of such services, which may include the award of a contract to another service
4466 provider.

4467 **14.05 DAMAGES**

4468 Contractor shall be liable to Agency for all direct, indirect, special, and consequential
4469 damages arising out of Contractor's default. This Section is intended to be declarative of
4470 existing California law.

4471 **14.06 AGENCY'S REMEDIES CUMULATIVE**

4472 Agency's rights to suspend or terminate the Agreement under Section 14.02, to obtain
4473 specific performance under Section 14.03, and to perform under Section 14.04 are not
4474 exclusive, and Agency's exercise of one such right shall not constitute an election of
4475 remedies. Instead, they shall be in addition to any and all other legal and equitable
4476 rights and remedies that Agency may have, including a legal action for damages under
4477 Section 14.05 or imposition of Liquidated Damages under Section 14.07.

4478 **14.07 LIQUIDATED DAMAGES**

4479 The Parties acknowledge that consistent, courteous, and efficient Collection of Solid
4480 Waste, Targeted Recyclable Materials, and Organic Materials is of utmost importance
4481 and Agency has considered and relied on Contractor's representations as to its quality of

4482 service commitment in entering into this Agreement. The Parties further recognize that
4483 quantified standards of performance are necessary and appropriate to ensure consistent
4484 and reliable service. The Parties further recognize that if Contractor fails to achieve the
4485 performance standards, Agency and its residents will suffer damages and that it is and
4486 will be impracticable and extremely difficult to ascertain and determine the exact amount
4487 of damages that Agency will suffer. Therefore, the Parties agree that the Liquidated
4488 Damage amounts listed in Attachment J and the Performance Disincentive amounts
4489 listed in Attachment I represent a reasonable estimate of the amount of such damages
4490 considering all of the circumstances existing on the date of this Agreement, including the
4491 relationship of the sums to the range of harm to Agency that reasonably could be
4492 anticipated and recognition that proof of actual damages would be costly or
4493 inconvenient. By initialing the places provided, each Party specifically confirms the
4494 accuracy of the statements made above and the fact that each Party had ample
4495 opportunity to consult with legal counsel and obtain an explanation of this liquidated
4496 damage provision at the time that this Agreement was made.

4497 Contractor Initial Here: dy5 Agency Initial Here: AS

4498 Contractor agrees to pay (as liquidated damages and not as a penalty) the amount set
4499 forth in Attachments J and I.

4500 In addition to considering the reports submitted by Contractor pursuant to Article 9,
4501 Agency may determine the occurrence of events giving rise to Liquidated Damages or
4502 Performance Disincentives through the observation of its own employees or agents,
4503 through discussions with Customers, and through investigation of Customer Complaints
4504 made directly to Agency. Prior to assessing Liquidated Damages or Performance
4505 Disincentives based on such observations or investigations, Agency shall give
4506 Contractor notice of its intention to do so. The notice will include a brief description of
4507 the incident(s)/non-performance. Contractor may review (and make copies at its own
4508 expense) all non-confidential information in the possession of Agency relating to
4509 incident(s)/non-performance. Contractor may, within ten (10) Days after receiving the
4510 notice, request a meeting with Agency's Manager or his or her designee. Contractor
4511 may present evidence in writing and through testimony of its employees and others
4512 relevant to the incident(s)/non-performance. Agency's Manager or his or her designee
4513 will provide Contractor with a written explanation of his or her determination on each
4514 incident(s)/non-performance prior to authorizing the assessment of Liquidated Damages
4515 or Performance Disincentives. The decision of Agency's Manager or his or her designee
4516 shall be final.

4517 Agency's right to recover Liquidated Damages for Contractor's failure to meet the
4518 service performance standards shall not preclude Agency from obtaining equitable relief
4519 for persistent failures to meet such standards nor from terminating the Agreement for
4520 such persistent failures.

4521 **14.08 AGENCY DEFAULT**

4522 Agency shall be in default under this Agreement ("Agency default") in the event Agency
4523 commits a material breach of the Agreement and fails to cure such breach within thirty
4524 (30) Days after receiving notice from the Contractor specifying the breach, provided that
4525 if the nature of the breach is such that it will reasonably require more than thirty (30)
4526 Days to cure, Agency shall not be in default so long as Agency promptly commences the
4527 cure and diligently proceeds to completion of the cure.

4528 In the event of an asserted Agency default, Contractor shall continue to perform all of its
4529 obligations hereunder until a court of competent jurisdiction has issued a final judgment
4530 declaring that Agency is in default.

4531 **14.09 EXCUSE FROM PERFORMANCE**

4532 A. **Force Majeure.** Neither Party shall be in default of its obligations under this
4533 Agreement in the event, and for so long as, it is impossible or extremely
4534 impracticable for it to perform its obligations due to an "act of God" (including, but
4535 not limited to, flood, earthquake, or other catastrophic events), war, insurrection,
4536 riot, labor unrest of other than the Party's employees (including strike, work
4537 stoppage, slowdown, sick out, picketing, or other concerted job action), or other
4538 similar cause not the fault of, and beyond the reasonable control of, the Party
4539 claiming excuse. A Party claiming excuse under this Section must (i) have taken
4540 reasonable precautions, if possible, to avoid being affected by the cause, and (ii)
4541 notify the other Party in writing as provided in Subsection C.

4542 B. **Obligation to Restore Ability to Perform.** Any suspension of performance by a
4543 Party pursuant to this Section shall be only to the extent, and for a period of no
4544 longer duration than, required by the nature of the event, and the Party claiming
4545 excuse shall use its best efforts to remedy its inability to perform as quickly as
4546 possible and to mitigate damages that may occur as result of the event.

4547 C. **Notice.** The Party claiming excuse shall deliver to the other Party a written notice
4548 of intent to claim excuse from performance under this Agreement by reason of an
4549 event of Force Majeure. Notice required by this Section shall be given promptly in
4550 light of the circumstances, but in any event not later than five (5) Days after the
4551 occurrence of the event of Force Majeure. Such notice shall describe in detail the
4552 event of Force Majeure claimed, the services impacted by the claimed event of
4553 Force Majeure, the expected length of time that the Party expects to be prevented
4554 from performing, the steps which the Party intends to take to restore its ability to
4555 perform, and such other information as the other Party reasonably requests.

4556 D. **Agency's Rights in the Event of Force Majeure.** The partial or complete
4557 interruption or discontinuance of Contractor's services caused by an event of Force
4558 Majeure shall not constitute a Contractor default. Notwithstanding the foregoing: (i)
4559 Agency shall have the right to make use of Contractor's Facilities and equipment in
4560 accordance with Article 12 in the event of non-performance excused by Force
4561 Majeure; (ii) if Contractor's failure to perform by reason of Force Majeure continues
4562 for a period of thirty (30) Days or more, Agency shall have the right to immediately
4563 terminate this Agreement; (iii) if Contractor is unable to Collect and transport Solid
4564 Waste as required by this Agreement for a period of two (2) or more consecutive
4565 Business Days or for any three (3) Business Days in a seven (7) Day period as a
4566 result of Force Majeure, Agency shall have the right to make use of Contractor's
4567 Facilities and equipment in accordance with Article 12, and (iv) if Contractor's
4568 inability to Collect and transport Solid Waste continues for two (2) Days or more
4569 from the date by which Contractor gave or should have given notice under
4570 Subsection C, Agency may terminate this Agreement.

4571 **14.10 ASSURANCE OF PERFORMANCE**

4572 If Contractor (i) persistently suffers the imposition of Liquidated Damages under Section
4573 14.07; (ii) is the subject of any labor unrest including work stoppage or slowdown,
4574 sickout, picketing, or other concerted job action; (iii) appears in the reasonable judgment
4575 of Agency to be unable to regularly pay its bills as they become due; (iv) is the subject of
4576 a civil or criminal proceeding brought by a federal, State, regional, or local agency for
4577 violation of an Environmental Law in the performance of this Agreement, or (v) performs
4578 in a manner that causes Agency to be uncertain about Contractor's ability and intention
4579 to comply with this Agreement, Agency may, at its option and in addition to all other
4580 remedies it may have, demand from Contractor reasonable assurances of timely and
4581 proper performance of this Agreement, in such form and substance as Agency may
4582 require.

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ARTICLE 15
OTHER AGREEMENTS OF THE PARTIES

4586 **15.01 RELATIONSHIP OF PARTIES**

4587 The Parties intend that Contractor shall perform the services required by this Agreement
4588 as an independent contractor engaged by Agency and not as an officer or employee of
4589 Agency nor as a partner of or joint venturer with Agency. No employee or agent of
4590 Contractor shall be deemed to be an employee or agent of Agency. Except as expressly
4591 provided herein, Contractor shall have the exclusive control over the manner and means
4592 of conducting the services performed under this Agreement, and over all Persons
4593 performing such services. Contractor shall be solely responsible for the acts and
4594 omissions of its officers, employees, Subcontractors, and agents. Neither Contractor nor
4595 its officers, employees, Subcontractors, and agents shall obtain any rights to retirement
4596 benefits, workers' compensation benefits, or any other benefits which accrue to Agency
4597 employees by virtue of their employment with Agency.

4598 **15.02 COMPLIANCE WITH LAW**

4599 In providing the services required under this Agreement, Contractor shall at all times
4600 comply with all Applicable Laws of the United States, the State and Agency, with all
4601 applicable ordinances, regulations promulgated by federal, state, regional, or local
4602 administrative and regulatory agencies, and by Agency, now in force and as they may be
4603 enacted, issued, or amended during the Term, and with all permits affecting the services
4604 to be provided.

4605 **15.03 ASSIGNMENT**

4606 Contractor acknowledges that this Agreement involves rendering a vital service to
4607 Agency's residents and businesses, and that Agency has selected Contractor to perform
4608 the services specified herein based on (i) Contractor's experience, skill, and reputation
4609 for conducting its operations in a safe, effective, and responsible fashion, and (ii)
4610 Contractor's and the Guarantor's financial resources to maintain the required equipment
4611 and to support its indemnity obligations to Agency under this Agreement. Agency has
4612 relied on each of these factors, among others, in choosing Contractor to perform the
4613 services to be rendered by Contractor under this Agreement.

4614 A. **Agency Consent Required.** Contractor shall not assign its rights or delegate or
4615 otherwise transfer its obligations under this Agreement to any other Person without
4616 the prior written consent of Agency. Any such assignment made without the
4617 consent of Agency shall be void and the attempted assignment shall constitute a
4618 Contractor default.

4619 B. **Assignment Defined.** For the purpose of this Section, "assignment" shall include,
4620 but not be limited to, (i) a sale, exchange, or other transfer to a third party of
4621 substantially all of Contractor's assets dedicated to service under this Agreement;
4622 (ii) a sale, exchange, or other transfer of outstanding common stock of Contractor to
4623 a Person who is not a shareholder as of the Effective Date which results in a
4624 change in control of Contractor; (iii) any dissolution, reorganization, consolidation,
4625 merger, re-capitalization, stock issuance or reissuance, voting trust, pooling

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agreement, escrow arrangement, liquidation, or other transaction which results in a change of ownership or control of Contractor; (iv) any assignment by operation of law, including insolvency or bankruptcy, an assignment for the benefit of creditors, a writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of Contractor.

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C. **Consent Requirements.** If Contractor requests Agency's consideration of and consent to an assignment, Agency may deny or approve such request in its complete discretion. No request by Contractor for consent to an assignment need be considered by Agency unless and until Contractor has met the following requirements:

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1. Contractor shall pay Agency its reasonable expenses for attorneys' fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment;

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2. Contractor shall furnish Agency with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years;

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3. Contractor shall furnish Agency with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste/Recycling management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not been the subject of any administrative or judicial proceedings initiated by a federal, State, or local agency having jurisdiction over its operations due to an alleged failure to comply with federal, State, or local laws or that the proposed assignee has provided Agency with a complete list of such proceedings and their status; (iii) that the proposed assignee conducts its operations in a safe and environmentally conscientious manner, in accordance with sound Solid Waste management practices in full compliance with all federal, State, and local laws regulating the Collection and Disposal of Solid Waste and all Environmental Laws; and (iv) of any other information required by Agency to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe, and effective manner.

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

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15.04 AFFILIATED ENTITY

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Contractor will not form or use any Affiliate to perform any of the services or activities which Contractor is required or allowed to perform under this Agreement, other than as a Subcontractor approved by Agency under Section 15.04.

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If Contractor enters into any financial transactions with an Affiliate for the provision of labor, equipment, supplies, services, or capital related to the furnishing of service under this Agreement, that relationship shall be disclosed to Agency, and in the financial reports submitted to Agency. In such event, Agency's rights to inspect records and

4671 obtain financial data shall extend to records and data of such Affiliate that are relevant to
4672 those specific financial transactions.

4673 **15.05 CONTRACTOR'S INVESTIGATION**

4674 Contractor has made an independent investigation, satisfactory to it, of the conditions
4675 and circumstances surrounding the Agreement and the work to be performed by it.
4676 Contractor has had the opportunity to inspect the Designated Transfer and Processing
4677 Facility and to review the permits governing its operation, as well as the Source
4678 Reduction and Recycling Element adopted by Agency as required by the Act.
4679 Contractor has taken such matters into consideration in agreeing to provide the services
4680 required by, for the compensation to be provided under, this Agreement.

4681 **15.06 RESERVED**

4682 **15.07 CONDEMNATION**

4683 Agency reserves the rights to acquire the Contractor's property utilized in the
4684 performance of this Agreement through the exercise of eminent domain.

4685 **15.08 NOTICE**

4686 All notices, demands, requests, proposals, approvals, consents, and other
4687 communications which this Agreement requires, authorizes or contemplates shall,
4688 except as provided in Article 14, be in writing and shall either be personally delivered to
4689 a representative of the Parties at the address below or be deposited in the United States
4690 mail, first class postage prepaid, addressed as follows:

4691 If to Agency:

4692 West Bay Sanitary District
4693 500 Laurel Street,
4694 Menlo Park, CA 94025
4695 Attn: District Manager

4696 If to Contractor:

4697 General Manager
4698 Recology San Mateo County
4699 225 Shoreway Rd.
4700 San Carlos, CA 94070

4701 The address to which communications may be delivered may be changed from time to
4702 time by a notice given in accordance with this Section.

4703 Contact information for Contractor's General Manager is as follows:

4704 General Manager
4705 Recology San Mateo County
4706 225 Shoreway Rd.
4707 San Carlos, CA 94070

4708 Contact information for Contractor's Environmental Technician is as follows:

4709 Environmental Technician
4710 Recology San Mateo County
4711 225 Shoreway Rd.
4712 San Carlos, CA 94070

4713 Contractor shall promptly provide Agency the name and contact information for the
4714 above employees if there is a change during the Term.

4715 **15.09 REPRESENTATIVES OF THE PARTIES**

4716 A. **Representatives of Agency.** References in this Agreement to "Agency" shall
4717 mean the District and all actions to be taken by Agency shall be taken by the District
4718 Board of Directors except as provided below. The District Board may delegate
4719 authority to the District Manager, and/or to other Agency officials and may permit
4720 such officials, in turn, to delegate in writing some or all of such authority to
4721 subordinate officers. Contractor may rely upon actions taken by such delegates if
4722 they are within the scope of the authority properly delegated to them.

4723 B. **Representative of Contractor.** Contractor shall, by the Commencement Date,
4724 designate in writing a responsible officer who shall serve as the representative of
4725 Contractor in all matters related to the Agreement and shall inform Agency in writing
4726 of such designation and of any limitations upon his or her authority to bind
4727 Contractor. Agency may rely upon action taken by such designated representative
4728 as actions of Contractor unless they are outside the scope of the authority
4729 delegated to him/her by Contractor as communicated to Agency.

4730 **15.10 DUTY OF CONTRACTOR NOT TO DISCRIMINATE**

4731 In the performance of this Agreement Contractor shall not discriminate, nor permit any
4732 subcontractor to discriminate, against any employee, applicant for employment, or
4733 Customer on account of race, color, national origin, ancestry, religion, sex, age, physical
4734 disability, medical condition, sexual orientation, marital status, or other characteristic, in
4735 violation of any Applicable Law.

4736 **15.11 AGENCY RIGHT TO ASSIGN**

4737 In the event the County or other SBWMA Member Agency (hereinafter referred to as
4738 Successor Entity) and Agency enter into an agreement for Agency to assign or transfer
4739 its rights, duties and obligations under this Agreement, in their entirety, to the Successor
4740 Entity, the following will apply:

- 4741 a. Contractor will consent to, and will reasonably assist in the transfer of, any such
4742 assignment or transfer of responsibilities.
- 4743 b. In the event of any conflict between the Successor Entity's Franchise Agreement
4744 and this Agreement, the Successor Entity at its sole discretion, may determine
4745 which of the provisions shall control.
- 4746 c. Successor Entity may request, and Contractor shall consent to, any
4747 amendments to this Agreement reasonably necessary to give effect to the
4748 foregoing.

4749 **15.12 RIGHT OF AGENCY TO MAKE CHANGES IN SERVICES AND SERVICE LEVELS**

4750 A. Agency may, without amending this Agreement, direct Contractor to cease
4751 performing one or more types of service described in Articles 5 or 6, or may direct
4752 Contractor to modify the scope of one or more such services, may direct
4753 Contractor to perform additional Solid Waste, Targeted Recyclable Materials,
4754 Organic Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries

4755 and Cell Phones or Plant Materials handling services, or may otherwise direct
4756 Contractor to modify its performance under any other Section of this Agreement.
4757 In addition, SBWMA may, without amendment of this Agreement, direct a change
4758 in the number of Waste Zero Specialists as provided in Section 7.04.A, or a
4759 change in Other Services as provided in Section 7.13. Contractor shall promptly
4760 and cooperatively comply with such direction.

4761 B. If such changes cause an increase or decrease in the cost of performing the
4762 services, an equitable adjustment in the Contractor's Compensation shall be made
4763 pursuant to Section 11.06. Contractor will continue to perform the new or changed
4764 service while the appropriate adjustment in Contractor's Compensation is being
4765 determined.

4766 C. The Agency shall have the right to terminate a program if, in its discretion, the
4767 Contractor is not cost-effectively achieving the program's goals and objectives.
4768 Thereafter, the Agency may utilize a third party to perform these services if the
4769 Agency reasonably believes the third party can improve on Contractor's
4770 performance and cost effectiveness. Notwithstanding these changes, Contractor
4771 shall continue the program during the meet and confer period and, thereafter, until
4772 the third party takes over the program. This subsection C applies to programs
4773 initiated at Agency's direction after the Commencement Date that are beyond the
4774 basic scope of services described in Section 4.01.A.

4775 **15.13 TRANSITION TO NEXT SERVICE PROVIDER**

4776 At the expiration of the Term or the earlier termination of the Agreement, or upon
4777 Agency's approval of a proposed assignment, Contractor shall cooperate fully with
4778 Agency to ensure an orderly transition to any and all new service providers. Contractor
4779 shall provide, within ten (10) Days of a written request by Agency, then-current route
4780 lists, which identify each Customer on the route, its service level (number of Containers,
4781 Container sizes, frequency of Collection, scheduled Collection day), any special
4782 Collection notes, and detailed then-current Customer account and Billing information.
4783 Contractor may, but is not required to, sell Collection vehicles and Containers to the next
4784 service provider.

4785 Contractor shall upon Agency request, at least one-hundred-eighty (180) Days prior to
4786 the transition of services, attend meetings with the next service provider and with
4787 Agency and SBWMA staff and consultants to plan the recovery of Contractor's
4788 Containers and placement of the new Containers. Contractor shall perform in
4789 accordance with such plan and direct route supervisors to provide "ride-alongs" so that
4790 the new service provider's employees may ride with drivers in Collection vehicles during
4791 Collection operations. Contractor shall direct its drivers and other employees to provide
4792 accurate information to the new provider about routing and Customers.

4793 **15.14 REPORTS AS PUBLIC RECORDS**

4794 The reports, records, and other information submitted or required to be submitted by
4795 Contractor to Agency (and documents copied pursuant to Section 9.02) are public
4796 records within the meaning of that term in the California Public Records Act,
4797 Government Code Section 6250 *et seq.* Unless a particular record is exempted from
4798 disclosure by the California Public Records Act, it must be disclosed to the public by
4799 Agency upon request.

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Contractor will not object to Agency making available to the public any information submitted by the Contractor, or required to be submitted in connection with the Contractor's Compensation, including but not limited to records described in Article 11.

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ARTICLE 16
MISCELLANEOUS PROVISIONS

4806 **16.01 GOVERNING LAW**

4807 This Agreement shall be governed by, and construed and enforced in accordance with,
4808 the laws of the State of California.

4809 **16.02 JURISDICTION**

4810 Any lawsuits between the Parties arising out of this Agreement shall be brought and
4811 concluded in the courts of the State of California, which shall have exclusive jurisdiction
4812 over such lawsuits. With respect to venue, the Parties agree that this Agreement is
4813 made in and will be performed in San Mateo County.

4814 **16.03 BINDING ON SUCCESSORS**

4815 The provisions of this Agreement shall inure to the benefit of and be binding on the
4816 successors and permitted assigns of the Parties.

4817 **16.04 PARTIES IN INTEREST**

4818 Nothing in this Agreement is intended to confer any rights on any Persons other than the
4819 Parties to it and their permitted successors and assigns.

4820 **16.05 WAIVER**

4821 The waiver by either Party of any breach or violation of any provisions of this Agreement
4822 shall not be deemed to be a waiver of any breach or violation of any other provision nor
4823 of any subsequent breach or violation of the same or any other provision.

4824 **16.06 ATTACHMENTS**

4825 Each of the attachments, identified as Attachments "A" through "S," is attached hereto
4826 and incorporated herein and made a part hereof by this reference.

4827 **16.07 ENTIRE AGREEMENT**

4828 This Agreement, including the attachments, represents the full and entire agreement
4829 between the Parties with respect to the matters covered herein and supersedes all prior
4830 negotiations and agreements, either written or oral.

4831 **16.08 SECTION HEADINGS**

4832 The article headings and section headings in this Agreement are for convenience of
4833 reference only and are not intended to be used in the construction of this Agreement nor
4834 to alter or affect any of its provisions.

4835 **16.09 INTERPRETATION**

4836 This Agreement shall be interpreted and construed reasonably and neither for nor
4837 against either Party, regardless of the degree to which either Party participated in its
4838 drafting.

4839 **16.10 AMENDMENT**

4840 This Agreement may not be modified or amended in any respect except by a writing
4841 signed by the Parties.

4842 **16.11 SEVERABILITY**

4843 If a court of competent jurisdiction holds any non-material provision of this Agreement to
4844 be invalid and unenforceable, the invalidity or unenforceability of such provision shall not
4845 affect any of the remaining provisions of this Agreement which shall be enforced as if
4846 such invalid or unenforceable provision had not been contained herein.

4847 **16.12 COSTS AND ATTORNEYS' FEES**

4848 The prevailing Party in any action brought to enforce the terms of this Agreement or
4849 arising out of this Agreement may recover its reasonable costs expended in connection
4850 with such an action from the other Party.

4851 **16.13 NO DAMAGES FOR INVALIDATION OF AGREEMENT**

4852 If a final judgment of a court of competent jurisdiction determines that this Agreement is
4853 illegal or was unlawfully entered into by Agency, neither Party shall have any claim
4854 against the other for damages of any kind (including but not limited to loss of profits) on
4855 any theory.

4856 **16.14 REFERENCES TO LAWS**

4857 All references in this Agreement to laws and regulations shall be understood to include
4858 such laws and regulations as they may be subsequently amended or recodified, unless
4859 otherwise specifically provided. In addition, references to specific governmental
4860 agencies shall be understood to include agencies that succeed to or assume the
4861 functions they are currently performing.

4862 **16.15 INDEMNITY AGAINST CHALLENGES TO AGREEMENT**

4863 Contractor shall indemnify, defend, and hold harmless SBWMA, Agency, and its and
4864 their officers, employees, and agents (collectively, the "Indemnitees") from and against
4865 any and all liability, claim, demand, action, proceeding, or suit of any and every kind and
4866 description brought by a third party challenging the process by which proposals were
4867 solicited and evaluated, or this Agreement was negotiated or awarded to the extent that
4868 such liability, claim, demand, action, proceeding, or suit was caused by Contractor's
4869 failure to comply with Applicable Law or the instructions of any indemnitee with respect
4870 to such process.

4871 **16.16 DISPUTE RESOLUTION**

4872 Should any dispute between the Parties arise out of this Agreement and should the
4873 Parties be unable to resolve the issue, the Parties shall, at the written request of either

4897

LAST PAGE OF AGREEMENT

4898

IN WITNESS WHEREOF, Agency and Contractor have executed this Contract as of

4899

the day and year first above written.

4900

4901

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WEST BAY SANITARY DISTRICT

RECOLOGY SAN MATEO COUNTY

4903

By:  _____

By:  _____

4904

Phil Scott
District Manager

Michael J. Sangiacomo
President and CEO

4905

4906

ATTEST:  _____

By:  _____

4907

Fran Dehn
Secretary of the District Board

Cary Chen
Secretary

4908

4909

APPROVED AS TO FORM:

Recology

Reviewed by:

4910

 _____
Anthony P. Condotti – District Legal Counsel



4911

Legal

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4874 Party, meet in mediation and attempt to reach a resolution with the assistance of a
4875 mutually acceptable mediator. Neither Party shall be permitted to file legal action
4876 without first meeting in mediation and making a good faith attempt to reach a mediated
4877 resolution, provided that this limitation shall not apply to a Party if the other Party fails to
4878 comply with this section. The costs of the mediator, if any, shall be paid equally by the
4879 Parties. If a mediated settlement is reached, neither Party shall be deemed the
4880 prevailing Party for purposes of the settlement and each Party shall bear its own legal
4881 costs. The mediation shall be completed within sixty (60) days of the written request of a
4882 Party for mediation unless both Parties agree to extend this timeframe. If litigation is filed
4883 regarding any dispute arising under this Agreement, the action shall be filed in San
4884 Mateo County Superior Court and the court shall award reasonable attorney's fees and
4885 costs to the prevailing Party. To the maximum extent permitted by law, all offers,
4886 promises, conduct and statements, whether oral or written, made in the course of the
4887 mediation by any of the Parties, their agents, employees, experts or attorneys, or by the
4888 mediator or any employees of the mediation service, are confidential, privileged and
4889 inadmissible for any purpose, including impeachment, in any arbitration or other
4890 proceeding involving the Parties, provided that evidence that is otherwise admissible or
4891 discoverable shall not be rendered inadmissible or non-discoverable as a result of its
4892 use in the mediation. All applicable statutes of limitation and defenses based upon the
4893 passage of time shall be tolled until the end of the sixty (60) day period referred to
4894 above. The Parties will take such action, if any, required to effectuate such tolling.

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4896

**AMENDED AND RESTATED
FRANCHISE AGREEMENT
BETWEEN
WEST BAY SANITARY DISTRICT
AND
RECOLOGY SAN MATEO COUNTY
FOR
RECYCLABLE MATERIALS,
ORGANIC MATERIALS, AND SOLID WASTE
COLLECTION SERVICES**

* * *

**AGREEMENT APPROVED BY SBWMA BOARD
JUNE 22, 2017**

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**AMENDED AND RESTATED
FRANCHISE AGREEMENT
FOR
RECYCLABLE MATERIALS, ORGANIC MATERIALS,
AND SOLID WASTE
COLLECTION SERVICES**

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THIS AMENDED AND RESTATED AGREEMENT ("Agreement") is made as of this 24th day of January, 2018, by and between the WEST BAY SANITARY DISTRICT, an Independent Special District, ("Agency"), and RECOLOGY SAN MATEO COUNTY, a California corporation ("Contractor").

11

RECITALS

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

13
14 **WHEREAS;** the State of California has, through enactment of the California Integrated Waste
15 Management Act of 1989 ("Act"), determined each of the following:

- 16 A. That management of solid waste is a shared responsibility of the State and local
17 governments;
- 18 B. That it is in the public interest for local governments to be authorized and required to
19 provide adequate solid waste handling services;
- 20 C. That the amount of solid waste generated in California, coupled with diminishing landfill
21 space, potential adverse environmental impacts from landfilling solid waste, and the
22 need to conserve natural resources have created an urgent need for State and local
23 agencies to enact and implement an aggressive integrated waste management program;
24 and,

25 **WHEREAS;** the State of California, through the Act, has directed the responsible State agency
26 and all local agencies to maximize the use of feasible waste reduction, recycling, and
27 composting options in order to reduce the amount of solid waste that must be disposed of in
28 landfills; and, the State of California through AB 341, AB 1826, SB 1383, and other legislation
29 have established additional requirements for increased diversion of recyclable materials and
30 organic materials from landfill disposal; and,

31 **WHEREAS;** Agency is a member of the South Bayside Waste Management Authority
32 ("Authority" or "SBWMA"), established pursuant to the California Joint Exercise of Powers Act.
33 In November, 2007, the SBWMA, acting on behalf of Agency and its other members, issued a
34 Request for Proposals to provide collection of solid waste, recyclable materials, and organic
35 materials and related services to Agency and other members of SBWMA; and,

36 **WHEREAS;** on March 11, 2008, Contractor submitted a proposal to provide these services,
37 which was evaluated by the SBWMA; and, on the basis of that evaluation, the SBWMA
38 recommended that Agency enter into an agreement with Contractor; and,

39 **WHEREAS**; in 2009, Agency independently evaluated Contractor's proposal and determined
40 that Contractor had proposed to provide solid waste handling services including collection of
41 recyclable and organic materials in a manner and on terms which were in the best interests of
42 Agency, its residents and businesses, taking into account the qualifications and experience of
43 Contractor and the cost of providing such services; and,

44 **WHEREAS**; on February 24, 2010, the District Board approved Resolution No. 1717, which
45 awarded an exclusive franchise agreement to Recology San Mateo County for Recyclable
46 Materials, Organic Materials, and Solid Waste Collection Services dated February 24, 2010,
47 with a term from January 1, 2011 through December 31, 2020 ("2009 Franchise Agreement");
48 and,

49 **WHEREAS**; on September 11, 2013, the District Board approved Resolution No. 2013-08,
50 which amended the 2009 Franchise Agreement; and,

51 **WHEREAS**; on April 28, 2016, the SBWMA's Board of Directors directed SBWMA staff to
52 negotiate, acting on behalf of Agency and its other members, with Contractor an extension of
53 the 2009 Franchise Agreement, and to do so without a competitive bidding for the collection
54 services; and,

55 **WHEREAS**; the SBWMA and Contractor negotiated a Model Amended and Restated Franchise
56 Agreement that was intended to serve as a model agreement for each Member Agency to use
57 as a basis for its negotiations with Contractor;

58 **WHEREAS**; the SBWMA presented the Model Amended and Restated Franchise Agreement to
59 the SBWMA's Board of Directors on June 22, 2017; and, the Board took action recommending
60 that each Member Agency negotiate an Amended and Restated Franchise Agreement using the
61 Model Amended and Restated Franchise Agreement as the basis for such negotiations; and,

62 **WHEREAS**; the District Board authorized District staff to negotiate this Amended and Restated
63 Franchise Agreement with a term of fifteen (15) years from January 1, 2021 through December
64 31, 2035, and, on January 24, 2018, authorized the District Manager to execute this Agreement;
65 and,

66 **WHEREAS**, this Agreement has been developed by and is satisfactory to the Parties.

67 **NOW, THEREFORE**, in consideration of the mutual promises contained in this Agreement, and
68 for other good and valuable consideration, Agency and Contractor agree as follows:

69

ARTICLE 1
DEFINITIONS

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71

72 **1.01 DEFINITIONS**

73 Unless the context otherwise requires, capitalized terms used in this Agreement shall
74 have the meanings set forth in the definitions contained in Attachment A.

75 **1.02 STATUTORY DEFINITIONS**

76 Unless a term is otherwise defined in this Agreement, terms used in this Agreement shall
77 have the same meaning as the definitions of those terms contained in the Act. In the
78 event of a conflict between the definition of a term in the Act and in this Agreement, the
79 definition in the Agreement shall prevail.

80

81 **ARTICLE 2**
82 **REPRESENTATION AND WARRANTIES OF**
83 **CONTRACTOR**

84 Contractor represents and warrants, as of the date of its execution of this Agreement, the
85 following:

86 **2.01 CORPORATE STATUS**

87 Contractor is a corporation, duly organized, validly existing and in good standing under
88 the laws of the State of California, and is qualified to do business in the State of
89 California.

90 **2.02 CORPORATE AUTHORIZATION**

91 Contractor has the authority to enter into and perform its obligations under this
92 Agreement. The directors (and shareholders, if necessary) of Contractor have taken all
93 actions required by law, the articles of incorporation and bylaws or otherwise to
94 authorize the execution of this Agreement.

95 **2.03 AGREEMENT DULY EXECUTED**

96 The persons signing this Agreement on behalf of Contractor have been authorized to do
97 so and the Secretary's Certificate in Attachment R confirms this. Upon the Effective
98 Date, this Agreement will constitute a legal, valid and binding obligation of Contractor.

99 **2.04 NO CONFLICT WITH APPLICABLE LAW OR OTHER DOCUMENTS**

100 Neither the execution and delivery by Contractor of this Agreement, nor the performance
101 by Contractor of its obligations hereunder (i) conflicts with, violates, or will result in a
102 violation of any existing Applicable Law; or (ii) conflicts with, violates, or will result in a
103 breach or default under any term or condition of any existing judgment, order, or decree
104 of any court, administrative agency or other governmental authority, or of any existing
105 contract or instrument to which Contractor is a party or by which Contractor is bound.

106 **2.05 NO LITIGATION**

107 There is no action, suit, proceeding, or investigation at law or in equity, before or by any
108 court or governmental entity, pending or threatened against Contractor, or otherwise
109 affecting Contractor, wherein an unfavorable decision, ruling, or finding, in any single
110 case or in the aggregate, would (a) materially adversely affect Contractor's performance
111 hereunder, (b) adversely affect the validity or enforceability of this Agreement, or (c)
112 have a material adverse effect on the financial condition of Contractor or the entity
113 providing the guaranty of Contractor's performance.

114 **2.06 FINANCIAL CONDITION**

115 Contractor has made available to Agency information on its financial condition.
116 Contractor recognizes that Agency has relied on this information in evaluating the
117 sufficiency of Contractor's financial resources to perform this Agreement. To the best of
118 Contractor's knowledge, this information is complete and accurate, does not contain any

119 material misstatement of fact and does not omit any fact necessary to prevent the
120 information provided from being materially misleading.

121 **2.07 ABILITY TO PERFORM**

122 Contractor has the expertise and professional and technical capability to perform all of
123 its obligations under this Agreement.

124 **2.08 CONTRACTOR'S INVESTIGATION**

125 Contractor has made an independent investigation and analysis, the results of which are
126 satisfactory to Contractor, of the conditions and circumstances surrounding the
127 Agreement, its content and preparation, and the work to be performed by Contractor
128 under the Agreement. The Agreement accurately and fairly represents the intentions of
129 Contractor, and Contractor enters into this Agreement on the basis of that independent
130 investigation and analysis.

131 **2.09 STATEMENTS AND INFORMATION IN PROPOSAL**

132 The Contractor's "Proposal to Amend and Restate the Franchise Agreement for
133 Recyclables, Organics, and Solid Waste Collection Services", dated January 10, 2017,
134 and supplementary information submitted thereafter by the Contractor to the SBWMA
135 during the SBWMA's negotiation of a Model Amended and Restated Agreement do not
136 contain any untrue statement of a material fact nor omit to state a material fact
137 necessary in order to make the statements made, in light of the circumstances in which
138 they were made, not misleading.

139 **2.10 IRAN CONTRACTING CERTIFICATION**

140 Contractor hereby certifies that Contractor is not identified on a list created by the
141 California Department of General Services ("DGS") pursuant to California Public
142 Contract Code Section 2203 of the Iran Contracting Act of 2010 (the "ICA") as a Person
143 engaging in investment activities in Iran described in Section 2202.5(a) of the ICA, or as
144 a person described in Section 2202.5(b) of the ICA, as applicable. Contractor hereby
145 certifies that Contractor is not a financial institution that extends twenty million dollars
146 (\$20,000,000) or more in credit to another Person, for forty-five (45) Days or more, if that
147 Person will use the credit to provide goods or services in the energy sector in Iran and is
148 identified on the DGS list made pursuant to Section 2203(b).

149 As used in this Section 2.10, "Person" shall mean a "Person" as defined in California
150 Public Contract Code Section 2202(e).

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ARTICLE 3
TERM OF AGREEMENT

154 **3.01 EFFECTIVE DATE AND COMMENCEMENT DATE**

155 This Agreement shall become binding and enforceable as of the date (the "Effective
156 Date") that two-thirds (2/3) of SBWMA's Member Agencies have approved and signed
157 agreements with Contractor substantially similar to this one, as required by Section
158 3.04.B, and all other conditions set forth in Sections 3.04.A and 3.04.B have been
159 satisfied or waived.

160 Contractor's obligation to Collect Solid Waste, Targeted Recyclable Materials, and
161 Organic Materials under the terms and conditions of this Agreement shall begin on
162 January 1, 2021 at 12:01 a.m. (the "Commencement Date") and shall continue for the
163 remainder of the Term.

164 Between the Effective Date and Commencement Date, Contractor shall perform all
165 activities necessary to prepare itself to start providing services required by this
166 Agreement on the Commencement Date.

167 **3.02 TERM**

168 Notwithstanding any other provision of this Agreement to the contrary, the 2009
169 Franchise Agreement, this amendment and restatement thereof, and any other
170 amendments mutually agreed by the Parties, shall together constitute a single
171 agreement between the Parties with a single unbroken term (the "Term").

172 The original Term, set forth in the 2009 Franchise Agreement, began on January 1, 2011
173 with an initial duration of ten (10) years, ending on December 31, 2020. This amendment
174 and restatement extends the Term for an additional fifteen (15) years, for a total Term of
175 twenty-five (25) years. Upon the Effective Date, the Term shall be extended until
176 midnight on December 31, 2035, unless earlier terminated, or extended as provided in
177 Section 3.03.

178 Except as provided below in this Section 3.02, the Parties intend for the 2009 Franchise
179 Agreement to govern the rights and obligations of the Parties through December 31,
180 2020, and for this Agreement to govern the rights and obligations of the Parties from and
181 after January 1, 2021. Thus, to the extent this Agreement amends the 2009 Franchise
182 Agreement, the amendments shall not take effect until January 1, 2021, and shall not be
183 retroactive.

184 As an exception to the foregoing, upon the Effective Date, (i) the 2009 Franchise
185 Agreement shall be amended to extend the Term to 2035 as provided above, and (ii) the
186 2009 Franchise Agreement shall be amended to the extent necessary to give effect to
187 Section 11.02.F of this Agreement.

188 **3.03 EXTENSION OF TERM**

189 A. **Voluntary Extension.** At Agency's discretion, but subject to Contractor's consent,
190 this Agreement may be extended without amendment for a period of no less than
191 one (1) and no more than five (5) additional years for a total Term that does not

192 exceed thirty (30) years or extend beyond December 31, 2040). If Agency desires to
193 extend the Agreement, Agency shall provide the Contractor with written notice of its
194 intention to extend the Agreement on or before December 31, 2032. Such notice by
195 Agency shall specify the duration of the extension. Contractor shall provide written
196 notice to Agency and SBWMA on or before January 31, 2033 whether it consents to
197 the extension.

198 B. **Mandated Extension.** If the Agency and Contractor do not mutually agree to
199 extend the Term of the Agreement, the Agency shall have the sole discretion to
200 extend the Term for a period of twelve (12) months or less by providing the
201 Contractor written notice of its election on or before December 31, 2034, provided,
202 however, that the Term shall only be so extended if eight (8) of the SBWMA's
203 Member Agencies, collectively representing at two thirds (2/3) of the Member
204 Agencies, make such an election for an identical extension period by December 31,
205 2034. Notwithstanding the foregoing, if Contractor demonstrates based on the
206 audited financial statements for the Agency's operations that it experienced a net
207 loss as shown on the Statement of Income and Stockholder's Investment reduced
208 by the amount of general and administrative expenses greater than 9.5% of Total
209 Operating Revenue (if general and administrative expenses are greater than 9.5%
210 of Total Operating Revenue) for its fiscal year ending September 30, 2034, then
211 Agency and Contractor shall meet and confer to discuss the extension and
212 Contractor's Compensation during the period of such extension.

213 **3.04 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

214 A. **Obligation of Agency to Perform.** The obligation of Agency to perform under this
215 Agreement is subject to satisfaction, on or before the Effective Date, of each of the
216 conditions set out below, each of which may be waived in whole or in part by
217 Agency:

218 1. **Accuracy of Representations.** The representations and warranties made by
219 Contractor in Article 2 shall be true and correct on and as of the Effective Date.

220 2. **Absence of Litigation.** There shall be no litigation pending on the Effective
221 Date in any court challenging the execution of this Agreement or seeking to
222 restrain or enjoin its performance.

223 3. **Effectiveness of Agency's Approval.** The approval of this Agreement by
224 Agency shall have become effective, pursuant to California law, on or before
225 the Effective Date.

226 B. **Obligation of Contractor to Perform.** The obligation of Contractor to perform
227 under this Agreement is subject to the satisfaction of the conditions set forth below,
228 each of which may be waived in whole or in part by Contractor.

229 1. **Absence of Litigation.** There shall be no litigation pending on the Effective
230 Date in any court challenging the execution of this Agreement, or seeking to
231 enjoin its performance.

232 2. **Effectiveness of Agency's Approval.** The approval of this Agreement by
233 Agency shall have become effective, pursuant to California law.

234 3. **Approvals by Other Member Agencies.** On or before June 30, 2018, a minimum
235 of eight (8) of the governing bodies of the SBWMA's Member Agencies,

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collectively representing at least two thirds (2/3) of the Member Agencies, have approved and signed agreements with Contractor substantially similar to this one.

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C. **Notice.** If either Party wishes to assert that a condition for its benefit has not been satisfied and has not been waived, it must deliver written notice to that effect to the other party on or before the Effective Date. If no such notice is received, the Agreement will become effective on the Effective Date.

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D. **Good Faith.** Each Party is obligated to perform in good faith the actions, if any, which this Agreement requires it to perform before the Effective Date and to cooperate towards the satisfaction of the conditions set forth above.

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ARTICLE 4 SCOPE OF AGREEMENT

249 **4.01 SCOPE OF AGREEMENT**

250 A. Through this Agreement, Agency grants to Contractor an exclusive franchise,
251 except as provided in Section 4.01.B and in Section 4.02, to Collect the following
252 materials in the Service Area:

- 253 1. Solid Waste generated at Residential Premises, Commercial Premises and
254 Agency Facilities; and,
255 2. Source Separated Targeted Recyclable Materials and Source Separated
256 Organic Materials generated at Residential Premises.

257 B. Through this Agreement, Agency grants to Contractor a non-exclusive right to
258 Collect the following materials in the Service Area:

- 259 1. Source Separated Targeted Recyclable Materials and Source Separated
260 Organic Materials generated at Commercial Premises;
261 2. Major Appliances and Specialty Recyclable or Reusable Materials generated at
262 Residential Premises; and,
263 3. Non-putrescible wastes placed in Drop Boxes.

264 **4.02 LIMITATIONS ON SCOPE**

265 Agency may permit the Collection, Recycling, or Disposal of any of the following
266 materials by Persons other than Contractor without seeking or securing any approval
267 from Contractor:

- 268 A. Solid Waste, Targeted Recyclable Materials, and Organic Materials which are
269 transported personally by the Owner or Occupant of the Premises at which they are
270 generated (or by his or her employees) to a processing or Disposal facility;
- 271 B. Targeted Recyclable Materials and Organic Materials which are Source Separated
272 by the Generator and donated to youth, civic, or charitable organizations;
- 273 C. Recyclable beverage containers delivered for Recycling under the California
274 Beverage Container Recycling Litter Reduction Act, Section 14500 *et seq.*
275 California Public Resources Code;
- 276 D. Animal waste and remains from slaughterhouse or butcher shops, grease waste,
277 and used cooking oil;
- 278 E. By-products of sewage treatment including sludge, sludge ash, grit, and screenings;
- 279 F. Hazardous Waste, Household Hazardous Waste, and Infectious Waste;
- 280 G. Source Separated E-Scrap and Source Separated Universal Waste;
- 281 H. Organic Materials composted at Residential and Commercial Premises;

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- I. Materials generated by State facilities (including public schools), provided that the Generator has arranged services with other Persons or has arranged services with the Contractor through a separate agreement;
 - J. The incidental removal of Solid Waste, Recyclable Materials, or Organic Materials when the primary service performed is either of the following:
 - 1. Landscaping, gardening, weed or refuse abatement, yard clean-up, or grading of a lot; or,
 - 2. Construction, remodeling, or demolition of a building or structure.
 - K. Solid Waste generated at Residential Premises collected by others on an infrequent, unscheduled, "on-call" basis (other than On-Call Bulky Item Collection Service scheduled by Customers per Section 5.05).

293 **4.03 GEOGRAPHIC LIMITS ON CONTRACTOR'S OPERATIONS**

294 Contractor was established specifically to perform services for some or all of the
295 SBWMA Member Agencies. The methodology established in this Agreement, and in
296 those agreements between Contractor and other Member Agencies, for adjusting
297 Contractor's Compensation annually and allocating it among Member Agencies depends
298 on accurate financial and accounting records. For that reason, Contractor will limit its
299 operations to only SBWMA Member Agencies so that its annual financial reports will
300 contain only costs and revenues associated with service to those Member Agencies.

301 Affiliates of Contractor may perform services for other communities in San Mateo County
302 so long as they do not use Contractor's resources (equipment or labor) and so long as
303 costs associated with their operations are not included in Contractor's financial
304 statements.

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ARTICLE 5 COLLECTION SERVICES

308 **5.01 GENERAL**

- 309 A. The work to be performed and services to be provided by Contractor include the
310 furnishing of all labor, supervision, equipment, materials, supplies, and all other
311 items necessary to perform the work and provide the services described, at the
312 times and in the manner required by this Agreement. The enumeration of, and
313 specification of requirements for, particular items of labor, supervision, equipment,
314 materials, or supplies shall not relieve Contractor of the duty to furnish all others, as
315 may be required, whether enumerated elsewhere in the Agreement or not.
- 316 B. Contractor shall perform the work and provide the services pursuant to this
317 Agreement in a thorough and professional manner so that the residents and
318 businesses within the Agency are provided reliable, courteous, and high-quality
319 service at all times. The enumeration of, and specification of requirements for,
320 particular aspects of service quality shall not relieve Contractor of the duty of
321 accomplishing all other aspects in the manner provided in this Article, whether such
322 other aspects are enumerated elsewhere in the Agreement or not.
- 323 C. Contractor acknowledges that the Agency is committed to diverting materials from
324 Disposal through the implementation of source reduction, donation, reuse,
325 Recycling, and composting programs and that the Agency may, at some time in the
326 future, implement, in accordance with Section 15.12, new programs that may impact
327 the overall quantity or composition of Solid Waste, Targeted Recyclable Materials,
328 and/or Organic Materials to be Collected by Contractor.

329 **5.02 SOLID WASTE COLLECTION**

- 330 A. **Single-Family Dwelling (SFD)**
- 331 1. General. Contractor shall Collect Solid Waste from SFD once per week from
332 Contractor-provided Carts, and shall bill Customers for the service at Agency-
333 approved Rates. Contractor shall provide extra Collection pick-ups of
334 Containers within one (1) Business Day of Customer's request and shall bill
335 Customer at Agency-approved Charges specified in Attachment Q.
- 336 2. Collection Location. Contractor shall Collect Carts Curbside unless: (i) the
337 Occupant is provided a Special Handling Service exemption; or, (ii) the
338 Customer has requested Backyard Collection Service and has agreed to pay
339 for Backyard Collection Service at the Agency-approved Charge. Contractor
340 shall bill Customers with Backyard Collection Service at Agency-approved
341 Charges specified in Attachment Q. For Customers with Special Handling
342 Service and Backyard Collection Service, Contractor shall Collect Carts from
343 and return Carts to the alternative service location (such as the side yard or
344 backyard) specified by the Customer. Contractor shall make reasonable
345 accommodations with regard to provision and servicing of Containers (e.g.,
346 Container size and type, placement of Containers for Collection, etc.) at no

347 additional cost to Customers who meet the Agency's Special Handling Service
348 criteria.

349 3. Informing Customer of Collection Location Options. Contractor will notify all
350 Residential Customers annually of the Special Handling Service and Backyard
351 Collection Service options and submit, for approval, a draft notification to
352 Agency thirty (30) Days prior to the anticipated date of distribution to
353 Customers. New service recipients shall be notified upon signing up for
354 Collection service of the Special Handling Service and Backyard Collection
355 Service options.

356 4. Special Handling Service Eligibility. Customers desiring Special Handling
357 Service will be required to submit an application, in a form approved by
358 Agency. Contractor shall review applications to determine whether the
359 Customer meets Agency's eligibility criteria and shall provide a written
360 response within five (5) Business Days after receipt of the application. Unless
361 otherwise directed by Agency, Customers are eligible if they provide (i)
362 evidence of their "handicap status" by the California Department of Motor
363 Vehicles, or (ii) evidence that no Occupant of the Residential Premises is
364 physically able to place Carts Curbside for Collection. On an annual basis,
365 Contractor may request reverification of Special Handling Service eligibility
366 from Customer.

367 **B. Multi-Family Dwellings**

368 1. General. Contractor shall Collect Solid Waste from Multi-Family Dwellings as
369 frequently as scheduled by Customer, but not less than once per week, and
370 shall bill Customers at Agency-approved Rates. Contractor shall provide extra
371 Collection pick-ups of Containers within one (1) Business Day of Customer's
372 request and shall bill Customers at Agency-approved Charges specified in
373 Attachment Q. Customers must subscribe to a minimum service level of three
374 (3) times per week Collection in order to be eligible for Collection on Saturday
375 and/or Sunday.

376 2. Containers. Contractor shall allow Multi-Family Dwelling Customers to use
377 Carts or Bins for Solid Waste Collection that are shared by the Occupants of
378 the Premises. Contractor shall provide one (1) or more Cart(s) or Bin(s) to
379 such Customers as requested by Customer, provided that no less than ninety-
380 six (96) gallons per week of Container capacity are provided for every five (5)
381 dwelling units in the Multi-Family Residential Complex.

382 3. General Service Conditions. The standard Rates for Collection services
383 assume that Containers are accessible by Contractor's vehicles and personnel.

384 If the Container is wheeled and is three (3) cubic yards or less in capacity and
385 is not a Compactor, the standard Rate includes Collection from the Container
386 located Curbside or in enclosures or on private or public property at a distance
387 less than or equal to fifty (50) feet of access by Contractor's vehicle, provided
388 that access to the Container is paved and the slope is less than seven percent
389 (7%). The distance to the Container shall be measured in one of the following
390 ways depending on the conditions of the Premises: (i) from the face of the curb
391 to the nearest edge of the Container, (ii) if there is no curb, from the edge of the
392 roadway nearest the nearest edge of the Container, or (iii) from the lifting

393 mechanism on the Collection vehicle if the vehicle can be driven on the
394 Premises.

395 If the Container does not have wheels, or is greater than three (3) cubic yards
396 in capacity, or is a Compactor, the standard Rate includes Collection from a
397 location accessible by Contractor's vehicle (regardless of the distance from the
398 curb or roadway), provided that access to the Container is paved and the slope
399 is less than seven percent (7%). A slope shall be deemed to be seven percent
400 (7%) or more if the slope measures 7% or more using a slope measurement
401 device.

402 For each Container that does not meet the above accessibility requirements,
403 Contractor shall offer Long Distance Service or Container Relocation Service
404 as described below for Containers that are eligible for such service. If the
405 Container is not eligible for such service, or the Customer notifies Contractor
406 that it does not want such service, then Contractor shall not be required to
407 Collect the Container unless it meets the above accessibility requirements.

408 4. Long Distance Service. For wheeled Containers that are more than fifty (50)
409 feet from the curb or edge of roadway (using the measurement method
410 described above), Contractor shall provide Long Distance Service. Long
411 Distance Service is an additional service Contractor shall provide that involves
412 Contractor's route personnel manually pushing, pulling, or otherwise moving the
413 Container more than fifty (50) feet to a serviceable location and returning the
414 Container to its storage location after Collection. The Long Distance Service is
415 a regularly scheduled service that is performed each day the Contractor
416 provides Collection service for the Container. Contractor shall charge the
417 Customer for Long Distance Service at Agency-approved Charge specified in
418 Attachment Q.

419 5. Container Relocation Service. If a Container is located in an area that is not
420 serviceable by a regular Collection vehicle, Contractor shall provide Container
421 Relocation Services. Contractor shall charge the Customer for Container
422 Relocation Service at Agency-approved Charge specified in Attachment Q.
423 Conditions in which Container Relocation Services may be applicable include:
424 sloped access with slope greater than or equal to seven percent (7%);
425 subterranean areas that are inaccessible by a regular Collection vehicle; and
426 gravel areas.

427 Container Relocation Service is an additional service provided by Contractor
428 that involves the Contractor dispatching a secondary vehicle and route
429 personnel to move the Container with the assistance of the vehicle from an
430 inaccessible storage location to a serviceable location. In such case, the
431 service also involves the return of the Container to its storage location, which
432 may be performed manually by route personnel of the regular Collection
433 vehicle or by using the secondary vehicle. The Container Relocation Service is
434 a regularly scheduled service that is performed each day the Contractor
435 provides Collection service for the Container. If Contractor provides Container
436 Relocation Service for a Container, it is not entitled to charge for Long Distance
437 Service.

438 6. Determination of Service Needs and Disputes. Whether the Customer receives
439 Long Distance Service or Container Relocation Service shall be determined by

440 Contractor in its reasonable discretion based on conditions at the Customer's
441 site or the need to maintain safety or operational efficiency. In the event of a
442 dispute between Contractor and a Customer regarding the Long Distance
443 Service, Container Relocation Service, and/or the distance or degree of slope,
444 Contractor shall provide email notification to Agency and Customer, and
445 Agency shall work with the Contractor and Customer to resolve the dispute.
446 Agency may independently measure the slope and/or distance. Agency shall
447 make the final determination of the service arrangements and whether any
448 Attachment Q Charges apply.

449 7. Container Collection Location. Contractor shall give special consideration when
450 determining the Collection location for Multi-Family Residential complexes to
451 ensure that the flow of traffic is not impeded and that it does not result in
452 aesthetic degradation of an area. The designated Collection location, if
453 disputed by Customer or Contractor, shall be determined by the Agency.
454 Additionally, if, in the Agency's opinion, the location of an existing Collection
455 location is inappropriate, Agency may require the Customer or Contractor to
456 relocate the Collection Containers.

457 **C. Commercial Premises**

458 1. General. Contractor shall Collect Solid Waste from Commercial Premises as
459 frequently as scheduled by the Customer, but not less than once per week, and
460 shall bill Customers for the service at Agency-approved Rates. Contractor
461 shall provide extra Collection pick-ups of Containers within one (1) Business
462 Day of Customer's request and shall bill Customer at Agency-approved
463 Charges specified in Attachment Q. Customers must subscribe to a minimum
464 service level of three (3) times per week Collection in order to be eligible for
465 Collection on Saturday and/or Sunday.

466 2. Container Service Requirements. Container service requirements described
467 for Multi-Family Premises in Sections 5.02.B.3 through 5.02.B.7 are applicable
468 for Commercial Premises.

469 3. Service Methods. Specifically, the Contractor shall offer the following Collection
470 service methodologies to Commercial Customers:

471 a. Individual Cart or Bin Service. Contractor shall allow each
472 Commercial Premises to use Carts, Bins, Compactors, or Drop
473 Boxes for Solid Waste Collection.

474 b. Centralized Cart or Bin Service. Contractor shall allow each
475 Commercial Premises to use Carts or Bins for Solid Waste Collection
476 that are shared by the Occupants of two (2) or more adjacent
477 Commercial Premises. In such case, Contractor shall provide one or
478 more Carts or Bins as requested by the Customer(s) provided that no
479 less than ninety-six (96) gallons of Container capacity is provided for
480 every four (4) Commercial Premises.

481 c. Drop Boxes and Compactors. Contractor shall allow a Customer to
482 use a Drop Box or Compactor for Solid Waste Collection to meet the
483 Customer's Disposal needs. In such case, Contractor shall provide
484 Customer with a choice of Container capacities ranging from three
485 (3) to forty (40) cubic yards (or similar sizes). Contractor shall allow

486 Customers to purchase or lease Compactors through an outside
487 vendor. Regular maintenance of Compactors shall be required by
488 Customer (or outside vendor) as frequently as needed to keep the
489 Compactors in good working order and functioning at high
490 compaction levels.

491 **D. Agency Facilities**

- 492 1. General. Contractor shall Collect Solid Waste from Agency Facilities as
493 frequently as scheduled by the Agency, but not less than once per week.
494 Agency must subscribe to a minimum service level of three (3) times per week
495 Collection in order to be eligible for Collection on Saturday and/or Sunday.
- 496 2. Service Methods. Specifically, the Contractor shall offer the following Collection
497 service methodologies to Agency Facilities:
- 498 a. Individual Cart or Bin Service. Contractor shall allow each Agency
499 Facility to use Carts, Bins, Compactors, or Drop Boxes for Solid
500 Waste Collection.
- 501 b. Centralized Cart or Bin Service. Contractor shall allow each Agency
502 Facility to use Carts or Bins for Solid Waste Collection that are
503 shared by the Occupants of two or more adjacent Agency Facilities.
504 In such case, Contractor shall provide one or more Carts or Bins as
505 requested by the Agency provided that no less than ninety-six (96)
506 gallons of Container capacity is provided for every four (4) Agency
507 Facilities.
- 508 c. Drop Boxes and Compactors. Contractor shall allow Agency to use a
509 Drop Box or Compactor for Solid Waste Collection to meet the
510 Agency's Disposal needs. In such case, Contractor shall provide
511 Agency with a choice of Container capacities ranging from three (3)
512 to forty (40) cubic yards (or similar sizes). Contractor shall allow
513 Agency to purchase or lease Compactors through an outside vendor.
514 Regular maintenance of Compactors shall be required by Agency (or
515 outside vendor) as frequently as needed to keep the Compactors in
516 good working order and functioning at high compaction levels.
- 517 3. Solid Waste from Public Street, Parks, and Parking Lot Litter Receptacles.
518 Contractor shall Collect Solid Waste from public litter receptacles located on
519 streets and in parking lots, and from public litter receptacles in parks that are
520 accessible for Curbside Collection. Contractor shall also Collect Solid Waste
521 that is contained in bags or boxes and placed adjacent to public litter
522 receptacles. These Collections will be made between one (1) and seven (7)
523 Days per week, as determined by Agency. Contractor is responsible for
524 notifying Agency if a public litter receptacle is inoperable within twenty-four (24)
525 hours of observing or being notified of the defect. A list of public litter
526 receptacles is included in Attachment B. Agency shall annually be allowed to
527 increase the number of public litter receptacles provided Collection service by
528 an additional five percent (5%) of the total number of receptacles in service as
529 of January 1 of each Rate Year after Rate Year Eleven (2021) without being
530 billed for such service. The maximum number of public litter receptacles that
531 Contractor will service without billing Agency shall increase by five percent

- 532 (5%) each Rate Year after Rate Year Eleven (2021), even if Agency does not
533 actually increase the number of receptacles by five percent (5%) in that Rate
534 Year.
- 535 4. Scope of Service Requirements. Contractor shall provide the Agency with the
536 Collection services described above at the service locations, service levels, and
537 frequencies identified in Attachment B. Contractor shall provide and maintain
538 Collection Containers for the Agency's use, with the exception of public litter
539 receptacles (or public Solid Waste receptacles) and public Targeted Recyclable
540 Materials receptacles, which shall be provided and maintained by the Agency.
541 Contractor shall offer the type and size of Collection Containers that Contractor
542 provides Commercial Customers pursuant to Section 5.02.C.
- 543 5. Tonnage Allocation. Contractor may integrate Collection of Solid Waste,
544 Targeted Recyclable Materials, and Organic Materials from Agency Facilities
545 with other Collection services in the Service Area, provided that Contractor
546 attributes estimated Tonnage Collected from Agency Facilities separately from
547 other Customers upon the Agency's request.
- 548 6. No Billing for Service. Contractor shall not bill Agency for the services required
549 by this Section 5.02.D, including Long Distance Service, Container Relocation
550 Service, and lock/unlock service.

551 **5.03 TARGETED RECYCLABLE MATERIALS COLLECTION**

- 552 A. **General.** Contractor shall Collect Targeted Recyclable Materials from Customers
553 that have Source Separated the Targeted Recyclable Materials from Solid Waste
554 and placed these materials in the Customer's Recyclable Materials Collection
555 Container for Collection by Contractor.

556 In accordance with Section 15.12, the Agency may direct that Contractor modify its
557 scope of service to include Collection of additional types of Recyclable Materials
558 beyond those materials defined as Targeted Recyclable Materials in Attachment A.
559 If the Agency directs Collection of additional Recyclable Materials, such Recyclable
560 Materials shall thereafter be considered Targeted Recyclable Materials and
561 Contractor shall not receive additional Contractor's Compensation for Collection
562 service if the Targeted Recyclable Materials are placed by Generator in the
563 Recyclable Materials Container unless Contractor can demonstrate that Collection
564 of the additional material(s) requires modification to Collection routes to
565 accommodate the additional volume of the material(s).

566 B. **Single-Family Dwellings**

- 567 1. General. Once per week, Contractor shall Collect Single-Stream Targeted
568 Recyclable Materials from SFD. Contractor shall provide each SFD Customer
569 with one (1) Cart for Single-Stream Targeted Recyclable Materials. Contractor
570 shall provide each Customer with a sixty-four (64) gallon Cart specified in
571 Attachment D, unless Customer requests an alternative Cart specified in
572 Attachment D. Customers can request additional Targeted Recyclable
573 Materials Carts from Contractor for regular weekly Collection service, and
574 Contractor shall bill Customers at Agency-approved Charges specified in
575 Attachment Q.

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2. Collection Location. For SFD Recyclable Materials Cart Collection, Contractor shall comply with the same Collection provisions specified for Solid Waste Cart Collection pursuant to Sections 5.02.A.2, 5.02.A.3, and 5.02.A.4.
3. Used Motor Oil and Used Motor Oil Filters. Contractor shall Collect Used Motor Oil and Used Motor Oil Filters placed at the Collection location by Customer for Collection in Contractor-provided or Contractor-approved Containers. Contractor shall not be required to Collect more than five (5) gallons of Used Motor Oil per Customer per Collection. Contractor shall provide up to five (5) one-gallon translucent plastic Used Oil jugs with screw-on tops for Used Motor Oil Collection and up to five (5) six (6) mil plastic zip-close type bags for Used Motor Oil Filter Collection to SFD Customers, upon Customer's request, within five (5) Business Days of such request, at no additional cost to Customer. Information in English and Spanish, regarding the Used Motor Oil and Used Motor Oil Filter Collection program and instructions for the use and set out of these materials shall be provided with the Used Motor Oil jugs and Used Motor Oil Filter bags. Diversion of Used Motor Oil shall be calculated with a conversion factor of one (1) gallon of Used Motor Oil equaling seven (7) pounds.
4. Household Batteries and Cell Phones. Contractor shall Collect from SFD Premises Household Batteries and Cell Phones placed on top of the Recyclable Materials Cart in Contractor-provided or Customer-provided clear zip-close or tie-close plastic bags clearly marked "Used Batteries and Cell Phones." Contractor shall empty the bag at the point of Collection and leave it to be reused by the Customer by placing it inside the Cart handle. Customers will be notified to place all Household Batteries in a clear zip-close plastic bag; tape the contacts of button cell batteries; and wrap Cell Phones in paper (for protection) prior to placing in the plastic bag. While Customers will be encouraged to follow the participation parameters, Contractor shall be required to Collect if Customers do not follow these instructions.
5. Collection Day. Contractor shall Collect Targeted Recyclable Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries, and Cell Phones from SFD on the same day that Solid Waste Collection is provided.

C. Multi-Family Residential Premises

1. General. Multi-Family Dwelling Customers that subscribe to Solid Waste Collection service shall be entitled to Single-Stream Targeted Recyclable Materials Collection at no additional charge, and Contractor shall provide the level of service required by Multi-Family Dwelling Customers requesting Recyclable Materials Collection services. Contractor shall provide each Multi-Family Dwelling Customer with Containers for Single-Stream Targeted Recyclable Materials Collection. At a minimum, Contractor shall provide twenty (20) gallons per week of Container capacity for Single-Stream Targeted Recyclable Materials Collection for every Multi-Family Dwelling at the Premises. Contractor shall provide each Customer with Carts or Bins as specified in Attachment D, as requested by the Customer.

Contractor shall Collect Single-Stream Targeted Recyclable Materials Generated at Multi-Family Residential Complexes at least once per week or more frequently, up to six (6) times per week, as scheduled by the Customer

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provided that the Generator has Source Separated the Targeted Recyclable Materials from Solid Waste and placed the materials in the appropriate Contractor-provided Container. Contractor shall Collect Single-Stream Targeted Recyclable Materials at the designated location agreed upon by Contractor and Multi-Family Dwelling Customer. The designated Collection location, if disputed by Customer or Contractor, shall be determined by the Agency. Carts and Bins may be shared by the Occupants of the Multi-Family Residential Complexes. Contractor shall provide extra Carts for use in the mail, utility, or similar room of Multi-Family Residential Complexes if requested by the Customer.

2. Personal Recycling Tote-Bag Distribution. Upon receipt of a request for Recycling Tote-Bags from a Multi-Family Dwelling Customer or Occupant, Agency, or SBWMA, Contractor shall: (i) deliver the Recycling Tote-Bags within five (5) Business Days to the property Owner, property manager, or Occupant who requested the Recycling Tote-Bags; (ii) prior to complying with (i), contact the property Owner or property manager directly by phone or in person to determine if additional Recycling Tote-Bags are needed and/or if they are interested in a site assessment of the property; (iii) upon request for a site assessment, ensure that a site assessment is done per the requirements set forth in Section 7.05. Contractor shall provide notification to Agency and SBWMA of the Day which the Tote Bags were delivered and to whom they were delivered with submittal of Contractor's monthly reports per Section 9.05. Contractor's monthly reports shall also include an inventory of Recycling Tote-Bags in stock.

3. Household Battery and Cell Phone Collection

a. Multi-Family Residential Complexes with individual Recycling Carts for each dwelling unit. Contractor shall Collect Household Batteries and Cell Phones placed on top of the Recyclable Materials Cart in Contractor-provided or Customer-provided clear zip-close or tie-close plastic bags clearly marked "Used Batteries and Cell Phones." Customers will be notified to place all Household Batteries in a clear zip-close plastic bag; tape the contacts of button cell batteries; and wrap cell phones in paper (for protection) prior to placing in the plastic bag. While Customers will be encouraged to follow the participation parameters, Contractor shall be required to Collect the Household Batteries and Cell Phones if Customers do not follow these instructions.

b. Multi-Family Residential Complexes with Individual, Shared, or Centrally-stored Recycling Carts or Bins. Contractor shall provide one (1) or more centrally located Containers for the accumulation of Household Batteries and Cell Phones. The number and location of the Containers and the frequency of Collection shall be mutually agreed to between the Contractor and the Owner or manager of the complex. In the event the Owner or property manager requests that the materials be Collected on an on-call basis, Contractor shall provide that service at no additional cost.

669 4. Container Service Requirements. Container service requirements described
670 for Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7
671 are applicable for Collection of Targeted Recyclable Materials from Multi-
672 Family Premises.

673 **D. Commercial Premises**

674 1. General. Commercial Customers that subscribe to Solid Waste Collection
675 service shall be entitled to Collection of Targeted Recyclable Materials at no
676 additional charge, and Contractor shall provide the level of service required by
677 Commercial Customers requesting Recyclable Materials Collection services.
678 The level of service Contractor shall provide includes: Single-Stream Targeted
679 Recyclable Materials Collection or Source Separated Collection of cardboard,
680 mixed paper, food and recyclable beverage containers, or other Targeted
681 Recyclable Materials in a manner that best suits the needs of the Commercial
682 Customer.

683 Contractor shall Collect Single-Stream Targeted Recyclable Materials or other
684 Source Separated Recyclable Materials Generated at Commercial Premises at
685 least once per week or more frequently, up to seven (7) times per week, as
686 scheduled by the Customer provided that the Generator has Source Separated
687 the Targeted Recyclable Materials from Solid Waste and placed the materials in
688 the appropriate Contractor-provided Container. Contractor shall Collect
689 Targeted Recyclable Materials at the designated location agreed upon by
690 Contractor and Customer. The designated Collection location, if disputed by
691 Customer or Contractor, shall be determined by the Agency.

692 2. Service Methods. Contractor shall allow Commercial Customers to select a
693 Collection service method that best suits the needs of its Premises. Specifically,
694 the Contractor shall offer the following choices to Commercial Customers:

695 a. Cart service. Contractor shall allow Commercial Customers to use Carts
696 for Targeted Recyclable Materials Collection.

697 b. Bin service. Contractor shall allow Commercial Customers to use Bins for
698 Targeted Recyclable Materials Collection.

699 c. Shared Cart or Bin service. Contractor shall allow Commercial Customers
700 to use Carts or Bins for Targeted Recyclable Materials Collection that are
701 shared by the Occupants of two (2) or more Commercial Premises. In such
702 case, Contractor shall provide one (1) or more Carts or Bins to such
703 Premises as requested by Customer(s).

704 d. Drop Boxes and Compactors. Contractor shall allow Commercial
705 Customers to use Drop Boxes or Compactors for Targeted Recyclable
706 Materials. Contractor shall allow Customers to purchase or lease
707 Compactors through an outside vendor. Regular maintenance of
708 Compactors shall be required by Customer (or outside vendor) as
709 frequently as needed to keep the Compactors in good working order and
710 functioning at high compaction levels.

711 3. Container Service Requirements. Container service requirements described for
712 Multi-Family Solid Waste Collection in Sections 5.02.B.3 through 5.02.B.7 are

713 applicable for Collection of Targeted Recyclable Materials from Commercial
714 Premises.

715 **E. Agency Facilities**

716 1. General. Agency Facilities that subscribe to Solid Waste Collection service shall
717 be entitled to Collection of Targeted Recyclable Materials, and Contractor shall
718 provide the level of service required by Agency Facilities requesting Targeted
719 Recyclable Materials Collection services and shall not bill Agency for such
720 services. The level of service Contractor shall provide includes: Single-Stream
721 Targeted Recyclable Materials Collection or Source Separated Collection of
722 cardboard, mixed paper, food and recyclable beverage containers, or other
723 Targeted Recyclable Materials in a manner that best suits the needs of the
724 Agency Facility.

725 Contractor shall Collect Single-Stream Targeted Recyclable Materials or other
726 Source Separated Targeted Recyclable Materials Generated at Agency
727 Premises at least once per week or more frequently, up to seven (7) times per
728 week, as scheduled by the Agency provided that the Generator has Source
729 Separated the Targeted Recyclable Materials from Solid Waste and placed the
730 materials in the appropriate Contractor-provided Container. Contractor shall
731 Collect Targeted Recyclable Materials at the designated location agreed upon
732 by Contractor and Agency.

733 2. Service Methods. Contractor shall allow Agency Facilities to select a Collection
734 service method that best suits the needs of its Premises. Specifically, the
735 Contractor shall offer the following choices to Member Agency Facilities:

736 a. Cart service. Contractor shall allow Agency Facilities to use Carts for
737 Targeted Recyclable Materials Collection. Contractor shall provide each
738 Customer with a choice of one (1) or more Carts as specified in Attachment
739 D.

740 b. Bin service. Contractor shall allow Agency Facilities to use Bins for
741 Targeted Recyclable Materials Collection. Contractor shall provide each
742 Agency with a choice of one (1) or more Bins for each Agency Facility.

743 c. Centralized Cart or Bin service. Contractor shall allow Agency Facilities to
744 use Carts or Bins for Targeted Recyclable Materials Collection that are
745 shared by the Occupants of two (2) or more adjacent Agency Facilities. In
746 such case, Contractor shall provide one (1) or more Carts or Bins to such
747 Premises as requested by Agency.

748 d. Drop Boxes and Compactors. Contractor shall allow Agency Facilities to
749 use Drop Boxes or Compactors for the Collection of Targeted Recyclable
750 Materials. Contractor shall allow Agency to purchase or lease Compactors
751 through an outside vendor. Regular maintenance of Compactors shall be
752 required by Agency (or outside vendor) as frequently as needed to keep the
753 Compactors in good working order and functioning at high compaction
754 levels.

755 3. Public Recycling Receptacles. Contractor shall Collect Recyclable Materials
756 from public Recycling receptacles located on streets and parking lots, and from
757 public Recycling receptacles in parks that are accessible for Curbside

758 Collection. Contractor shall also Collect Recyclable Materials that are contained
759 in bags or boxes and placed adjacent to public Recycling receptacles. These
760 Collections will be made between one (1) and seven (7) Days per week, as
761 determined by Agency. If Contractor concludes upon visual inspection that the
762 Recyclables placed in (or adjacent to) the public Recyclables receptacles have a
763 Contamination Level greater than that which is acceptable at the MRF,
764 Contractor shall Collect the materials as Solid Waste. Contractor is responsible
765 for notifying Agency if a public Recycling receptacle is inoperable within twenty-
766 four (24) hours of observing or being notified of the defect. A list of public
767 Recycling receptacles is included in Attachment B. If persistent contamination
768 occurs in public Recycling receptacles then, at Contractor's request, appropriate
769 Agency staff shall meet with Contractor to discuss ways to address the problem.
770 Contractor shall not bill Agency for the services described in this paragraph.

771 **5.04 ORGANIC MATERIALS COLLECTION**

772 A. **Single-Family Dwelling.** Contractor shall Collect Source Separated Organic
773 Materials from SFD once per week. Collection of Organic Materials, Targeted
774 Recyclable Materials, and Solid Waste from the SFD shall occur on the same Day
775 each week. Contractor shall provide each Customer with one (1) Cart to be used
776 for storage and Collection of Organic Materials. Customers may request additional
777 Organic Materials Carts from Contractor for regular weekly Collection service, and
778 Contractor shall bill Customer at Agency-approved Charges specified in Attachment
779 Q. The Contractor shall provide Customers with a ninety-six (96) gallon Cart as
780 specified in Attachment D, unless the Customer requests an alternative Cart size, in
781 which case, the Contractor shall provide an alternative Cart as specified in
782 Attachment D.

783 For SFD Organic Materials Cart Collection, Contractor shall comply with the same
784 Collection provisions specified for Solid Waste Cart Collection pursuant to Sections
785 5.02.A.2, 5.02.A.3, and 5.02.A.4.

786 During the Term, Contractor shall provide, within five (5) Business Days of request
787 by Occupant, Kitchen Pails to new SFD Customers and to SFD Customers whose
788 Kitchen Pail is lost, stolen, damaged, or destroyed (such replacement shall be
789 limited to one (1) per year per Customer at no additional cost). Residents will be
790 discouraged from placing Kitchen Pail Curbside for Collection and will be instructed
791 to deposit the contents of the Kitchen Pail into the Organic Materials Cart.

792 B. **Multi-Family Premises.** Multi-Family Dwelling Customers shall have the option of
793 voluntarily subscribing to Organic Materials or Plant Materials Collection services,
794 Contractor shall bill Customers for such service at Agency-approved Rates.
795 Contractor shall Collect Source Separated Organic Materials or Plant Materials from
796 Multi-Family Residential Complexes that have subscribed to Organic Materials or
797 Plant Materials Collection service as frequently as scheduled by Customer, but not
798 less than once per week. Contractor shall provide each Customer with a choice of
799 Carts or Bins as specified in Attachment D. Contractor shall Collect Organic
800 Materials and Plant Materials at the location agreed upon by Contractor and
801 Customer. The designated Collection location, if disputed by Customer or
802 Contractor, shall be determined by the Agency.

803 Container service requirements described for Multi-Family Solid Waste Collection in
804 Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Organic
805 Materials or Plant Materials from Multi-Family Premises.

806 C. **Commercial Premises.** Commercial Customers shall have the option of voluntarily
807 subscribing to Organic Materials or Plant Materials Collection services, and
808 Contractor shall bill Customers for such service at Agency-approved Rates.
809 Contractor shall provide Organic Materials or Plant Materials Collection service to
810 any and all Customers requesting service. Contractor shall Collect Organic
811 Materials or Plant Materials from Commercial Premises that have subscribed to
812 Organic Materials or Plant Materials Collection service as frequently as scheduled
813 by Customer, but not less than once per week.

814 Contractor shall allow Commercial Customers to select a Collection service method
815 that best suits the needs of its Premises. Specifically, the Contractor shall offer to
816 Commercial Organic Materials or Plant Materials Customers the Containers and
817 service choices that are offered for Commercial Solid Waste Collection pursuant to
818 Section 5.02.C.

819 Container service requirements described for Multi-Family Solid Waste Collection in
820 Sections 5.02.B.3 through 5.02.B.7 are applicable for Collection of Organic
821 Materials or Plant Materials from Commercial Premises.

822 D. **Agency Facilities.** Agency Facilities shall have the option of voluntarily subscribing
823 to Organic Materials or Plant Materials Collection services. Contractor shall not bill
824 Agency for such services.

825 Contractor shall provide Organic Materials or Plant Materials Collection service to
826 Agency Facilities requesting service. Contractor shall Collect Organic Materials or
827 Plant Materials from Agency Facilities that have subscribed to Organic Materials or
828 Plant Materials Collection service as frequently as scheduled by Agency, but not
829 less than once per week.

830 Contractor shall allow Agency to select a Collection service method that best suits
831 the needs of its Facilities. Specifically, the Contractor shall offer to Agency Facilities
832 the service choices that are offered for Solid Waste Collection from Agency
833 Facilities pursuant to Section 5.02.D.

834 E. **Holiday Tree Collection.** Contractor shall annually Collect Holiday Trees from
835 Residential Premises from January 2 through January 31. Contractor shall provide
836 this service on the regularly scheduled Organic Materials Collection Day.
837 Contractor will be required to Collect trees or pieces of trees, which are eight feet
838 (8') or less in length, void of tinsel, lights, ornaments, other decorations, and metal
839 or plastic stands (although flocked trees are acceptable), and are placed adjacent to
840 an Organic Materials Cart. Contractor shall make accommodations and provide
841 Collection service for Customers who are unable to cut trees into lengths of eight
842 feet (8') or less at no additional cost to the Customer and shall not bill Agency for
843 such services. After January 31, Contractor will be required to Collect trees placed
844 inside an Organic Materials Cart. These Collection parameters apply to both Special
845 Handling and Backyard Collection Service.

846 Contractor shall deliver a Bin or Drop Box for Holiday Tree Collection to Multi-
847 Family Residential Complexes upon request of the Owner or property manager.
848 Contractor shall provide this Collection service annually commencing January 2 and

849 shall continue to provide this service as long as requests are submitted to
850 Contractor, at no additional cost to Customer(s) and shall not bill Agency for such
851 services. The location for delivery of the Bin or Drop Box shall be agreed upon by
852 the Owner or property manager, and Contractor shall remove the Bin or Drop Box,
853 or Collect the trees loose, on the date requested by the Owner or property manager.
854 If the use of a Bin or Drop Box is not feasible, Contractor shall Collect the
855 uncontainerized Holiday Trees from one (1) or more designated consolidation
856 locations (e.g., adjacent to a Solid Waste enclosure) at each Multi-Family
857 Residential Complex as determined by the Owner or property manager. Contractor
858 shall be required to Collect all trees or pieces of trees, which are eight feet (8') or
859 less in length, void of tinsel, lights, ornaments, other decorations, and metal or
860 plastic stands (although flocked trees are acceptable) and are placed in the Bin or
861 Drop Box or at the agreed upon location. Contractor shall make accommodations
862 and provide Collection service for Customers who are unable to cut trees into
863 lengths of eight feet (8') or less at no additional cost to the Customer and shall not
864 bill Agency for such services.

865 Prior to December of each year, Contractor shall notify all Multi-Family Dwelling
866 Customers of this program and explain the limitations to the program, the dates of
867 service, and any materials preparation or participation requirements, including the
868 option to order a Bin or Drop Box, or Collect the trees loose from designated
869 Collection locations. To encourage participation in this program, Contractor shall
870 not charge Customers an additional fee for this service.

871 **5.05 RESIDENTIAL ON-CALL BULKY ITEM COLLECTION SERVICE**

872 A. **SFD General.** Contractor shall provide two (2) separate On-Call Curbside Bulky
873 Item Collection Service events to each Single-Family Dwelling Residential Premise
874 annually upon Owner's or Occupant's request at no cost to the Customer. Customer
875 may request additional Bulky Item Collection service events; and, Contractor shall
876 bill for the additional service at Agency-approved Charges in Attachment Q.
877 Contractor shall schedule the On-Call Bulky Item Collection Service events on the
878 regularly scheduled Solid Waste Collection Day for Single-Family Dwellings, no
879 more than ten (10) Business Days after the Owner's or Occupant's request subject
880 to the conditions specified in Section 5.05.H.

881 B. **MFD General.** Contractor shall provide two (2) separate On-Call Curbside Bulky
882 Item Collection Service events to each Multi-Family Residential Complex annually
883 upon Owner's or property manager's request at no cost to the Owner or property
884 manager. Owner or property manager may request additional Bulky Item Collection
885 service events; and, Contractor shall bill for the additional service at Agency-
886 approved Charges specified in Attachment Q. Contractor shall schedule On-Call
887 Curbside Bulky Item Collection Service events no more than ten (10) Business
888 Days after the Multi-Family Residential Complex Owner's or property manager's
889 request subject to the conditions specified in Section 5.05.H. Contractor will be
890 required to accommodate the Multi-Family Residential Complex's on-site
891 constraints to ensure convenient and safe collection events in an effort to maximize
892 diversion and minimize environmental impacts.

893 Contractor shall assist Owners and property managers of Multi-Family Residential
894 Complexes with scheduling events to effectively and efficiently provide the volume
895 of Collection service to which the complex is entitled annually based on the number
896 of Residential Premises at the complex. The provision of On-Call Collection of Bulky
897 Items is not intended to encourage or permit Multi-Family Residential Premises to
898 reduce the level of regularly scheduled Solid Waste Collection service that has been
899 previously provided to the complex. If Contractor, in its reasonable business
900 judgment, concludes that an Owner or property manager of a Multi-Family
901 Residential Complex is requesting On-Call Bulky Item Collection in order to reduce
902 its historical level of regular Solid Waste Collection service, Contractor may present
903 a factual report to Agency in support of an application to decline further requests for
904 On-Call Bulky Item Collection events at that complex for the remainder of the
905 calendar year. Within thirty (30) Days, Agency will review the application and report
906 and determine whether Contractor may decline all subsequent requests from that
907 complex for that calendar year or may limit the number of On-Call Bulky Item
908 Collection events it must provide. Until Agency makes, and notifies Contractor of,
909 its determination, Contractor is not required to provide additional On-Call Bulky Item
910 Collection service events to the complex in question.

911 C. **Scheduling of Events.** Contractor shall allow the scheduling of On-Call Bulky Item
912 Collection Service events from February 1 through December 31 of each Rate Year.
913 Contractor may provide additional On-Call Bulky Item Collection Service events for
914 a Customer beyond two (2) per Rate Year, and shall bill Customers for additional
915 service at Agency-approved Charges specified in Attachment Q. Contractor is
916 required to notify Customer if they have already received the annually allocated two
917 (2) Collection events within one (1) Business Day of Customer request. If Contractor
918 fails to notify Customer that they have received the annually allocated two (2)
919 Collection events, Contractor shall provide the service and is not entitled to
920 additional Contractor's Compensation from Customer or Agency for a third or
921 subsequent On-Call Bulky Item Collection Service event.

922 D. **Accepted Materials.** Residential Premises may place Solid Waste, Recyclable
923 Materials, and/or Organic Materials for Collection with the following allowances:

924 1. Solid Waste, Targeted Recyclable Materials, Organic Materials – Up to two (2)
925 cubic yards of materials per event, provided that such materials, except as set
926 forth below have been bagged, boxed, bundled, or containerized by the
927 Customer.

928 2. The Customer may place up to three (3) large items from the categories below:

929 a. Major Appliances – One (1) large appliance per event (e.g., washing
930 machine, clothes dryer, refrigerator, freezer).

931 b. Bulky Items – One (1) large Bulky Item per event (e.g., reusable furniture,
932 mattresses, four tires).

933 c. E-Scrap – One (1) item per event (e.g., a computer, computer monitor, or
934 television).

935 Contractor shall reject: liquids or sludge; dirt, rock, concrete or asphalt; materials
936 which exceed five (5) feet in length; commercial-sized refrigerators or freezers;
937 Construction and Demolition Debris; Hazardous Waste; or Infectious Waste.

938 Contractor may reject any individual item that weighs more than two-hundred (200)
939 pounds (excluding Major Appliances) unless Customer has paid, or has agreed in
940 advance to pay, an additional fee for service at Agency-approved Charges specified
941 in Attachment Q. Contractor may reject un-containerized Discarded Materials with
942 the exception of Major Appliances, Bulky Items, E-Scrap, and large pieces of
943 Organic Material such as tree limbs and dimensional lumber.

944 E. **Recycling and Reuse.** Contractor shall Collect materials in a manner that
945 maximizes reuse, Recycling, composting, and diversion of materials from Disposal.
946 Contractor shall make reasonable efforts to ensure that diversion goals are met or
947 exceeded. Disposal of materials shall be the Contractor's last option. At a
948 minimum, Contractor shall divert from Disposal: cardboard, E-Scrap, useable
949 furniture, Major Appliances, mattresses, Organic Materials, wood waste, and other
950 reusable or Recyclable Materials.

951 F. **Handling Major Appliances.** Major Appliances, Universal Waste, and E-Scrap
952 shall be reused, Recycled, or Disposed by Contractor in accordance with
953 requirements of Applicable Law. Any changes to such regulations made after
954 January 1, 2011 shall be addressed as though they are a Change in Law in
955 accordance with Section 11.05.

956 G. **Collection and Processing Methods.** All materials that can be handled by the
957 SFD Single-Stream Recycling, Organic Materials, or Solid Waste route Collection
958 vehicle would be assigned to one of these vehicles for Collection, with the goal of
959 maximizing diversion. All Collection of Bulky Items will be assigned for Collection by
960 a Collection vehicle, and the driver will segregate items Collected according to their
961 suitability for: (1) reuse or Recycling, and (2) Disposal, prior to their transport to
962 Shoreway Recycling and Disposal Center for processing. Any remaining items will
963 be Collected by a dispatched Collection vehicle. Contractor shall utilize these
964 procedures and vehicles in a manner that provides the maximum diversion of the
965 material Collected from the On-Call Bulky Item Collection Service event.

966 H. **Maximum Number of Daily Events.** Contractor shall schedule up to a maximum
967 of one hundred fifty (150) On-Call Curbside Bulky Item Collection Service events
968 per service day for the SBWMA Service Area ("daily limit"). The maximum number
969 of daily events includes On-Call Bulky Item Collection Service events provided to
970 both Single-Family and Multi-Family Residential Complexes, and those events
971 provided at no charge and events paid for by the Customer, Owner, or property
972 manager. Contractor shall schedule On-Call Curbside Bulky Item Collection Service
973 events no more than ten (10) Business Days after the Owner's or Occupant's
974 request up to the maximum number of daily events. Upon reaching the maximum
975 number of daily events, requested On-Call Curbside Bulky Item Collection Service
976 event shall be scheduled on the next available regularly scheduled Solid Waste
977 Collection Day.

978 SBWMA may adopt an allocation system for On-Call Bulky Item Collection Service
979 events, in order to allocate the "daily limit" for such events among Member
980 Agencies. If adopted, Contractor shall comply with the allocation system.

981 The Agency agrees not to assess Liquidated Damages if Contractor does not meet
982 the ten (10) Business Day requirement if the delay has resulted from (i) the volume
983 of On-Call Bulky Item Collection events being in excess of the "daily limit" for the

984 SBWMA Service Area or Agency, or (ii) the Customer's request to schedule the
985 event on a date more than ten (10) Business Days in the future.

986 Contractor shall notify the SBWMA and Agency when the daily average number of
987 events reaches one hundred and forty (140) events, where the daily average is
988 calculated on a weekly basis. When this threshold occurs, Parties shall meet and
989 confer to agree on a strategy for handling the volume of Bulky Item Collection
990 Service events.

991 **5.06 AGENCY FACILITY ON-CALL BULKY ITEM COLLECTION SERVICE**

992 Contractor shall provide each Agency Facility with one annual On-Call Bulky Item
993 Collection service event and shall not bill Agency for such services. Agency may request
994 additional Bulky Item Collection service events; and, Contractor shall bill for the
995 additional service at Agency-approved Charges specified in Attachment Q. The On-Call
996 Bulky Item Collection Service provisions set forth in Section 5.05 shall apply to the On-
997 Call Bulky Item Collection Service provided to Agency Facilities with the following
998 exceptions for frequency and service level/acceptable materials.

999 **A. Frequency of Service**

1000 Contractor shall provide this service to each Agency Facility annually.

1001 **B. Service Level/Accepted Materials**

1002 Agency Facilities may place for Collection, Solid Waste, Recyclable Materials,
1003 and/or Organic Materials with the following allowances:

- 1004 1. Solid Waste – Contractor shall provide a six (6) cubic yard or smaller Bin upon
1005 request.
- 1006 2. Recyclable Materials, Organic Materials – Up to two (2) cubic yards of
1007 materials per event, provided that such materials, except as set forth below
1008 have been bagged, boxed, bundled, or containerized by the Customer.
- 1009 3. The Agency may place up to three (3) large items from the categories below:
 - 1010 a. Major Appliances – One (1) large appliance per event (e.g., washing
1011 machine, clothes dryer, refrigerator, freezer).
 - 1012 b. Bulky Items – One (1) large Bulky Item per event (e.g., reusable furniture,
1013 mattresses, four tires).
 - 1014 c. E-Scrap – One (1) item per event (e.g., a computer, computer monitor, or
1015 television).

1016 Contractor shall reject: liquids or sludge; dirt, rock, concrete, or asphalt; materials
1017 which exceed five (5) feet in length; commercial-sized refrigerators or freezers;
1018 Construction and Demolition Debris; Hazardous Waste; or, Infectious Waste.
1019 Contractor may reject any individual item that weighs more than two-hundred (200)
1020 pounds (excluding Major Appliances) unless Customer has paid, or has agreed in
1021 advance to pay an additional fee for service at Agency-approved Charges specified
1022 in Attachment Q, and Contractor may reject un-containerized Discarded Materials
1023 with the exception of Major Appliances, Bulky Items, E-Scrap, and large pieces of
1024 Organic Material such as tree limbs and dimensional lumber.

1025 **5.07 CONFIDENTIAL DOCUMENT DESTRUCTION SERVICE EVENT**

1026 The SBWMA will take the lead in scheduling one confidential document destruction
1027 service event for each Member Agency annually at no additional cost to Agency or
1028 Customers. The SBWMA will hire and pay for a third party document destruction service
1029 provider to service the event. The document destruction service provider shall provide
1030 adequate equipment and staffing necessary for the event and shall ensure full
1031 destruction of confidential documents and other materials delivered by Customers to the
1032 site of the event. Contractor shall reimburse the SBWMA for the cost of one confidential
1033 document destruction event per Member Agency per year, up to maximum of one
1034 thousand two hundred dollars (\$1,200.00) per event, but otherwise shall have no
1035 involvement with the event. The cost reimbursement amount shall be adjusted annually
1036 commencing with Rate Year Twelve (2022) by one hundred percent (100%) of the
1037 Annual Index Change in CPI-U, as defined in Attachment K.

1038 **5.08 COLLECTION FOR LARGE VENUES AND COMMUNITY EVENTS**

1039 Contractor shall provide Collection services, upon request, to any Venue and
1040 Community Event within Service Area. Specifically, Contractor shall provide, at a
1041 minimum, Solid Waste and Targeted Recyclable Materials Collection services, and shall
1042 also provide Organic Materials Collection services if one (1) cubic yard or more of
1043 Organic Material is generated per day at the Venue or Community Event. Contractor
1044 shall provide Collection as frequently as requested by the Agency or the Community
1045 Event organizer. Contractor shall provide an adequate number and type of Collection
1046 Container(s) for the Venue or Community Event and shall coordinate its Collection
1047 services with Agency or Community Event organizer. Containers shall be appropriately
1048 labeled to collect Solid Waste, Recyclable Materials, or Organic Material, per the
1049 requirements specified by the SBWMA. Upon request of the Agency or the Community
1050 Event organizer, Contractor shall provide an adequate number of its employee(s) for
1051 each Community Event to ensure all Solid Waste, Recyclable Materials, and Organic
1052 Materials Collection locations (i.e., Containers that are placed on-site for use by event
1053 patrons) are kept clean and uncontaminated; to empty or exchange Containers as the
1054 need arises; and to respond to overages or spills.

1055 Within ten (10) Business Days of Contractor receiving a request to supply an Community
1056 Event with Solid Waste, Targeted Recyclable Materials, and Organic Materials
1057 Collection services, the Contractor will either meet with or schedule a meeting with the
1058 Community Event organizer to discuss the Community Event's parameters, including
1059 location, number of people attending, type of Community Event, type of food being
1060 provided, and other related issues. Once parameters of the Community Event are
1061 determined, proper Containers will be provided by Contractor, with emphasis on
1062 Recycling and diversion of the materials generated.

1063 Contractor shall also supply and staff an information booth at each Venue and
1064 Community Event, upon request from Agency. In addition, Contractor shall prepare and
1065 distribute information to the public at Venues and Community Events describing the
1066 Collection options available at the Venue or Community Event and promoting Recycling
1067 programs in the Agency, upon request from Agency. All information prepared for
1068 distribution to Venues and Community Events shall be approved by Agency prior to
1069 distribution. The Contractor shall report the Tonnage of material Collected at each

1070 Venue and Community Event to the Agency and, upon Agency request, to the
1071 Community Event organizer.

1072 For Venues and Community Events, which are required to comply with the Large
1073 Venues and Events Recycling Law, codified at Public Resources Code Section 42648 et
1074 seq., Contractor shall assist the Venue or Community Event organizer in preparing a
1075 Recycling plan and reporting all information required by those provisions of the law.
1076 Contractor shall be required to provide, at a minimum, the following information for each
1077 Venue or Community Event:

- 1078 1. List of qualifying large Venues and Community Events in Service Area.
- 1079 2. Physical and mailing address.
- 1080 3. Contact name, address, phone number, and email address.
- 1081 4. Type of Venue or Community Event (e.g., museum, concert, sporting event).
- 1082 5. Status of the Venue or Community Event written waste diversion/Recycling plan.
- 1083 6. A description of the extent in which the plan has been implemented.
- 1084 7. Service level provided (i.e., Solid Waste, Recyclable Materials, and Organic
1085 Materials).
- 1086 8. Tons disposed and diverted, by material type.
- 1087 9. Description of the scope and types of diversion programs provided.
- 1088 10. Other information required by law.

1089 Contractor shall provide the Collection services required by this Section for the Agency-
1090 sponsored Venues and Community Events listed on Attachment C, at no charge to the
1091 Agency or the Community Event organizer. A preliminary list of Agency-sponsored
1092 Venues and Community Events is provided in Attachment C. Agency may add additional
1093 events to those listed in Attachment C or modify this list if events change during the
1094 Term and shall make such modifications as part of the Three-Year Public Education
1095 Plan (in accordance with Section 7.03.B). If the number of events listed in Attachment C
1096 increases during the Term above the number on the preliminary list on Attachment C,
1097 Contractor shall be entitled to receive compensation for the number of additional events
1098 provided service each Rate Year based on the Charges for additional events specified in
1099 Attachment Q. For other Venues and Community Events, Contractor may bill the Venue
1100 or Community Event organizer at the Agency-approved Charges for comparable On-Call
1101 Commercial Solid Waste and Organic Materials Collection Service. Recyclable
1102 Materials Collection service shall be provided at no additional cost to Community Events
1103 that subscribe to Solid Waste or Organic Materials Collection service.

1104 **5.09 ABANDONED WASTE CLEANUP COLLECTION SERVICE**

1105 A. **General.** Contractor shall provide abandoned waste cleanup Collection service to
1106 Agency as provided herein. Contractor shall schedule up to a maximum of thirty
1107 (30) abandoned waste Collection events per service day for the SBWMA Service
1108 Area. Contractor shall make every effort to collect abandoned waste within one (1)
1109 Business Day of being notified by Agency, SBWMA, Customer, or Contractor's
1110 vehicle drivers and route supervisors of the occurrence of abandoned waste or
1111 illegal dumping. Upon reaching the maximum thirty (30) events, Collection of

1112 abandoned waste event shall be scheduled and performed by Contractor on the
1113 next available service day. This service shall require Contractor to Collect
1114 abandoned or illegally dumped Solid Waste, Recyclable Materials, and Organic
1115 Materials. This service does not include Collection of litter or litter abatement
1116 activities.

1117 Contractor shall notify the SBWMA and Agency when the daily average number of
1118 events reaches twenty-five (25) events, where the daily average is calculated on a
1119 weekly basis. When this threshold occurs, Parties shall meet and confer to agree on
1120 a strategy for handling the volume of abandoned waste Collection events.

1121 B. **Materials to be Collected.** Contractor shall only be required to Collect abandoned
1122 waste materials of the types that Contractor is required to Collect under the On-Call
1123 Bulky Item Collection program, as specified in Section 5.05.D. Abandoned waste
1124 shall only be Collected by Contractor in public right of ways, and Contractor shall
1125 not be responsible for any Collection of abandoned waste materials that are on
1126 private properties or easements where ownership of properties are in question or
1127 shared.

1128 C. **Collection Protocols.** For abandoned Recyclable Materials, Organic Materials,
1129 and Solid Waste, Contractor shall dispatch its regular route drivers to provide
1130 Collection service. For Bulky Items, Contractor shall dispatch a Collection vehicle
1131 capable of Collecting the Bulky Items to provide the Collection service. For other
1132 items including, but not limited to, Hazardous Waste, Household Hazardous Waste,
1133 and Sharps, Contractor shall promptly notify Agency.

1134 D. **Processing.** All abandoned or illegally dumped materials Collected by Contractor
1135 shall be transported to Shoreway Recycling and Disposal Center for processing,
1136 with the exception of scrap metal, and all related diversion statistics shall be
1137 included in the appropriate reports to the Agency for all materials Collected.
1138 Contractor shall be allowed to transport scrap metal directly to a licensed scrap
1139 metal recycler. Contractor shall, to the greatest extent possible, deliver all reusable
1140 non-metal abandoned waste items to organizations such as Society of St. Vincent
1141 de Paul and Goodwill Industries, or other organizations as directed by Agency.

1142 E. **Agency-Specific Reporting.** The Agency may request Contractor to interface with
1143 an Agency-specific web-based application for reporting completion of abandoned
1144 waste collections. In such case, Agency shall compensate Contractor on an annual
1145 basis for this additional effort at a rate to be mutually agreed by Agency and
1146 Contractor.

1147 **5.10 COATS FOR KIDS PROGRAM**

1148 If requested by Agency, Contractor shall implement a "Coats for Kids Program" annually
1149 at no additional cost to Customers and shall not bill Agency for such services. The
1150 program shall consist of Contractor's drivers Collecting coats from Customers on their
1151 route over a one (1) to two (2) week period during the fall, as well as from Collection
1152 Containers placed by Contractor in various public locations specified by Agency, such as
1153 libraries, City Hall, and businesses. The coats collected through this program will be
1154 sorted and laundered by Contractor, and arrangements made by Contractor for
1155 distribution to a local non-profit organization, such as the Family Services Agency. Prior
1156 to the implementation of the program, Contractor shall present a detailed program plan
1157 to Agency for review and approval. All related diversion statistics shall be included in the

1158 appropriate reports to the Agency. Annually, no later than sixty (60) Days prior to the
1159 start of the program, Contractor shall notice Agency regarding the program start and end
1160 date.

1161
1162 The general scope of outreach that shall be conducted in order to properly promote the
1163 program shall include, but not be limited to promotion on websites, and distribution of
1164 media such as flyers and press releases.

1165 **5.11 COMPOST GIVE-AWAY**

1166 Contractor shall coordinate with the Agency to host "Bring Your Own Bucket" (BYOB)
1167 giveaway of compost to residents. Contractor shall take the lead in organizing the
1168 delivery of compost by Operator to either Shoreway Environmental Center (if Contractor
1169 is delivering compost in a Drop Box) or directly to the event (by Operator). The BYOB
1170 compost giveaway shall provide residents with free compost to enrich their gardens
1171 while also educating residents on the benefits of home composting. If included in the
1172 Three-Year Public Education Plan as a requirement, Contractor representatives shall be
1173 on hand to distribute Recycling guides and other educational material promoting waste
1174 reduction and Recycling. Contractor is required to deliver to Agency thirty (30) cubic
1175 yards of compost annually in one (1) or two (2) deliveries for the BYOB events and/or for
1176 use at Agency facilities and shall not bill Agency for such services. Agency shall
1177 schedule events as far in advance as possible. Contractor can only schedule up to four
1178 (4) events in any weekend and lead-time is needed to ensure adequate promotion of the
1179 event. The SBWMA will take the lead promoting the BYOB events. If Agency requests
1180 delivery of more than thirty (30) cubic yards of compost annually, Contractor shall
1181 provide the delivery and bill Agency the Charge specified in Attachment Q or Contractor
1182 shall be entitled to an increase in Contractor's Compensation for the Rate Year that the
1183 compost is delivered to Agency based on the Charge specified in Attachment Q.

1184 **5.12 FEE FOR SERVICE ON CALL BULKY ITEM COLLECTION**

1185
1186 In addition to collections provided under Section 5,05 and Section 5,06, Contractor shall
1187 Collect Bulky Items from Single-Family, Multi-Family, and Commercial Customers and
1188 Agency Facilities and shall charge Customers the Rate established by Agency, which
1189 will cover the cost of service. The cost of service in 2021 is specified in Attachment Q,
1190 Contractor will schedule fee for service On-Call Bulky Item Collection service on the
1191 Customer's regularly scheduled Collection Day or a Business Day scheduled by
1192 Contractor, no more than ten (10) Business Days after Customer's request. The fee for
1193 service On-Call Bulky Item Collection Service shall be limited to Collection of Bulky
1194 Items, Major Appliances, and E-Scrap.
1195 When a Commercial Customer calls to request and schedule the collection of Bulky
1196 Items, Contractor shall ask the caller to describe the items to be collected, and will
1197 provide the caller with an estimate of the cost to provide the service, based on Rates
1198 established by Agency.
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1200 **5.13 COMMUNITY DROP-OFF EVENTS**

1201 Upon request by Agency, Contractor shall hold drop-off events at a location selected by
1202 the Agency to allow Residential Customers to drop off acceptable materials. Acceptable
1203 materials, which shall be determined by the Agency, may include one or more of the
1204 following: E-Scrap, Universal Waste, Recyclable Materials, Organic Materials, and
1205 Solid Waste.

1206 A. General Requirements. Contractor shall promote, manage, staff, and operate
1207 drop-off event(s) for Residential Customers scheduled for one (1) weekend Day
1208 (i.e., Saturday or Sunday) or two (2) consecutive weekend Days upon request from
1209 Agency.

1210 The Agency shall approve the date of the drop-off event and all advertisements or
1211 public announcements related to such event. Contractor shall promote the event by
1212 preparing Billing inserts to be included in each Customer's Bill and by advertising in
1213 a minimum of two local area newspapers as approved by the Agency.

1214 Contractor shall manage, staff, and supervise the event. Contractor shall provide
1215 traffic control and signage; inspect materials delivered to the event; separate
1216 materials; document each material type and quantity; transport Collected materials
1217 to reuse, processing, or Disposal locations; and clean up the location at the end of
1218 the event.

1219 Contractor shall not charge Customers delivering materials to the event.

1220 B. Accepted Materials. Customers may deliver and Contractor shall accept Major
1221 Appliances, Bulky Items, Source Separated Targeted Recyclable Materials, Source
1222 Separated Organic Materials, tires (i.e., four (4) per Customer, removed from rims,
1223 no commercial tires), clean unpainted wood, Construction and Demolition Debris,
1224 Universal Waste, E-Scrap, and Solid Waste. Contractor shall be allowed to reject:
1225 liquids or sludge; cement; dirt; asphalt; concrete; Hazardous Waste; or Infectious
1226 Waste. Contractor shall not establish a limit on the volume or weight of materials
1227 that a Customer may bring for Collection.

1228 C. Participants. Contractor shall verify Residents live in the Agency by reviewing a
1229 driver's license or utility bill.

1230 D. Event Hours. Contractor shall accept materials from Residential Customers over
1231 one (1) weekend Day (i.e., Saturday or Sunday) or two (2) consecutive weekend
1232 Days from 8:00 a.m. to 5:00 p.m.

1233 E. Recycling and Reuse. Contractor shall Collect materials in a manner that
1234 maximizes reuse, Recycling, composting, and diversion of materials from Disposal.
1235 Contractor shall make reasonable efforts to ensure that diversion goals are met or
1236 exceeded. Contractor shall separate Recyclable Materials and Organic Materials
1237 and transport such materials to the Designated Transfer and Processing Facility or
1238 an alternative processing site with advance authorization from Agency. Contractor
1239 shall coordinate with re-use vendor(s) to have a representative present at the drop-
1240 off event to accept donated clothes or other reusable items. Disposal of materials
1241 shall be the Contractor's last option.

1242 F. Handling Major Appliances. Major Appliances shall be reused, Recycled, or
1243 Disposed by Contractor in accordance with requirements of Applicable Law. Any

- 1244 changes to such regulations made after January 1, 2011 shall be addressed as
 1245 though they are a Change in Law in accordance with Section 11.05.
- 1246 G. Scheduling Community Drop-Off Events. Upon request from Agency, Contractor
 1247 shall promote, manage, staff, and operate community drop-off events described in
 1248 this Section. If Agency exercises such right, it shall provide written notice to
 1249 Contractor at least three (3) months before the first day of the requested drop-off
 1250 event. Agency shall compensate Contractor for such service based on Contractor's
 1251 Charge specified in Attachment Q.
- 1252 H. Confidential Document Destruction Service. If requested by Agency, Contractor
 1253 shall provide confidential document destruction service at the drop off event(s).
 1254 Contractor shall provide adequate equipment and staffing necessary for the event
 1255 and shall ensure full destruction of confidential documents and other materials
 1256 delivered by Customers at the site of the event. This service shall be provided by
 1257 Contractor at no additional cost to Customers and shall not bill Agency for such
 1258 services.

1259 **5.14 MIXED USE BUILDINGS**

- 1260 A. **General.** Contractor shall provide Solid Waste, Targeted Recyclable Materials, and
 1261 Organic Materials Collection services to Mixed Use Building Customers in
 1262 accordance with the requirements for provision of these services to Commercial
 1263 Customers pursuant to Sections 5.02.C, 5.03.D, and 5.04.C. Contractor shall work
 1264 cooperatively with the Owner or property manager of the Mixed Use Building to
 1265 agree on the type and size of Containers to be provided and whether or not the
 1266 Commercial and Residential portions of the Mixed Use Building will share service or
 1267 have designated Containers for Collection.
- 1268 B. **Service Capacity.** For the Residential Premises of the Mixed Use Buildings,
 1269 Contractor shall provide no less than ninety-six (96) gallons per week of Solid
 1270 Waste Container capacity for every five (5) Residential dwelling units. At a
 1271 minimum, Contractor shall provide twenty (20) gallons per week of Container
 1272 capacity for Single-Stream Targeted Recyclable Materials Collection for every
 1273 Residential dwelling at the Mixed Use Building.
- 1274 C. **Recycling Tote Bags.** Contractor shall provide the Residential Premises units of
 1275 the Mixed Use Building with Recycling Tote Bags in accordance with the Multi-
 1276 Family Recycling Tote Bags requirements pursuant to Section 5.03.C.2.
- 1277 D. **Household Battery and Cell Phone Collection.** Contractor shall provide the
 1278 Residential Premises of the Mixed Use Building with Household Battery and Cell
 1279 Phone Collection in accordance with the Multi-Family Household Battery and Cell
 1280 Phone Collection service requirements pursuant to Section 5.03.C.3.
- 1281 E. **Bulky Item Collection.** Contractor shall provide the Residential Premises of the
 1282 Mixed Use Building with two (2) annual On-Call Bulky Item Collection Service
 1283 events per Mixed Use Building in accordance with the Multi-Family On-Call Bulky
 1284 Item Collection service requirements pursuant to Section 5.05. Such service must
 1285 be requested by the Owner or property manager.
- 1286 F. **Recycling Promotion.** Contractor shall provide the Residential Premises of the
 1287 Mixed Use Building with the Recycling promotion services that are provided to
 1288 Multi-Family Dwellings under Section 7.05, and shall provide the Commercial units

1289 of the Mixed Use Building with the Recycling promotion services that are provided
1290 to Commercial Premises under Section 7.04.

1291 G. **Holiday Tree Collection.** Contractor shall provide Holiday Tree Collection Service
1292 to Residential Premises of the Mixed Use Building in accordance with the Multi-
1293 Family Holiday Tree Collection Service requirements in Section 5.04.E.

1294 H. **Other**

1295 1. Conflict. The Parties acknowledge that Mixed Use Building is a new category
1296 and that Mixed Use Buildings may be coded in Contractor's software system as
1297 Multi-Family Residential Complexes, as Commercial Customers, or (in the
1298 event of separate accounts for the Residential and Commercial parts of the
1299 Premises) as both. In the event of any conflict between the provisions of this
1300 Agreement relating to Mixed Use Buildings, on the one hand, and those
1301 relating to Multi-Family Residential Complexes or Commercial Premises, on the
1302 other hand, the provisions relating to Mixed Use Buildings shall govern.

1303 2. Customer Database. Contractor shall use good faith efforts, within the
1304 constraints of its existing software system and cost structure, to develop a
1305 method for coding Mixed Use Buildings in the Contractor's customer service
1306 and routing databases to allow for various reports to be generated for Mixed
1307 Use Buildings. The approach to coding the Mixed Use Buildings, and
1308 implementation thereof, shall be reviewed and approved by the SBWMA on or
1309 before the Commencement Date.

1310 3. Collection Vehicles. At its option, Contractor may provide Collection service to
1311 Mixed Use Buildings using its Single-Family or Commercial Collection vehicles.

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ARTICLE 6 TRANSPORTATION

1316 **6.01 TRANSPORTATION OF COLLECTED MATERIALS**

1317 Contractor shall transport and deliver all Solid Waste, Source Separated Targeted
1318 Recyclable Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries, Cell
1319 Phones, Bulky Items, Abandoned Waste, and Organic Materials Collected under this
1320 Agreement to the Designated Transfer and Processing Facility. Once Collected
1321 materials are deposited by Contractor at the Designated Transfer and Processing
1322 Facility, such materials shall become the property of SBWMA or Operator. The
1323 Contractor is not responsible for providing processing services except as provided in
1324 Section 6.04.

1325 **6.02 LIMITATIONS ON CONTAMINATION**

1326 A. **General.** The Agency is required by the Act and other State legislation/regulations
1327 (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383)
1328 and its implementing regulations to divert a substantial portion of Solid Waste
1329 generated by residents, businesses, and institutions within its Service Area from
1330 Disposal at a landfill. In order to accomplish this, the Agency, through the SBWMA,
1331 has made a major investment in new recycling equipment and facilities at Shoreway
1332 Recycling and Disposal Center. In order for that equipment to operate efficiently,
1333 the amount of Contamination in loads of Recyclable Materials, Organic Materials,
1334 and Plant Materials delivered to Shoreway Recycling and Disposal Center must be
1335 limited to specific levels. Moreover, higher levels of Contamination can make
1336 processed Recyclable Materials unmarketable or substantially reduce the price that
1337 purchasers are willing to pay. The cost that the SBWMA must charge users of
1338 Shoreway Recycling and Disposal Center (including Agency) is directly affected by
1339 the amount of revenue generated by sales of Recyclable Materials processed by its
1340 Operator. Therefore, for both environmental and financial reasons, it is important
1341 that Contractor place a high priority on ensuring that Contamination in loads of
1342 Recyclable Materials, Plant Materials, and Organic Materials delivered to Shoreway
1343 Recycling and Disposal Center is minimized. Contractor shall work collaboratively
1344 with Agency and SBWMA to accomplish this and will implement the specific
1345 measures described in this Section and Section 6.03.

1346 B. **Contamination Levels.** The maximum Contamination Levels for each category of
1347 Recyclable Materials, Plant Materials, and Organic Materials are specified in Table
1348 1.

Table 1. Maximum Contamination Levels	
Material Category	Maximum Contamination Level (% by weight)
Commercial Source Separated or Targeted Recyclable Materials	10%
MFD and Commercial Plant Materials	5%
Single-Family Organic Materials	5%
Commercial Organic Materials	10%

1349 If two (2) or more loads from the same route are brought to Shoreway Recycling
 1350 and Disposal Center in a given month with Contamination Levels greater than those
 1351 specified in Table 1, Contractor shall visually inspect materials at the point of
 1352 Collection on that route to identify the source of the Contamination. If the source
 1353 can be identified, Contractor shall follow up with the Customer(s) that need further
 1354 assistance to reduce Contamination and to resolve the Contamination issue. At any
 1355 time, the SBWMA may request for the sampling of a load of materials.

1356 **C. Inspecting for Excessive Contamination in Single Loads**

1357 The Operator will inspect loads of materials delivered to Shoreway Recycling and
 1358 Disposal Center. The Operator may set aside for sampling a load of material that
 1359 appears to exceed the Contamination Levels in Table 1.

1360 When setting aside a load for sampling, the Operator will document the truck
 1361 number, the date and time of delivery, and will take a photograph of the load. The
 1362 methodology for sampling of single loads is set forth in Attachment E.

1363 If an entire load is sorted to determine Contamination, as contemplated by
 1364 subsections D and E below, then Contractor or its representative shall have the
 1365 right to be present at, observe, and photograph and video all aspects of the sort.

1366 **D. Supplemental Processing Fee for Excessive Contamination in Salvageable
 1367 Single Loads**

1368 If a load of materials is determined based on (1) sorting of the entire load, or (2)
 1369 sample testing pursuant to Section 6.02.C to contain Contamination in excess of the
 1370 levels specified in Table 1, but is determined by the SBWMA to be salvageable,
 1371 Contractor shall be required to pay SBWMA a supplemental processing fee of
 1372 \$25.00 per Ton for the load.

1373 The supplemental processing fees shall be adjusted annually by the Annual Index
 1374 Change in CPI-U in the same manner described in Attachment K.

1375 **E. Payment of Transfer, Transportation, and Disposal of Unsalvageable Single
 1376 Loads**

1377 If a load of materials is determined based on (1) sorting of the entire load, or (2)
 1378 sample testing pursuant to Section 6.02.C to contain Contamination in excess of
 1379 the levels specified in Table 1, and is determined by SBWMA to be
 1380 unsalvageable, Contractor shall reimburse SBWMA for the cost of transfer,
 1381 transportation, and Disposal of the load, which shall be calculated as the weight

1382 of the load multiplied by the then-current per-Ton fee for transfer, transport, and
1383 Disposal pursuant to the agreement between the SBWMA and Operator.

1384 **6.03 CONTRACTOR METHODS OF CONTROLLING CONTAMINATION**

1385 A. **General.** Contractor shall assist in controlling Contamination Levels by helping to
1386 educate Customers on acceptable and non-acceptable materials, by monitoring the
1387 contents of Collection Containers and by refusing to Collect Containers of Targeted
1388 Recyclable Materials, Plant Materials, and Organic Materials that appear to exceed
1389 the maximum Contamination Levels in Section 6.02 Table 1, all as and to the extent
1390 set forth in this Section 6.03.

1391 Drivers that dismount from Collection vehicles in order to empty Containers shall lift
1392 the Container lid and observe the contents. If Contamination appears to be present
1393 in excess of the applicable maximum Contamination Level, the driver will not empty
1394 the Container, but will instead affix a "non-collection notice." The non-collection
1395 notice shall (i) inform the Customer of the reason(s) for non-collection, (ii) include
1396 the date and time the notice was left, and (iii) describe the premium Charge to
1397 Customer for Contractor to return and Collect the Container after Customer
1398 removes the Contamination. The driver shall document the non-collection event
1399 and a customer service representative shall update the Customer's computerized
1400 account record to note the event. Upon request from Customer, Contractor shall
1401 Collect Containers that received non-collection notices within one (1) Business Day
1402 of Customer's request if the request is made at least two (2) Business Days prior to
1403 the regularly scheduled Collection Day. Contractor shall bill Customer for the extra
1404 Collection service event ("extra pick-up") at Agency-approved Charges specified in
1405 Attachment Q only if Contractor notifies Customer of the premium Charge for this
1406 service at the time the request is made by Customer.

1407 Drivers providing automated Collection service shall observe, via the hopper video
1408 camera and monitor system, the contents of the Containers as it is being emptied
1409 into the vehicle. If the driver observes Contamination in excess of the applicable
1410 maximum Contamination Level, the driver shall affix a "courtesy notice" to the
1411 emptied Container. The courtesy notice shall (i) inform the Customer of the
1412 observed presence of unacceptable levels of Contamination, (ii) include the date
1413 and time the notice was left, (iii) describe the premium charge to Customer for
1414 Contractor to return and Collect Contaminated Containers after Customer removes
1415 the Contamination. The next day on which that Customer is to receive service, the
1416 driver shall dismount the Collection vehicle, lift the lid of the Container, and visually
1417 inspect the contents. If the driver determines that the Container again contains
1418 excess Contamination, the Container shall not be Collected. Instead, the driver will
1419 record the non-collection event in the on-board computer system and shall affix a
1420 non-collection notice to the Container.

1421 If a driver observes Hazardous Materials in an uncollected Container, the driver
1422 shall record that observation in the on-board computer system and also inform the
1423 route supervisor. The route supervisor shall investigate and initiate applicable
1424 action within one (1) Business Day.

1425 Whenever a Container at a Commercial or a Multi-Family Dwelling Complex
1426 Customer is not Collected, Contractor shall contact the Customer on the scheduled
1427 Collection Day by telephone to explain why the Container was not Collected.

1428 Whenever a Container is not Collected because of excess Contamination, a
1429 customer service representative shall contact the Customer to discuss, and
1430 encourage the Customer to adopt, proper materials-preparation and separation
1431 procedures.

1432 B. **Periodic Route Audits.** Contractor shall conduct a route audit of any route from
1433 which two (2) or more loads are found to exceed the applicable maximum
1434 Contamination Levels set forth in Section 6.02 Table 1 during any thirty (30) day
1435 period, as well as any other route whose loads consistently exceed the maximum
1436 Contamination Levels.

1437 When a route is identified as requiring a route audit, Contractor will provide a route
1438 auditor to precede the Collection vehicle and physically examine the contents of
1439 each Container or Cart prior to emptying. The route auditor shall affix non-collection
1440 notices to at least ninety percent (90%) of all Containers that contain Contamination
1441 in excess of applicable maximum Contamination Levels.

1442 Contractor shall submit a monthly route audit report within five (5) Business Days
1443 after the end of each route audit that has been conducted during the previous
1444 month. The report shall describe in detail Contractor's conduct of the audit, as well
1445 as the public education and outreach activities that it employed to encourage and
1446 facilitate changes in Customer behavior that will reduce Customers discarding
1447 Contamination in Containers designated for Recyclable Materials or Organic
1448 Materials.

1449 The audit of a route shall continue for a period of four (4) consecutive weeks after
1450 the route has been identified as requiring an audit under the first paragraph of this
1451 Section 6.03.B.

1452 **6.04 PROCESSING OF OTHER MATERIALS**

1453 Upon request by Agency, and with the prior approval of SBWMA, the Contractor shall be
1454 responsible for, or shall arrange for, processing, Recycling, and/or reuse of Bulky Items,
1455 Major Appliances, and Specialty Recyclable or Reusable Materials (excluding
1456 Construction and Demolition Debris) Collected pursuant to this Agreement. If Agency
1457 determines a need for processing of other materials, changes can be made as described
1458 in Section 15.12.

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ARTICLE 7 OTHER SERVICES

1461 **7.01 CUSTOMER BILLING**

1462 A. **Billing.** Contractor shall prepare and mail Bills for services provided to Customers
1463 by Contractor and shall collect Customer payments.

1464 1. Frequency. Contractor shall Bill Single-Family Customers quarterly in amounts
1465 equal to the Agency-approved Rates and Charges for service for a three (3)
1466 month period (i.e., using a quarterly format), unless the Agency requests a
1467 more frequent Billing interval in which case the Contractor shall be entitled to a
1468 reasonable adjustment in its compensation related to the additional costs for
1469 the Agency-directed change in Billing frequency. Contractor shall issue Single-
1470 Family Residential Bills three (3) months in advance in a manner such that
1471 one-third (1/3) of SFD Customers are Billed each month. Contractor shall bill
1472 Multi-Family Dwelling and Commercial Customers monthly in arrears in the
1473 amount equal to Customers' subscribed Rates and Charges for service for a
1474 one (1) month period.

1475 2. Automated Billing and Payment. In an effort to reduce paper waste, Contractor
1476 shall make available to all Customers an automated Billing and payment
1477 system. This system should be website-based and allow Customers to view
1478 and pay Bills through Contractor's website. Through the Contractor's website,
1479 Customers may request to cease paper Billing and receive all Bills through e-
1480 mail and/or Contractor's website. Contractor shall ensure that the electronic
1481 Billing and payment website conforms to industry-standard practices for
1482 electronic commerce security. However, Contractor shall ensure that these
1483 Customers are compiled in a list to ensure that Billing inserts are mailed
1484 directly.

1485 3. Bill Format. Contractor shall Bill Customers using a Bill format (i.e., post-card
1486 Billing format or conventional envelope/insert) approved by the Agency, if
1487 Customer does not opt-out by requesting use of the automated Billing and
1488 payment system. Contractor shall promote the website-based Billing and
1489 payment system on all paper Bills sent to Customers. Agency shall have the
1490 right to revise the Billing format (e.g., size, font, frequency, etc.) and to itemize
1491 certain charges and to review the Billing procedures. Contractor shall be
1492 compensated for any cost increases that result from the Agency-directed
1493 change to the Billing format.

1494 4. Records. Contractor shall maintain, for inspection by the Agency, copies of
1495 Customer Billings and receipts, in chronological order, for a period of five (5)
1496 years after the date of service. Contractor shall maintain those records in
1497 electronic format. SBWMA and Agency staff or representatives shall be given
1498 access to such records upon one (1) Business Day notice.

1499 Agency shall be allowed to access and review Contractor's Billing systems on
1500 an appointment basis and such access shall not be unreasonably withheld by
1501 Contractor.

- 1502 5. Rates. Agency shall establish, by resolution or ordinance, Rates for the types
1503 of service provided as described in Section 11.07 or elsewhere in this
1504 Agreement. Contractor shall Bill and collect at those Agency-approved Rates.
- 1505 6. Service Stops. Contractor shall allow Customers to suspend service and
1506 Billings when the Premises are unoccupied. Single-Family Residential
1507 Customers may suspend service for a minimum of one (1) Service Day on a
1508 maximum of three (3) occasions each Rate Year. Commercial Customers may
1509 suspend service for a minimum of two (2) Service Days on a maximum of six
1510 (6) occasions each Rate Year. Multi-Family Customers may not suspend
1511 service without prior written approval from Agency. The Billings for both
1512 Residential and Commercial Customers shall be prorated by Contractor in
1513 accordance with Customer's requests to suspend service.
- 1514 B. **Delinquent Payment**. Residential Customers shall be considered delinquent sixty
1515 (60) Days after start of the quarter in which the services are provided, and Multi-
1516 Family Dwelling and Commercial Customers shall be considered delinquent thirty
1517 (30) Days after payment is due. Contractor shall address the issue of delinquent
1518 payment as specified in Attachment H.
- 1519 C. **Local Office**. Contractor shall maintain a local office in the Shoreway
1520 Environmental Center, located at 225 Shoreway Road, San Carlos, California, for
1521 acceptance of in-person payment of bills. If office space at Shoreway Environmental
1522 Center becomes unavailable for the Contractor's use, Contractor shall establish a
1523 local office in the SBWMA Service Area. Such a change shall be considered an
1524 Agency-directed change in scope and handled in accordance with provisions in
1525 Section 15.12. At the local office, Contractor shall accept as payment personal
1526 checks, money orders, cashiers' checks, and credit cards. The local office shall be
1527 open for business from 8:00 a.m. until 5:00 p.m. Monday through Friday, exclusive
1528 of Holidays specified in Attachment A for the local office.
- 1529 D. **Contractor Revenue Collection**. Contractor shall collect revenue for services
1530 described herein on behalf of the Agency. Revenues collected on behalf of the
1531 Agency or SBWMA shall be handled as described in Article 11 of this Agreement.
- 1532 E. **Review of Billings**. Contractor shall review its Billings to Customers, issued
1533 pursuant to Section 7.01.A. The purpose of the review is to determine that the
1534 amount which Contractor is Billing each Customer is correct in terms of the level of
1535 service (i.e., frequency of Collection, size of Container, location of Container) being
1536 provided to such Customer by Contractor. Contractor shall review Customer
1537 accounts not less than once every three (3) calendar years for each Commercial,
1538 Multi-Family Dwelling, and SFD Customer, unless Agency directs Contractor to do
1539 so more frequently. Contractor shall submit to Agency a written report of the status
1540 of its review annually no later than forty-five (45) Days after the end of each
1541 calendar year. The intent of this Section is for Agency to receive reports on an
1542 annual basis for one-third (1/3) of all Customer accounts, and for all Customer
1543 accounts to be reviewed every third year of the Agreement. The scope of the
1544 review and the reviewer's work plan shall be submitted to Agency for approval no
1545 later than six (6) months before the submission of the first report.
- 1546 F. **Agency or SBWMA Billing Review**. Contractor acknowledges that Agency or
1547 SBWMA may perform, or cause to be performed, Billing reviews periodically.
1548 Contractor agrees to participate and cooperate with SBWMA and Agency and its

1549 agents to accomplish these reviews and conduct any data collection and report
1550 preparation that may be requested. The Contractor's full cooperation with these
1551 reviews may include, but is not limited to: (i) allowing Agency or SBWMA staff or
1552 consultants to ride along with drivers in Collection vehicles during daily Collection
1553 operations; (ii) providing for interviews of personnel at all levels, with or without
1554 management oversight; (iii) providing reporting related to franchised operations
1555 available through Contractor's automated systems; and, (iv) adjusting routing, public
1556 information, outreach, or program availability based upon the recommendations of
1557 the audit, if approved by the SBWMA or Agency.

1558 **G. Privacy of Customer Information.** Contractor shall not distribute or sell Customer,
1559 Owner, or Occupant information such as names, addresses, and telephone
1560 numbers to other Persons with the exception of distribution to the Agency, SBWMA,
1561 or its agents for reporting and contract compliance purposes and distribution to
1562 Contractor's Billing agent (if Contractor uses a Related Party Entity or Subcontractor
1563 for Billing purposes).

1564 **7.02 CUSTOMER SERVICE**

1565 Contractor is responsible for ensuring that all staff and Customer service representatives
1566 (CSR) maintain a professional and courteous demeanor when in contact with Agency,
1567 SBWMA, and the public. Contractor shall be responsible for all employee interactions
1568 with Customers, SBWMA, and Agency staff. Contractor is required to ensure that its
1569 Customers are consistently treated courteously and are presented with timely,
1570 responsive, and thorough solutions to problems and requests for information. Contractor
1571 shall meet monthly to discuss compliance with the Customer service standards
1572 described herein if requested by Agency.

1573 **A. Local Office**

1574 Contractor shall operate a local office at the Shoreway Environmental Center,
1575 located at 225 Shoreway Road, San Carlos. If office space at Shoreway
1576 Environmental Center becomes unavailable for the Contractor's use, Contractor
1577 shall establish a local office in the SBWMA Service Area. Such a change shall be
1578 considered an Agency-directed change in scope and handled in accordance with
1579 provisions in Section 15.12. Contractor's office hours shall be, at a minimum, from
1580 8:00 a.m. to 5:00 p.m., Monday through Friday, exclusive of Holidays specified in
1581 Attachment A for the local office. Contractor shall be responsible for ensuring that a
1582 qualified representative is available at a local office within the SBWMA Service Area
1583 during office hours to communicate with the public and accept Bill payments from
1584 Customers. Contractor shall offer bi-lingual Customer service at the local office by
1585 employing CSRs with English and Spanish language capabilities. The local office
1586 and Customer service telephone number(s) shall either be a local or toll free call.

1587 Contractor's telephone system shall adequately handle the volume of calls typically
1588 experienced on the busiest days. Contractor shall have a company representative,
1589 an answering service, or voice-mail system available for calls received during non-
1590 business hours and Holidays specified in Attachment A for the local office.

1591 Contractor shall employ sufficient Customer service staff and management
1592 practices to ensure that the Average Speed of Answer is equal to or less than thirty
1593 (30) seconds and the maximum Hold Time is ninety (90) seconds or less.

1594 Contractor shall be required to track all informational requests so that appropriate
1595 public outreach materials can be designed to target commonly asked questions.
1596 Contractor shall be responsible for promoting use of the Contractor's website for
1597 scheduling of On-Call Collection Service events and obtaining answers related to
1598 common informational requests through: (i) public education and promotion
1599 materials; and, (ii) a recorded message Customers will hear while on-hold with the
1600 Customer service department.

1601 Contractor shall maintain and publicize an e-mail address whereby Customers can
1602 communicate with the Contractor's Customer service staff. Contractor shall monitor
1603 the email at least once per Business Day, and ensure that a twenty-four (24) hour
1604 response time is maintained.

1605 **B. Customer Service Call Center and Staffing**

1606 Contractor is required to operate a Customer service call center that will serve as
1607 the primary telephone point of contact and information for all services. The
1608 Customer service call center hotline is required to be staffed live during regular
1609 business hours (i.e., Monday through Friday 8:00 a.m. to 5:00 p.m.) by sixteen (16)
1610 Customer service representatives (includes one (1) receptionist who performs
1611 Customer service activities). In addition, the Customer service call center shall offer
1612 multi-lingual Customer service by employing a minimum of two (2) bilingual
1613 Customer service representatives with English and Spanish language capabilities,
1614 and contracting with a service to provide bilingual capacity for other languages
1615 including Cantonese, Mandarin, and Vietnamese. Contractor shall provide
1616 immediate access to interpreters for over one-hundred and seventy-five (175)
1617 languages through the use of Language Line service, or a similar service.

1618 **C. Website**

1619 Contractor shall maintain and publicize an up-to-date website whereby Customers
1620 can conduct business with Contractor in both English and Spanish. Contractor is
1621 required to update the website monthly, and more frequently if necessary. At a
1622 minimum, the website shall:

- 1623 1. Allow Customers to view and pay Bills issued by Contractor, as required in
1624 Section 7.01;
- 1625 2. Allow Customers to schedule services Including On-Call Service events, On-
1626 Call Bulky Item Collections, extra Collections, service changes, temporary Drop
1627 Box service, service terminations, and service stops;
- 1628 3. Provide answers to frequently asked questions Including: proper Container set-
1629 out instructions; list of acceptable Recyclable and Organic Materials; Collection
1630 Days (in response to Customer input of service address); Billing issues,
1631 Customer service telephone and e-mail contact information; and the
1632 Designated Transfer and Processing Site hours, directions, and acceptable
1633 materials;
- 1634 4. Provide complete list of Agency-approved Rates and Charges for all
1635 Customers;
- 1636 5. Allow Customers to file Complaints and receive from Contractor e-mail
1637 responses to Complaints;

- 1638 6. Provide a link to enable Customers to email Contractor; and,
1639 7. Maintain and produce visitor logs and reporting including website and individual
1640 page visitation, number of web-based Bill payments per month, number of
1641 website-submitted Complaints per month, and individual and summary
1642 Customer Complaint and resolution reporting.

1643 **D. Customer Information System Requirements**

1644 Contractor is required to use a Customer information system with software
1645 applications capable of documenting all correspondence and conversations,
1646 pertaining to the services specified herein, between Contractor, Customers,
1647 Occupants, Agency, and SBWMA. The system shall include, at a minimum, the
1648 following data fields:

- 1649 1. Date and time of Customer correspondence or contact with Contractor (e.g.,
1650 phone call, email)
1651 2. Date and time response was provided
1652 3. Date and time resolution was provided
1653 4. Customer's name and contact information (multiple phone numbers and email
1654 addresses)
1655 5. Account address
1656 6. Service address
1657 7. Occupant address
1658 8. Service location information including:
1659 a. Number of units
1660 b. Number, size, and type of Solid Waste, Organic Materials, and Targeted
1661 Recyclable Materials Containers
1662 c. Collection Service Day
1663 d. Route number
1664 e. Backyard service status
1665 f. Special Handling Service status
1666 g. Bulky Item Collection history (e.g., number of annual services performed,
1667 date requested, date provided)
1668 9. Service issue, Complaint, or Inquiry
1669 10. Time frame stipulated for Contractor to resolve issue
1670 11. Description of Contractor's resolution of service issue or Complaint, or
1671 response to Inquiry
1672 12. Date and time that Contractor's resolution took place
1673 13. CSR or Contractor's employee identification code of employee inputting the
1674 Complaint or Inquiry
1675 14. CSR or Contractor's employee identification code of employee inputting the
1676 resolution

1677 The system shall be capable of:

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- 1679 1. Providing real-time access to complete Customer contact history from the
1680 commencement of service in 2011;
- 1681 2. Providing Agency and SBWMA the capacity to submit work orders (e.g.,
1682 specifying the Inquiry, Complaint, or request for service) electronically directly
1683 to Contractor using Contractor's web-based software;
- 1684 3. Documenting non-Collection events including problem description and
1685 resolution;
- 1686 4. Tracking non-Collection events necessary to fulfill the requirements in Section
1687 8.02(F); and,
- 1688 5. Fulfilling Customer service reporting requirements as specified in Article 9.
- 1689 E. **Monthly Meetings with Agency.** If requested, Contractor shall meet monthly with
1690 Agency to discuss compliance with the Customer service standards specified in this
1691 Section 7.02, Attachment I (Performance Incentives and Disincentives), and
1692 Attachment J (Liquidated Damages).
- 1693 F. **Quality Assurance Program.** Each month Contractor's Customer service
1694 representatives shall contact by telephone a minimum of two hundred (200)
1695 Customers within the SBWMA Service Area to inquire about the quality of their
1696 Customer service experience when interacting with the Contractor's Customer
1697 service center. The Customers contacted shall be (i) representative of different
1698 Service Sectors, (ii) distributed among Member Agencies, and (iii) selected from
1699 among Customers that have recently contacted the Contractor via phone and spoke
1700 live with a Customer service representative. The Customers contacted each day
1701 shall be randomly selected from the pool of Customers that contacted the
1702 Contractor the prior Business Day and such calls shall be evenly distributed (e.g.,
1703 approximately 12 to 13 calls per Business Day) throughout the month with some
1704 exceptions as follows: calls will be made during non-peak call volume days (i.e., 2nd,
1705 3rd, and 4th weeks after billing); and no calls will be made immediately after a
1706 holiday. When placing the calls, the Contractor will use a standardized survey that
1707 will be completed during the phone interview of the Customer. If a message is left
1708 with the Customer, the message left by the Contractor shall direct the Customer to
1709 complete an online survey. Both survey instruments (for phone interviews and
1710 online survey) shall have similar questions and be subject to approval by the
1711 SBWMA. Contractor employees placing the calls shall not be the same employee
1712 that spoke to the Customer the prior Business Day; Contractor employees shall be
1713 calling Customers that another employee spoke to the prior Business Day.
1714 Customer service representatives shall ask about (i) Customers' satisfaction with
1715 Solid Waste, Recyclable Materials, Organic Materials, and Bulky Item Collection
1716 services, (ii) Customers' satisfaction of the Customer service experience when
1717 interacting with the Contractor's Customer service department, and, (iii) Customer's
1718 suggestions for opportunities to improve service. The quality assurance program
1719 reporting requirements are specified in subsection 9.05.G.
- 1720 G. **Preprogrammed Call Transfer.** Contractor shall maintain the ability to provide
1721 preprogrammed call transfer service to Agency. With this communications feature
1722 in place, when a Customer calls Contractor about an issue or concern that pertains
1723 to Agency but is not related to Collection services provided by Contractor,
1724 Contractor shall immediately transfer the phone call to the offices of Agency through

1725 a dedicated telephone line designated by Agency. The call transfer shall be
1726 seamless, and appear to the Customer as if Contractor were transferring the call
1727 internally.

1728 H. **Customer Service Operations Plan.** Contractor shall annually submit its
1729 Customer service operations plan. The Customer service operations plan shall
1730 describe how Contractor uses its customer relationship management system, linked
1731 to on-board GPS tracking system, to share real-time information between
1732 Customers, drivers, customer service representatives, managers, and SBWMA and
1733 Agency staff. The plan will provide details on how Contractor automatically detects
1734 and records information on each Customer pickup, real-time transmission of service
1735 extras, blocked cars, safety notes, and exceptions to service.

1736 **7.03 PUBLIC EDUCATION AND PROMOTION**

1737 Contractor and Agency agree that all public education activities will be a collaborative
1738 effort among the SBWMA, Agency, and Contractor. Contractor shall be responsible for
1739 ensuring that its Customers consistently receive a high level of service and
1740 responsiveness.

1741 A. **General.** Contractor acknowledges and agrees that education and public
1742 awareness are critical and essential elements of any effort to achieve diversion.
1743 Contractor shall educate Residential and Commercial Customers on the following:
1744 (i) the benefits of source reduction, reuse, Recycling, and Composting and related
1745 program opportunities; (ii) proper handling of Hazardous Waste; (iii) specific
1746 services offered by the Contractor; and (iv) Rates for Collection services. The
1747 public education program shall include distribution of public education materials
1748 when Collection services are changed during the Term; and when new Collection
1749 services are implemented during the Term. In addition, the public education
1750 program shall include on-going education activities throughout the Term.
1751 Educational materials that SBWMA will pay for, produce and jointly distribute, shall
1752 include, but not be limited to, those listed in Section 7.03(D).

1753 B. **Three-Year Public Education and Recycling Technical Assistance Plan.** The
1754 SBWMA, Member Agencies, and Contractor shall cooperate to prepare a joint
1755 Public Education and Recycling Technical Assistance Plan every three (3) years
1756 (Three-Year Plan). The Three-Year Plan will be an SBWMA-wide plan; therefore,
1757 separate plans will not be prepared for each Member Agency. Generally, the Three-
1758 Year Plan will focus on coordinating public education and recycling technical
1759 assistance efforts and making efficient use of each Party's available resources in
1760 those areas. In the case of Contractor, the process may and potentially result in
1761 modifying Contractor's activities through a reallocation of Waste Zero Specialists'
1762 staff time and public education and outreach resources, to the extent they can be
1763 reallocated without causing the Contractor to default in performance of its
1764 expressed obligations under this Agreement.

1765 The Parties shall cooperate to finalize the Three-Year Plan on or before January 1
1766 of Rate Years Eleven (2021), Fourteen (2024), Seventeen (2027), Twenty (2030),
1767 Twenty-three (2033) and, if the Term is so extended, Twenty-six (2036) and
1768 Twenty-nine (2039). SBWMA and Contractor shall jointly develop a schedule for
1769 preparation of the Plan, which shall involve the following elements:

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1. Public Education Plan. Working collaboratively with the Contractor, SBWMA will develop, and the Contractor shall review, the first section of the Three-Year Plan, which shall include a detailed list of public education activities to be undertaken by SBWMA and Contractor for the coming three (3) Rate Years. The plan shall list each public education piece or activity (e.g., newsletters, Bill inserts, flyers, newspaper advertisements, website enhancements, etc.) to be prepared or conducted in the coming three (3) Rate Years, the purpose of the piece, the key subject(s) to be covered, the anticipated date of issuance/completion, performance standards, and quarterly reporting requirements. In addition, the plan shall list all Community Events for each Member Agency that the Contractor plans to attend and the public education it intends to provide at each such event (e.g., exhibit at Earth Day Event, Chamber of Commerce meetings, etc.) in the three (3) coming Rate Years.
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2. Recycling Technical Assistance Plan. Working collaboratively with the SBWMA, Contractor shall develop a draft of the second section of the Three-Year Plan, which shall include a detailed list of Commercial, Mixed Use, and Multi-Family Recycling technical assistance activities to be undertaken by Waste Zero Specialists for the coming three Rate Years, the objectives of such activities, specific performance standards for the activities, the anticipated time frames for completion, the distribution of such activities across Member Agencies, quarterly reporting requirements, and any specific actions to be undertaken to meet the specific needs of one or more Member Agencies. Pursuant to Sections 7.04 and 7.13, SBWMA may request an adjustment in the staffing level for the Waste Zero Specialists.
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3. Plan Review. SBWMA shall coordinate with the Member Agencies to seek input on the Three-Year Plan. After Member Agencies have provided their input, the Contractor shall provide the SBWMA with its final comments for both sections of the Three-Year Plan two (2) weeks after receiving the revised draft of the plan.
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4. Completion of Plan Activities. During each Rate Year, the SBWMA, Agency, and Contractor shall each complete all elements and tasks specified in the Three-Year Plan that it has agreed to perform, in accordance with the schedule and budget presented in the Three-Year Plan. The Agency or SBWMA may, by providing written approval to Contractor, waive or postpone completion of any requirement of Contractor stated in the Three-Year Plan (it being understood that such right of Agency shall only apply to activities within Agency's Service Area). Waste Zero Specialists shall be dedicated to performing services for the SBWMA and Member Agencies and Customers within the SBWMA Service Area. Their main focus shall be on performing the tasks identified in the Public Education and Recycling Technical Assistance Plan. In addition to the tasks defined in the Public Education and Recycling Technical Assistance Plan, Agency recognizes that Waste Zero Specialists will participate in Contractor's employee programs such as company training programs, occasional staff meetings, and other activities, provided that such participation is commensurate with their position.
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- C. **Content and Production Requirements.** The SBWMA will prepare all public education materials and request that they be reviewed by Contractor prior to production. Contractor shall review and comment on the materials within two (2)

1818 weeks of request from the SBWMA or Agency. Bill inserts shall be designed and
1819 produced by the SBWMA with review and comment by Contractor, and approval
1820 from the Agency.

1821 The public education materials shall emphasize use of visual/graphic images as
1822 much as practical. Furthermore, the materials shall include a clear listing of
1823 program participation parameters and targeted materials.

1824 All public education materials shall be printed on paper containing the highest levels
1825 of recycled-content material reasonably practical.

1826 The SBWMA shall develop a multi-lingual approach to preparing all public education
1827 materials, and all public education materials shall be provided in both English and
1828 Spanish.

1829 **D. SBWMA and Agency Responsibilities**

1830 SBWMA shall take primary responsibility for implementation of the public education
1831 and outreach campaign that will be used to announce changes in Collection
1832 services. Development of the public education and promotion strategy and
1833 implementation schedule will be a collaborative process among Contractor,
1834 SBWMA, and Agency.

1835 The SBWMA and Agency's responsibilities with regard to public education and
1836 promotion activities shall include, but not be limited to, the following:

- 1837 1. Provision of public education to SFD, MFD, Commercial, and Agency Facility
1838 Customers with a broad focus on waste prevention, reuse, and Recycling.
- 1839 2. Preparation and distribution of newsletters for all SFD and MFD Occupants, at
1840 frequency determined by SBWMA or Agency.
- 1841 3. Preparation and distribution of Multi-Family Dwelling toolkits for MFD complex
1842 Owners and managers.
- 1843 4. Purchase of desk-side and other interior Targeted Recyclable Materials and
1844 Organic Materials receptacles for Commercial Customers.
- 1845 5. Purchase of Recycling Tote-Bags for distribution to MFD complexes.
- 1846 6. Preparation and distribution of an electronic newsletter for the Commercial
1847 sector and MFD complex managers.
- 1848 7. Preparation and provision of outreach materials to schools.
- 1849 8. Development and maintenance of SBWMA website.
- 1850 9. Production of decals for Used Motor Oil jugs.
- 1851 10. Production of Household Battery and Cell Phone Recycling bags.
- 1852 11. Each Rate Year, SBWMA shall develop and produce the following Bill inserts
1853 (for distribution by Contractor):
 - 1854 a. Annual On-Call Collection Services Collection notice (one (1) SFD Solid
1855 Waste Bill insert).
 - 1856 b. Annual Holiday Tree Recycling notice (separate for SFD and MFD - two
1857 (2) Solid Waste Bill inserts).
 - 1858 c. Annual "Reduce Holiday Packaging" notice (one (1) SFD and MFD Solid
1859 Waste Bill insert).

- 1860 d. Twice annual compost giveaway notice (two (2) SFD and MFD Solid
1861 Waste Bill inserts).
- 1862 e. Twice annual Commercial Recycling notice (two (2) Commercial Solid
1863 Waste Bill inserts).
- 1864 f. Annual Commercial Recycling awards notice (one (1) Commercial Solid
1865 Waste Bill insert).
- 1866 12. If Agency or SBWMA requests distribution of additional Bill inserts, SBWMA or
1867 Agency shall develop and produce the Bill inserts.
- 1868 13. Prepare and manage press releases.
- 1869 E. **Contractor Responsibilities.** Contractor will be required to provide the following
1870 services:
- 1871 1. Actively collaborate with Agency and SBWMA on the public education strategy
1872 and development of materials.
- 1873 2. Distribute public education and promotion materials to new Customers during
1874 the Term.
- 1875 3. Provide public education door hangers, posters, and other promotional
1876 materials to Multi-Family Dwelling Customers during the Term.
- 1877 4. Deliver Recycling Tote-Bags to MFD complexes.
- 1878 5. Deliver desk-side and other interior Targeted Recyclable Materials and Organic
1879 Materials receptacles for Commercial Customers and Agency Facilities.
- 1880 6. Produce and deliver non-collection notices, in both English and Spanish. The
1881 format and content of the non-collection notices must be approved in advance
1882 by Agency and SBWMA.
- 1883 7. Affix Used Motor Oil Recycling decals to jugs for inclusion in Used Motor Oil
1884 Recycling kits.
- 1885 8. Assemble and deliver Used Motor Oil Recycling kits upon request from SFD
1886 Customers. Kits must be provided to Customer within five (5) Business Days of
1887 Customer request.
- 1888 9. If approved by Agency, deliver Household Battery and Cell Phone Recycling
1889 bags upon request from Customers. Bags must be provided to Customer within
1890 five (5) Business Days of Customer request.
- 1891 10. Staff a booth at local public events and distribute promotional and educational
1892 materials.
- 1893 11. Coordinate with SBWMA regarding SBWMA student tours at Shoreway
1894 Environmental Center; make classroom presentations upon request; provide
1895 school activities for students about the 4Rs.
- 1896 12. Conduct presentations at community meetings, service clubs, senior centers,
1897 and neighborhood associations.
- 1898 13. Promote recycling and organics Collection programs on the sides of Collection
1899 and route supervisors' vehicles. These advertising campaigns must be
1900 approved in advance by Agency and SBWMA.
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14. Each Rate Year insert with its Bills, up to twelve (12) Solid Waste Bill inserts produced by SBWMA or Agency. A total of nine (9) Bill inserts are specified in subsection D above.
 15. If Agency has specified a post card Bill format, the notices described as "Bill inserts" shall be separately mailed by Contractor. In addition, if Bills (in whatever format) are mailed at intervals that do not accommodate the timely distribution of the specified notices, notices shall be separately mailed as necessary by Contractor. Agency shall reimburse Contractor for any postage fees paid by Contractor to conduct such separate mailings.
 16. Contractor's outreach and education material shall place a strong emphasis on Recycling and reuse, encouraging Customers to take advantage of donation opportunities offered by local non-profit organizations such as the Society of St. Vincent de Paul, Goodwill Industries, and the Salvation Army. In addition, Contractor shall promote other resources for reuse, such as the Freecycle Network™, an online resource for the free and local exchange of goods, the Resource Area for Teachers (RAFT), local schools, and other community organizations that are in need of reusable goods.
 17. Upon request by Agency, Contractor shall promote its services to Customers using Agency's email distribution list or an email distribution list authorized by Agency.
 18. As appropriate, Contractor shall request SBWMA or Agency to issue press releases related to programs, and, upon request, provide draft content for such press releases.
- F. Reserved**
- G. Meeting Requirements**
- Upon request from Agency or SBWMA, the general manager or his/her designee is required to meet quarterly, and more frequently if necessary, with Agency and/or SBWMA staff to review public education and promotion activities. In addition, the general manager or his/her designee shall be required to represent Contractor at all monthly SBWMA Board of Director meetings.
- H. Agency Rights**
- Contractor acknowledges that the public education and promotion activities listed are critical to the success of Agency's diversion performance relative to the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB 1061, and SB 1383). As such, Contractor acknowledges Agency's rights to the following:
1. Contractor shall make available to Agency and SBWMA all public educational materials used by Contractor, which Agency and SBWMA shall approve prior to their use;
 2. Agency and SBWMA shall retain the right to modify, expand, or reduce the minimum public education requirements;
 3. Agency may require Contractor to work with a public education consultant selected by Agency or the SBWMA;
 4. Agency may perform, or request that the SBWMA perform on its behalf, the public education efforts assigned to the Contractor; and,

1947 5. Agency or SBWMA may provide additional, supplemental public education
1948 materials as it deems appropriate.

1949 I. **Reporting Requirements**

1950 Contractor shall prepare and submit reports related to its public education activities
1951 as provided in Article 9.

1952 J. **Service Notice**

1953 Contractor shall periodically prepare and distribute to each Customer a notice listing
1954 Agency-approved Rates for standard Collection services, Agency-approved
1955 Charges for other services, annual Holiday Collection Schedule, and a general
1956 summary of services required under this Agreement to be provided Customers and
1957 optional services which may be furnished by Contractor. Such notice shall be
1958 approved by the Agency prior to distribution.

1959 **7.04 COMMERCIAL RECYCLING PROMOTION PROGRAM**

1960 A. **Commercial Recycling Promotion Program Staff.** Contractor shall maintain a
1961 Commercial Recycling promotion program staff that will be primarily responsible for
1962 supporting Commercial, Mixed Use Building, and Multi-Family Dwelling Accounts
1963 and Agency Facilities Recycling-related and Organics-related Collection services.
1964 The Commercial Recycling promotion staff for the SBWMA Service Area shall
1965 consist of Waste Zero Specialists (recycling coordinators), as specified in
1966 Attachment O.

1967 Contractor shall notify Agency and SBWMA within ten (10) Business Days if any of
1968 the Waste Zero Specialists resigns or is terminated from employment, and shall use
1969 reasonable good faith efforts to initiate recruitment of the position within thirty (30)
1970 days.

1971 If Contractor has one or more Waste Zero Specialist positions unfilled, as approved
1972 in the Three-Year Recycling Technical Assistance Plan, for more than ninety (90)
1973 Days, Contractor and SBWMA shall meet and confer regarding the reasons for the
1974 difficulty in filling the position(s) and ways to remedy the employment gap. In
1975 addition, Contractor shall reimburse Agency for the cost of each such unfilled
1976 position for the period exceeding ninety (90) Days. The Contractor shall calculate
1977 the cost reimbursement for the unfilled position(s) including the avoided cost of
1978 wages, benefits, payroll taxes, and workers compensation insurance, for such
1979 position and shall provide supporting documentation justifying its cost
1980 reimbursement calculations. Such reimbursement shall be made as a deduction to
1981 Contractor's Compensation through the annual Contractor's Compensation
1982 adjustment process described in Article 11 and Attachment K.

1983 SBWMA reserves the right to request an increase or decreases in the number of
1984 Waste Zero Specialists. Such a change shall be considered an Agency-directed
1985 change in service and handled in accordance with provisions in Section 15.12.

1986 B. **Signs and Placards.** Contractor shall be responsible for preparing, distributing,
1987 and posting signs at Commercial Collection Premises that promote Targeted
1988 Recyclable Materials and Organic Materials Collection services, describe the
1989 program requirements, and identify allowable and prohibited types of materials for
1990 Collection. At a minimum, the signs or placards shall be durable and weather

- 1991 resistant, and affixed in the Container areas. Upon request from Customer,
 1992 Contractor shall provide signs and Container labeling in a second language such
 1993 as, but not limited to, Spanish. Within ten (10) Business Days of a Customer's
 1994 request, Contractor shall provide extra signs for use in areas such as employee
 1995 training areas, break rooms, kitchens, and janitorial areas at Commercial Premises.
 1996 The design of all signs and placards shall be approved by Agency or SBWMA prior
 1997 to distribution by Contractor.
- 1998 C. **Community Events.** At the direction of the Agency or SBWMA, Contractor shall
 1999 participate in and promote diversion techniques at Community Events and local
 2000 activities. Participation includes providing educational and public outreach
 2001 information and promotional giveaways in an effort to promote the Agency's waste
 2002 reduction and recycling program goals. Each year the Community Events that
 2003 Contractor agrees to participate in shall be outlined in the Three-Year Public
 2004 Education Plan described in Section 7.03.B. Attachment C presents a preliminary
 2005 list of the Community Events, which may be modified annually through the
 2006 development of the Three-Year Public Education Plan, as described in Section
 2007 5.08.
- 2008 D. **Notification to Commercial Customers.** Immediately upon request from a new or
 2009 current Customer for new or changes in service, Contractor shall notify Customer by
 2010 phone or email of the Targeted Recyclable Materials and Organic Materials
 2011 Collection services offered by Contractor. Such notification shall be made available
 2012 in English and Spanish.
- 2013 E. **Targeted Commercial Recycling Promotion.** To assist Customers in maximizing
 2014 participation in Recyclable Materials and Organic Materials Collection programs,
 2015 Contractor shall provide Commercial Customers with on-site waste assessments
 2016 based on visual assessment of Collection Containers and technical assistance in
 2017 selecting appropriate service levels. In providing such assistance, Contractor shall
 2018 follow the Three-Year Recycling Technical Assistance Plan described in Section
 2019 7.03.B, which will include details on the type of Commercial Recycling technical
 2020 assistance promotion and the number of waste assessments for Customers to be
 2021 provided in Agency's Service Area. For all other Commercial Customers not
 2022 specified in the Three-Year Plan, Contractor shall provide technical assistance as
 2023 needed or requested and visual on-site Collection Container assessments.
 2024 Contractor shall document the names of the Customers receiving the waste
 2025 assessments, the date of the assessment, the Solid Waste, Source Separated or
 2026 Targeted Recyclable Materials, or Organic Materials service levels at the time of the
 2027 assessment, and recommended changes to service level(s). Upon request,
 2028 Contractor shall provide details of waste assessments to Agency or SBWMA.
- 2029 F. **Enclosure Specifications.** Contractor shall work with the Agency to develop
 2030 standard specifications for Collection Container enclosures at Multi-Family
 2031 Residential Complexes, Mixed Use Buildings, and Commercial Premises to ensure
 2032 that Container enclosures have adequate space and suitable configuration to allow
 2033 the Contractor to safely and efficiently service the Containers. The enclosure
 2034 specifications shall require provision of adequate space for Solid Waste, Targeted
 2035 Recyclable Materials, and Organic Materials Collection Containers. Contractor
 2036 provided the enclosure specifications to the Agency on or before the effective date
 2037 of the 2009 Franchise Agreement and shall be required to update these
 2038 specifications as frequently as needed or as requested by Agency.

- 2039 G. **Plan Review.** Contractor shall review plans for land use or property developments,
 2040 upon request of the Agency, to assess the adequacy of Container enclosure space
 2041 allowances for Solid Waste, Recyclable Materials, and Organic Materials Collection
 2042 Containers and the accessibility of Containers by Collection vehicles. The
 2043 Contractor's review shall be completed by the Contractor within ten (10) Business
 2044 Days of request by Agency and receipt of the project design drawings. If site
 2045 conditions warrant, the Contractor shall conduct a site visit of the proposed property
 2046 to complete its evaluation. The Contractor's review shall be summarized in a letter
 2047 report that states acceptability of the proposed enclosure arrangements or notes
 2048 specific changes that are required to comply with the enclosure specification. The
 2049 letter report shall be signed by the Person that conducted the review, or designee,
 2050 on behalf of the Contractor. This review shall include, but not be limited to:
- 2051 1. Adequacy of the Container enclosure space to store Containers for the
 2052 anticipated volume of Solid Waste, Targeted Recyclable Materials, and Organic
 2053 Materials generated by a development of the size and purpose contemplated;
 - 2054 2. Adequacy of Container enclosure space to store Containers for Solid Waste,
 2055 Targeted Recyclable Materials, and Organic Materials in a fashion that allows
 2056 for the greatest possible diversion of materials; and,
 - 2057 3. Adequacy and accessibility of the Container enclosure space for Contractor to
 2058 safely and efficiently service all Containers in the contemplated service
 2059 locations taking into account the dimensions of the enclosure space, the
 2060 access road dimensions, parking arrangements, pedestrian traffic, change in
 2061 elevation, other site considerations, and Collection vehicle capabilities.
- 2062 H. **Reporting.** Contractor shall prepare and submit reports related to the Commercial
 2063 Recycling promotion program as provided in Article 9.
- 2064 I. **Mandatory Commercial Recycling Assistance to Agency.** Contractor shall
 2065 assist Agency and SBWMA with implementing, monitoring, and reporting on
 2066 Commercial, Mixed Use, and MFD Customers' compliance with requirements for
 2067 Recyclable Materials and Organic Materials diversion under AB 341, AB 1826, or
 2068 other similar Applicable Law. Upon Agency's reasonable request and in accordance
 2069 with Section 9.09.E, Contractor shall provide Agency with periodic reports on
 2070 Commercial, Mixed Use, and MFD Customers that do not appear to be complying
 2071 with State or local diversion regulations, policies, or requirements of, based on the
 2072 observations of Contractor's employees and/or subscription data.

2073 **7.05 MULTI-FAMILY RECYCLING PROMOTION PROGRAM**

- 2074 A. **Multi-Family Dwelling Promotion.** Contractor shall provide Waste Zero
 2075 Specialists to work directly with Owners or property managers of Multi-Family
 2076 Residential Complexes to implement the Single-Stream Targeted Recyclable
 2077 Materials and Organic Materials Collection services, and to assess Customer
 2078 service for all Multi-Family Residential Complexes. The Multi-Family complexes
 2079 that Contractor shall visit each year and the outreach activities that shall be
 2080 performed shall be outlined in the Three-Year Recycling Technical Assistance Plan
 2081 described in Section 7.03.B and approved by the Agency and SBWMA. The
 2082 Contractor's implementation activities may include, but shall not be limited to, the
 2083 following types of tasks for Multi-Family Residential Complexes that subscribe to

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Single-Stream Targeted Recyclable Materials and/or Organics Materials Collection services:

1. Site Assessments. Contractor shall contact or meet in person with Owner or property manager to explain the Single-Stream Targeted Recyclable Materials and/or Organics Materials Collection program of Multi-Family Residential Complexes containing five (5) or more Residential units to determine the appropriate number and type of Solid Waste and Recyclable Materials Containers and the frequency of Collection. As part of its standard Collection Services, Contractor shall provide Containers for Organics Material such as Food Scraps, compostable paper, and Plant Materials, and Single-Stream Targeted Recyclable Materials or Source Separated Targeted Recyclable Materials such as newspaper, cardboard, mixed paper, glass, aluminum, etc. depending on the needs of the Multi-Family Residential Complex. If practical, Contractor shall locate the Solid Waste, Recyclable Materials, and Organic Materials Containers in the same area so tenants carry materials to one location. Contractor shall also offer Recyclable Materials Carts for use in the mail area of the Premises. A site assessment shall be conducted by Contractor when Targeted Organics Materials or Recyclable Materials Collection services are initially provided at a Multi-Family Residential Complex, and as requested by Customer or deemed necessary by Contractor throughout the Term of this Agreement.
 2. Service Level Adjustments. Within five (5) Business Days of completing the site assessment or receiving a request from a Customer, Contractor shall adjust the Customer's service level by providing any Solid Waste, Recyclable Materials, and/or Organic Materials Containers needed for change in service, removing unneeded Containers, and revising the Customer's service level in the Billing system to reflect the monthly Rate for the new service level. At the time new Containers are delivered or existing Containers are removed, the Contractor shall confirm that all Containers are properly labeled and shall provide public education signage for the Container areas and extra signs for public and common areas such as mail and laundry rooms, etc.
 3. Distribution of Public Education Materials. Contractor shall provide Owner or property manager with education materials developed by Agency, SBWMA or Contractor, which describe the requirements of the Recyclable Materials and/or Organic Materials Collection program (as applicable), including flyers, door hangers and Recycling Tote-Bags for distribution to tenants, signage for common areas such as mail rooms and laundry rooms, Kitchen Pails, and move-in kits for new tenants.
- B. **Notification to Multi-Family Dwelling Customers.** Upon request from a new or current Customer for new or changes in service, Contractor shall notify the Customer by mail or email of the Targeted Recyclable Materials and Organic Materials Collection services offered by Contractor. Such notification shall be made available in English and Spanish.
- C. **Signs and Placards.** Contractor shall be responsible for preparing, distributing, and posting signs and placards at Multi-Family Dwelling Premises that promote Targeted Recyclable Materials and Organic Materials Collection services, describe the program requirements, and identify allowable and prohibited types of materials

2131 for Collection. At a minimum, these signs shall be durable, weather resistant and
2132 posted in the Container areas. Upon request of the Customer, Contractor shall
2133 provide signage and Container labeling in a second language such as, but not
2134 limited to, Spanish. Within ten (10) Business Days of a Customer's request,
2135 Contractor shall provide extra signage for use in areas such as laundry and mail
2136 rooms at Multi-Family Residential Complexes. The design of all signs and placards
2137 shall be approved by Agency or SBWMA prior to distribution by Contractor.

2138 **7.06 WASTE GENERATION/CHARACTERIZATION STUDIES**

2139 Contractor acknowledges that Agency may perform Solid Waste, Recyclable Materials,
2140 and/or Organic Materials generation and characterization studies periodically to
2141 determine the composition and Contamination Levels of Collected materials. Contractor
2142 agrees to participate and cooperate with SBWMA and Agency and its agents and to
2143 accomplish studies and data collection and prepare reports, as needed, to determine
2144 weights and volumes of Solid Waste, Targeted Recyclable Materials, Plant Materials,
2145 and Organic Materials and characterize materials generated, Disposed, transformed,
2146 diverted, or otherwise handled/processed to satisfy requirements of the Act and other
2147 State legislation/regulations (such as, but not limited to, AB 341, AB 1594, AB 1826, SB
2148 1061, and SB 1383). Contractor shall also facilitate visual audits of Multi-Family
2149 Dwelling, Commercial, and Agency Cart and Bin service accounts. The visual audits will
2150 entail tipping the contents of Customers' Containers on the tipping floor at the
2151 Designated Transfer and Processing Facility and visually observing and documenting
2152 the contents (without pursuing a detailed weight-based characterization study). The
2153 materials will then be processed at the Designated Transfer and Processing Facility.
2154 Contractor shall be required to facilitate said visual audits at the request of Agency;
2155 however, the annual total quantity of requests for visual audits for each Service Sector
2156 shall be limited to ten percent (10%) of the total number of accounts for each Service
2157 Sector.

2158 The SBWMA will use the Contamination Measurement Procedures set forth in
2159 Attachment E, to determine the Contamination Levels of single loads of materials
2160 delivered to the Designated Transfer and Processing Facility.

2161 **7.07 PROGRAM EVALUATION**

2162 The Agency may require the Contractor to periodically conduct audits of the Residential
2163 and Commercial Solid Waste, Targeted Recyclable Materials, and Organic Materials
2164 Collection programs to assess one (1) or more of the following performance indicators:
2165 average volume of Targeted Recyclable Materials per set-out per Customer, average
2166 volume of Organic Materials per set-out per Customer, participation level (i.e., number of
2167 Customers setting out Containers per week), Contamination Levels, etc. Contractor
2168 shall perform up to five (5) Days of route auditing, at no additional cost to Customers and
2169 shall not bill Agency for such services, once per calendar year. Prior to the program
2170 evaluation audit, Agency and Contractor shall meet and discuss the purpose of the audit
2171 and agree on the method, scope, and data to be provided by the Contractor. If Agency
2172 requires more than five (5) Days of auditing for the purposes of program evaluation, the
2173 activity shall be considered an Agency-directed change in scope and handled in
2174 accordance with provisions in Section 15.12.

2175 If the Contractor does not Collect Multi-Family Dwelling Solid Waste, Targeted
2176 Recyclable Materials, and Organic Materials using dedicated Collection vehicles,

2177 thereby precluding regular and accurate reporting of the Tonnage of Solid Waste,
2178 Targeted Recyclable Materials, and Organic Materials Collected from Multi-Family
2179 Residential Complexes, the Agency may require the Contractor to conduct a semi-
2180 annual or annual Tonnage assessment that involves separately Collecting, weighing,
2181 and reporting Multi-Family Dwelling Solid Waste, Targeted Recyclable Materials, and
2182 Organic Materials to quantify Tonnage Collected during a given week. This assessment
2183 shall be performed by Contractor at no additional cost to Customers and shall not bill
2184 Agency for such services.

2185 If the Agency wants to collect program data, perform field work, conduct route audits to
2186 investigate Customer participation levels and set-out volumes, and/or evaluate and
2187 monitor program results related to Solid Waste, Targeted Recyclable Materials, Organic
2188 Materials, Bulky Items, and abandoned waste Collected in the Agency by the Contractor,
2189 the Contractor shall cooperate with the Agency and its agent(s), which may include the
2190 SBWMA and its consultants.

2191 **7.08 PROVISION OF EMERGENCY SERVICES**

2192 Contractor shall provide emergency services at the Agency's request in the event of
2193 major accidents, disruptions, or natural calamities. Emergency services may include,
2194 but are not limited to: assistance handling, salvaging, processing, composting, or
2195 Recycling materials; or Disposing of Solid Waste following a major accident, disruption,
2196 or natural calamity. Contractor shall be capable of providing emergency services within
2197 twenty-four (24) hours of notification by the Agency or as soon thereafter as is
2198 reasonably practical in light of the circumstances. Emergency services which exceed
2199 the Contractor's obligations shall be compensated in accordance with Article 11. If
2200 Contractor cannot provide the requested emergency services, the Agency shall have the
2201 right to temporarily take possession of the Contractor's equipment for the purposes of
2202 providing emergency services in accordance with Article 12.

2203 **7.09 MFD AND COMMERCIAL RECYCLING BLITZ**

2204 Upon Agency's request, Contractor shall provide a Recycling Blitz outreach program that
2205 will target Multi-Family Dwelling, Mixed Use, and Commercial Customers as needed.
2206 Such a change shall be considered an Agency-directed change in scope and handled in
2207 accordance with Section 15.12. As part of the Recycling Blitz, Contractor may be
2208 required to offer to provide Single-Stream Targeted Materials Recycling and Organic
2209 Materials Collection Service to Multi-Family Dwelling and Commercial Customers that
2210 are currently receiving limited or no Recycling or Organic Materials Collection service.
2211 The promotional materials, messages, and communications used by Contractor to
2212 support Recycling Blitz activities shall be developed collaboratively with the SBWMA and
2213 Agency and production of materials shall be paid for by Contractor and shall not bill
2214 Agency for such services or SBWMA. All promotional materials used by Contractor shall
2215 be authorized by the SBWMA and Agency.

2216 If Contractor is required to conduct a Recycling Blitz, Contractor shall form a Recycling
2217 Blitz team, utilizing the Waste Zero Specialists, to assist in this promotion campaign. The
2218 focus of the Recycling Blitz program shall be on Customers that are either not currently
2219 Recycling or diverting Organic Materials, or have only limited service. The Recycling
2220 Blitz team shall work with Customers to expand Collection of Targeted Recyclable and
2221 Organic Materials and make recommendations for reduced Solid Waste Container sizes

2222 and/or frequency of Solid Waste Collection service. Contractor shall work collaboratively
2223 with the SBWMA and Agency.

2224 **7.10 CARBON FOOTPRINT MEASURING**

2225 Contractor shall annually file its emissions data with the California Climate Action
2226 Registry (CCAR). Upon request of Agency or SBWMA, Contractor shall provide
2227 emissions data filed with CCAR; a description of Contractor's carbon footprint; and,
2228 a description of Contractor's activities both planned and implemented to reduce its
2229 carbon footprint for the previous calendar years.

2230 **7.11 ENVIRONMENTAL MANAGEMENT PROGRAM**

2231 Contractor shall implement and maintain an environmental management program
2232 combining several elements to minimize the environmental impacts of its operations in
2233 the Service Area. Contractor shall provide upon request from Agency a description of
2234 topics discussed at its bi-monthly environmental team roundtable and training program
2235 meeting(s) and the semiannual corporate environmental compliance staff meetings.
2236 Contractor shall provide Agency access to its environmental and safety tracking system
2237 (NEST) upon request. Contractor shall provide Agency copies of its internal
2238 environmental compliance audits, third-party audits, and disposition of corrective actions,
2239 within thirty (30) Days upon request from Agency.

2240 **7.12 ANNUAL ROUTE ASSESSMENT**

2241 Contractor shall conduct a route assessment of the Service Area each Rate Year. This
2242 comprehensive route assessment shall require Contractor to assess all of its Solid
2243 Waste, Targeted Recyclable Materials, and Organic Materials Collection Customers over
2244 a one (1) week period during the same month each year for the Term. The assessment
2245 is intended to annually confirm and update Contractor's data related to Customer
2246 accounts, service levels and operations, including, but not limited to: (i) number of
2247 Accounts; (ii) Customer address; (iii) number and type of Containers at each Account;
2248 and (iv) Collection frequency of each Container at each Account; (v) Bin and Cart lifts;
2249 (vi) Drop Box pulls; (vii) service stops; (viii) route hours per year; and (ix) Tonnage
2250 Collected. All service level information related to lifts and pulls shall be derived in part
2251 from Contractor's database management system. All route labor hours shall be based
2252 on total route hours for routes exclusive to each Agency and Tonnage information shall
2253 be based on actual Tons Collected. For routes that service more than one Agency, the
2254 Tonnage Collected on these routes and total route hours shall be allocated to the
2255 respective Agencies based on the type and number of accounts and service levels
2256 attributable to each Agency.

2257 **7.13 RIGHT OF AGENCY OR SBWMA TO MAKE CHANGES TO OTHER SERVICES**

2258 A. **Quarterly Review.** Beginning on the Commencement Date, and on a quarterly
2259 basis thereafter, Contractor shall meet with Agency and SBWMA to discuss the
2260 services performed by the Contractor pursuant to Sections 7.03 through 7.07
2261 ("Other Services"). The purpose of the meetings will be to review the performance
2262 and results of the Other Services compared to the milestones, goals, and
2263 performance standards stated in the then-current Three-Year Public Education and
2264 Recycling Technical Assistance Plan. Contractor's quarterly reports provided in

2265 accordance with the reporting requirements of Article 9 shall be used to review
2266 performance, and Contractor shall provide other information requested by Agency
2267 or SBWMA necessary to evaluate the performance of each Other Service.

2268 B. **Change in Services.** Agency or SBWMA may, without amending this Agreement,
2269 direct Contractor to increase or decrease the performance or scope of one or more
2270 of the Other Services. Contractor shall promptly and cooperatively comply with such
2271 direction. If such changes cause an increase or decrease in the cost of performing
2272 the Other Services, an equitable adjustment in the Contractor's Compensation shall
2273 be made in accordance with change in service provisions in Section 15.12.
2274 Contractor shall continue to perform the new or changed service while the
2275 appropriate adjustment in Contractor's Compensation is being determined.

2276 C. **Additional Services.** Agency or SBWMA may direct the Contractor to perform
2277 additional services pertaining to Sections 7.03 through 7.07, but not described
2278 herein, and Contractor shall provide a cost proposal in accordance with change in
2279 service provisions in Section 15.12. If the Contractor and SBWMA cannot agree on
2280 terms and conditions for such additional services within one-hundred twenty (120)
2281 Days from the date which the SBWMA first requests a proposal from Contractor to
2282 perform such services, Agency or SBWMA may perform these services itself or
2283 permit a third-party or parties other than Contractor to provide such Other Services.
2284 Contractor shall provide such third-party or parties access to and use of Facilities
2285 and Contractor information as necessary for such third-party or parties to perform all
2286 such Other Services.

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ARTICLE 8
REQUIREMENTS FOR OPERATIONS,
EQUIPMENT, AND PERSONNEL

2291 **8.01 COLLECTION HOURS AND SCHEDULES**

2292 **A. Hours of Collection**

- 2293 1. Residential. Residential Solid Waste, Targeted Recyclable Materials, and
2294 Organic Materials (including all such services provided to SFD and Multi-Family
2295 Dwelling Premises) shall be Collected on weekdays (i.e., Monday through
2296 Friday) between 6:00 a.m. and 6:00 p.m. exclusive of Holidays defined in
2297 Attachment A for Collection service.
- 2298 2. Commercial, Mixed Use, and Agency Facilities. Commercial, Mixed Use, and
2299 Agency Facilities Solid Waste, Targeted Recyclable Materials, and Organic
2300 Materials shall be Collected on weekdays (i.e., Monday through Friday)
2301 between 3:00 a.m. and 6:00 p.m. and weekends (i.e., Saturday and Sunday)
2302 between 6:00 a.m. and 5:00 p.m., exclusive of Holidays specified in Attachment
2303 A for Collection service. The Agency may restrict or require modifications to
2304 hours for Collection from Commercial Premises, Mixed Use Buildings, and
2305 Agency Facilities to resolve noise Complaints, and, in such case, the Agency
2306 Manager may restrict the allowable operating hours.
- 2307 3. Commercial, Mixed Use, and Agency Facilities Exception. Collection from
2308 Commercial Premises, Mixed Use Buildings, and Agency Facilities that are
2309 two-hundred (200) feet or less from Residential Premises shall only occur
2310 between the hours of 6:00 a.m. and 6:00 p.m., Monday through Saturday and
2311 all such operations shall be in accordance with permissions provided to
2312 Contractor by Agency. The Agency may restrict or require modifications to
2313 hours for Collection from Commercial Premises, Mixed Use Buildings, and
2314 Agency Facilities to resolve noise Complaints, and, in such case, the Agency
2315 Manager may restrict the allowable operating hours.
- 2316 4. Exception. In the event of an unforeseen circumstance, the Contractor may
2317 Collect materials from Residential Premises, Commercial Premises, Mixed Use
2318 Buildings, or Agency Facilities that are two-hundred (200) feet or less from
2319 Residential Premises between the hours of 3:00 a.m. and 6:00 p.m., Monday
2320 through Saturday, upon prior written approval from the Agency Manager.
- 2321 5. Local Noise Ordinance. If an Agency ordinance regulating noise limits the
2322 hours of Collection more restrictively than the preceding subsections, the terms
2323 of the ordinance shall govern.
- 2324 6. Modification. The Collection hours and distances set forth in Sections 8.01.A.3
2325 and 8.01.A.4 may be adjusted by mutual agreement of Agency (acting through
2326 the Agency Manager) and Contractor (acting through its General Manager),
2327 provided that the Collection hours and distances are at all times consistent with
2328 Agency ordinances.

2329 B. **Route Schedules.** Routes over which Contractor's vehicles travel to affect the
2330 Collection and transport of Solid Waste, Targeted Recyclable Materials, and
2331 Organic Materials shall be selected to minimize damage to Agency and private
2332 streets, and minimize inconvenience and disturbance to the public. The route
2333 schedules and routing maps shall be subject to the approval of Agency prior to
2334 Commencement of services. Contractor shall use due care to obey all traffic laws
2335 and prevent materials being transported from being spilled or scattered during
2336 transport.

2337 Contractor shall be prepared to review its operations plan outlining the Collection
2338 routes, intervals of Collection and Collection times for all materials Collected under
2339 this Agreement with the Agency or its representatives at least annually. More
2340 frequent reviews may be required if operations are not satisfactory based on
2341 documented observations or reports or Complaints. If the plan is determined to
2342 inadequately address the unsatisfactory performance as documented by
2343 observations and Complaints, the Agency may direct Contractor to revise the plan
2344 incorporating any changes into a revised plan and review said revised plan with the
2345 Agency within thirty (30) Days of the initial meeting with the Agency.

2346 C. **Contingency Plan.** Contractor shall submit to Agency ninety (90) Days prior to
2347 Commencement Date, a written contingency plan demonstrating Contractor's
2348 arrangements to provide vehicles and personnel and to maintain uninterrupted
2349 service during breakdowns, and in case of natural disaster or other emergency,
2350 including the events described in Section 14.09.

2351 8.02 COLLECTION STANDARDS

2352 A. **Reserved**

2353 B. **Servicing Containers and Missed Pick-Ups**

2354 1. General. Contractor shall Collect the contents and return each Container to the
2355 location where the Occupant properly placed the Container for Collection.
2356 Contractor shall place the Containers upright with lids properly closed and
2357 secured.

2358 Contractor shall use due care when handling Containers. Contractor shall not
2359 throw, roughly handle, damage, or break Containers.

2360 Upon Customer request, Contractor shall provide special services including:
2361 unlocking and locking Containers; accessing locked Container enclosures (e.g.,
2362 with a key or combination lock); providing Container Relocation Service; and,
2363 providing Long Distance Service. Contractor shall provide these services upon
2364 request from Customer and Contractor shall bill Customer at Agency-approved
2365 Charges specified in Attachment Q. Section 5.02 provides additional
2366 information on general Container service requirements, Long Distance Service,
2367 and Container Relocation Service.

2368 2. Missed Pick-Ups. When notified of a missed pick-up, Contractor shall Collect
2369 the Solid Waste, Targeted Recyclable Materials, or Organic Materials on the
2370 day the notice is received, if possible, and in all cases shall Collect the missed
2371 pick-up by 6:00 p.m. of the next Business Day following receipt of the missed
2372 pick-up notification.

- 2373 C. **New Customers and Change in Service Levels.** Contractor shall deliver
2374 Containers and initiate Collection services for a new Customer within five (5)
2375 Business Days of the Customer's request for service. If an existing Customer
2376 requests a change in the number or size of their Solid Waste, Recyclable Materials,
2377 or Organic Materials Containers and/or frequency of Collection, the Contractor shall
2378 deliver additional Containers and/or remove Containers and shall initiate changes in
2379 the Collection services within five (5) Business Days of the Customer's request for a
2380 change in service.
- 2381 D. **Separate Collection of Materials and Allocation of Agency Materials.**
2382 Contractor shall separately Collect and segregate Solid Waste, Targeted
2383 Recyclable Materials, and Organic Materials from each other and shall not
2384 Comingle these materials at any time during the transportation or delivery of those
2385 materials to the Designated Transfer and Processing Facility. Solid Waste,
2386 Targeted Recyclable Materials, and Organic Materials Collected in the Agency,
2387 which are combined with materials Collected from other SBWMA Member
2388 Agencies, shall be allocated by Contractor to the Agency's Collection program
2389 based on volume or Tonnage using a method approved by the Agency and
2390 SBWMA. Contractor shall not Collect materials from within Agency in the same
2391 Collection vehicles used to provide Collection service to non-SBWMA Member
2392 Agencies, unless provided written approval by Agency.
- 2393 E. **Setout Instructions to Customer.** Contractor shall instruct Customers as to any
2394 preparation of Solid Waste, Targeted Recyclable Materials, or Organic Materials
2395 and the proper placement of Containers. If Customers are not adhering to
2396 Contractor's instructions, Contractor shall notify such Customers in writing. In
2397 cases of extreme or repeated failure to comply with the instructions, Contractor may
2398 decline to pick-up the Targeted Recyclable Materials or Organic Materials provided
2399 that Contractor leaves an adequate number of non-Collection notices on the
2400 Container, as determined by the Agency, indicating the reason for refusing to
2401 Collect the material. Such notices shall also identify the steps Generator must take
2402 to recommence Collection service.
- 2403 F. **Non-Collection Notices.** Contractor may choose not to Collect materials for the
2404 following reasons: (i) Source Separated or Targeted Recyclable Materials or
2405 Organic Materials do not comply with the allowable Contamination thresholds; (ii)
2406 materials contain Hazardous Waste; or (iii) the loaded weight of a Container
2407 exceeds the maximum load limit specified by the Cart manufacturer and specified in
2408 Attachment D. In such case, Contractor shall issue non-Collection notices stating
2409 the reason(s) the materials were not Collected. The non-Collection notice shall be
2410 affixed prominently onto the Cart to ensure that it is not inadvertently removed from
2411 Cart due to weather conditions. The non-Collection notices must be protected from
2412 rain, if precipitation is present or forecasted, by placing the notice in a clear plastic
2413 bag prior to affixing to Cart.
- 2414 Contractor shall document the use of non-Collection notices by recording the date
2415 and time of issuance, address of service recipient, reason(s) for issuance, name of
2416 employee who issued the notice, and truck and route numbers. The notice shall
2417 conform to the requirements specified in Section 6.03.A, be at least two inches by
2418 six inches (2" x 6") in size and shall be approved by the SBWMA. The non-
2419 Collection notices must identify the steps the Generator must take to recommence
2420 Collection service. In the event a Container is not Collected due to excessive

2421 Contamination and Customer does not take the necessary steps to recommence
2422 Collection service, Contractor shall bill the Customer for Collection of the excessive
2423 Contamination at Agency-approved Charges specified in Attachment Q. The
2424 Agency-approved Charges includes: (i) a return trip Charge, and, (ii) an extra Solid
2425 Waste Collection Charge.

2426 Contractor shall report monthly to Agency any non-Collection notices issued.
2427 Contractor shall take direction from the Agency with regard to termination or
2428 reinstatement of service to a service recipient due to numerous non-Collection
2429 notices issued to the same Customer.

2430 **G. Collection of Excess Materials (Overages).** Contractor shall direct its employees
2431 to Collect an Overage on two (2) occasions each Rate Year at no additional cost to
2432 Customer. Contractor must provide a notice to Customer documenting the Overage
2433 in order to count the Overage Collection towards the allocated two (2) per Rate
2434 Year for each Customer. Customers that place an Overage for Collection for a third
2435 and subsequent events, may be assessed an Overage fee by Contractor if
2436 Contractor has directly contacted the Customer via a phone call or voice message
2437 notifying them of the Overage Collected. Contractor shall bill Customer for a third
2438 and subsequent Overage events at Agency-approved Charges specified in
2439 Attachment Q. Contractor shall provide Customers the opportunity to request an
2440 Overage Collection service in advance. In such case, Contractor shall bill the
2441 Customer at the Agency-approved Charge specified in Attachment Q.

2442 Contractor shall provide Customers the opportunity to subscribe to Overage
2443 Collection service, in advance, or purchase Overage bag(s) from the Contractor.
2444 Contractor shall provide Customers the opportunity to purchase Overage bags
2445 through its Customer service department or electronically via Contractor's website.
2446 The Overage bag(s) shall have markings identifying it as the Contractor's Overage
2447 bag. Contractor shall mail or deliver Overage bags to Customers within three (3)
2448 Business days of Customer's request. The Charge for Overage bags is specified in
2449 Attachment Q and includes all aspects of purchasing the bags, printing, and
2450 distribution (i.e., mailing or direct delivery by Contractor). Customers shall also be
2451 provided the opportunity to purchase Overage bags at Contractor's local office. The
2452 quantity of Overage bags per request from Customer shall be limited to five (5) per
2453 request.

2454 If the Agency and/or Contractor receive numerous Complaints (as determined by
2455 the Agency) from Customers regarding Customer dissatisfaction with the
2456 requirement to purchase Overage bags, the Agency reserves the right to require the
2457 Contractor to modify its Overage program to better serve its Customers and/or
2458 require the Customer to subscribe to additional Collection service.

2459 **H. Care of Private Property.** Contractor shall not damage private property.
2460 Contractor shall ensure that its employees: (i) close all gates opened in making
2461 Collections, unless otherwise directed by the Customer, (ii) do not cross landscaped
2462 areas, and (iii) do not climb or jump over hedges and fences.

2463 Agency shall refer Complaints about damage to private property to Contractor.
2464 Contractor shall repair, to its previous condition, all damage to private or public
2465 property caused by its employees.

2466 Contractor shall endeavor to resolve all claims regarding damage to private property
2467 as soon as reasonably practicable following receipt thereof, made by Owners or
2468 Occupants of property served by Contractor, for damages to property including, but
2469 not limited to, Containers. In the event such damage shall have been caused by the
2470 negligence or intentional acts of Contractor, its officers, agents, or employees,
2471 Contractor shall promptly repair or replace such damaged property. The provisions
2472 of this Section 8.02.H shall not be deemed a limitation upon any other provisions of
2473 this Agreement, or any rights or remedies which may accrue to Agency by reason of
2474 Contractor's acts or omissions to act hereunder. Contractor is required to repair
2475 damage and/or resolve claims regarding damage to property within thirty (30) Days
2476 of receipt of the Complaint.

2477 This Section 8.02.H shall not apply to damage to public or private roads or
2478 driveways caused by the weight of Contractor's vehicles. If a Customer requests
2479 Contractor to provide on-premises (i.e., non-Curbside) service, and in doing so
2480 would require Contractor to drive its Collection vehicle on a private road or
2481 driveway, then, as a condition to providing that service, Contractor shall require the
2482 Customer, property owner, or other responsible party to sign a reasonable waiver
2483 releasing Contractor from liability for such damage.

2484 I. **Litter Abatement**

2485 1. Minimization of Spills. If any Solid Waste, Targeted Recyclable Materials, or
2486 Organic Materials are spilled or scattered during Collection or transportation
2487 operations, the Contractor shall promptly clean up all spilled and scattered
2488 materials. Contractor shall use due care to prevent vehicle oil, vehicle fuel, or
2489 other liquids from being spilled during Collection or transportation operations
2490 including maintenance of the Collection vehicles to minimize and correct any
2491 leaks. Contractor shall ensure that all liquid spills or leaked liquids or fluids are
2492 cleaned up promptly on the same day that they occur.

2493 Contractor shall not transfer loads from one vehicle to another on any public
2494 street, unless it is necessary to do so because of mechanical failure,
2495 emergency (e.g., combustion of material in the vehicle), accidental damage to
2496 a vehicle, or unless approved by the Agency.

2497 2. Clean-Up. During Collection operations, the Contractor shall clean-up litter in
2498 the immediate vicinity of any Container storage area (including the areas where
2499 Containers are delivered for Collection) if Contractor's actions are the cause of
2500 the litter. Each Collection vehicle shall be equipped with protective gloves, a
2501 broom, and shovel at all times for cleaning up litter. Absorbent material shall
2502 be carried on each Collection vehicle at all times and used by Contractor for
2503 cleaning up liquid spills. The Contractor shall document and discuss instances
2504 of repeated spillage not caused by it with the Customer where spillage occurs,
2505 and Contractor shall report such instances to Agency. If the Contractor has
2506 attempted to have a Customer stop creating spillage but is unsuccessful, the
2507 Agency will attempt to rectify such situation with the Customer. Contractor
2508 shall coordinate with Agency regarding Agency street cleaning activities to
2509 minimize litter.

2510 3. Covering of Loads. Contractor shall cover all open Drop Boxes with an
2511 Agency-approved cover, at the Collection location before transporting materials
2512 to the Designated Transfer and Processing Facility.

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J. **Noise.** All Collection operations shall be conducted as quietly as possible and shall conform to applicable federal, State, County, and Agency noise level regulations. Contractor shall promptly resolve any Complaints of noise to the satisfaction of the Agency.

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K. **Route Books and Route Maps.** For each Collection route, Contractor shall maintain a route book and route map that documents each Customer on the route, their service address, service level, and the order in which Customers shall be serviced (e.g., the order in which routes shall be driven). Contractor shall distribute new route books and route maps to its Collection vehicle drivers as frequently as necessary; and each driver shall note differences in the service levels shown in the route book, adding and subtracting Customers and service levels, as necessary. Route supervisors shall periodically check the routes to ensure that drivers are providing service in accordance with their route books. Contractor shall provide Agency with route books and maps including assessor parcel data when available within ten (10) Business Days of request.

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L. **Change in Collection Schedule.** Contractor shall notify Agency a minimum of sixty (60) Business Days prior to a change in the Residential Collection schedule or two (2) weeks for minor adjustments (defined as less than the average size of a single route per the Collection service metrics delineated in the prior year's Compensation Application), and shall request approval of Contractor's notice to Residential Customers thirty (30) Business Days prior to a change in Service Day, unless this requirement is waived in writing by Agency. Contractor shall notify Owners and Occupants of Residential Premises not later than ten (10) Business Days prior to any change in Residential Collection operations which results in a change in the day on which Solid Waste, Targeted Recyclable Materials, and Organic Materials Collection occurs. Contractor shall not permit any Customer to go more than five (5) Business Days without service in connection with a Collection schedule change.

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8.03 UNLOADING MATERIALS AT THE DESIGNATED TRANSFER AND PROCESSING FACILITY

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Contractor shall be required to unload at the Designated Transfer and Processing Facility all materials from its Collection vehicles by its own personnel. Contractor shall be required to ensure that unloaded materials are properly placed in the designated areas and containers as directed by Operator and SBWMA. For example, Contractor shall be required to deposit at the Designated Transfer and Processing Facility Batteries and Cell Phones, Used Motor Oil, and Used Motor Oil Filters in the containers provided by Operator and designated for storage of these materials. Contractor shall cooperate with Operator to ensure its Collection vehicles unload Solid Waste, Targeted Recyclable Materials, Organic Materials, and other materials (e.g., Batteries, Cell Phones, Used Motor Oil, and Used Motor Oil Filters) Collected by Contractor in the locations designated by Operator and SBWMA.

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8.04 VEHICLES

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A. **General.** Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently perform the work required by the Agreement in strict accordance with its terms. Contractor shall have available sufficient back-up vehicles for each type of Collection vehicle used (e.g., side loader, front loader, and

2559 roll-off vehicles) to respond to mechanical breakdowns, Complaints, and
2560 emergencies. Contractor shall maintain a spare ratio of ten percent (10%) for all
2561 Collection vehicles used in the SBWMA Service Area. It is contemplated that, as of
2562 the Commencement Date, all Collection vehicles will be vehicles that Contractor
2563 purchased during the term of the 2009 Franchise Agreement and will be nearing the
2564 end of their useful life.

2565 Contractor shall purchase and place into service after the Commencement Date all
2566 new vehicles to replace its Collection vehicles and other vehicles used by
2567 Contractor in the SBWMA Service Area in accordance with the Contractor-prepared
2568 equipment replacement schedule in Attachment N. The new vehicles shall replace
2569 all vehicles in service on the Commencement Date. The vehicles shall be
2570 purchased and placed in service in accordance with the timeline shown in
2571 Attachment N unless an alternative timeline is agreed upon by the SBWMA
2572 provided that all new vehicles shall be in service on or before June 15, 2026. The
2573 estimated depreciation and interest expenses for the acquisition of new vehicles
2574 shall be included in Contractor's Compensation for 2021 and adjustments during the
2575 Term shall be made in accordance with Attachment K. Agency has no responsibility
2576 to pay Contractor for remaining net book value of any Vehicles, Containers, or other
2577 equipment that is not fully depreciated at end of Term, unless Agency elects to
2578 purchase Containers pursuant to Section 8.05.F of the Agreement.

2579 At no time after the Commencement Date shall any vehicle used to perform the
2580 services required under this Agreement exceed fifteen (15) years of age from the
2581 first date the vehicle was registered unless agreed upon by the SBWMA. Collection
2582 vehicles and other vehicles whose acquisition costs are included in the calculation
2583 of Contractor's Compensation may be used only in the SBWMA Service Area.

2584 **B. General Vehicle Specifications**

- 2585 1. All vehicles used by Contractor in providing Solid Waste, Targeted Recyclable
2586 Material, and Organic Material Collection services shall be registered with the
2587 California Department of Motor Vehicles.
- 2588 2. All Collection vehicles shall have leak-proof bodies designed to prevent
2589 leakage, spillage, and/or overflow and shall be designed so that Collected
2590 materials are not visible.
- 2591 3. All vehicles shall comply with California Environmental Protection Agency
2592 (EPA) noise emission regulations and California Air Resources Board air
2593 quality regulations and other applicable pollution control regulations.
- 2594 4. All Collection vehicles shall have cameras to monitor driving and loading
2595 activities including, at a minimum: (i) back-up cameras mounted at the rear and
2596 side of the vehicle; and, (ii) a hopper camera clearly displaying the contents of
2597 the hopper prior to compaction.
- 2598 5. Contractor shall be required to operate an adequate number of Collection
2599 vehicles that shall be capable of servicing hard-to-service areas and accessing
2600 long driveways in the Service Area.
- 2601 6. All Collection vehicles shall be capable of unloading materials in the
2602 Designated Transfer and Processing Facility buildings taking clearance
2603 heights, especially in the MRF, into consideration.

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7. All Collection vehicles shall be equipped with and shall utilize on-board computers and GPS tracking devices with real-time transmission to all levels of Contractor's operations. The on-board computer system shall: (i) capture all operations data needed to complete the Contractor's reporting requirements for this Agreement; (ii) capture all operating data needed to prepare the Contractor's Application; and (iii) allow Customer service staff direct real-time access to driver data including vehicle location, Container set-out and service data, and notes regarding service issues.
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8. All Collection vehicles shall be equipped with a broom, shovel, absorbent materials, and other approved cleanup devices and materials for emergencies, or any spillage or leaks that may occur.
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9. Route supervisors and management personnel shall use one-half (0.5) Ton hybrid pickup trucks while performing services.
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10. Contractor developed preliminary specifications for vehicles that will be purchased and placed into service after the Commencement Date. These specifications, which were the basis for Contractor's vehicle depreciation and interest costs (presented in Attachment N), are presented in Attachment P. At least eighteen (18) months prior to Contractor's initial acquisition of new Collection vehicles to be placed into service after January 1, 2021, Contractor shall meet and confer with the SBWMA to discuss the type of vehicles to be purchased and fuel options. The Agency and SBWMA may be interested in considering different fuel options with the goal of minimizing the air emission impact of the Collection vehicles. At the request of the Agency or SBWMA, Contractor shall provide vehicle information, specifications, and fuel options and a cost impact analysis of various fueling options. Contractor shall obtain the SBWMA's approval in the fuel selection prior to ordering new Collection vehicles. SBWMA recognizes that Contractor's vehicle purchase plan anticipates purchases over multiple years. This meet and confer obligation is intended to occur prior to Contractor's initial purchase of new Collection vehicles to discuss a strategy for all vehicles purchased after January 1, 2021 unless Parties agree otherwise.
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- C. **Vehicle Identification.** Contractor's name, local telephone number, and a unique vehicle identification number designated by Contractor for each vehicle shall be prominently displayed on all four (4) sides of the vehicles, in letters and numbers with a maximum five (5) digit sequence, that are no less than two and one-half (2.5) inches in height. Contractor shall not place any other information or logo on Contractor vehicles, unless approved in writing by SBWMA. Vehicles shall be clearly labeled to indicate the materials Collected by that vehicle, specifically; "Solid Waste," "Recyclables," or "Organic Materials," as directed by SBWMA.
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- D. **Inventory.** Contractor shall furnish the Agency and SBWMA a written inventory of all vehicles used in providing service, and shall update the inventory annually. The inventory shall list all vehicles by manufacturer, identification number, date of acquisition, type, capacity, decibel rating, average weight of load, and average loaded axle weights.
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- E. **Cleaning and Maintenance**

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1. General. Contractor shall maintain all of its properties, vehicles, facilities, and equipment used in providing service under this Agreement in a good, safe, neat, clean, and operable condition at all times.
 2. Cleaning. Vehicles used in the Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials shall be thoroughly washed, and thoroughly steam cleaned weekly so as to present a clean appearance. Agency may inspect vehicles at any time to determine compliance with this Agreement. Contractor shall also make vehicles available to the San Mateo County Health Department for inspection, at any frequency it requests.
 3. Repainting or Refurbishing. Contractor shall repaint or refurbish to the satisfaction of the Agency all vehicles used in the Collection of Solid Waste, Targeted Recyclable Materials, and Organic Materials within thirty (30) Business Days' notice from Agency, if Agency determines that their appearance warrants painting. The cost for Agency-directed repainting shall be incurred by Contractor.
 4. Maintenance. Contractor shall inspect each vehicle daily to ensure that all equipment is operating properly. Vehicles which are not operating properly shall be removed from service until repaired and operating properly. Contractor shall perform all scheduled maintenance functions in accordance with the manufacturer's specifications and schedule or in accordance with California Highway Patrol standards, whichever are more stringent. Contractor shall keep accurate records of all vehicle maintenance, recorded according to date and mileage and shall make such records available to Agency upon request. Hydraulic oil, engine oil, and other spills from Collection vehicles in the Service Area are a concern to the Agency. Contractor shall include as part of maintenance activities a process for tracking the number and nature of automotive spills (type of fluid, amount lost, failure point) and diagnosing the cause of those spills. Based on the results of the process, Contractor shall implement appropriate corrective actions to address issues that are contributing factors to vehicle spills (e.g., revise specifications for specific part failures, revise preventative maintenance schedule to address timing of failures), so that each occurrence is controlled and minimized.
 5. Repair. Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for which repairs are needed because of accident, breakdown, hydraulic oil or engine oil leaks, or any other cause so as to maintain all equipment in a safe and operable condition. If an item of repair is covered by a warranty, Contractor shall obtain warranty performance. Contractor shall maintain accurate records of repair, which shall include the date and mileage, nature of repair and the verification by signature of a maintenance supervisor that the repair has been properly performed.
 6. Storage. Contractor shall arrange to store all vehicles and other equipment in safe and secure location(s) in accordance with all applicable zoning regulations.
- F. **Operation**. Vehicles shall be operated in compliance with federal, State, and local laws and regulations including, but not limited to, the California Vehicle Code, the regulations of the California Air Resources Board (CARB) Waste Collection Vehicle Regulations as established in the California Code of Regulations Title 13 Section

2696 2700 et seq.; and all applicable safety and local ordinances. Annually, Contractor
2697 shall provide the SBWMA and Agency with documentation of such compliance for
2698 each vehicle. For example, with regard to CARB regulations, such documentation
2699 shall demonstrate, at a minimum, the vehicle number, make, model, year, control
2700 technology used or planned, and the year that the control technology was applied or
2701 is planned to be applied. Contractor shall not load vehicles in excess of the
2702 manufacturer's recommendations or limitations imposed by federal, State, or local
2703 weight restrictions on vehicles or roads.

2704 Contractor equipment used for Collection services shall be registered with the
2705 California Department of Motor Vehicles. Equipment shall comply with US EPA
2706 noise emission regulations, currently codified at 40 CFR Part 205, and other
2707 applicable noise control regulations, and shall incorporate noise control features
2708 throughout the entire vehicle.

2709 Annually, Contractor shall have each Collection vehicle weighed at the Designated
2710 Transfer and Processing Facility to determine the unloaded weight ("tare weight") of
2711 the vehicle, and the total loaded weight of each load delivered to the Designated
2712 Transfer and Processing Facility. Upon a major repair that could affect the
2713 Collection vehicle tare weight, Contractor shall have the Collection vehicle re-
2714 weighed to establish a new tare weight. Contractor shall track and make
2715 adjustments to routes to eliminate ongoing over-weights associated with individual
2716 routes.

2717 8.05 CONTAINERS

2718 A. **General.** Contractor shall provide all Containers, Bins, Kitchen Pails, and Drop
2719 Boxes, as appropriate, to all Customers as part of its obligations under this
2720 Agreement. Contractor shall ensure that Agency encroachment or other required
2721 permits are obtained by Customer prior to delivering Containers. As of the
2722 Commencement Date, all Containers may be used. Contractor-provided Containers
2723 shall be designed and constructed to be watertight and prevent the leakage of
2724 liquids. All Carts shall be manufactured by injection or rotational molding methods;
2725 contain post-consumer content; and meet the Container design and performance
2726 requirements provided in Attachment D – Container Specifications. Containers
2727 provided to Customers shall have a useful life of ten (10) years as evidenced by a
2728 manufacturer's warranty or other documentation acceptable to the Agency.

2729 All Containers with a capacity of one (1) cubic yard or more shall meet applicable
2730 federal, State, and local regulations for Bin safety; shall be covered with attached
2731 lids; and shall have the capability to be locked if required or requested by Customer
2732 or Agency.

2733 All Containers shall be maintained in a safe, serviceable, and functional condition.

2734 B. Container Specifications

2735 1. Sizes. The Container sizes to be provided to Single-Family, Multi-Family,
2736 Commercial, and Agency Facility Customers are specified in Attachment D.
2737 Contractor shall provide Customers with a choice of Container capacities
2738 specified in Attachment D, and Customers may select their preferred Container
2739 size(s).

- 2740 2. Color. The colors of the Containers provided to Single-Family, Multi-Family,
2741 Commercial, and Agency Facility Customers are specified in Attachment D.
- 2742 3. Loading. Minimum allowable loading requirements for the Bin and Drop Box
2743 contents shall be approved by the Agency prior to purchase based on the
2744 minimum manufacturer's load limits, as specified in Attachment D.
- 2745 C. **Container Labeling**. Contractor shall label each Container with white, hot-stamped
2746 lettering, and in-mold or heavy duty vinyl adhesive labels with graphics, illustrations,
2747 or artwork that clearly conveys the type of materials (e.g., Solid Waste, Recyclable
2748 Materials, cardboard, mixed paper, Organic Materials, wood waste, metal, etc.) to
2749 be placed in the Container for Collection. The labeling shall be positioned on each
2750 Container so it is visible to the Customer and Collection vehicle drivers on the front
2751 side, and top. The labeling shall be durable and weather resistant to outdoor
2752 conditions and have a minimum ten (10) year lifetime.
- 2753 All Containers shall prominently display information and graphics agreed upon by
2754 Agency, SBWMA, and Contractor pursuant to Article 7.
- 2755 Final Container labeling layout, graphics, and text shall be approved by the Agency
2756 and SBWMA prior to distribution to Customers.
- 2757 D. **Cleaning and Painting**. Contractor shall be responsible for steam cleaning and
2758 repainting all Containers, except Carts, to present an aesthetically pleasing clean
2759 appearance and to ensure this equipment is safely maintained and operationally
2760 sound. Contractor shall repaint all used Containers on an as needed basis. Upon
2761 Customer's request, Contractor shall steam clean all Solid Waste and Recyclable
2762 Materials Containers (or exchange existing Containers with clean Containers) twice
2763 annually, except Carts provided to Residential Premises, which Contractor is not
2764 obligated to clean or exchange. Contractor shall clean all Organic Materials
2765 Containers (or exchange existing Containers with clean Containers) quarterly,
2766 except Carts provided to Residential Premises, which Contractor is not obligated to
2767 clean or exchange. Contractor shall offer additional cleaning (or clean Container
2768 exchange) to Customers requesting such service and shall bill Customers for such
2769 cleaning (or Container exchange) at Agency-approved Charges specified in
2770 Attachment Q.
- 2771 Contractor shall be responsible for cleaning Containers at no additional charge to
2772 Customer to ensure that nuisance or public health concerns associated with vectors
2773 are addressed within two (2) Business Days after receipt of notification of said
2774 condition.
- 2775 If any Container is impacted by graffiti, Contractor shall remedy the situation within
2776 forty-eight (48) hours of being notified.
- 2777 E. **Repair and Replacement**. Contractor shall repair or replace all Containers
2778 damaged by Collection operations (e.g., vehicle apparatus interface) or otherwise
2779 inoperable (e.g., due to regular wear and tear) within three (3) Business Days of
2780 being notified by Customer or observing the damaged Container. If the repair or
2781 replacement cannot be completed within three (3) Business Days, the Contractor
2782 shall notify Customer and provide a Container of the same size or larger until the
2783 original Container can be replaced.

2784 At no additional cost, Contractor shall replace Customer Carts that have been
2785 stolen, lost, damaged, or destroyed within five (5) Business Days. Contractor shall
2786 allow Customer to exchange Containers for a Container of a different size at no
2787 additional cost and shall replace Containers within five (5) Business Days of
2788 Customer request.

2789 The Contractor recognizes that the majority of Containers in service on the
2790 Commencement Date have nearly reached the end of their useful life or will reach
2791 the end of the useful life during the Term of the Agreement. Contractor has planned
2792 to replace Containers that have reached the end of their useful life on a rolling basis
2793 over the Term of the Agreement. Contractor's estimated depreciation and interest
2794 expense for Container replacement over the Term and these expenses are included
2795 in Contractor's Compensation in the amount specified in Attachment K. Contractor
2796 shall not be entitled to an adjustment to Contractor's Compensation or Rates for
2797 Container replacements purchased during the Term of the Agreement.

2798 F. **Agency's Rights to Containers.** All Carts, Bins, and Drop Boxes purchased or
2799 leased by Contractor and put into service at Customers' Premises before the first
2800 anniversary of the Commencement Date shall become property of the Agency upon
2801 expiration or early termination of this Agreement. All Carts, Bins, and Drop Boxes
2802 purchased or leased and put into service at Customers' Premises on or after the
2803 first anniversary of the Commencement Date that have not been fully depreciated
2804 shall be available to the Agency, at the Agency's option, at their net book value,
2805 upon expiration or early termination of this Agreement.

2806 At its sole discretion, the Agency may elect not to exercise its rights under this
2807 subsection. In such case, the Containers shall remain the property of the Contractor
2808 upon the expiration or earlier termination of this Agreement. In such case,
2809 Contractor shall be responsible for removing all Containers in service from
2810 Premises. Contractor shall do so within ten (10) Business Days after such
2811 expiration or earlier termination or in accordance with an alternative Container
2812 removal schedule agreed upon by the Parties, provided that Agency has notified
2813 Contractor at least ninety (90) Days before such expiration or earlier termination
2814 whether or not it intends to acquire the Containers.

2815 G. **Lock Service (Key Service).** In order to promote security, respond to Customer
2816 needs, and minimize the impact or occurrence of illegal dumping and theft of
2817 Recyclable Materials, Contractor will provide to Customers, at the Agency-approved
2818 Charges specified in Attachment Q, locks for enclosures used to store Containers or
2819 locks for Containers and ensure the enclosures or Containers are locked after
2820 providing Collection Service.

2821 Only Contractor, Agency, and the participating Customers will be provided with a
2822 key to the enclosures and access to the Containers. The Contractor shall
2823 prominently display the service schedule on the enclosure and any changes in
2824 service shall be displayed on the enclosure by Contractor within one (1) Business
2825 Day of making the change. If the Carts or Bins are left "outside" in a designated
2826 area, each Container will be locked (keyed alike), and only Contractor staff, Agency
2827 staff, and the participating Customers will be provided with a key to access the
2828 Containers. At least once each calendar year, Contractor's route supervisor shall
2829 visit each of the participating Customers with shared Containers, respond to any

2830 questions or concerns, check the areas for contamination, litter, or damage and
2831 change the lock and distribute new "keyed alike" keys to Agency staff and
2832 Customers.

2833 **8.06 PERSONNEL**

2834 A. **General.** Contractor shall furnish such qualified drivers, mechanical, supervisory,
2835 customer service, clerical, and other personnel as may be necessary to provide the
2836 services required by this Agreement in a safe, thorough, professional, and efficient
2837 manner and shall provide, at a minimum, the number and type of personnel listed in
2838 Attachment O in total for the SBWMA Service Area. All personnel furnished by
2839 Contractor shall be subject to the "relationship of parties" provisions of Section
2840 15.01.

2841 B. **Reserved.**

2842 C. **Collective Bargaining Agreements.** If Contractor negotiates a new collective
2843 bargaining agreement with a union representing its employees, or an amendment to
2844 a collective bargaining agreement currently in force, either of which increases
2845 wages or benefits greater than wage and benefit costs included in Contractor's
2846 Compensation (through adjustments described in Article 11 and Attachment K), the
2847 Agency is not required to include costs attributable to the increased wages or
2848 benefits in Contractor's Compensation during the Term of the Agreement.

2849 D. **Approval of Management.** Contractor recognizes the importance of establishing a
2850 successful relationship between its management and Agency and SBWMA staff.
2851 Before extending an offer of employment for the position of general manager, both
2852 initially and throughout the Term, Contractor shall provide the SBWMA with the
2853 description of the proposed position; an opportunity to review and comment upon
2854 the position description, the background, experience, and qualifications of each
2855 candidate being considered for the position, and an opportunity to meet with each
2856 candidate. Contractor shall give thoughtful consideration to the SBWMA's
2857 comments on the descriptions of the proposed position and each candidate, but
2858 shall have the ultimate right to make employment decisions in its best business
2859 judgment.

2860 If the Agency is dissatisfied with the performance of the management personnel, the
2861 Agency shall contact the general manager to discuss the employee's performance.
2862 If the Agency is dissatisfied with the general manager, the Agency shall contact the
2863 group manager to discuss the general manager's performance.

2864 Contractor shall advise the affected management employee of any complaints
2865 made by the Agency regarding the employee's performance. The Parties shall
2866 meet and confer in good faith to address the Agency's concerns, and shall agree on
2867 a corrective course of action to be implemented immediately. Contractor agrees to
2868 consider in good faith, but shall not be bound by, any requests by the Agency to
2869 transfer or re-assign a management employee should the Agency maintain in good
2870 faith that it can no longer work constructively with said employee.

2871 E. **Provision of Field Supervision.** Contractor shall designate qualified employees
2872 as supervisors of field operations. The field supervisor shall devote their time in the
2873 field supervising, managing, and monitoring Collection operations for reliability,

- 2874 quality, efficiency, safety, and for responding to Complaints. The number of field
2875 supervisors is specified in Attachment O in total for the SBWMA Service Area.
- 2876 F. **Driver Qualifications.** All drivers shall be trained and qualified in the operation of
2877 Collection vehicles, and must have in effect a valid license, of the appropriate class,
2878 issued by the California Department of Motor Vehicles. Contractor shall use the
2879 Class II California Department of Motor Vehicles employer "Pull Notice Program" to
2880 monitor its drivers for safety.
- 2881 G. **Customer Service Representative Training.** Customer service representatives
2882 shall be trained on specific Agency service requirements, a minimum of once per
2883 quarter. An Agency information sheet shall be provided to each Customer service
2884 representative for easy reference of Agency requirements and general Customer
2885 needs. Contractor shall provide the information sheet, training agenda, and
2886 associated documentation within five (5) Business Days of request from Agency.
- 2887 H. **Safety Training.** Contractor shall provide suitable operational and safety training
2888 for all of its employees who operate Collection vehicles or equipment or who are
2889 otherwise directly involved in such Collection. Contractor shall train its employees
2890 involved in Collection to identify, and not to Collect, Hazardous Waste, or Infectious
2891 Waste. Upon the Agency's request, Contractor shall provide a copy of its safety
2892 policy and safety training program, the name of its safety officer, and the frequency
2893 of its trainings.
- 2894 I. **No Gratuities.** Contractor shall not permit its employees to demand or solicit,
2895 directly or indirectly, any additional compensation or gratuity from members of the
2896 public for Collection services or accept gratuities or compensation in exchange for
2897 additional Collection services.
- 2898 J. **Employee Conduct and Courtesy.** Contractor shall employ only competent and
2899 qualified personnel who serve the public in a courteous, helpful, and impartial
2900 manner. Contractor shall use its best efforts to assure that all employees present a
2901 neat appearance and conduct themselves in a courteous manner. Contractor shall
2902 regularly train its employees in Customer courtesy, shall prohibit the use of loud or
2903 profane language, and shall instruct Collection employees to perform the work as
2904 quietly as possible. If any employee is found not to be courteous or not to be
2905 performing services in the manner required by this Agreement, Contractor shall take
2906 all appropriate corrective measures. The Agency may require Contractor to
2907 reassign an employee, if the employee has conducted himself or herself
2908 inconsistently with the terms of this Agreement.
- 2909 Contractor shall adopt policies and procedures consistent with State and federal law
2910 that ensure a sober and drug-free workplace. This includes strictly prohibiting
2911 unlawful manufacture, distribution, possession, or use of any controlled substance
2912 in the workplace, regardless of whether the employee is on duty at the time.
2913 Further, the policies and procedures shall prohibit an employee from operating
2914 either Agency or Contractor equipment and vehicles (whether on or off duty) while
2915 under the influence of alcohol or drugs. The purpose of these policies and
2916 procedures is to ensure workplace safety, productivity, efficiency, and the quality of
2917 Contractor's service to Customers.
- 2918 K. **Uniforms.** While performing services under this Agreement, all Contractor's
2919 employees performing field service shall be dressed in clean uniforms and shall

2920 wear visible identification that include the employee's name and/or employee
2921 number, and Contractor's name. Uniform type, style, colors, and any modifications
2922 may be subject to approval by the Agency.

2923 **8.07 HAZARDOUS WASTE INSPECTION AND HANDLING**

2924 A. **Inspection Program and Training.** Contractor is required to inspect Solid Waste,
2925 Targeted Recyclable Materials, Organic Materials, and other materials put out for
2926 Collection and may reject Solid Waste, Targeted Recyclable Materials, Organic
2927 Materials, and other materials observed to be contaminated with Hazardous Waste
2928 and not Collect Hazardous Waste put out with Solid Waste, Targeted Recyclable
2929 Materials, and Organic Materials. Contractor shall develop a load inspection
2930 program that includes the following components: (i) personnel and training; (ii) load
2931 checking activities; (iii) management of wastes; and (iv) record keeping and
2932 emergency procedures.

2933 Contractor's load checking personnel, including its Collection vehicle drivers, shall
2934 be trained in: (i) the effects of Hazardous Substances on human health and the
2935 environment; (ii) identification of prohibited materials; and (iii) emergency
2936 notification and response procedures. Collection vehicle drivers shall inspect
2937 Containers before Collection when practical.

2938 B. **Response to Hazardous Waste Identified During Collection.** Under no
2939 circumstances shall Contractor's employees knowingly Collect Hazardous Waste or
2940 remove unsafe or poorly containerized Hazardous Waste from a Collection
2941 Container. If Contractor determines that material placed in any Container for
2942 Collection is Hazardous Waste or other material that may not legally be accepted or
2943 safely processed at the Designated Transfer and Processing Facility or presents a
2944 hazard to Contractor's employees, or those at the Designated Transfer and
2945 Processing Facility, the Contractor shall have the right to refuse to accept such
2946 material. The Generator shall be contacted by the Contractor and requested to
2947 arrange proper Disposal. If the Generator cannot be reached immediately, the
2948 Contractor shall, before leaving the Premises, leave a non-collection notice, which
2949 indicates the reason for refusing to Collect the material and lists the phone number
2950 for the San Mateo County Household Hazardous Waste Facility, or other resources
2951 as directed by Agency. Contractor's environmental technician shall be notified to
2952 handle the issue with the Generator. The Contractor's environmental technician
2953 shall be required to guide the Generator to safely containerizing the Hazardous
2954 Waste and shall explain the Generator's options for proper disposition of such
2955 material.

2956 If Hazardous Waste is found in a Collection Container or Collection area that could
2957 possibly result in imminent danger to people or property, the Contractor shall
2958 immediately notify the Agency's Fire Department using the nine-one-one (911)
2959 emergency telephone number. The Contractor shall notify the Agency of any
2960 Hazardous Waste identified in Containers or left at any Premises within twenty-four
2961 (24) hours of identification of such material.

2962 C. **Response to Hazardous Waste Identified at Designated Transfer and**
2963 **Processing Facility.** Contractor shall not knowingly deliver Unpermitted Material to
2964 the Designated Transfer and Processing Facility. The Operator shall use
2965 reasonable business efforts and standard industry practices to detect and discover

2966 Unpermitted Material at the facility and shall not knowingly accept Unpermitted
2967 Material. In the event that Unpermitted Material is delivered to the Designated
2968 Transfer and Processing Facility, the Operator shall be entitled to pursue whatever
2969 remedies, if any, it may have against the Generator or Person(s) bringing such
2970 Unpermitted Material to the Designated Transfer and Processing Facility provided
2971 that in no case shall the Agency be considered the Person bringing such
2972 Unpermitted Material to the Designated Transfer and Processing Facility.

2973 Contractor acknowledges that in the event the operator identifies Unpermitted
2974 Materials in the materials delivered by Contractor before the materials are unloaded
2975 at the facility, the Operator has the right to reject the load and direct the Contractor
2976 to cause removal and Disposal of the Unpermitted Material in a safe and lawful
2977 manner, at the sole expense of the Contractor. If the Unpermitted Materials are
2978 delivered to the Designated Transfer and Processing Facility by Contractor and
2979 unloaded at the facility before their presence is detected, and the Generator cannot
2980 be identified or fails to remove the material after being requested to do so, the
2981 Contractor shall arrange for and/or pay for its proper Disposal. Contractor shall
2982 make reasonable efforts to identify and notify the Generator. The Contractor shall
2983 make a good faith effort to recover the cost of any transportation and Disposal from
2984 the Generator, and the cost of this effort, as well as the cost of Disposal shall be
2985 chargeable to the Generator, if appropriate documentation, as deemed necessary
2986 by the Agency, is provided to the Agency within five (5) Business Days of the
2987 occurrence.

2988 In the event Contractor delivers Unpermitted Materials on a frequent or continuous
2989 basis to the Designated Transfer and Processing Facility and the Contractor refuses
2990 to provide for the proper handling and disposition of such Unpermitted Material, the
2991 Operator may provide written notice to Agency of such refusal by Contractor.

2992 **D. Reporting, Regulations, and Record Keeping.** Contractor shall comply with
2993 emergency notification procedures required by Applicable Laws and regulatory
2994 requirements. Contractor shall notify all appropriate agencies, including the
2995 California Department of Toxic Substances Control and Local Emergency
2996 Response Providers and the National Response Center of reportable quantities of
2997 Hazardous Waste found or observed in Solid Waste, Targeted Recyclable
2998 Materials, Organic Materials, Electronic Waste, Universal Waste, and Construction
2999 and Demolition Debris anywhere within Service Area. In addition to other required
3000 notifications, if Contractor observes any substances which it or its employees
3001 reasonably believe or suspect to contain Hazardous Wastes unlawfully Disposed of
3002 or released on any Agency property, including storm drains, streets or other public
3003 rights of way, Contractor will immediately notify the Agency and SBWMA.

3004 All records required by regulations shall be maintained at the Contractor's Facility.
3005 These records shall include: waste manifests, waste inventories, waste
3006 characterization records, inspection records, incident reports, and training records.
3007 Contractor shall maintain records showing the types and quantities, if any, of
3008 Hazardous Waste found in Solid Waste, Targeted Recyclable Materials, and
3009 Organic Materials, which was inadvertently Collected from Customers within the
3010 Service Area, but diverted from landfilling.

3011 **8.08 COMMUNICATION AND COOPERATION WITH AGENCY AND SBWMA**

3012 A. **Communications.** The Contractor's general manager shall have e-mail capabilities
3013 to enable the Agency, SBWMA, and the Contractor's general manager to
3014 communicate via e-mail. Contractor's general manager shall respond to Agency
3015 and SBWMA email correspondence within twenty-four (24) hours.

3016 B. **Monthly Meetings.** Upon request from Agency, beginning on the Commencement
3017 Date, and then on a monthly basis thereafter, Contractor shall meet with the Agency
3018 and SBWMA to discuss progress of each active diversion program, quality, and
3019 reliability of Collection services, and compliance with the terms of the Agreement.
3020 SBWMA may attend and participate in these meetings. At each monthly meeting,
3021 the Agency, Contractor, and SBWMA, if attending, shall have the opportunity to
3022 present and discuss proposed changes in service such as changing program
3023 requirements or modifying Collection methods.

3024 C. **Inspection by Agency.** Agency shall have the right, but not the obligation, to
3025 observe and inspect all of the Contractor's operations under this Agreement. In
3026 connection therewith, Agency and SBWMA shall have the right to enter facilities
3027 used by Contractor during operating hours, speak to any of Contractor's employees,
3028 and receive cooperation from such employees in response to inquiries. In addition,
3029 upon reasonable notice and without interference with Contractor's operations,
3030 Agency and SBWMA may review and copy any of Contractor's operational and
3031 business records related to this Agreement. If Agency or SBWMA so requests,
3032 Contractor shall make specified personnel available to accompany Agency and
3033 SBWMA employees on inspections and shall provide electronic copies of records
3034 stored in electronic media.

3035 **8.09 COOPERATION WITH DESIGNATED TRANSFER AND PROCESSING FACILITY**
3036 **OPERATOR**

3037 A. **Communications.** If requested by SBWMA, the Contractor shall meet with the
3038 SBWMA and Operator at least once each month to discuss issues related to the
3039 interaction of operations between Contractor and Operator including, but not limited
3040 to:

- 3041 1. Traffic flow;
- 3042 2. Vehicle weighing procedures;
- 3043 3. Targeted Recyclable Materials and Organic Materials Contamination;
- 3044 4. Hazardous Waste screening and safety policies;
- 3045 5. Receiving hours;
- 3046 6. Billing and payment of gate fees for delivery of materials;
- 3047 7. Vehicle parking;
- 3048 8. Employee facilities; and,
- 3049 9. Maintenance facilities.

3050 The Contractor's general manager shall have e-mail capabilities to enable the
3051 Operator and the Contractor's general manager to communicate via e-mail.

3052 Contractor's general manager shall respond to the Operator's email
3053 correspondence within twenty-four (24) hours.

3054 B. **Coordination of Hours.** Contractor shall plan its Collection routes to be
3055 compatible with the Designated Transfer and Processing Facility receiving hours,
3056 which shall be, at a minimum, Monday through Friday from 3:00 a.m. to 6:00 p.m.
3057 and Saturday and Sunday from 6:00 a.m. to 5:00 p.m. Contractor shall deliver
3058 Collected materials to the Designated Transfer and Processing Facility during the
3059 receiving hours of the Designated Transfer and Processing Facility.

3060 C. **Compliance with Facility Rules.** Contractor shall cooperate with Operator and
3061 comply with Operator's requirements including: (i) how and where to unload
3062 Collection vehicles; (ii) respecting operations and construction of new facilities; and,
3063 (iii) the Operator's Hazardous Waste exclusion program. Contractor shall also
3064 cooperate with the Contamination assessment procedures specified in Attachment
3065 E-1. All costs charged by the SBWMA for acceptance of Contractor's materials
3066 shall be paid by Contractor. Contractor shall receive compensation for transfer and
3067 processing costs in accordance with Article 11.

3068 8.10 BUY-RECYCLED POLICY

3069 The Contractor shall comply with the purchasing requirements described in this Section,
3070 and shall document its on-going compliance with these requirements upon Agency
3071 request.

3072 A. **Recycled Paper.** The Contractor shall use recycled paper for invoices, Bills,
3073 reports, and public education materials. The recycled paper shall have at least
3074 thirty percent (30%) post-consumer recycled content for uncoated paper and ten
3075 percent (10%) post-consumer recycled content for coated paper based on federal
3076 standards. Contractor shall state on all materials prepared with post-consumer
3077 recycled content the following: "Printed on Recycled Paper."

3078 B. **Re-Refined Motor Oil.** Contractor shall be encouraged but not required to use re-
3079 refined motor oil for its Collection vehicles.

3080 C. **Recycled Plastic.** Contractor shall purchase Carts and Kitchen Pails that contain
3081 the minimum post-consumer content as specified in Attachment D. All Carts and
3082 Kitchen Pails shall be one hundred percent (100%) recyclable.

3083 8.11 ANNUAL PERFORMANCE HEARING

3084 A. **Objectives.** Agency or SBWMA may hold a public performance hearing in April or
3085 May of each Rate Year, at which time Contractor shall be present and shall
3086 participate by making a presentation and responding to questions. Agency or
3087 SBWMA shall convene the hearing to address the positive and negative aspects of
3088 Contractor's overall performance. The purpose of the hearing may also involve
3089 discussion and review of technological, economic, and regulatory changes in
3090 Collection, waste reduction, Recycling, processing, and Disposal practices that can
3091 improve quality of service; increase waste reduction and diversion; and ensure
3092 services are being provided effectively and economically. Topics for discussion and
3093 review at the performance hearing shall include, but not be limited to: Contractor's
3094 accomplishments and compliance with various provisions of the Agreement,

3095 services provided, feasibility of providing new services, application of new
3096 technologies, Customer Complaints, possible amendments to this Agreement,
3097 developments in the Applicable Laws and regulations, new initiatives for meeting or
3098 exceeding waste reduction and Recycling goals, regulatory constraints, and
3099 Contractor performance. Agency or SBWMA and Contractor may each select
3100 additional topics for discussion at the performance hearing.

3101 B. **Process.** Within sixty (60) Days of notification provided by Agency or SBWMA to
3102 Contractor of its intent to conduct a performance hearing, Agency or SBWMA will
3103 submit questions to Contractor pertaining to Contractor's performance and
3104 Contractor shall submit its written response within thirty (30) Days. Agency or
3105 SBWMA and Contractor shall meet to discuss the questions and Contractor's
3106 response prior to submittal by Contractor. Agency or SBWMA and Contractor may
3107 request from one another information or documents related to the scheduled public
3108 hearing and Agency or SBWMA and Contractor shall provide such information
3109 promptly.

3110 In addition to Contractor's responses to the questions submitted by Agency or
3111 SBWMA, Contractor may be required to submit a self-assessment report of
3112 Contractor's performance and information pertaining to the following:

3113 1. Recommended Changes or New Services. Changes and/or new services
3114 recommended to improve Agency's or SBWMA's ability to meet and/or exceed
3115 the Agency's or SBWMA's waste reduction and recycling goals and those of
3116 the Act and other State legislation/regulations (such as, but not limited to, AB
3117 341, AB 901, AB 1594, AB 1826, SB 1061, and SB 1383).

3118 2. Complaint Records. The reports required by this Agreement regarding
3119 Complaints shall be used as one basis for review. Contractor may submit other
3120 relevant performance information and reports for consideration. Agency or
3121 SBWMA may request Contractor to submit specific information for the hearing.
3122 In addition, any Person may submit comments or Complaints during or before
3123 the hearing, either orally or in writing, and these shall be considered.

3124 3. Action Plan. Contractor shall prepare and submit an action plan for improving
3125 and/or modifying its Collection services and other services if requested.

3126 Not less than ten (10) Business Days prior to the scheduled hearing date, Agency
3127 or SBWMA and Contractor shall exchange any written reports and other documents
3128 that will be provided or presented at the hearing. Not less than five (5) Business
3129 Days before the scheduled hearing date, Agency or SBWMA and Contractor shall
3130 ensure their availability to discuss the content and underlying support for such
3131 reports.

3132 Agency or SBWMA and Contractor shall attend and participate in the performance
3133 hearing. Contractor may be required to present an oral report on its performance at
3134 the performance hearing. Contractor's failure to attend and participate in the
3135 performance hearing and provide an oral presentation upon request; provide a
3136 written response to the questions or request for a self-assessment report submitted
3137 by Agency or SBWMA; or submit an action plan if requested by Agency or SBWMA
3138 may result in Liquidated Damages pursuant to Attachment J.

3139 Within sixty (60) Days after the conclusion of each performance hearing, Agency or
3140 SBWMA may issue a report. As a result of the review, Agency or SBWMA may

3141 require Contractor to provide expanded or new services within a reasonable time
3142 frame and for reasonable compensation; and Agency or SBWMA may direct
3143 Contractor to take corrective actions for any performance inadequacies.

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ARTICLE 9 RECORD KEEPING AND REPORTING

3147 **9.01 GENERAL**

3148 Contractor shall compile and maintain records related to its performance as necessary to
3149 develop the reports required by this Agreement. Contractor agrees to conduct data
3150 collection, record keeping, and reporting activities necessary to meet the reasonable
3151 reporting and Solid Waste, Recyclable Materials, and Organic Materials program
3152 management needs of the Agency, and to comply with Contractor's obligations under
3153 the Act and other State legislation/regulations (such as, but not limited to, AB 341, AB
3154 1826, and SB 1383), other Applicable Laws, and the requirements of this Agreement.

3155 Record keeping and reporting requirements specified in this Agreement shall not be
3156 considered a comprehensive list of reporting requirements. In particular, Article 9 is
3157 intended to highlight the general nature of records and reports and their minimum
3158 content and is not meant to comprehensively define the scope and content of the
3159 records and reports. Upon written direction or approval of Agency, the records and
3160 reports required by Contractor in accordance with this and other Articles of the
3161 Agreement shall be adjusted in number, format, or frequency.

3162 Contractor shall maintain all records necessary to allow the Agency to determine
3163 Contractor's compliance with the terms of the Agreement and compliance with the
3164 Performance Standards and Performance Incentives/Disincentives presented in this
3165 Agreement including, but not limited to, those related to the quality of Collection services
3166 and customer service and those identified in Attachments I and J. The records shall be
3167 maintained in a manner that allows for easy verification of Contractor's performance.

3168 **9.02 GENERAL RECORD KEEPING PROVISIONS**

3169 A. **General.** Contractor shall maintain records required to conduct its operations, to
3170 support requests it may make to Agency, and to respond to requests from Agency.
3171 All records shall be maintained for five (5) years after the expiration or early
3172 termination of this Agreement.

3173 In order to set Contractor's Compensation pursuant to Article 11, it is necessary for
3174 Contractor to maintain accurate, detailed financial and operational information in a
3175 consistent format and to make such information available to the Agency in a timely
3176 fashion, and in accordance with reporting requirements specified in this Article.

3177 B. **Inspection of Records.** Agency shall have the right to inspect or review the payroll
3178 tax reports, specific documents or records required expressly or by inference
3179 pursuant to this Agreement, or any other similar records or reports of Contractor
3180 that Agency shall deem, in its sole discretion, reasonably necessary to evaluate
3181 reports, compensation applications provided for in this Agreement, and Contractor's
3182 performance or other matters related to this Agreement.

3183 The Agency, its auditors, and other agents selected by the Agency, shall have the
3184 right, during regular business hours, to conduct unannounced on-site inspections
3185 and review of the records and accounting systems of Contractor and to make
3186 copies of any of Contractor's documents relevant to this Agreement. Upon request,
3187 Contractor shall arrange for records of Related Party Entities to be made available

3188 to Agency and its official representatives for review, to the extent such records are
3189 reasonably necessary to evaluate reports, compensation applications, Contractor's
3190 performance, or other matters related to this Agreement.

3191 C. **Retention of Records.** Unless otherwise herein required, Contractor shall retain all
3192 records and data required to be maintained by this Agreement for the Term plus at
3193 least five (5) years after expiration or early termination of the Agreement. Records,
3194 and data shall be in a chronological and organized form and readily and easily
3195 interpreted. At the Agency's request, records and data required to be retained shall
3196 be retrieved in a timely manner (which shall not exceed more than ten (10)
3197 Business Days unless Contractor obtains prior written approval from the Agency) by
3198 Contractor and made available to the Agency.

3199 Contractor shall maintain copies of all Billings and Billing Collections (e.g.,
3200 Customer payments) records or copies of Billing summary reports (that document
3201 all Billings and Billing Collections for each Customer) for five (5) years, following the
3202 date of Billings, for inspection and verification by Agency.

3203 Records and data required to be maintained that are not specifically directed to be
3204 retained that are, in the sole opinion of the Agency, material to the determination of
3205 Contractor's Compensation or Rates or to determination of Contractor's
3206 performance, shall be retrieved by Contractor and made available to the Agency in
3207 a timely manner (which shall not exceed ten (10) Business Days unless Contractor
3208 obtains prior written approval from the Agency). When records and data are not
3209 retained or provided by the Contractor, the Agency may make reasonable
3210 assumptions regarding what information is contained in such records and data, and
3211 such assumption(s) shall be conclusive in whatever action the Agency takes.

3212 D. **Record Security.** Contractor shall maintain adequate record security to preserve
3213 records from events that can be reasonably anticipated such as a fire, theft, and an
3214 earthquake. Electronically-maintained data and/or records shall be protected,
3215 backed up, and stored at a separate site from the original data.

3216 9.03 RECORD KEEPING REQUIREMENTS

3217 A. Maintenance of Financial and Operational Records

3218 1. General. In order to effectuate Contractor's Compensation pursuant to Article
3219 11, it is necessary for Contractor to maintain accurate, detailed financial and
3220 operational information in a consistent format and to make such information
3221 available to the Agency and the SBWMA in a timely fashion.

3222 2. Contractor's Accounting Records. Contractor shall maintain accurate and
3223 complete accounting records containing the underlying financial and operating
3224 data relating to, and showing the basis for computation of, all costs associated
3225 with providing services under this Agreement. The accounting records shall be
3226 prepared in accordance with Generally Accepted Accounting Principles (GAAP)
3227 consistently applied.

3228 B. Collection Service Records

3229 Records shall be maintained and retained by Contractor for Agency relating to:

3230 1. Customer and Billing information including, but not limited to, the following for
3231 each Customer.

- 3232 a. Names, addresses, and phone numbers of Customer, Billing contact
3233 Person, and, if appropriate, for property manager or on-site contact
3234 Person.
- 3235 b. Solid Waste service level, Targeted Recyclable Materials service level,
3236 and Organic Materials service level (where service level includes the
3237 number of Containers, size of each Container, and the Collection
3238 frequency of each Container).
- 3239 c. Number of tenant or living units at Multi-Family Residential Complexes.
- 3240 d. Service exemptions for SFD Premises (if applicable).
- 3241 e. Special services (e.g., Backyard and Special Handling Collection for SFD
3242 Premises, push/pull service, lock/unlock service, Container Relocation
3243 Service, Long Distance Service, etc.).
- 3244 2. Contractor's Customer and Billing system shall allow for information to be
3245 compiled easily and separately for each Service Sector.
- 3246 3. Weight and volume of material Collected by type (e.g., Solid Waste, Targeted
3247 Recyclable Materials, Organic Materials). Where possible, information shall be
3248 provided separately for each Service Sector.
- 3249 4. Route sheets and route maps identifying the accounts serviced by each
3250 Collection vehicle on a daily basis (e.g., detailed GPS reports).
- 3251 5. Facilities, equipment, and personnel used.
- 3252 6. Facilities and equipment operations, maintenance, and repair.
- 3253 7. Tonnage of Solid Waste, Targeted Recyclable Materials, Universal Waste, and
3254 Organic Materials listed separately by materials type and Service Sector and
3255 the facility where materials were delivered (e.g., Designated Transfer and
3256 Processing Facility).
- 3257 8. Monthly Overall Diversion Level, monthly SFD Diversion Level, and the monthly
3258 Commercial Diversion Level (each stated as a percentage) and calculated in
3259 accordance with Attachment I.
- 3260 9. Targeted Recyclable Materials, Used Motor Oil and Used Motor Oil Filters,
3261 Household Batteries, Cell Phones, and Organic Materials Collection
3262 participation and set-out rates.
- 3263 10. Tonnage of materials Collected from On-Call Bulky Item Collection services
3264 described in Sections 5.05, 5.06 and 5.12, community collection events as
3265 described in Sections 5.13 and 5.14, and abandoned waste clean-up events
3266 described in Section 5.09, reported separately by material type Collected and
3267 listing destination where materials were delivered (e.g., Goodwill Industries,
3268 Designated Transfer and Processing Facility, etc.).
- 3269 11. Tonnage of Solid Waste, Recyclable Materials, and Organic Materials
3270 Collected from Venues and Community Events as described in Section 5.08
3271 reported separately by material type Collected and reported separately for each
3272 Venue and Community Event as the total Tonnage of each material type for
3273 each Venue or Community Event monthly.

- 3274 12. Volume of Used Motor Oil and number of Used Motor Oil Filters Collected by
3275 Contractor reported separately for each facility where materials were delivered.
- 3276 **C. Other Programs Records**
- 3277 Records for other programs shall be tailored to specific needs. In general,
3278 Contractor shall maintain and retain the following records:
- 3279 1. Plans, tasks, and milestones; and,
- 3280 2. Accomplishments including activities conducted, dates, quantities of products
3281 used, produced or distributed, and numbers of participants and responses.
- 3282 **D. Customer Service Records.** Daily logs of all Complaints and Inquiries shall be
3283 retained for a minimum of thirty-six (36) months. Contractor shall maintain and
3284 retain customer service center records which include, but are not limited to, the
3285 following statistics:
- 3286 1. Number of calls received on a daily and monthly basis;
- 3287 2. Number of calls answered on a daily and monthly basis;
- 3288 3. Number of abandoned (dropped) calls on a daily and monthly basis;
- 3289 4. Average abandoned time (i.e., Hold Time before abandoning call);
- 3290 5. Number of delayed calls (i.e., calls where caller is placed on hold before
3291 speaking with a customer service agent) on a daily and monthly basis;
- 3292 6. Average Hold Time for incoming calls on a daily and monthly basis;
- 3293 7. Percentage of calls answered by a Person within thirty (30) seconds on a daily
3294 and monthly basis;
- 3295 8. Percentage of calls answered within three (3) minutes on a daily and monthly
3296 basis;
- 3297 9. Number of e-mail responses sent from the customer service department to
3298 Customers on a monthly basis;
- 3299 10. Number and percentage of Complaint and Inquiry e-mails or submissions
3300 through Contractor website that received responses before close of business
3301 on the Day received on a monthly basis;
- 3302 11. Number and percentage of Complaint and Inquiry e-mails that received
3303 responses by the close of business on the Day following the receipt of the
3304 Complaint or Inquiry;
- 3305 12. Number of Complaints and Inquiries received through Contractor's website on
3306 a daily and monthly basis;
- 3307 13. Names of all Customer service representatives employed; and,
- 3308 14. Minimum, average, and maximum number of customer service representatives
3309 employed during each month.
- 3310 **E. CERCLA Defense Records.** Agency views the ability to defend against CERCLA
3311 and related litigation as a matter of great importance. For this reason, the Agency
3312 regards the ability to prove where Solid Waste Collected in the Agency area was
3313 taken for transfer or Disposal, to be matters of concern. Contractor shall maintain

3314 data retention and preservation systems which can establish where Solid Waste
3315 Collected in the Service Area was delivered for transfer or Disposal. This provision
3316 shall survive the expiration of this Agreement.

3317 F. **Compilation of Information for State Law Purposes.** Contractor shall compile
3318 information on amounts of Solid Waste delivered to the Designated Transfer and
3319 Processing Facility and to other locations, as well as other information which the
3320 Agency may reasonably request.

3321 Contractor shall maintain these records for a minimum of ten (10) years after
3322 expiration or earlier termination of the Agreement. Contractor shall provide these
3323 records to Agency (upon request or at the end of the record retention period) in an
3324 organized and indexed manner rather than destroying or Disposing of them.

3325 9.04 GENERAL REPORTING REQUIREMENTS

3326 A. **Purpose.** Records shall be maintained and retained in forms, on media, and by
3327 methods that facilitate flexible use of data contained in them to structure reports, as
3328 needed. Reports are intended to compile recorded data into useful forms of
3329 information that can be used to, among other things:

- 3330 1. Evaluate Diversion performance
- 3331 2. Evaluate Contractor's performance
- 3332 3. Monitor Customer participation in Targeted Recyclable Materials and Organic
3333 Materials Collection programs and in other programs using several different
3334 performance measures
- 3335 4. Monitor changes in the number of Customers and Customers' service levels
- 3336 5. Determine needs for adjustment to programs and cost for such changes
- 3337 6. Evaluate customer service and Complaints
- 3338 7. Determine and set Contractor's Compensation and Rates

3339 B. **Report Format.** Contractor may propose report formats that are responsive to the
3340 objectives and audiences for each report. The format of each report shall be
3341 approved by Agency. The Agency may review and request changes to Contractor's
3342 report formats and content and Contractor shall not unreasonably deny such
3343 requests. Contractor agrees to submit all reports by e-mail in a format compatible
3344 with the Agency's software and computers so the Agency can sort and analyze
3345 data. Contractor shall provide a certification statement, under penalty of perjury by
3346 the responsible Contractor official, that the report being submitted is true and
3347 correct to the best knowledge of such official after their reasonable inquiry.

3348 C. **Submittal Schedule and Instructions.** Contractor shall submit monthly reports
3349 within fifteen (15) Days after the end of the reporting month, quarterly reports within
3350 thirty (30) Days after the end of the reporting quarter, and annual reports within
3351 forty-five (45) Days after the end of the reporting year. Contractor shall submit (via
3352 e-mail) all reports to the person(s) designated by SBWMA and Agency. Each
3353 quarterly report shall be in lieu of the monthly report for the third month of the
3354 quarter; thus, Contractor shall submit a total of thirteen (13) periodic reports per
3355 year: eight (8) monthly reports, four (4) quarterly reports, and one (1) annual report.

- 3356 D. **Failure to Report.** The refusal or failure of Contractor to file any required reports,
 3357 or to provide required information to Agency, or the inclusion of any materially false
 3358 or misleading statement or representation by Contractor in such report shall be
 3359 deemed a Contractor default as described in Section 14.01 subject to the notice and
 3360 cure provisions of that section and shall subject Contractor to all remedies which
 3361 are available to the Agency under the Agreement or otherwise.
- 3362 E. **Accuracy of Reports.** The failure of Contractor to file accurate and timely reports,
 3363 proposal(s), information, or correspondence to Agency or SBWMA, or the inclusion
 3364 of any inaccurate or misleading data, statement or representation by Contractor in
 3365 such report(s), proposal(s), information, or correspondence to Agency or SBWMA,
 3366 shall be subject to Liquidated Damages as set forth in Attachment J. In addition, the
 3367 inclusion of any materially false or misleading statement or representation by
 3368 Contractor in such report shall be deemed a Contractor default as described in
 3369 Section 14.01 subject to the notice and cure provisions of that Section and shall
 3370 subject Contractor to all remedies which are available to the Agency under the
 3371 Agreement or otherwise.
- 3372 F. **Source Files.** Contractor shall provide the SBWMA the following information: (i)
 3373 with each monthly or quarterly report, a spreadsheet provided by Operator showing
 3374 all Tonnages Collected by Contractor and delivered to the Shoreway Recycling and
 3375 Disposal Center from Member Agencies during the reporting month, listed
 3376 separately by Member Agency, material type, and Service Sector; (ii) with each
 3377 monthly or quarterly report, a spreadsheet containing the information required by
 3378 Sections 9.06.B, 9.06.D, and 9.06.E; and, (iii) with each annual report, a
 3379 spreadsheet containing the information required by Section 9.07.B. Such
 3380 information need not be included in the published reports provided to Agency.

3381 **9.05 MONTHLY REPORTS**

- 3382 Monthly reports shall present the information described in this Section in a format agreed
 3383 upon by the Agency.
- 3384 A. **Tonnage Information.** Contractor shall provide the Tonnage information requested
 3385 below by Service Sector on a monthly and year-to-date basis, with a comparison to
 3386 the prior year. However, the Agency reserves the right to request the monthly
 3387 Tonnage data by route.
- 3388 1. Solid Waste. Total Solid Waste Tonnage Collected and Disposed by Service
 3389 Sector.
 - 3390 2. Targeted Recyclable Materials Services. Total Targeted Recyclable Materials
 3391 Tonnage Collected and delivered for processing by Service Sector listed
 3392 separately by material type Collected (e.g., Single-Stream Recyclable
 3393 Materials, Source Separated cardboard, Source Separated paper, Used Motor
 3394 Oil, Used Motor Oil Filters, etc.).
 - 3395 3. Organic Materials Services. Total Organic Materials Tonnage Collected and
 3396 delivered for processing by Service Sector listed separately by material type
 3397 (e.g., Plant Materials, Food Scraps, or Organic Materials).
- 3398 B. **Diversion Level.** Contractor shall provide the monthly and year-to-date Calculated
 3399 Overall Diversion Level, the monthly and year-to-date Residential Diversion Level,

3400 and the monthly and year-to-date Commercial Diversion Level (each stated as a
3401 percentage) calculated in accordance with Attachment I, with a comparison to the
3402 prior year. In addition, Contractor shall present the calculations used to determine
3403 the diversion levels.

3404 C. **Complaint, Inquiry and Service Requests Data.** Contractor shall provide
3405 information on the number of Complaints, Inquiries service requests received from
3406 Customers, Generators, or other Person by category (e.g., missed pickups, noise
3407 Complaints, scheduled On-Call Bulky Item Collection events, Overage events,
3408 Billing concerns, property damage claims, requests for information, delivery of
3409 Recycling Tote-Bags, inventory of Recycling Tote-Bags, etc.). Complaint summary,
3410 for each month, summarized by nature of Complaint, Inquiry, and service request
3411 on a compatible computer disc or other memory device approved by Agency. The
3412 categorization of Complaints, Inquiries, and service requests shall be agreed upon
3413 by the Agency, SBWMA, and Contractor prior to the Commencement Date, and
3414 shall be adjusted during the Term upon agreement between Agency, SBWMA and
3415 Contractor.

3416 D. **Call Center Data.** Number of calls received, number of calls answered, number of
3417 dropped calls, percentage of dropped calls, Average Hold Time, percentage of calls
3418 answered in thirty (30) seconds.

3419 E. **Monthly Gross Revenues and Fee Reports.** Pursuant to Article 10, a statement
3420 itemizing each fee paid by Contractor to Agency in the month; detailing calculation
3421 of each monthly fee amount; and stating monthly Gross Revenue Billed, by Service
3422 Sector, for all operations conducted or permitted by this Agreement.

3423 F. **Abandoned Waste Collection.** Contractor shall provide a list of all abandoned
3424 waste Collection events performed identifying the address of each Collection
3425 location.

3426 G. **Multi-Family Tote Bag Distribution.** Contractor shall provide a report on Multi-
3427 Family Tote Bag Distribution as required by Article 5, Collection Service, Section
3428 5.03.C.2.

3429 H. **Other Information.** Other information or reports that Agency may reasonably
3430 request or require be added to reporting. These requests may include, but shall not
3431 be limited to, information regarding on-call Bulky Item Collection programs,
3432 abandoned waste Collection, Used Motor Oil and Used Motor Oil Filter Collection,
3433 and Community Events and Venues Collection.

3434 **9.06 QUARTERLY REPORTS**

3435 Quarterly reports shall present the information described in this Section, in addition to
3436 the monthly information required under Section 9.05.

3437 A. **On-Site Customer Assessments and Visual Audits.** Contractor shall report the
3438 number of site assessments and visual audits conducted for Multi-Family Dwelling,
3439 Commercial, and Agency Customers, which are required by Sections 7.04 and 7.05.
3440 SBWMA may request additional statistics as necessary.

3441 B. **Public Education Activities.** Contractor shall report the following public education
3442 activity information.

3443 1. Public education materials produced and total number of each distributed.

- 3444 2. Dates, times, and names of meetings or events attended.
- 3445 3. Dates, times, and names of school(s) where presentations were performed.
- 3446 4. Completion of other activities specified in the then-current Three-Year Public
3447 Education Plan.
- 3448 5. Other educational activities as may be requested by Agency.
- 3449 C. **Determination and Payment of Liquidated Damages.** In accordance with the
3450 requirements of Section 14.07, Contractor shall provide a report that identifies any
3451 non-compliance with performance measures listed in Attachment J and include
3452 calculation of the Liquidated Damages due. Contractor may include with its report a
3453 written request to meet with Agency's Manager or his or her designee to discuss
3454 Contractor's evidence refuting the basis for assessing Liquidated Damages
3455 pertaining to unacceptable employee behavior. In such cases, Contractor shall
3456 include with its report evidence in writing and written testimony of its employees and
3457 others relevant to the incident(s)/non-performance. Agency's Manager or his or her
3458 designee will provide Contractor with a written explanation of his or her
3459 determination on each incident(s)/non-performance. The decision of Agency's
3460 Manager or his or her designee shall be final.
- 3461 D. **Account Summary.** Provide the following account summary information in table
3462 format:
- 3463 1. Number of Customers in each Rate and Charge category.
- 3464 2. Total number of Residential, Commercial, and Drop Box Customers
3465 subscribing to Solid Waste, Targeted Recyclable Materials, and Organic
3466 Materials Collection service listed separately by Service Sector and material
3467 type.
- 3468 3. Percentage of Customers subscribing to Targeted Recyclable Materials
3469 Collection service (listed separately for Multi-Family, Commercial, and Drop
3470 Box Customers), which shall be equal to the total number of Targeted
3471 Recyclable Materials Customers divided by the total number of Solid Waste
3472 Customers.
- 3473 4. Percentage of Customers subscribing to Organic Materials Collection service
3474 (listed separately for Multi-Family, Commercial, and Drop Box Customers),
3475 which shall be equal to the total number of Organic Materials Customers
3476 divided by the total number of Solid Waste Customers.
- 3477 5. Weekly gallons or cubic yards of service provided to Residential, Commercial,
3478 and Drop Box Customers subscribing to Solid Waste, Targeted Recyclable
3479 Materials, and Organic Materials Collection service listed separately by Service
3480 Sector and material type for one week.
- 3481 E. **Operational Data.** Contractor shall submit the following:
- 3482 1. A summary of Collection route operational data including: average number of
3483 Customers and Containers serviced per route per Day for each Collection
3484 route; average number of actual both on-route and off-route hours per Day by
3485 route (distinguishing between Standard Collection Vehicle Routes and Special
3486 Collection Vehicle Routes, if appropriate);

3487 2. List of the one hundred (100) largest generators based on weekly Solid Waste
3488 volumes (listed in descending order) within Agency for both Commercial and
3489 Multi-Family Customers. This reporting shall include, at a minimum: the name
3490 of the Customer; the name of the business; the address of the business; the
3491 type(s) of service received (e.g. Collection of Solid Waste, Single-Stream
3492 Targeted Recyclable Materials, Plant Materials, Food Scraps, Organic
3493 Materials, Source Separated cardboard, Source Separated paper, etc.); the
3494 volume of service received weekly measured in cubic yards; the frequency of
3495 service received measured in number of Collections per week; the diversion
3496 volume measured as total service level volume divided by Targeted
3497 Recyclables Materials and/or Organic Materials Collection volume; and, the
3498 change in service level from the prior quarter.

3499 F. **Recycling Technical Assistance Plan Status Report.** Contractor must prepare
3500 and submit to Agency and SBWMA, a Recycling Technical Assistance Plan Status
3501 Report providing required reporting information identified in the then-current Three-
3502 Year Plan (prepared in accordance with Section 7.03.B).

3503 G. **Determination and Payment of Performance Incentives and Disincentives.** In
3504 accordance with the requirements of Section 11.07, Contractor shall provide on a
3505 quarterly basis a report that identifies compliance with the performance standards
3506 listed in Attachment I and includes calculation of the performance incentive
3507 payments and disincentive assessments due. Performance incentives (in the form
3508 of increased compensation to Contractor) will be awarded by Agency for excellent
3509 performance on aspects of diversion and Customer service as specified in
3510 Attachment I.

3511 All performance incentives and disincentives payments are to be included in
3512 Contractor's annual Rate Application and Contractor's Compensation for the next
3513 Rate Year will be increased or decreased by the net amount of performance
3514 incentive payments and disincentive assessments calculated in the Application.
3515 Performance incentives and disincentives for Diversion and Average Speed of
3516 Answer and performance disincentives for Ninety (90) Second Maximum Hold Time
3517 shall be calculated in aggregate for the SBWMA Service Area and Agency's share
3518 shall be proportional based on the Tons of Solid Waste Collected by Contractor for
3519 the previous Rate Year.

3520 H. **Quality Assurance Program.** Contractor shall report quarterly on quality of the
3521 Customer service experience when Customer was interacting with Contractor,
3522 described in Section 7.02.F, during the prior month. The report shall include (i)
3523 name and Service Sector of each Customer contacted, (ii) date and time, (iii) name
3524 of Customer service representative placing call, (iv) summary of Customer's
3525 responses to questions and other information provided, and (v) follow-up actions
3526 taken, if any, in response to calls. The actual surveys shall be kept by the
3527 Contractor compliant with the record keeping requirements of the Agreement and
3528 such surveys shall be made available to the Agency or SBWMA upon request.

3529 9.07 ANNUAL REPORTS

3530 Annual reports shall present the information described in this Section, in addition to the
3531 monthly and quarterly report information required under Sections 9.05 and 9.06. The
3532 monthly and quarterly report information shall be presented as well as the annual totals

3533 for the Rate Year, when applicable (e.g., for Tonnage data, Diversion Level, Complaint
3534 and Inquiry data, Gross Revenue Billed, and Franchise Fees, etc.)

3535 **A. Operational Information**

3536 1. Routes by Service Sector

3537 a. Number of routes per Day

3538 b. Types of vehicles

3539 c. Crew size per route

3540 e. Number of full-time equivalent routes

3541 f. Number of accounts per route

3542 g. Total hours per Service Sector per Day and per year

3543 h. Average cost per route

3544 i. Route sheets and maps

3545 2. Personnel

3546 a. Organizational chart

3547 b. Job classifications and number of full-time equivalent positions for each
3548 (e.g. administrative, customer service representatives, drivers,
3549 supervisors, educational staff, etc.)

3550 c. Annual wages by job classification including benefits

3551 3. Productivity Statistics

3552 a. Number of accounts per Service Sector

3553 b. Number of set-outs per Service Sector

3554 c. Tons per route per Day by Service Sector

3555 4. Operational Changes

3556 a. Number of routes

3557 b. Staffing

3558 c. Supervision

3559 d. Collection services

3560 5. Equipment - An inventory of equipment in accordance with Section 8.04.D.

3561 6. Billing - Billing review report in accordance with Section 7.01.F.

3562 **B. Customer Account Information.** As part of the annual reporting requirement,
3563 Contractor shall make available to Agency detailed Customer account information in
3564 tabular format and in electronic format (in computer software format that is
3565 compatible with the Agency's) Including the following information for each
3566 Customer: account number; service address; assessor parcel number for Accounts
3567 agreed to by Contractor and Agency; Customer's name, address, and phone
3568 number; Billing contact name, Billing address, and phone number; Solid Waste,
3569 Targeted Recyclable Materials, and Organic Materials Collection service level (i.e.,
3570 number of Containers, size of Containers, frequency of Collection, and Day(s) of
3571 Collection), and Rate or Charge billed. For Multi-Family Customers, the Customer

- 3572 account information shall also include the number of dwelling units at each Multi-
 3573 Family Residential Complex.
- 3574 C. **Customer Service Operations.** Contractor shall annually prepare and submit, to
 3575 Agency and SBWMA, a Customer Service Operations Plan that shall include, at a
 3576 minimum, the following sections:
- 3577 1. Customer Service Call Center
- 3578 a. Provide the number CSR supervisory staff and describe their
 3579 responsibilities.
- 3580 b. Contractor must describe its training strategy for CSR and CSR
 3581 supervisory staff.
- 3582 c. Contractor must describe its strategy and overall approach to attracting
 3583 and retaining a high quality CSR staff.
- 3584 2. Website
- 3585 a. Number of on-line payments made
- 3586 b. Number of On-Call Collection Services scheduled
- 3587 c. Number of On-Call Bulky Goods Collections scheduled
- 3588 d. Number of extra Solid Waste pick-ups scheduled
- 3589 e. Number of service changes requested
- 3590 f. Number of Complaints documented and resolved
- 3591 3. Customer Information System
- 3592 a. Status of any changes or upgrades made to system software
- 3593 b. Description of proposed changes to system software
- 3594 c. Explanation and schedule of training activities
- 3595 4. Staffing
- 3596 5. Commercial customer service
- 3597 D. **Related Party Entities.** Contractor agrees that all financial transactions with all
 3598 Related Party Entities shall be approved in advance in writing and disclosed
 3599 annually (coinciding with Contractor's annual audited financial statements referred
 3600 to in this Section 9.07) to the Agency in a separate disclosure letter to the Agency.
 3601 This letter shall include the following information: a general description of the nature
 3602 of each transaction, or type of (for many similar) transaction, as applicable. Such
 3603 description shall include for each (or similar) transaction, amounts, specific Related
 3604 Party Entity, basis of amount (how amount was determined), and description of the
 3605 allocation methodology used to allocate any common costs. Amounts shall be
 3606 reconciled to the Related Party Entity disclosures made in Contractor's annual
 3607 audited financial statements referred to in this Section.
- 3608 At the Agency's request, Contractor shall provide the Agency with copies of working
 3609 papers or other documentation deemed relevant by the Agency relating to
 3610 information shown in the annual disclosure letter. The annual disclosure letter shall
 3611 be provided to the Agency within sixty (60) Business Days of Contractor's Fiscal
 3612 Year end.
- 3613 E. **Contractor's Review of Billings.** Pursuant to the requirements described in
 3614 Section 7.01.F, Contractor shall submit a report on its review of Billings.

3615 F. **Determination and Payment of Liquidated Damages.** In accordance with the
3616 requirements of Sections 14.07 and 11.07.D, Contractor shall provide with its
3617 annual report, a report that identifies any non-compliance with the performance
3618 standards listed in Attachment J and includes calculation of the Liquidated
3619 Damages due. This report shall be accompanied by supporting documentation
3620 identifying Contractor's compliance or non-compliance with the specified
3621 performance standards. The report submittal shall be accompanied by a check
3622 from Contractor in the amount of the Liquidated Damages due (per Contractor's
3623 calculation and self-reporting) for the reporting period.

3624 G. **Determination and Payment of Performance Incentives and Disincentives.** In
3625 accordance with the requirements of Section 11.07, Contractor shall provide with its
3626 annual report, a report that identifies any non-compliance with the performance
3627 standards listed in Attachment I and includes calculation of the performance
3628 incentive payments and disincentive assessments due. Performance Incentives (in
3629 the form of increased compensation to Contractor) will be awarded by Agency for
3630 excellent performance on aspects of Solid Waste diversion, Collection service
3631 delivery and customer service as specified in Attachment I. Performance
3632 disincentives will be assessed by Agency for substandard performance on aspects
3633 of Solid Waste diversion, Collection service delivery and customer service specified
3634 in Attachment I.

3635 Payment related to performance incentives and disincentives are to be included in
3636 Contractor's annual Rate Application and Contractor's Compensation for the next
3637 Rate Year will be increased or decreased by the net amount of performance
3638 incentive payments and disincentive assessments calculated. performance
3639 incentives and disincentives shall be calculated as specified in Attachment I.

3640 **9.08 REQUIRED SPECIFIC REPORTING**

3641 Event-specific reports shall be submitted following the occurrence of the event as
3642 described in this Section.

3643 A. **Report of Accumulated Solid Waste; Unauthorized Dumping.** As required by
3644 Section 7.07, Contractor shall report: (i) the addresses of any Premises at which the
3645 driver observes that Solid Waste, Targeted Recyclable Materials, and/or Organic
3646 Materials is accumulating; and (ii) the address, or other location description, at
3647 which Solid Waste, Targeted Recyclable Materials, and/or Organic Materials has
3648 been dumped in an apparently unauthorized manner. The report shall be delivered
3649 to the Agency within one (1) Business Day of such observation.

3650 B. **Hazardous Waste.** As required by Section 8.07, the Contractor shall notify the
3651 Agency of any Hazardous Waste identified in Containers or left at any Premises
3652 within twenty-four (24) hours of identification of such material.

3653 C. **Reporting Adverse Information.** Contractor shall provide Agency two (2) copies
3654 (one (1) to the Agency Manager, one (1) to the Agency Attorney) of all reports,
3655 pleadings, applications, notifications, Notices of Violation, communications or other
3656 material relating specifically to Contractor's performance of services pursuant to this
3657 Agreement, submitted by Contractor to, or received by Contractor from, the United
3658 States or California Environmental Protection Agency, the California Department of
3659 Resources Recycling and Recovery (CalRecycle), the Securities and Exchange
3660 Commission or any other federal, State, County, or local agency, including any

3661 federal or State court. Copies shall be submitted to Agency simultaneously with
3662 Contractor's filing or submission of such matters with said agencies. Contractor's
3663 routine correspondence to said agencies need not be submitted to Agency, but shall
3664 be made available to Agency promptly upon Agency's written request.

3665 **9.09 UPON-REQUEST REPORTING**

3666 A. **Holiday Tree Services.** Within ten (10) Business Days of Agency's request,
3667 Contractor shall report the Tonnage of Holiday Trees Collected at the Drop Box
3668 sites or at drop-off sites (if drop-off sites were established).

3669 B. **Summary Assessment.** Within thirty (30) Days of Agency's request, highlight
3670 significant accomplishments and problems. Identify recommendations and/or plans
3671 to improve services.

3672 C. **Hazardous Waste Records.** A summary or copy of the Hazardous Waste records
3673 required under Section 8.07.D.

3674 D. **GPS Route Reports.** Contractor shall provide GPS reports as reasonably
3675 requested by Agency or SBWMA.

3676 E. **Other.** The Agency reserves the right to request additional reports from the
3677 Contractor, and the Contractor shall deliver such reports within twenty-five (25)
3678 Business Days of such request provided that such information is similar in nature to
3679 the required elements of the monthly, quarterly, or annual reporting requirements
3680 described in Sections 9.05, 9.06, and 9.07. If the information requested by the
3681 Agency is not typically part of the Contractor's reporting requirements described in
3682 Sections 9.05, 9.06, and 9.07, Contractor shall provide such information if the
3683 Contractor is required to maintain the information under the record-keeping
3684 requirements described in Sections 9.01, 9.02, and 9.03.

3685 Contractor acknowledges that the Agency has to submit information to State and
3686 local agencies related to the Act, AB 341, AB 1826, and SB 1383 and may require
3687 additional reporting from the Contractor. If Agency needs additional information to
3688 complete its reports, Contractor shall provide additional information to the extent
3689 Contractor has maintained records on the information requested. The Parties
3690 acknowledge that Contractor shall provide reports to the Agency, and shall not
3691 submit reports to State or local agencies on the behalf of the Agency.

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ARTICLE 10

FRANCHISE FEE AND OTHER FEES

3695 **10.01 GENERAL**

3696 The fees described in this Article shall be treated as Other Pass-Through Costs for the
3697 purposes of determining the Revenue Requirement and shall be recoverable through the
3698 Agency-approved Rates and Charges that Contractor bills Customers. Contractor shall
3699 separately identify any of the fees established under this Article on Customer bills if
3700 directed to do so by Agency.

3701 **10.02 FRANCHISE FEE**

3702 In consideration of the exclusive franchise granted to Contractor by this Agreement, and
3703 to reimburse Agency for costs incurred in administering this Agreement, Contractor shall
3704 pay to Agency a Franchise Fee specified in Attachment M.

3705 **10.03 OTHER FEES**

3706 Agency has adopted other fees, which are intended to recover the costs of services
3707 related to Solid Waste management, Recycling, and cleanliness of public streets and/or
3708 public litter and Recycling containers through inclusion in Rates. The other fees
3709 currently in effect, or which are expected to be in effect as of January 1, 2021 are listed
3710 in Attachment M.

3711 **10.04 TIME AND METHOD OF PAYMENT**

3712 On or before the twentieth (20th) Day of each month, Contractor shall pay to Agency (i)
3713 the amount of the Franchise Fees due on Gross Revenues Billed during the immediate
3714 previous month, and (ii) one-twelfth of any other fee established by Agency unless
3715 Agency directs a different payment schedule for such other fees.

3716 Contractor shall provide, concurrently with the payment of fees, a statement showing the
3717 calculation of each fee, including the Gross Revenues Billed from Customers in each
3718 Service Sector for that month. The statement shall be in a format, and contain the level
3719 of detail, specified by Agency. Payments from Contractor to Agency shall be made by
3720 wire transfer or other method authorized by Agency.

3721 If a fee is not paid on time, Contractor shall pay a late payment charge to the Agency
3722 equal to two percent (2%) of the fees due for that month. In addition, Contractor shall
3723 pay an additional two percent (2%) on any unpaid balance for each thirty (30) Day period
3724 a portion of the fee due remains unpaid. Late payment charges are not included in
3725 Contractor's Compensation and may not be recovered through Rates or Charges.
3726 Changes to Contractor's Compensation to reflect increases or decreases in fees, or the
3727 addition of new fees, are not subject to the Special Compensation Review provisions in
3728 Section 11.05.

3729 **10.05 ADJUSTMENTS TO FEES; ADDITIONAL FEES**

3730 Agency may from time to time adjust the amount of the fees described in this Article and
3731 may establish other fees. Changes in the total amount of fees to be collected by

3732 Contractor and remitted to Agency shall be reflected in an adjustment to Contractor's
3733 Compensation and Rates.

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ARTICLE 11 CONTRACTOR'S COMPENSATION AND RATES

3737 11.01 OVERVIEW

- 3738 A. Contractor's Compensation includes three components:
- 3739 1. Annual Cost of Operations. These include the cost of labor, equipment,
3740 materials and supplies, fuel, insurance, bonds, taxes, overhead and all other
3741 costs necessary to perform all the services required, in the manner required, by
3742 this Agreement, with the exception of costs identified in subsection A.3.
- 3743 2. Profit. Contractor's profit is determined by applying the Operating Ratio of ninety
3744 and one-half percent (90.5%) to annual costs of operation described in
3745 subsection A.1.
- 3746 3. Contractor Pass-Through Costs. These consist of costs that Contractor is
3747 obligated to pay but on which Contractor does not earn a profit and consist of: (i)
3748 interest expense, and (ii) adjustments to compensation to reflect Agency-specific
3749 Agreement changes (labeled in Attachment N as "Contract Changes to Specific
3750 Agencies").
- 3751 B. Attachment N includes baseline financial and operational information that shall be
3752 used to calculate Contractor's Compensation for 2021. The projected 2021 Annual
3753 Costs of Operation, Profit, and Contractor Pass-Through Costs shown on
3754 Attachment N: (i) were prepared by Contractor; (ii) were allocated among Member
3755 Agencies based on the allocations used for Contractor's Application for Rate Year
3756 2017; and, (ii) have been adjusted to reflect refinements in the scope of services
3757 and decisions by individual Member Agencies as to specific programs, levels of
3758 service, or other unique factors affecting only their jurisdiction.
- 3759 C. Contractor's Compensation for Rate Year Eleven (2021) shall be determined as
3760 provided in Section 11.02.A. Annually thereafter, Contractor's Compensation shall
3761 be adjusted as provided in Section 11.02.D.
- 3762 D. After the conclusion of each Rate Year, SBWMA will conduct a revenue
3763 reconciliation process as provided in Section 11.03. The purpose of this procedure
3764 is to reconcile Net Revenues Billed by Contractor for a Rate Year with the approved
3765 Contractor's Compensation for that Rate Year. Adjustments to Contractor's
3766 Compensation will be made in a subsequent Rate Year to recover any excess
3767 revenue from Contractor or to compensate Contractor for a revenue shortfall.
- 3768 E. However, no adjustments to Contractor's Compensation will be made for
3769 differences between total costs of operation or Contractor Pass-Through Costs as
3770 calculated for the Rate Year and as actually incurred, with the exception of cost
3771 differences due to changes in scope of services (Section 15.12) or as authorized by
3772 a special compensation review (Section 11.05) or an adjustment under Section
3773 3.03.B. If Contractor's actual annual cost of operations, actual profits and actual
3774 Contractor's Pass-Through Costs are more or less than the amounts included in the
3775 annual calculation of Contractor's Compensation, Contractor is neither entitled to an

3776 increase in compensation, nor subject to a reduction in compensation, in future
3777 Rate Years.

3778 **11.02 DETERMINATION OF CONTRACTOR'S COMPENSATION**

3779 A. **Contractor's Compensation for Rate Year Eleven (2021).** Contractor's
3780 Compensation for 2021 shall be determined in 2020 by adjusting Contractor's
3781 projected 2021 Contractor's Compensation shown on Attachment N to reflect the
3782 following factors:

- 3783 • Change in Customer account and service levels as provided in Attachment K;
3784 and,
- 3785 • Change in fuel prices as provided in Attachment K.

3786 B. **Different Compensation Methods for Other Member Agency.** If Contractor
3787 enters into a franchise agreement with any other Member Agency which uses a
3788 substantially different methodology for calculating Contractor's Compensation than
3789 that set forth in Article 11 and Attachments K and N of this Agreement, then (i) for
3790 purposes of calculating Contractor's Compensation under this Agreement,
3791 Contractor's costs of providing service to such other Member Agency shall continue
3792 to be calculated using the methodology set forth in Attachments K and N, and, (ii)
3793 Contractor's Compensation for providing service to such other Member Agency
3794 shall be as set forth in the franchise agreement between it and Contractor. Any such
3795 franchise agreement shall (i) implement the performance incentives and
3796 disincentives provided for in this Agreement, and, (ii) require Contractor to pay
3797 sums due to SBWMA for delivery of materials from such Member Agency to
3798 Shoreway Recycling and Disposal Center.

3799 C. **Reserved**

3800 D. **Contractor's Compensation for Subsequent Rate Years.** Contractor's
3801 Compensation shall be adjusted annually, commencing with the determination of
3802 Contractor's Compensation for Rate Year Twelve (2022) and continuing through the
3803 remaining Term including any extension periods to reflect inflation (or deflation),
3804 changes in service levels, and the difference between Contractor's Compensation
3805 approved for the prior Rate Year (e.g., 2021) and Net Revenues Billed (e.g., 2021)
3806 and similarly for subsequent Rate Years.

3807 E. **No Changes for Actuals.** During the Term, no changes to Contractor's
3808 Compensation will be made to reflect actual costs, actual profit, or actual Contractor
3809 Pass-Through Costs, except for adjustments related to vehicle acquisition costs, as
3810 provided in Attachment K.

3811 F. **Change in Contractor's Compensation for Rate Years Eight, Nine, and Ten**
3812 **(2018, 2019, 2020).** The Contractor's Compensation for Rate Years Eight, Nine,
3813 and Ten (2018, 2019, 2020) shall be determined in accordance with the procedures
3814 specified in Attachment K of the 2009 Franchise Agreement with the following
3815 exceptions:

3816 1. In Rate Years Eight, Nine, and Ten (2018, 2019, 2020), an adjustment shall be
3817 made to allocated indirect costs to account for a reduction in the staffing of
3818 Contractor's Waste Zero Specialists (from 8 full-time positions to 6 full-time
3819 positions). The adjustment shall be made by adding a new line item to the
3820 Contractor's Compensation adjustment calculations (after the General and
3821 Administrative line item), which shall be titled "Adjustment for Waste Zero
3822 Specialists" and include a negative amount of \$200,000 for Rate Year Eight
3823 (2018). The annual reduction amount shall be adjusted annually for Rate Year
3824 Nine (2019) and Ten (2020) using the same adjustment method used to adjust
3825 the General and Administrative costs.

3826 2. In Rate Year Ten (2020), the vehicle depreciation shall be \$4,092,539.

3827 **11.03 ANNUAL REVENUE RECONCILIATION PROCESS**

3828 After completion of each Rate Year, a revenue reconciliation process will be
3829 implemented as provided in this Section and further described in Attachment K, Section
3830 10.

3831 The purpose of this process is to determine, for each Member Agency, the difference
3832 between the actual Net Revenue Billed by Contractor for such Member Agency for the
3833 preceding Rate Year and the calculated Contractor's Compensation approved for such
3834 Member Agency for that Rate Year.

3835 The Contractor shall submit a report to Agency and SBWMA on or before March 31 of
3836 each Rate Year, commencing March 31, 2021.

3837 The report shall include the following information (items) for the preceding Rate Year:

3838 A. **Gross Revenue Billed.** Gross Revenue Billed is the total amount billed by
3839 Contractor or Agency to Customers for all services attributable to the Rate Year in
3840 question as further defined in Attachment A. The report shall identify the amount of
3841 Gross Revenue Billed attributable to each Member Agency. (In the case of Member
3842 Agencies that bill Customers directly for some or all of the services provided by
3843 Contractor, Gross Revenue Billed shall include all amounts paid to Contractor by
3844 those Member Agencies.)

3845 B. **Payments to SBWMA.** Payments to SBWMA are the amounts charged by SBWMA
3846 for delivery of materials to the Designated Transfer and Disposal Facility. They do
3847 not include payments to SBWMA pursuant to Section 6.02 for excess
3848 Contamination. The report shall identify the amount of these payments attributable
3849 to each Member Agency, using the methodology described in Attachment K,
3850 Section 8.

3851 C. **Payments to Agencies for Franchise Fees and Other Fees Described in Article**
3852 **10.** The report shall identify the amount of these payments attributable to the Rate
3853 Year in question made to each Member Agency.

3854 D. **Revenues Attributable to Additional Service.** In addition to regularly scheduled
3855 Collection service, Contractor may provide additional services to Customers or

3856 Agency on regular basis or "on-call" basis. A list of these additional services and
3857 Charges is included as Attachment Q. Contractor shall bill Customer for these
3858 services, or Agency when services are provided to Agency, at Agency-approved
3859 Charges specified in Attachment Q. The report shall identify the amount of billings
3860 for each Member Agency for additional services listed on Attachment.

3861 Because the amount of such additional services may vary from year to year and is
3862 unpredictable, the costs and revenues associated with them are not included in
3863 SBWMA's prospective calculation of Contractor's Compensation or in the revenue
3864 reconciliation process described in Attachment K, with the exception that the
3865 revenue reconciliation process shall include Gross Billed Revenue received from
3866 SFD Customers that subscribe to Backyard Collection Services up to the first twenty
3867 percent (20%) of SFD Customers that subscribe to such service. If more than
3868 twenty percent (20%) of the SFD Customers subscribe to Backyard Collection
3869 Services, Contractor shall retain revenues received from SFD Customers in excess
3870 of the first twenty percent (20%) of SFD Customers that subscribe to Backyard
3871 Collection Services. For example, if 10,000 SFD Customer subscribe to Collection
3872 services, the Gross Billed Revenue from up to 2,000 SFD Customers subscribing to
3873 Backyard Collection Services shall be included in the revenue reconciliation
3874 process. To continue this example, revenues from any additional SFD Customers
3875 (above the first 2,000 Customers) subscribing to Backyard Collection Services shall
3876 not be included revenue reconciliation and shall be retained by the Contractor. The
3877 report provided by Contractor shall include the Backyard Collection Service
3878 revenues and calculation of the portion of such revenues to be included in the
3879 revenue reconciliation.

3880 E. **Net Revenue Billed.** Net Revenue Billed equals the result obtained by subtracting
3881 the sum of items B, C, and D above from item A above [i.e., Net Revenue Billed = A
3882 - (B+C+D)]. In this calculation, item D shall equal the Gross Revenue Billed from
3883 Attachment Q Charges less revenue to be included in the revenue reconciliation
3884 process for the Backyard Collection Service charge as described in item D above.

3885 F. **Liquidated Damages; Performance Incentives and Disincentives.** Liquidated
3886 Damages assessed by Member Agencies pursuant to Section 14.07 are not
3887 included in the revenue reconciliation process. Similarly, performance incentive
3888 payments and performance disincentive assessments provided for in Section 11.07
3889 are not included in the revenue reconciliation process.

3890 G. **Comparison to Contractor's Compensation.** The report shall identify the
3891 approved Contractor's Compensation for each Member Agency and shall compare it
3892 to Net Revenue Billed for such Member Agency to determine the revenue shortfall
3893 or revenue surplus.

3894 H. **SBWMA Review.** The SBWMA will review the report and underlying financial data
3895 for accuracy, will confer with Member Agencies to confirm data as to each Agency,
3896 and will meet with Contractor to resolve any errors or inconsistencies.

3897 The SBWMA will incorporate its conclusions as to revenue shortfalls or revenue
3898 surpluses experienced by Contractor as to each Member Agency into its calculation

3899 of Contractor's Compensation for the following Rate Year distributed to all Member
3900 Agencies in the fall of each year.

3901 I. **Final Rate Year.** The revenue reconciliation process will be conducted for the last
3902 Rate Year of the Agreement.

3903 **11.04 APPLICATION PROCESS FOR CONTRACTOR'S COMPENSATION**

3904 A. **Application Date and Content.** Contractor shall prepare and submit to Agency and
3905 SBWMA by June 15 of each year, beginning on June 15, 2020 for Rate Year Eleven
3906 (2021) Contractor's Compensation, an Application for determination of Contractor's
3907 Compensation for the next Rate Year. This Application shall cover all Member
3908 Agencies and shall present the calculation of Contractor's Compensation for each
3909 Member Agency using the methodology prescribed in Attachment K and illustrated
3910 in Attachment N. Contractor shall provide any additional information requested by
3911 the Agency or by SBWMA during its review of the Application.

3912 B. **Review of Application.** The Application shall be reviewed by SBWMA for
3913 accuracy and consistency with the procedures for determining Contractor's
3914 Compensation specified in this Agreement as described in Attachment K. SBWMA
3915 shall share with Contractor any factual or calculation errors identified in the
3916 Application and Contractor shall have the opportunity to revise its Application.

3917 C. **SBWMA Report on Application.** As provided in Attachment K, SBWMA staff shall
3918 distribute, on or before September 1 of each year, a report in draft form which (i)
3919 identifies the amount of Contractor's Compensation and Pass-Through Costs
3920 calculated for each Agency for the following Rate Year, and (ii) provides an overall
3921 percentage increase or decrease in Agency's Rates which SBWMA calculates will
3922 generate Customer revenues sufficient to cover Contractor's Compensation and
3923 Pass-Through Costs.

3924 SBWMA will take into account comments received from Agency and other Member
3925 Agencies within ten (10) Days after distribution of the report in draft form. A final
3926 report will be presented to and considered by the SBWMA Board of Directors and
3927 approved for distribution to all Member Agencies on or before October 1 of each
3928 year. The determination of Contractor's Compensation and the estimation of Pass-
3929 Through Costs for each Member Agency contained in the final Report shall be
3930 binding on Contractor and Agency.

3931 **11.05 SPECIAL COMPENSATION REVIEW**

3932 A. **Eligible Items.** The Contractor may apply to the Agency for consideration of a
3933 special review of Contractor's Compensation, and the Agency may initiate such a
3934 review, if one or more of the following events occur and cause an increase in or
3935 decrease to Contractor's Compensation by two percent (2%) or more for the then-
3936 current Rate Year. If one or more of the following events occur and cause an
3937 increase in or decrease to Contractor's Compensation by less than two percent
3938 (2%) for the then-current Rate Year, such cost impact shall be considered at the
3939 time the annual Contractor's Compensation adjustment process is performed in

- 3940 accordance with Section 11.02, and Contractor may be compensated retroactively
3941 for such cost subject to Agency approval.
- 3942 1. Provision of emergency services pursuant to Section 7.08.
- 3943 2. Flood, earthquake, or other similar catastrophic event affecting the Agency
3944 which is beyond the control of and not the fault of the Contractor.
- 3945 3. Change in Law occurring after January 1, 2011.
- 3946 4. Changes in the Rates charged for Backyard Collection Service and/or Curbside
3947 Collection Service that alter the price differential between the two, causing
3948 Customers to migrate from one to the other, with the result of increasing or
3949 decreasing Contractor's annual cost of operation by two percent (2%) or more.
- 3950 A special compensation review must be requested by Contractor, or initiated by
3951 Agency, within twelve (12) months after one of the above-described events has
3952 occurred unless otherwise agreed to by the Agency.
- 3953 B. **Ineligible Items.** A special review of Contractor's Compensation may not be
3954 initiated for any of the following reasons:
- 3955 1. Increases or decreases in Contractor's cost of operations in excess of the
3956 adjustments provided through the annual adjustment mechanism described in
3957 Attachment K.
- 3958 2. Growth or decline in the number of Customers or their service levels, with the
3959 exception of adjustments described in Attachment K.
- 3960 3. Changes in the mix of Container sizes or frequency of Collection, with the
3961 exception of adjustments described in Attachment K.
- 3962 C. **Review of Costs.** Agency shall have the right to review any and all financial and
3963 operating records of Contractor. Agency will take into account the net overall impact
3964 of the event on Contractor's Compensation, including reductions in cost resulting
3965 from curtailments in service levels or other factors.
- 3966 D. **Submittal of Request.** Contractor must submit its request for a special review in a
3967 form and manner specified by the Agency, together with required cost and
3968 operational data. Agency will review the request and determine the amount owed, if
3969 any, to Contractor and the time period to be covered by special compensation
3970 circumstances.
- 3971 E. **Burden of Justification.** In a special compensation review under this Section,
3972 Contractor shall bear the burden of justifying to the Agency by substantial evidence
3973 its entitlement to continuation of current, as well as any increases in, Contractor's
3974 Compensation. If the Agency determines that the Contractor has not met its
3975 burden, it shall notify Contractor that it is prepared to deny Contractor's request for
3976 an increase in compensation, or to proceed with a reduction in compensation.
3977 Within ten (10) Days after such notice, Contractor may request a hearing before the
3978 Agency's governing body to produce additional evidence. Upon such request, the
3979 Agency shall provide a hearing before the Agency governing body.

3980 F. **Hearing.** Based on evidence presented to it, including, that submitted by
3981 Contractor, the Agency governing body may grant some, all, or none of the
3982 requested increase in, or may reduce, Contractor's Compensation. In the event
3983 Agency denies Contractor's requested increase in whole or in part, Contractor shall
3984 have the right to present its claim to a court of competent jurisdiction.

3985 G. **Cost of Review.** Contractor shall bear all reasonable costs incurred by Agency
3986 (including assistance provided to it by SBWMA) of a special review which it has
3987 requested up to a maximum of sixty thousand dollars (\$60,000). Costs of a review
3988 requested by Contractor may not be included in Contractor's Compensation,
3989 charged to Agency or Customers, nor included in the calculation used as rationale
3990 to initiate a special compensation review.

3991 **11.06 COMPENSATION ADJUSTMENTS FOR CHANGES IN SCOPE OF SERVICES OR**
3992 **SERVICE LEVELS**

3993 In the event the Agency directs a change in accordance with Section 15.12, an equitable
3994 adjustment in Contractor's Compensation will be made, effective with the
3995 commencement of the change, to reflect increases or decreases, if any, in Contractor's
3996 Compensation. The adjustment in compensation will also reflect the corresponding
3997 change in profit. The change in Contractor's Compensation will therefore consist of the
3998 sum of (i) the incremental change to costs, and (ii) profit adjustment at the allowed
3999 operating ratio of ninety and one-half percent (90.5%).

4000 Within forty-five (45) Days of a request by Agency to initiate a change in service,
4001 Contractor shall present a proposal to Agency containing a complete description of the
4002 following, if and to the extent applicable:

- 4003 1. Collection methodology to be employed.
- 4004 2. Equipment to be utilized (number of vehicles, types, capacity, age, etc.).
- 4005 3. Labor requirements (number of employees by classification).
- 4006 4. Type of Containers to be used.
- 4007 5. Description of program publicity/education/marketing materials to be developed.
- 4008 6. Estimated Tonnage to be diverted and the methodology for determining that
4009 diverted Tonnage.
- 4010 7. Anticipated impacts of the change, if any, on performance incentive and disincentive
4011 measures included in Attachment I.
- 4012 8. Description of end uses of Collected material.
- 4013 9. Three (3) year projection of the financial impact of the program's operations in a
4014 balance sheet and operating statement format including documentation of the key
4015 assumptions underlying the projections and the support for those assumptions,
4016 giving full effect to the savings or costs to existing services and the Rate impact to
4017 affected Customers.
- 4018 10. Monitoring tools and quantitative measures including: cost per Ton; annual
4019 diversion; and pre-implementation as well as expected post-implementation route
4020 information including cost per route and accounts or lifts per route per Day.

4021 **11.07 RATE-SETTING PROCESS**

4022 A. **General.** The Agency shall be solely responsible for establishing and adjusting
4023 Rates as described in this Article.

4024 B. **Annual Review Process.** The Rates shall be reviewed annually by Agency,
4025 commencing with Rate Year Eleven (2021) and continuing through the remaining
4026 Term including any extension periods. The Agency shall adjust Rates as necessary
4027 to generate annual Gross Revenues Billed equal to Contractor's Compensation
4028 approved for the Rate Year and other approved Pass-Through Costs (such as
4029 Disposal and processing costs and Agency fees).

4030 If Agency elects to set Rates that are below those recommended in the SBWMA
4031 report, (or delays acting to revise Rates such that the recommended Rates do not
4032 go into effect until after January 1), and the Revenue Reconciliation process
4033 conducted by SBWMA for that Rate Year demonstrates that Net Revenues Billed
4034 were less than the approved Contractor's Compensation contained in the SBWMA
4035 report, interest shall accrue on the difference. Interest shall apply (i) to fifty percent
4036 (50%) of the difference during the Rate Year in which the shortfall in revenue
4037 occurred, and (ii) one-hundred percent (100%) of the difference during the
4038 immediately following Rate Year. The interest rate applied to both years shall be
4039 the prime rate in effect when SBWMA issued the report for that Rate Year plus one
4040 percent (1%). Interest payment arrangements shall be governed by the July 8, 2015
4041 Memorandum of Understanding between Contractor and SBWMA, which is
4042 provided in Attachment S.

4043 C. **Rate Structure.** The Agency shall have the sole and exclusive right to change the
4044 relationship of individual Rates in comparison with other Rates and to allocate total
4045 Contractor's Compensation among Service Sectors and Lines of Business. If a
4046 change in the Rates charged for Backyard Collection service or Curbside Collection
4047 service causes a Customer migration from one to the other which in turn increases
4048 or decreases Contractor's annual cost of operation, either Party may initiate a
4049 special compensation review subject to conditions specified in Section 11.05.

4050 If at any time Contractor believes that a Rate not included in the Agency-approved
4051 Rate schedule would be necessary or useful, Contractor shall notify the Agency and
4052 recommend establishment of such Rate. For example, if a Customer requests
4053 Collection of a fifteen (15) cubic yard Compactor five (5) times per week and the
4054 Agency-approved Rate schedule does not include this level of service, the
4055 Contractor shall recommend that the Agency establish a Rate for this level of
4056 service.

4057 D. **Liquidated Damages.** Contractor shall pay Agency the amounts, if any, due for
4058 Liquidated Damages under Section 14.07 and Attachment J with submittal of its
4059 annual report to Agency pursuant to Section 9.07.

4060 E. **Performance Incentives and Disincentives.** Contractor shall submit an annual
4061 report on the Performance Incentives and Disincentives detailed in Attachment I
4062 with submittal of its quarterly and annual reports to Agency and SBWMA pursuant
4063 to Section 9.06 and Section 9.07. Contractor shall pay Agency or Agency shall pay
4064 Contractor the net amount, if any, due for Performance Incentives and Disincentives
4065 calculated pursuant to Section 11.07, Attachment I, and Attachment N.

4066 Payment related to Performance Incentives and Disincentives are to be included in
4067 Contractor's Application and Contractor's Compensation for the next Rate Year will
4068 be increased or decreased by the net amount of Performance Incentive payments
4069 and Disincentive assessments calculated.

4070 **11.08 NOTICE OF RATE ADJUSTMENTS**

4071 If requested by Agency, Contractor shall provide Agency with a complete and current list
4072 of its Customer addresses within ten (10) Days of the request. In addition, if requested
4073 by Agency, Contractor shall arrange for notices (prepared by Agency) to be mailed.

4074 **11.09 POTENTIAL RATE CONSTRAINTS**

4075 A. The parties recognize that, as of the date this Agreement is entered into, there is no
4076 authoritative judicial determination of whether Articles 13.C and 13.D of the
4077 California Constitution apply to rates and charges imposed by private enterprises for
4078 Solid Waste handling and Recycling services when those charges are regulated by
4079 a local government.

4080 Until such authoritative judicial guidance is available, the Agency reserves the right,
4081 in its sole discretion to provide notice of proposed Rates or Charges increases, and
4082 an opportunity for public hearing and protest as required by Article 13.D of the
4083 California Constitution.

4084 B. The Agency will not be in default of this Agreement if (i) a majority protest prevents
4085 a proposed Rate increase from being adopted, (ii) a court rules that Rates adopted
4086 by the Agency are not consistent with Article 13.D, or (iii) an initiative reduces Rates
4087 from those in effect. After any such event, the Parties shall promptly meet and
4088 confer in good faith to consider modifications to service levels commensurate with
4089 the Rates that Contractor may legally charge.

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ARTICLE 12
AGENCY RIGHT TO USE EQUIPMENT AND
FACILITIES

4095 **12.01 PURPOSE**

4096 The Parties recognize (i) that frequent and continuous collection of Solid Waste,
4097 Targeted Recyclable Materials, and Organic Materials is an essential public service and
4098 an important element of public health in developed communities such as Agency, and (ii)
4099 that even a temporary interruption in the Collection and transport services entrusted to
4100 Contractor may threaten the public health and safety, as well as causing serious
4101 financial harm to business operations in the Agency.

4102 The purpose of this Article is to provide the Agency the ability to respond to such threats
4103 to the public health, safety, and welfare by making use of Contractor's Facilities and
4104 equipment. This Article applies to any interruption of services, regardless of whether or
4105 not Contractor's failure to perform is excused under Section 14.09.

4106 **12.02 CONDITIONS AUTHORIZING AGENCY'S RIGHT TO USE OF FACILITIES AND**
4107 **EQUIPMENT**

4108 If Contractor, for any reason, fails, refuses or is unable to Collect Solid Waste, Targeted
4109 Recyclable Materials, and Organic Materials at the times and in the manner required by
4110 this Agreement, and transport them to the Designated Transfer and Processing Facility,
4111 for more than two (2) Business Days, Agency may invoke this Article. Agency shall
4112 provide Contractor written notice that it intends to consider invoking this Article at a
4113 public meeting of its governing body, to be held two (2) or more Business Days from the
4114 date of the notice.

4115 At the meeting, the governing body may invoke its rights under this Article if it
4116 determines that there has been an interruption in Collection service and that such
4117 interruption may continue, thereby threatening the public health, safety and welfare. If
4118 the governing body makes that determination, it may also determine to exercise the
4119 Agency's right to (i) perform Collection and transport services with its own personnel
4120 and/or those of other Member Agencies which have invoked this right under their
4121 Franchise Agreements with Contractor or authorize a third party to do so, and (ii) take
4122 possession of any of Contractor's property, including vehicles and other equipment used
4123 or useful in providing such services or in the Billing and collection of Rates billed for such
4124 services (collectively "Properties").

4125 **12.03 NOTICE TO CONTRACTOR**

4126 Agency shall deliver written notice to Contractor of its determination to exercise its right
4127 to provide Collection services and to make use of Contractor's Properties to do so.
4128 Upon receipt of the notice, Contractor shall immediately take all steps necessary to
4129 make available to Agency any of its vehicles and equipment that are requested by
4130 Agency. Contractor shall also cooperate in any other way requested by Agency to assist
4131 Agency in providing Collection services on a temporary basis.

4132 **12.04 RIGHTS AND RESPONSIBILITIES OF PARTIES**

4133 Agency will be responsible for the proper use and operation of Contractor's Properties,
4134 including maintenance and repair of vehicles and equipment. Agency will defend,
4135 indemnify and hold Contractor harmless from claims by third parties that are due solely
4136 to Agency's negligence in operating Contractor's vehicles or equipment, and not due in
4137 whole or in part to defects in the design or manufacture of the vehicles or equipment or
4138 to Contractor's failure to maintain them in good and safe operating condition.

4139 If the interruption in service is excused under Section 14.09, Agency will pay Contractor
4140 one hundred dollars (\$100) per Business Day per vehicle, which will constitute full
4141 compensation for use of all Properties. If the interruption in service constitutes a breach
4142 of contract or default, no payment is required.

4143 Revenue received from Customers that is attributable to the period of time during which
4144 Agency provides temporary Collection service shall accrue to Agency rather than
4145 Contractor.

4146 Agency may delegate the use and operation of any or all of Contractor's Properties to a
4147 third party.

4148 If the interruption of Collection service is caused by a breach of contract or default by
4149 Contractor, Liquidated Damages and performance disincentives will continue to accrue
4150 until Contractor resumes the provision of Collection services in full compliance with the
4151 Agreement.

4152 **12.05 DURATION OF AGENCY'S RIGHT TO POSSESSION AND USE OF**
4153 **VEHICLES/EQUIPMENT**

4154 Agency may retain possession of Contractor's Properties and provide Collection
4155 services until the Contractor demonstrates to Agency's satisfaction that it is ready,
4156 willing, and able to resume providing such services, or one hundred eighty (180) Days
4157 from the notice given under Section 12.03, whichever occurs first.

4158 Agency has no obligation to exercise its rights under this Article or, having done so, to
4159 continue to provide Collection services. It may at any time, in its sole discretion,
4160 relinquish possession of Contractor's Properties to Contractor.

4161 Contractor's Properties shall be returned to Contractor in a condition substantially the
4162 same as that which existed at the time the Agency took possession of them, ordinary
4163 wear and tear excepted.

4164 **12.06 GENERAL**

4165 The Agency's exercise of its rights under this Article, (i) does not constitute taking or
4166 damaging of property for which compensation (other than as provided in this Article)
4167 must be paid, and (ii) does not exempt Contractor from its indemnity obligations under
4168 Article 13, which are meant to extend to circumstances arising under this Article,
4169 provided that Contractor is not required to indemnify Agency against claims arising from
4170 the sole negligence of Agency's employees or agents in the operation and use of
4171 Contractor's Properties during the time the Agency has sole possession of them.

4172 The Agency's exercise of its rights under this Article does not limit its ability to seek any
4173 of the remedies available to it under Article 14.

4174 The Agency's rights under this Article do not preclude its permanent acquisition of
4175 Contractor's vehicles and equipment used in providing service to Agency through the
4176 exercise of eminent domain.
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ARTICLE 13
INDEMNITY, INSURANCE, BOND, GUARANTY

4180 **13.01 INDEMNIFICATION**

4181 Contractor shall indemnify, defend, and hold harmless Agency, its officers, employees
4182 and agents (collectively, the "Indemnitees"), from and against (i) any and all liability,
4183 penalty, claim, demand, action, proceeding, or suit, of any and every kind and
4184 description, whether judicial, quasi-judicial, or administrative in nature, (ii) any and all
4185 loss including, but not limited to, injury to and death of any person and damage to
4186 property, and (iii) contribution or indemnity demanded by third parties (collectively, the
4187 "Claims"), arising out of or occasioned in any way by, directly or indirectly, Contractor's
4188 performance of, or its failure to perform, its obligations under this Agreement. The
4189 foregoing indemnity shall not apply to the extent that a Claim is caused solely by the
4190 active negligence or intentional misconduct of the Indemnitees, but shall apply if the
4191 Claim is caused by the joint negligence of Contractor and other Persons, including an
4192 Indemnatee. Upon the occurrence of any Claim, Contractor shall defend (with attorneys
4193 reasonably acceptable to Agency) the Indemnitees. Contractor's duty to defend and
4194 indemnify shall survive the expiration or earlier termination of this Agreement.

4195 **13.02 INSURANCE**

4196 A. **Types and Amounts of Coverage.** Contractor shall procure from an insurance
4197 company or companies admitted or authorized to do business in the State of
4198 California, and shall maintain in force at all times during the Term, the following
4199 types and amounts of insurance:

4200 1. **Workers' Compensation and Employer's Liability.** Contractor shall maintain
4201 workers' compensation insurance covering its employees in statutory amounts
4202 and otherwise in compliance with the laws of the State of California. Contractor
4203 shall maintain employer's liability insurance in an amount not less than one
4204 million dollars (\$1,000,000) per accident or disease. Contractor shall not be
4205 obligated to carry workers compensation insurance if (i) it qualifies under
4206 California law and continuously complies with all statutory obligations to self-
4207 insure against such risks; (ii) furnishes a certificate of Permission to Self Insure
4208 issued by the Department of Industrial Relations; and (iii) furnishes updated
4209 certificates of Permission to Self Insure periodically to evidence continuous self
4210 insurance.

4211 2. **Comprehensive General Liability.** Contractor shall maintain comprehensive
4212 general liability insurance with a combined single limit of not less than ten million
4213 dollars (\$10,000,000) per occurrence covering all claims and all legal liability for
4214 personal injury, bodily injury, death, and property damage, including the loss of
4215 use thereof, arising out of, or occasioned in any way by, directly or indirectly,
4216 Contractor's performance of, or its failure to perform, services under this
4217 Agreement.

4218 The insurance required by this subsection shall include:

4219 (i) Premises Operations (including use of owned and non-owned
4220 equipment);

- 4221 (ii) Personal Injury Liability with employment exclusion deleted;
- 4222 (iii) Broad Form Blanket Contractual with no exclusions for bodily injury,
- 4223 personal injury or property damage (including coverage for the
- 4224 indemnity obligations contained herein);
- 4225 (iv) Owned, Non-Owned, and Hired Motor Vehicles;
- 4226 (v) Broad Form Property Damage.

4227 The comprehensive general liability insurance shall be written on an "occurrence"
 4228 basis (rather than a "claims made" basis) in a form at least as broad as the most
 4229 current version of the Insurance Service Office commercial general liability
 4230 occurrence policy form (CG0001). If occurrence coverage is not obtainable,
 4231 Contractor must arrange for "tail coverage" on a claims made policy to protect
 4232 Agency from claims filed within four (4) years after the expiration or earlier
 4233 termination of this Agreement relating to incidents that occurred prior to such
 4234 expiration or termination.

4235 3. Automobile Liability. Contractor shall maintain automobile liability insurance
 4236 covering all vehicles used in performing service under this Agreement with a
 4237 combined single limit of not less than ten million dollars (\$10,000,000) per
 4238 occurrence for bodily injury and property damage.

4239 4. Pollution (Environmental Impairment) Liability. Contractor shall maintain pollution
 4240 liability insurance coverage of not less than ten million dollars (\$10,000,000) per
 4241 occurrence covering claims for on-site, under-site, or off-site bodily injury and
 4242 property damage as a result of pollution conditions arising out of its operations
 4243 under this Agreement.

4244 B. Acceptability of Insureds. The insurance policies required by this section shall be
 4245 issued by an insurance company or companies admitted to do business in the State
 4246 of California, subject to the jurisdiction of the California Insurance Commissioner,
 4247 and with a rating in the most recent edition of Best's Insurance Reports of size
 4248 category XV or larger and a rating classification of A+ or better.

4249 C. Required Endorsements. Without limiting the generality of Sections 13.02.A and
 4250 13.02.B, the policies shall contain endorsements in substantially the following form:

- 4251 1. Workers' Compensation and Employers' Liability Policy.
- 4252 (a) "Thirty (30) Days prior written notice shall be given to the West Bay
- 4253 Sanitary District in the event of cancellation or non-renewal of this policy."
- 4254 Such notice shall be sent to:
- 4255 West Bay Sanitary District
- 4256 500 Laurel Street, Menlo Park, CA 94025
- 4257 Attn: District Manager
- 4258 (b) "Insurer waives all right of subrogation against the West Bay Sanitary District
- 4259 and its officers and employees for injuries or illnesses arising from work
- 4260 performed for the West Bay Sanitary District."

4261 2. Comprehensive General Liability Policy; Automobile Liability Policy; Pollution
 4262 Liability Policy; and Hazardous Materials Policy.

- 4263 (a) "Thirty (30) Days prior written notice shall be given to the West Bay Sanitary
4264 District in the event of cancellation, reduction of coverage, or non-renewal of
4265 this policy." Such notice shall be sent to:
- 4266 West Bay Sanitary District
4267 500 Laurel Street, Menlo Park, CA 94025
4268 Attn: District Manager
- 4269 (b) "The West Bay Sanitary District, its officers, employees, and agents are
4270 additional insureds on this policy."
- 4271 (c) "This policy shall be considered primary insurance as respects any other
4272 valid and collectible insurance maintained by the West Bay Sanitary District,
4273 including any self-insured retention or program of self-insurance, and any
4274 other such insurance shall be considered excess insurance only."
- 4275 (d) "Inclusion of the West Bay Sanitary District as an insured shall not affect the
4276 West Bay Sanitary District's rights as respects any claim, demand, suit or
4277 judgment brought or recovered against the Contractor. This policy shall
4278 protect Contractor and the West Bay Sanitary District in the same manner as
4279 though a separate policy had been issued to each, but this shall not operate
4280 to increase the company's liability as set forth in the policy beyond the
4281 amount shown or to which the company would have been liable if only one
4282 party had been named as an insured."
- 4283 D. **Deductibles and Self-Insured Retentions.** The liability policies described in
4284 Sections 13.02.A(2) and 13.02.A(3) may contain a deductible or self-insured
4285 retention not to exceed \$500,000 per occurrence. This amount may not be
4286 increased without Agency's prior written consent.
- 4287 Contractor remains responsible for the payment of all losses and investigation,
4288 claim administration and defense expenses, including those of the Agency.
- 4289 E. **Delivery of Proof of Coverage.** No later than ninety (90) Days before the
4290 commencement of operations, Contractor shall furnish Agency one or more
4291 certificates of insurance on a standard ACORD form substantiating that each of the
4292 coverages required hereunder is in force, in form and substance satisfactory to
4293 Agency. Such certificates shall show the type and amount of coverage, effective
4294 dates and dates of expiration of policies and shall be accompanied by all required
4295 endorsements. If Agency requests, copies of each policy, together with all
4296 endorsements, shall also be promptly delivered to Agency. Contractor shall furnish
4297 renewal certificates to Agency to demonstrate maintenance of the required
4298 coverages throughout the Term.
- 4299 F. **Other Insurance Requirements**
- 4300 1. In the event performance of any services is delegated to a Subcontractor,
4301 Contractor shall require such subcontractor to provide statutory workers'
4302 compensation insurance and employer's liability insurance for all of the
4303 Subcontractor's employees engaged in the work. The liability insurance
4304 required by Section 13.02.A(2) and the automobile liability policy required by
4305 Section 13.02.A(3) shall cover all Subcontractors or the Subcontractor must
4306 furnish evidence of insurance provided by it meeting all of the requirements of
4307 this Section 13.02.

- 4308 2. Contractor shall comply with all requirements of the insurers issuing policies.
 4309 The carrying of insurance shall not relieve Contractor from any obligation under
 4310 this Agreement, including those imposed by Section 13.01. If any claim is
 4311 made by any third Person against Contractor or any Subcontractor on account
 4312 of any occurrence related to this Agreement, other than claims by employees
 4313 for work-related incidents, Contractor shall promptly report the facts in writing to
 4314 the insurance carrier and to the Agency.
- 4315 3. If Contractor fails to procure and maintain any insurance required by this
 4316 Agreement, Agency may take out and maintain such insurance as it may deem
 4317 proper and may require Contractor to reimburse it for the cost incurred within
 4318 thirty (30) Days and/or deduct the cost from any monies due Contractor.
 4319 Agency may also treat the failure as a Contractor default.
- 4320 4. Agency is not responsible for payment of premiums for or deductibles under
 4321 any required insurance coverages.
- 4322 5. Any excess or umbrella policies shall be written on a "following form" basis.

4323 **13.03 FAITHFUL PERFORMANCE BOND**

4324 Pursuant to the 2009 Franchise Agreement, Contractor shall have a faithful performance
 4325 bond in effect until December 31, 2020. On or before the Commencement Date,
 4326 Contractor shall file with Agency a bond securing the Contractor's faithful performance of
 4327 its obligations under this Agreement. The principal sum of the bond shall be no less
 4328 than ten percent (10%) of the amount of the Rate Year Ten (2020) annual Revenue
 4329 Requirement for Agency shown on Attachment N. The form of the bond shall be as set
 4330 out in Attachment F. The bond shall be executed as surety by a corporation admitted to
 4331 issue surety bonds in the State of California, regulated by the California Insurance
 4332 Commissioner, and with a financial condition and record of service satisfactory to
 4333 Agency.

4334 The term of the bond shall be twenty-four (24) months. The bond shall be extended, or
 4335 replaced by a new bond in the same principal sum (adjusted by the Annual Index
 4336 Change in the CPI-U, which are defined in Attachment K), for the same term (i.e.,
 4337 twenty-four (24) months) and in the same form, bi-annually thereafter. Not less than
 4338 ninety (90) Days before the expiration of the initial, or any subsequent, bond, Contractor
 4339 shall furnish either a replacement bond or a continuation certificate substantially in the
 4340 form attached as Attachment F, executed by the surety.

4341 It is the intention of this Section that there be in full force and effect at all times a bond
 4342 securing the Contractor's faithful performance of the Agreement, throughout its Term.

4343 For the purposes of this Section, the Consumer Price Index shall be "CPI-U" means the
 4344 All Urban Consumers Index (CPI-U) compiled and published by the U.S. Department of
 4345 Labor, Bureau of Labor Statistics or its successor agency, using the following
 4346 parameters.

- 4347 CPI-U Parameters:
 4348 Area – San Francisco-Oakland-San Jose Metropolitan Area
 4349 Item – All Items
 4350 Base Period – Current 1982-84=100
 4351 Not seasonally adjusted
 4352 Periodicity – Bi-monthly

4353

Series ID – cuura422sa0

4354 **13.04 ALTERNATIVE SECURITY**

4355 Agency may, in its sole discretion, allow Contractor to provide alternative security in the
4356 amount set forth in Section 13.03, in the form of (a) a prepaid irrevocable standby letter
4357 of credit in form and substance satisfactory to Agency, approved by the Agency's
4358 Attorney and issued by a financial institution acceptable to Agency, or (b) a certificate of
4359 deposit in the name of the Agency and in a form and with a term satisfactory to Agency,
4360 accompanied by an agreement giving Agency the right to draw on the funds deposited
4361 satisfactory to Agency and with a financial institution acceptable to Agency. Interest on
4362 the certificate of deposit will be payable to Contractor.

4363 **13.05 HAZARDOUS WASTE INDEMNIFICATION**

4364 Contractor shall indemnify, defend, and hold harmless the Indemnitees against all
4365 claims, of any kind whatsoever paid, incurred, or suffered by, or asserted against
4366 Indemnitees arising from or attributable to any repair, cleanup or detoxification, or
4367 preparation and implementation of any removal, remedial, response, closure, or other
4368 plan (regardless of whether undertaken due to governmental action) concerning any
4369 Hazardous Wastes released, spilled, or disposed of by Contractor pursuant to this
4370 Agreement. The foregoing indemnity is intended to operate as an agreement pursuant
4371 to Section 107(e) of the Comprehensive Environmental Response, Compensation and
4372 Liability Act, ("CERCLA"), 42 U.S.C. Section 9607(e), and California Health and Safety
4373 Code Section 25364, to defend, protect, hold harmless, and indemnify Indemnitees from
4374 liability and shall survive the expiration or earlier termination of this Agreement.
4375 Notwithstanding the foregoing, Contractor is not required to indemnify the Indemnitees
4376 against claims arising from Contractor's delivery of Solid Waste, Recyclable Materials,
4377 and Organic Materials to the Designated Transfer and Processing Facility, or their
4378 subsequent delivery to other processing locations or the ultimate Disposal Site, unless
4379 such claims are due to Contractor's negligence or willful misconduct.

4380 **13.06 INDEMNIFICATION RELATED TO VARIOUS STATE REQUIREMENTS**

4381 Contractor agrees to indemnify and hold harmless the Indemnitees against all fines
4382 and/or penalties imposed by the California Department of Resources Recycling and
4383 Recovery (CalRecycle) or the Local Enforcement Agency (LEA) based on Contractor's
4384 failure to comply with laws, regulations, or permits issued or enforced by CalRecycle or
4385 the LEA or caused or contributed to by the Contractor's failure to perform obligations
4386 under this Agreement. This indemnity obligation is subject to the limitations and
4387 conditions in Public Resource Code Section 40059.1 but is enforceable to the maximum
4388 extent allowable by that Section. This indemnity shall survive the termination or earlier
4389 expiration of this Agreement. The indemnity shall pertain to the Act, AB 341, AB 901, AB
4390 1826, AB 1594, SB 1016, SB 1383, and other laws, regulations, or permits issued or
4391 enforced by the CalRecycle or the LEA.

4392 **13.07 GUARANTY**

4393 Concurrently with execution of the 2009 Franchise Agreement, Contractor furnished a
4394 Guaranty of its performance thereunder, in the form of Attachment G, properly executed
4395 by Recology Inc., a California corporation. Said Guaranty by its terms applies to any

4396 amendment to the 2009 Franchise Agreement, including this Agreement. Recology Inc.
4397 then owned and as of the date hereof continues to own all of the issued and outstanding
4398 common stock of Contractor.

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ARTICLE 14

DEFAULT AND REMEDIES

4402 **14.01 EVENTS OF DEFAULT**

4403 Each of the following shall constitute an event of default ("Contractor default"):

4404 A. Contractor fails to perform its obligations under Article 5, 6, or 7 of this Agreement
4405 and its failure to perform is not cured within ten (10) Business Days after written
4406 notice from Agency.

4407 B. Contractor fails to perform its obligations under any other Article of this Agreement
4408 and its failure to perform is not cured within ten (10) Days after written notice from
4409 Agency, provided that if the nature of the failure is such that it will reasonably
4410 require more than ten (10) Days to cure, Contractor shall not be in default so long
4411 as it promptly commences the cure and diligently proceeds to completion of the
4412 cure, and provided further that neither notice nor opportunity to cure applies to
4413 events described in subsections C through H.

4414 C. Contractor ceases to provide Collection and transportation services for a period of
4415 two (2) Business Days for any reason within the Contractor's control, including labor
4416 unrest such as strike, work stoppage or slowdown, sickout, picketing, or other
4417 concerted job action by Contractor's employees.

4418 D. Contractor files a voluntary petition for relief under any bankruptcy, insolvency, or
4419 similar law.

4420 E. An involuntary petition is brought against Contractor under any bankruptcy,
4421 insolvency, or similar law which remains un-dismissed or un-stayed for ninety (90)
4422 Days.

4423 F. Contractor fails to furnish a replacement bond or a continuation certificate of the
4424 existing bond not less than ten (10) Days before expiration of the performance
4425 bond, as required by Section 13.03 or fails to maintain all required insurance
4426 coverage in force.

4427 G. Contractor fails to provide reasonable assurance of performance when required
4428 under Section 14.10.

4429 H. A representation or warranty contained in Article 2 proves to be false or misleading
4430 in a material respect as of the date such representation or warranty was made.

4431 **14.02 RIGHT TO SUSPEND OR TERMINATE UPON DEFAULT**

4432 A. Upon any Contractor default, Agency may terminate this Agreement or suspend it, in
4433 whole or in part. Such suspension or termination shall be effective thirty (30) Days
4434 after Agency has given notice of suspension or termination to Contractor, except that
4435 such notice may be effective in a shorter period of time, or immediately, if the
4436 Contractor default is one which endangers the health, welfare, or safety of the public,
4437 such as the failure to Collect Solid Waste, Recyclable Materials, or Organic Materials
4438 for the period of time specified in Section 14.01.C. Notice may be given orally in
4439 person or by telephone to the representative of Contractor designated in or under

4440 Section 15.10 (or, if he/she is unavailable, to a responsible employee of Contractor)
4441 and shall be effective immediately. Written confirmation of such oral notice of
4442 suspension or termination shall be sent by personal delivery, facsimile, or other
4443 expedited means of delivery to Contractor within twenty-four (24) hours of the oral
4444 notification at the address shown in Section 15.09. Contractor shall continue to
4445 perform the portions of the Agreement, if any, not suspended, in full conformity with
4446 its terms.

4447 B. Agency may also suspend or terminate this Agreement, upon the same notice
4448 provisions, if Contractor's ability to perform is prevented or materially interfered with
4449 by a cause which excuses nonperformance under Section 14.09, despite the fact
4450 that nonperformance in such a case is neither a breach nor a Contractor default.

4451 **14.03 SPECIFIC PERFORMANCE**

4452 By virtue of the nature of this Agreement, the urgency of timely, continuous, and high-
4453 quality service, the lead time required to effect alternative service, and the rights granted
4454 by Agency to Contractor, the remedy of damages for a breach hereof by Contractor is
4455 inadequate and Agency shall be entitled to injunctive relief.

4456 **14.04 RIGHT TO PERFORM; USE OF CONTRACTOR PROPERTY**

4457 If this Agreement is suspended and/or terminated due to a Contractor default, Agency
4458 shall have the right to perform, by contract, in conjunction with other Member Agencies,
4459 or otherwise, the work herein or such part thereof as it may deem necessary. In the
4460 event of Contractor's default, Agency shall have the right to use any of Contractor's
4461 equipment, Facilities, and other property reasonably necessary for the provision of
4462 services hereunder and for the Billing and collection of Rates and Charges billed for
4463 those services, upon the terms provided in Article 12. Agency shall have the right to
4464 continue use of such property until other suitable arrangements can be made for the
4465 provision of such services, which may include the award of a contract to another service
4466 provider.

4467 **14.05 DAMAGES**

4468 Contractor shall be liable to Agency for all direct, indirect, special, and consequential
4469 damages arising out of Contractor's default. This Section is intended to be declarative of
4470 existing California law.

4471 **14.06 AGENCY'S REMEDIES CUMULATIVE**

4472 Agency's rights to suspend or terminate the Agreement under Section 14.02, to obtain
4473 specific performance under Section 14.03, and to perform under Section 14.04 are not
4474 exclusive, and Agency's exercise of one such right shall not constitute an election of
4475 remedies. Instead, they shall be in addition to any and all other legal and equitable
4476 rights and remedies that Agency may have, including a legal action for damages under
4477 Section 14.05 or imposition of Liquidated Damages under Section 14.07.

4478 **14.07 LIQUIDATED DAMAGES**

4479 The Parties acknowledge that consistent, courteous, and efficient Collection of Solid
4480 Waste, Targeted Recyclable Materials, and Organic Materials is of utmost importance
4481 and Agency has considered and relied on Contractor's representations as to its quality of

4482 service commitment in entering into this Agreement. The Parties further recognize that
4483 quantified standards of performance are necessary and appropriate to ensure consistent
4484 and reliable service. The Parties further recognize that if Contractor fails to achieve the
4485 performance standards, Agency and its residents will suffer damages and that it is and
4486 will be impracticable and extremely difficult to ascertain and determine the exact amount
4487 of damages that Agency will suffer. Therefore, the Parties agree that the Liquidated
4488 Damage amounts listed in Attachment J and the Performance Disincentive amounts
4489 listed in Attachment I represent a reasonable estimate of the amount of such damages
4490 considering all of the circumstances existing on the date of this Agreement, including the
4491 relationship of the sums to the range of harm to Agency that reasonably could be
4492 anticipated and recognition that proof of actual damages would be costly or
4493 inconvenient. By initialing the places provided, each Party specifically confirms the
4494 accuracy of the statements made above and the fact that each Party had ample
4495 opportunity to consult with legal counsel and obtain an explanation of this liquidated
4496 damage provision at the time that this Agreement was made.

4497 Contractor Initial Here: dy5 Agency Initial Here: AS

4498 Contractor agrees to pay (as liquidated damages and not as a penalty) the amount set
4499 forth in Attachments J and I.

4500 In addition to considering the reports submitted by Contractor pursuant to Article 9,
4501 Agency may determine the occurrence of events giving rise to Liquidated Damages or
4502 Performance Disincentives through the observation of its own employees or agents,
4503 through discussions with Customers, and through investigation of Customer Complaints
4504 made directly to Agency. Prior to assessing Liquidated Damages or Performance
4505 Disincentives based on such observations or investigations, Agency shall give
4506 Contractor notice of its intention to do so. The notice will include a brief description of
4507 the incident(s)/non-performance. Contractor may review (and make copies at its own
4508 expense) all non-confidential information in the possession of Agency relating to
4509 incident(s)/non-performance. Contractor may, within ten (10) Days after receiving the
4510 notice, request a meeting with Agency's Manager or his or her designee. Contractor
4511 may present evidence in writing and through testimony of its employees and others
4512 relevant to the incident(s)/non-performance. Agency's Manager or his or her designee
4513 will provide Contractor with a written explanation of his or her determination on each
4514 incident(s)/non-performance prior to authorizing the assessment of Liquidated Damages
4515 or Performance Disincentives. The decision of Agency's Manager or his or her designee
4516 shall be final.

4517 Agency's right to recover Liquidated Damages for Contractor's failure to meet the
4518 service performance standards shall not preclude Agency from obtaining equitable relief
4519 for persistent failures to meet such standards nor from terminating the Agreement for
4520 such persistent failures.

4521 **14.08 AGENCY DEFAULT**

4522 Agency shall be in default under this Agreement ("Agency default") in the event Agency
4523 commits a material breach of the Agreement and fails to cure such breach within thirty
4524 (30) Days after receiving notice from the Contractor specifying the breach, provided that
4525 if the nature of the breach is such that it will reasonably require more than thirty (30)
4526 Days to cure, Agency shall not be in default so long as Agency promptly commences the
4527 cure and diligently proceeds to completion of the cure.

4528 In the event of an asserted Agency default, Contractor shall continue to perform all of its
4529 obligations hereunder until a court of competent jurisdiction has issued a final judgment
4530 declaring that Agency is in default.

4531 **14.09 EXCUSE FROM PERFORMANCE**

4532 A. **Force Majeure.** Neither Party shall be in default of its obligations under this
4533 Agreement in the event, and for so long as, it is impossible or extremely
4534 impracticable for it to perform its obligations due to an "act of God" (including, but
4535 not limited to, flood, earthquake, or other catastrophic events), war, insurrection,
4536 riot, labor unrest of other than the Party's employees (including strike, work
4537 stoppage, slowdown, sick out, picketing, or other concerted job action), or other
4538 similar cause not the fault of, and beyond the reasonable control of, the Party
4539 claiming excuse. A Party claiming excuse under this Section must (i) have taken
4540 reasonable precautions, if possible, to avoid being affected by the cause, and (ii)
4541 notify the other Party in writing as provided in Subsection C.

4542 B. **Obligation to Restore Ability to Perform.** Any suspension of performance by a
4543 Party pursuant to this Section shall be only to the extent, and for a period of no
4544 longer duration than, required by the nature of the event, and the Party claiming
4545 excuse shall use its best efforts to remedy its inability to perform as quickly as
4546 possible and to mitigate damages that may occur as result of the event.

4547 C. **Notice.** The Party claiming excuse shall deliver to the other Party a written notice
4548 of intent to claim excuse from performance under this Agreement by reason of an
4549 event of Force Majeure. Notice required by this Section shall be given promptly in
4550 light of the circumstances, but in any event not later than five (5) Days after the
4551 occurrence of the event of Force Majeure. Such notice shall describe in detail the
4552 event of Force Majeure claimed, the services impacted by the claimed event of
4553 Force Majeure, the expected length of time that the Party expects to be prevented
4554 from performing, the steps which the Party intends to take to restore its ability to
4555 perform, and such other information as the other Party reasonably requests.

4556 D. **Agency's Rights in the Event of Force Majeure.** The partial or complete
4557 interruption or discontinuance of Contractor's services caused by an event of Force
4558 Majeure shall not constitute a Contractor default. Notwithstanding the foregoing: (i)
4559 Agency shall have the right to make use of Contractor's Facilities and equipment in
4560 accordance with Article 12 in the event of non-performance excused by Force
4561 Majeure; (ii) if Contractor's failure to perform by reason of Force Majeure continues
4562 for a period of thirty (30) Days or more, Agency shall have the right to immediately
4563 terminate this Agreement; (iii) if Contractor is unable to Collect and transport Solid
4564 Waste as required by this Agreement for a period of two (2) or more consecutive
4565 Business Days or for any three (3) Business Days in a seven (7) Day period as a
4566 result of Force Majeure, Agency shall have the right to make use of Contractor's
4567 Facilities and equipment in accordance with Article 12, and (iv) if Contractor's
4568 inability to Collect and transport Solid Waste continues for two (2) Days or more
4569 from the date by which Contractor gave or should have given notice under
4570 Subsection C, Agency may terminate this Agreement.

4571 **14.10 ASSURANCE OF PERFORMANCE**

4572 If Contractor (i) persistently suffers the imposition of Liquidated Damages under Section
4573 14.07; (ii) is the subject of any labor unrest including work stoppage or slowdown,
4574 sickout, picketing, or other concerted job action; (iii) appears in the reasonable judgment
4575 of Agency to be unable to regularly pay its bills as they become due; (iv) is the subject of
4576 a civil or criminal proceeding brought by a federal, State, regional, or local agency for
4577 violation of an Environmental Law in the performance of this Agreement, or (v) performs
4578 in a manner that causes Agency to be uncertain about Contractor's ability and intention
4579 to comply with this Agreement, Agency may, at its option and in addition to all other
4580 remedies it may have, demand from Contractor reasonable assurances of timely and
4581 proper performance of this Agreement, in such form and substance as Agency may
4582 require.

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ARTICLE 15
OTHER AGREEMENTS OF THE PARTIES

4586 **15.01 RELATIONSHIP OF PARTIES**

4587 The Parties intend that Contractor shall perform the services required by this Agreement
4588 as an independent contractor engaged by Agency and not as an officer or employee of
4589 Agency nor as a partner of or joint venturer with Agency. No employee or agent of
4590 Contractor shall be deemed to be an employee or agent of Agency. Except as expressly
4591 provided herein, Contractor shall have the exclusive control over the manner and means
4592 of conducting the services performed under this Agreement, and over all Persons
4593 performing such services. Contractor shall be solely responsible for the acts and
4594 omissions of its officers, employees, Subcontractors, and agents. Neither Contractor nor
4595 its officers, employees, Subcontractors, and agents shall obtain any rights to retirement
4596 benefits, workers' compensation benefits, or any other benefits which accrue to Agency
4597 employees by virtue of their employment with Agency.

4598 **15.02 COMPLIANCE WITH LAW**

4599 In providing the services required under this Agreement, Contractor shall at all times
4600 comply with all Applicable Laws of the United States, the State and Agency, with all
4601 applicable ordinances, regulations promulgated by federal, state, regional, or local
4602 administrative and regulatory agencies, and by Agency, now in force and as they may be
4603 enacted, issued, or amended during the Term, and with all permits affecting the services
4604 to be provided.

4605 **15.03 ASSIGNMENT**

4606 Contractor acknowledges that this Agreement involves rendering a vital service to
4607 Agency's residents and businesses, and that Agency has selected Contractor to perform
4608 the services specified herein based on (i) Contractor's experience, skill, and reputation
4609 for conducting its operations in a safe, effective, and responsible fashion, and (ii)
4610 Contractor's and the Guarantor's financial resources to maintain the required equipment
4611 and to support its indemnity obligations to Agency under this Agreement. Agency has
4612 relied on each of these factors, among others, in choosing Contractor to perform the
4613 services to be rendered by Contractor under this Agreement.

4614 A. **Agency Consent Required.** Contractor shall not assign its rights or delegate or
4615 otherwise transfer its obligations under this Agreement to any other Person without
4616 the prior written consent of Agency. Any such assignment made without the
4617 consent of Agency shall be void and the attempted assignment shall constitute a
4618 Contractor default.

4619 B. **Assignment Defined.** For the purpose of this Section, "assignment" shall include,
4620 but not be limited to, (i) a sale, exchange, or other transfer to a third party of
4621 substantially all of Contractor's assets dedicated to service under this Agreement;
4622 (ii) a sale, exchange, or other transfer of outstanding common stock of Contractor to
4623 a Person who is not a shareholder as of the Effective Date which results in a
4624 change in control of Contractor; (iii) any dissolution, reorganization, consolidation,
4625 merger, re-capitalization, stock issuance or reissuance, voting trust, pooling

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agreement, escrow arrangement, liquidation, or other transaction which results in a change of ownership or control of Contractor; (iv) any assignment by operation of law, including insolvency or bankruptcy, an assignment for the benefit of creditors, a writ of attachment for an execution being levied against this Agreement, appointment of a receiver taking possession of Contractor's property, or transfer occurring in the event of a probate proceeding; and (v) any combination of the foregoing (whether or not in related or contemporaneous transactions) which has the effect of any such transfer or change of ownership, or change of control of Contractor.

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C. **Consent Requirements.** If Contractor requests Agency's consideration of and consent to an assignment, Agency may deny or approve such request in its complete discretion. No request by Contractor for consent to an assignment need be considered by Agency unless and until Contractor has met the following requirements:

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1. Contractor shall pay Agency its reasonable expenses for attorneys' fees and investigation costs necessary to investigate the suitability of any proposed assignee, and to review and finalize any documentation required as a condition for approving any such assignment;

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2. Contractor shall furnish Agency with audited financial statements of the proposed assignee's operations for the immediately preceding three (3) operating years;

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3. Contractor shall furnish Agency with satisfactory proof: (i) that the proposed assignee has at least ten (10) years of Solid Waste/Recycling management experience on a scale equal to or exceeding the scale of operations conducted by Contractor under this Agreement; (ii) that in the last five (5) years, the proposed assignee has not been the subject of any administrative or judicial proceedings initiated by a federal, State, or local agency having jurisdiction over its operations due to an alleged failure to comply with federal, State, or local laws or that the proposed assignee has provided Agency with a complete list of such proceedings and their status; (iii) that the proposed assignee conducts its operations in a safe and environmentally conscientious manner, in accordance with sound Solid Waste management practices in full compliance with all federal, State, and local laws regulating the Collection and Disposal of Solid Waste and all Environmental Laws; and (iv) of any other information required by Agency to ensure the proposed assignee can fulfill the terms of this Agreement in a timely, safe, and effective manner.

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

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15.04 AFFILIATED ENTITY

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Contractor will not form or use any Affiliate to perform any of the services or activities which Contractor is required or allowed to perform under this Agreement, other than as a Subcontractor approved by Agency under Section 15.04.

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If Contractor enters into any financial transactions with an Affiliate for the provision of labor, equipment, supplies, services, or capital related to the furnishing of service under this Agreement, that relationship shall be disclosed to Agency, and in the financial reports submitted to Agency. In such event, Agency's rights to inspect records and

4671 obtain financial data shall extend to records and data of such Affiliate that are relevant to
4672 those specific financial transactions.

4673 **15.05 CONTRACTOR'S INVESTIGATION**

4674 Contractor has made an independent investigation, satisfactory to it, of the conditions
4675 and circumstances surrounding the Agreement and the work to be performed by it.
4676 Contractor has had the opportunity to inspect the Designated Transfer and Processing
4677 Facility and to review the permits governing its operation, as well as the Source
4678 Reduction and Recycling Element adopted by Agency as required by the Act.
4679 Contractor has taken such matters into consideration in agreeing to provide the services
4680 required by, for the compensation to be provided under, this Agreement.

4681 **15.06 RESERVED**

4682 **15.07 CONDEMNATION**

4683 Agency reserves the rights to acquire the Contractor's property utilized in the
4684 performance of this Agreement through the exercise of eminent domain.

4685 **15.08 NOTICE**

4686 All notices, demands, requests, proposals, approvals, consents, and other
4687 communications which this Agreement requires, authorizes or contemplates shall,
4688 except as provided in Article 14, be in writing and shall either be personally delivered to
4689 a representative of the Parties at the address below or be deposited in the United States
4690 mail, first class postage prepaid, addressed as follows:

4691 If to Agency:

4692 West Bay Sanitary District
4693 500 Laurel Street,
4694 Menlo Park, CA 94025
4695 Attn: District Manager

4696 If to Contractor:

4697 General Manager
4698 Recology San Mateo County
4699 225 Shoreway Rd.
4700 San Carlos, CA 94070

4701 The address to which communications may be delivered may be changed from time to
4702 time by a notice given in accordance with this Section.

4703 Contact information for Contractor's General Manager is as follows:

4704 General Manager
4705 Recology San Mateo County
4706 225 Shoreway Rd.
4707 San Carlos, CA 94070

4708 Contact information for Contractor's Environmental Technician is as follows:

4709 Environmental Technician
4710 Recology San Mateo County
4711 225 Shoreway Rd.
4712 San Carlos, CA 94070

4713 Contractor shall promptly provide Agency the name and contact information for the
4714 above employees if there is a change during the Term.

4715 **15.09 REPRESENTATIVES OF THE PARTIES**

4716 A. **Representatives of Agency.** References in this Agreement to "Agency" shall
4717 mean the District and all actions to be taken by Agency shall be taken by the District
4718 Board of Directors except as provided below. The District Board may delegate
4719 authority to the District Manager, and/or to other Agency officials and may permit
4720 such officials, in turn, to delegate in writing some or all of such authority to
4721 subordinate officers. Contractor may rely upon actions taken by such delegates if
4722 they are within the scope of the authority properly delegated to them.

4723 B. **Representative of Contractor.** Contractor shall, by the Commencement Date,
4724 designate in writing a responsible officer who shall serve as the representative of
4725 Contractor in all matters related to the Agreement and shall inform Agency in writing
4726 of such designation and of any limitations upon his or her authority to bind
4727 Contractor. Agency may rely upon action taken by such designated representative
4728 as actions of Contractor unless they are outside the scope of the authority
4729 delegated to him/her by Contractor as communicated to Agency.

4730 **15.10 DUTY OF CONTRACTOR NOT TO DISCRIMINATE**

4731 In the performance of this Agreement Contractor shall not discriminate, nor permit any
4732 subcontractor to discriminate, against any employee, applicant for employment, or
4733 Customer on account of race, color, national origin, ancestry, religion, sex, age, physical
4734 disability, medical condition, sexual orientation, marital status, or other characteristic, in
4735 violation of any Applicable Law.

4736 **15.11 AGENCY RIGHT TO ASSIGN**

4737 In the event the County or other SBWMA Member Agency (hereinafter referred to as
4738 Successor Entity) and Agency enter into an agreement for Agency to assign or transfer
4739 its rights, duties and obligations under this Agreement, in their entirety, to the Successor
4740 Entity, the following will apply:

- 4741 a. Contractor will consent to, and will reasonably assist in the transfer of, any such
4742 assignment or transfer of responsibilities.
- 4743 b. In the event of any conflict between the Successor Entity's Franchise Agreement
4744 and this Agreement, the Successor Entity at its sole discretion, may determine
4745 which of the provisions shall control.
- 4746 c. Successor Entity may request, and Contractor shall consent to, any
4747 amendments to this Agreement reasonably necessary to give effect to the
4748 foregoing.

4749 **15.12 RIGHT OF AGENCY TO MAKE CHANGES IN SERVICES AND SERVICE LEVELS**

4750 A. Agency may, without amending this Agreement, direct Contractor to cease
4751 performing one or more types of service described in Articles 5 or 6, or may direct
4752 Contractor to modify the scope of one or more such services, may direct
4753 Contractor to perform additional Solid Waste, Targeted Recyclable Materials,
4754 Organic Materials, Used Motor Oil, Used Motor Oil Filters, Household Batteries

4755 and Cell Phones or Plant Materials handling services, or may otherwise direct
4756 Contractor to modify its performance under any other Section of this Agreement.
4757 In addition, SBWMA may, without amendment of this Agreement, direct a change
4758 in the number of Waste Zero Specialists as provided in Section 7.04.A, or a
4759 change in Other Services as provided in Section 7.13. Contractor shall promptly
4760 and cooperatively comply with such direction.

4761 B. If such changes cause an increase or decrease in the cost of performing the
4762 services, an equitable adjustment in the Contractor's Compensation shall be made
4763 pursuant to Section 11.06. Contractor will continue to perform the new or changed
4764 service while the appropriate adjustment in Contractor's Compensation is being
4765 determined.

4766 C. The Agency shall have the right to terminate a program if, in its discretion, the
4767 Contractor is not cost-effectively achieving the program's goals and objectives.
4768 Thereafter, the Agency may utilize a third party to perform these services if the
4769 Agency reasonably believes the third party can improve on Contractor's
4770 performance and cost effectiveness. Notwithstanding these changes, Contractor
4771 shall continue the program during the meet and confer period and, thereafter, until
4772 the third party takes over the program. This subsection C applies to programs
4773 initiated at Agency's direction after the Commencement Date that are beyond the
4774 basic scope of services described in Section 4.01.A.

4775 **15.13 TRANSITION TO NEXT SERVICE PROVIDER**

4776 At the expiration of the Term or the earlier termination of the Agreement, or upon
4777 Agency's approval of a proposed assignment, Contractor shall cooperate fully with
4778 Agency to ensure an orderly transition to any and all new service providers. Contractor
4779 shall provide, within ten (10) Days of a written request by Agency, then-current route
4780 lists, which identify each Customer on the route, its service level (number of Containers,
4781 Container sizes, frequency of Collection, scheduled Collection day), any special
4782 Collection notes, and detailed then-current Customer account and Billing information.
4783 Contractor may, but is not required to, sell Collection vehicles and Containers to the next
4784 service provider.

4785 Contractor shall upon Agency request, at least one-hundred-eighty (180) Days prior to
4786 the transition of services, attend meetings with the next service provider and with
4787 Agency and SBWMA staff and consultants to plan the recovery of Contractor's
4788 Containers and placement of the new Containers. Contractor shall perform in
4789 accordance with such plan and direct route supervisors to provide "ride-alongs" so that
4790 the new service provider's employees may ride with drivers in Collection vehicles during
4791 Collection operations. Contractor shall direct its drivers and other employees to provide
4792 accurate information to the new provider about routing and Customers.

4793 **15.14 REPORTS AS PUBLIC RECORDS**

4794 The reports, records, and other information submitted or required to be submitted by
4795 Contractor to Agency (and documents copied pursuant to Section 9.02) are public
4796 records within the meaning of that term in the California Public Records Act,
4797 Government Code Section 6250 *et seq.* Unless a particular record is exempted from
4798 disclosure by the California Public Records Act, it must be disclosed to the public by
4799 Agency upon request.

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Contractor will not object to Agency making available to the public any information submitted by the Contractor, or required to be submitted in connection with the Contractor's Compensation, including but not limited to records described in Article 11.

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ARTICLE 16
MISCELLANEOUS PROVISIONS

4806 **16.01 GOVERNING LAW**

4807 This Agreement shall be governed by, and construed and enforced in accordance with,
4808 the laws of the State of California.

4809 **16.02 JURISDICTION**

4810 Any lawsuits between the Parties arising out of this Agreement shall be brought and
4811 concluded in the courts of the State of California, which shall have exclusive jurisdiction
4812 over such lawsuits. With respect to venue, the Parties agree that this Agreement is
4813 made in and will be performed in San Mateo County.

4814 **16.03 BINDING ON SUCCESSORS**

4815 The provisions of this Agreement shall inure to the benefit of and be binding on the
4816 successors and permitted assigns of the Parties.

4817 **16.04 PARTIES IN INTEREST**

4818 Nothing in this Agreement is intended to confer any rights on any Persons other than the
4819 Parties to it and their permitted successors and assigns.

4820 **16.05 WAIVER**

4821 The waiver by either Party of any breach or violation of any provisions of this Agreement
4822 shall not be deemed to be a waiver of any breach or violation of any other provision nor
4823 of any subsequent breach or violation of the same or any other provision.

4824 **16.06 ATTACHMENTS**

4825 Each of the attachments, identified as Attachments "A" through "S," is attached hereto
4826 and incorporated herein and made a part hereof by this reference.

4827 **16.07 ENTIRE AGREEMENT**

4828 This Agreement, including the attachments, represents the full and entire agreement
4829 between the Parties with respect to the matters covered herein and supersedes all prior
4830 negotiations and agreements, either written or oral.

4831 **16.08 SECTION HEADINGS**

4832 The article headings and section headings in this Agreement are for convenience of
4833 reference only and are not intended to be used in the construction of this Agreement nor
4834 to alter or affect any of its provisions.

4835 **16.09 INTERPRETATION**

4836 This Agreement shall be interpreted and construed reasonably and neither for nor
4837 against either Party, regardless of the degree to which either Party participated in its
4838 drafting.

4839 **16.10 AMENDMENT**

4840 This Agreement may not be modified or amended in any respect except by a writing
4841 signed by the Parties.

4842 **16.11 SEVERABILITY**

4843 If a court of competent jurisdiction holds any non-material provision of this Agreement to
4844 be invalid and unenforceable, the invalidity or unenforceability of such provision shall not
4845 affect any of the remaining provisions of this Agreement which shall be enforced as if
4846 such invalid or unenforceable provision had not been contained herein.

4847 **16.12 COSTS AND ATTORNEYS' FEES**

4848 The prevailing Party in any action brought to enforce the terms of this Agreement or
4849 arising out of this Agreement may recover its reasonable costs expended in connection
4850 with such an action from the other Party.

4851 **16.13 NO DAMAGES FOR INVALIDATION OF AGREEMENT**

4852 If a final judgment of a court of competent jurisdiction determines that this Agreement is
4853 illegal or was unlawfully entered into by Agency, neither Party shall have any claim
4854 against the other for damages of any kind (including but not limited to loss of profits) on
4855 any theory.

4856 **16.14 REFERENCES TO LAWS**

4857 All references in this Agreement to laws and regulations shall be understood to include
4858 such laws and regulations as they may be subsequently amended or recodified, unless
4859 otherwise specifically provided. In addition, references to specific governmental
4860 agencies shall be understood to include agencies that succeed to or assume the
4861 functions they are currently performing.

4862 **16.15 INDEMNITY AGAINST CHALLENGES TO AGREEMENT**

4863 Contractor shall indemnify, defend, and hold harmless SBWMA, Agency, and its and
4864 their officers, employees, and agents (collectively, the "Indemnitees") from and against
4865 any and all liability, claim, demand, action, proceeding, or suit of any and every kind and
4866 description brought by a third party challenging the process by which proposals were
4867 solicited and evaluated, or this Agreement was negotiated or awarded to the extent that
4868 such liability, claim, demand, action, proceeding, or suit was caused by Contractor's
4869 failure to comply with Applicable Law or the instructions of any indemnitee with respect
4870 to such process.

4871 **16.16 DISPUTE RESOLUTION**

4872 Should any dispute between the Parties arise out of this Agreement and should the
4873 Parties be unable to resolve the issue, the Parties shall, at the written request of either

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LAST PAGE OF AGREEMENT

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IN WITNESS WHEREOF, Agency and Contractor have executed this Contract as of
4899 the day and year first above written.

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WEST BAY SANITARY DISTRICT

RECOLOGY SAN MATEO COUNTY


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By: 

Phil Scott
District Manager


By: 

Michael J. Sangiacomo
President and CEO


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ATTEST: 

Fran Dehn
Secretary of the District Board

By: 

Cary Chen
Secretary

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APPROVED AS TO FORM:

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Anthony P. Condotti – District Legal Counsel

Recology
Reviewed by:


Legal

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4874 Party, meet in mediation and attempt to reach a resolution with the assistance of a
4875 mutually acceptable mediator. Neither Party shall be permitted to file legal action
4876 without first meeting in mediation and making a good faith attempt to reach a mediated
4877 resolution, provided that this limitation shall not apply to a Party if the other Party fails to
4878 comply with this section. The costs of the mediator, if any, shall be paid equally by the
4879 Parties. If a mediated settlement is reached, neither Party shall be deemed the
4880 prevailing Party for purposes of the settlement and each Party shall bear its own legal
4881 costs. The mediation shall be completed within sixty (60) days of the written request of a
4882 Party for mediation unless both Parties agree to extend this timeframe. If litigation is filed
4883 regarding any dispute arising under this Agreement, the action shall be filed in San
4884 Mateo County Superior Court and the court shall award reasonable attorney's fees and
4885 costs to the prevailing Party. To the maximum extent permitted by law, all offers,
4886 promises, conduct and statements, whether oral or written, made in the course of the
4887 mediation by any of the Parties, their agents, employees, experts or attorneys, or by the
4888 mediator or any employees of the mediation service, are confidential, privileged and
4889 inadmissible for any purpose, including impeachment, in any arbitration or other
4890 proceeding involving the Parties, provided that evidence that is otherwise admissible or
4891 discoverable shall not be rendered inadmissible or non-discoverable as a result of its
4892 use in the mediation. All applicable statutes of limitation and defenses based upon the
4893 passage of time shall be tolled until the end of the sixty (60) day period referred to
4894 above. The Parties will take such action, if any, required to effectuate such tolling.

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**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

Table 1: Contractor's Compensation Adjustment Methodology
{Note: The table below replaces the current Table 1 in its entirety}

Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)	Annual Adjustment to Contractor's Compensation for Rate Years Eleven (2021) Contractor's Compensation	Cost
ANNUAL COST OF OPERATIONS		
<p>A. Direct Labor-Related Costs for Collection Vehicle Route Personnel Represented Through Collective Bargaining Agreements (CBA).</p>	<ul style="list-style-type: none"> Adjust projected 2021 Direct Labor-Related Costs to reflect service level changes from April 2016 to April 2020 by 100% of the average service level change in accounts, lifts, or pulls as described in the following bullet. The service level adjustment shall be based on the change in the rolling three-year average number of Solid Waste accounts in the SBWMA Service Area and shall be calculated using the following formula: Adjusted 2021 Direct Labor-Related Costs = Projected 2021 Direct Labor-Related Costs per Attachment N x [1 + 75% x ((Sum of number of Solid Waste accounts as of April 2018 + April 2019 + April 2020) - (Sum of number of Solid Waste accounts as of April 2014 + April 2015 + April 2016)) / (Sum of number of Solid Waste accounts as of April 2014 + April 2015 + April 2016)]. For Commercial lines of business, lifts shall be used rather than accounts; and, for Drop Box lines of business, pulls shall be used rather than accounts. Because Contractor is subject to the average daily limit of one hundred fifty (150) Bulky Item Collection service events, as set forth in Section 5.05.H of the Agreement, no service level adjustments shall be applied to the following Service Sectors and Lines of Business: Single-family Bulky Item Materials (two On-Call Bulky Collection events) and Multi-Family Bulky Item Materials (two On-Call Bulky Collection events). 	<p>Step One:</p> <ul style="list-style-type: none"> Direct Wages for CBAs: Annually adjust Wage costs by 100% of the Annual Index Change using the CPI-W-Wages. Benefits for CBAs: Annually adjust Health Benefit costs by 100% of the Annual Index Change using CPI-W-Medical. Payroll taxes: Annually adjust direct labor-related payroll tax expense based on the effective tax rate of 8.1%. <p>The effective tax rate shall be applied to the adjusted direct wages for CBAs to calculate payroll tax expense. When the Federal and/or State employer payroll tax rates or limits are changed, Contractor shall submit to SBWMA a new effective payroll tax rate for review and approval (not to be unreasonably withheld). If approved, the new payroll tax rates shall be used to calculate payroll tax expense for the Rate Year affected by the change(s).</p> <ul style="list-style-type: none"> Workers Compensation Insurance: Annually adjust worker's compensation costs by 100% of the Annual Index Change in the CPI-W-Wages. <p>Step Two:</p> <ul style="list-style-type: none"> Annually adjust wages, benefits, payroll taxes, and workers compensation insurance costs to reflect service level changes by adjusting wage and benefit costs by 100% of the average service level change in accounts, lifts, and pulls as described in Table 2.

**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation		Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
<p>Cost</p> <p>B. Direct Fuel Costs for All Contractor Vehicles including Collection Vehicles, Support Vehicles, and Supervisor's Vehicles</p>	<p>Step One: Adjust 2021 projected Direct Fuel costs to reflect the change in the CPI-U-Motor Fuel from April 2016 to April 2020 using the following formula: Adjusted 2021 Direct Fuel cost = Projected 2021 Direct Fuel cost x [1 + ((Average CPI for May 2019 through April 2020) - (Average CPI for May 2015 through October 2016)) / (Average CPI for May 2015 through April 2016)].</p> <p>Step Two: Adjust Direct Fuel Cost amount calculated in Step One to reflect service level changes using the method described in Row A above for Rate Year Eleven (2021) Direct-Labor Related Costs.</p>	<ul style="list-style-type: none"> Step One: Annually adjust direct fuel costs by 100% of the Annual Index Change for the CPI-U-Motor Fuel. Step Two: Annually adjust direct fuel costs to reflect service level changes by adjusting costs by 100% of the average service level change in accounts, lifts, and pulls as described in Table 2.
<p>C. Other Direct Costs for Collection Services</p>	<p>Adjust Other Direct Costs to reflect service level changes by using the method described in Row A above for Rate Year Eleven (2021) Direct-Labor Related Costs.</p>	<ul style="list-style-type: none"> Step One: Annually adjust Other Direct Costs by 100% of the Annual Index Change using CPI-U. Step Two: Annually adjust Other Direct Costs to reflect service level changes by adjusting costs by 100% of the average service level change in accounts, lifts, and pulls as described in Table 2.

**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

<p>D. Depreciation for All Contractor Vehicles including Collection Vehicles, Support Vehicles, and Supervisor's Vehicles</p>	<p>The annual depreciation amount shall equal \$3,056,022, which is the projected amount for 2021 as specified in Attachment N.</p>	<ul style="list-style-type: none"> • A vehicle equipment replacement schedule prepared by the Contractor is included in Attachment N. It shows the timing of anticipated vehicle purchases, estimated vehicle acquisition costs, and estimated annual depreciation and interest expenses for Rate Years Eleven (2021) through Twenty-Five (2035). In preparing this schedule, Contractor estimated vehicle acquisition costs in 2017 dollars and escalated the amounts annually by two percent (2%) as reflected in the equipment replacement schedule. • For Rate Years Twelve (2022) through Sixteen (2026), the annual depreciation amount shall be equal to the projected amount for 2021 specified in Attachment N. • After completion of the new vehicle acquisitions in accordance with the equipment replacement schedule in Attachment N, the vehicle depreciation amount shall be adjusted to reflect actual vehicle acquisition costs in a manner that remaining undepreciated costs shall be depreciated evenly over the remaining Rate Years of the Agreement. The recalculation of the annual vehicle depreciation amount to be effective for Rate Years Seventeen (2027) through Twenty-Five (2035) shall be included in the Application submitted in 2026 for Rate Year Seventeen (2027) Contractor's Compensation. The recalculation of vehicle depreciation expense shall be as follows: <ul style="list-style-type: none"> - "Annual Depreciation Cost Difference" = Actual cost of vehicles less projected vehicle costs of \$48,724,246, divided by 9 years. - The annual vehicle depreciation amount specified in Attachment N (\$3,056,022) shall be adjusted by 50% of the Annual Depreciation Cost Difference; however, the adjustment, whether positive or negative, shall not exceed \$350,000. Thus, the annual vehicle depreciation expense shall not be less than \$2,706,022 or greater than \$3,406,022. This adjusted depreciation amount shall be allocated to each Member Agency based on the
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**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
E. Depreciation - Containers	<ul style="list-style-type: none"> Contractor projected its Container replacement needs and costs and related depreciation for Rate Years Eleven (2021) through Twenty-Five (2035), which are specified in Attachment N for 2021. This amount (\$1,178,150) shall be the fixed annual Container Depreciation Costs for Rate Years Eleven (2021) through Twenty-Five (2035). These depreciation amounts shall not be adjusted annually unless new Containers are purchased beyond the replacement quantities estimated by Contractor, subject to Agency or SBWMA approval (which shall not to be unreasonably withheld). If additional Containers are purchased, the depreciation expense shall be based on ten (10) year period or other period agreed upon by the Parties. 	<p>percentage of projected 2021 total depreciation for all Member Agencies that was allocated to each Member Agency as shown in Attachment N. The allocated depreciation amount shall be included in Contractor's Compensation for Rate Years Seventeen (2027) through Twenty-Five (2035).</p> <ul style="list-style-type: none"> Contractor shall not be compensated for any additional vehicle depreciation beyond \$3,406,022 per year. Same method as shown for Rate Year Eleven (2021).
F. Allocated Indirect Costs (e.g., General and Administrative, Operations, Vehicle Maintenance, and Container Maintenance costs including all non-route personnel CBA and non-CBA labor) excluding Allocated Depreciation and Interest	<p>The annual Allocated Indirect Costs amount shall equal \$17,429,667, which is the projected amount for Rate Year Eleven (2021) as specified in Attachment N.</p>	<ul style="list-style-type: none"> Step One: Annually adjust Allocated Indirect Costs by 100% of the Annual Index Change using CPI-U. Step Two: Annually adjust Allocated Indirect Costs to reflect service level changes by adjusting (increasing or decreasing) costs by 65% of the average service level change in accounts, lifts, and pulls as described in Table 2.

**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
<p>G. Total Allocated Indirect Depreciation Costs (e.g., depreciation costs related to General and Administrative, Operations, Vehicle Maintenance, and Container Maintenance services)</p>	<ul style="list-style-type: none"> Contractor projected its equipment acquisition needs, costs, and depreciation expense related to indirect services for Rate Years Eleven (2021) through Twenty-Five (2035). The depreciation expenses is the Allocated Indirect Depreciation Cost of \$117,650, which is specified in Attachment N for 2021. 	<ul style="list-style-type: none"> The annual Allocated Indirect Depreciation Costs for Rate Years Twelve (2022) through Twenty-Five (2035) shall be fixed and shall equal the Rate Year Eleven (2021) amount of \$117,650. These depreciation amounts shall not be adjusted during the Term unless new equipment is purchased subject to SBWMA approval (which shall not be unreasonably withheld). If additional equipment is purchased, the depreciation expense shall be based on ten (10) year period or other period agreed upon by the SBWMA and Contractor.
Total Annual Cost of Operations	<ul style="list-style-type: none"> Calculated as the sum of the cost components adjusted as described above. 	<ul style="list-style-type: none"> Calculated as the sum of the cost components adjusted as described above.
PROFIT		
Profit	<ul style="list-style-type: none"> Calculate Profit using the following formula: [(Total Cost of Operations for the coming Rate Period) / 90.5%] – (Total Cost of Operations for the coming Rate Period). The operating ratio is fixed for the Term of the Agreement at ninety and one-half percent (90.5%). 	<ul style="list-style-type: none"> Same method as shown for Rate Year Eleven (2021).
CONTRACTOR PASS-THROUGH COSTS		

**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)	
Cost	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
<p>A. Regulatory Agency Fees</p>	<p>Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation</p> <ul style="list-style-type: none"> Any non-operating fees (excluding fines, penalties, late fees) paid by Contractor (e.g., to U.S. Department of Transportation, Bay Area Air Quality Management District, Local Enforcement Agency, Bay Area Water Quality Control Board, California Highway Patrol). No regulatory agency fees were applicable when Contractor projected 2021 Contractor's Compensation; therefore, the 2021 amount shown in Attachment N is zero. If new regulatory agency fees become effective during the Term, the amount of the fees included in Contractor's Compensation shall be determined through a special compensation review for change in law pursuant to Section 11.05 of the Agreement.
<p>B. Interest Expense for Containers and All Contractor Vehicles including Collection Vehicles, Support Vehicles, and Supervisor's Vehicles (which are separately identified on the Equipment Replacement Schedule in Attachment N)</p>	<ul style="list-style-type: none"> For Rate Years Twelve (2022) through Sixteen (2026), the annual Interest Expense for Rate Years Twelve (2022) through Twenty-Five (2035) shall be fixed and shall equal the Rate Year Eleven (2021) amount of \$1,145,186, which includes interest expense for the Contractor vehicles of \$982,006 and for Containers of \$163,180. After completion of the new vehicle acquisitions in accordance with the equipment replacement schedule in Attachment N, the interest amount shall be adjusted to reflect interest expense related to actual vehicle acquisition costs. The recalculation of the annual vehicle interest expense to be effective for Rate Years Seventeen (2027) through Twenty-Five (2035) shall be included in the Application submitted in 2026 for Rate Year Seventeen (2027) Contractor's Compensation.
<p>C. Contract Changes to Specific Agencies</p>	<ul style="list-style-type: none"> {Note: This line item is included to address any Agency-specific costs and annual adjustment thereof (e.g., billing, street sweeping, etc.). Agency and Contractor to negotiate relevant compensation adjustment language, if applicable.}

**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

Cost	Adjustment to 2021 Projected 2021 Costs for Rate Year Eleven (2021) Contractor's Compensation	Annual Adjustment to Contractor's Compensation for Rate Years Twelve to Twenty-Five (2022 - 2035)
D. Cap Carry Forward The Cap Carry Forward methodology is described in Section 5 above. A hypothetical example of the Cap Carry Forward is provided in Table 3.	<ul style="list-style-type: none"> The Cap Carry Forward shall not be applicable in Rate Year Eleven (2021) 	<ul style="list-style-type: none"> For Rate Year Twelve (2022), the Cap Carry Forward shall equal zero because Adjusted Contractor's Compensation shall not be capped in Rate Year Eleven (2021), and therefore no amount may be carried forward. For Rate Year Thirteen (2023) onward, the Cap Carry Forward shall equal the amount, if any, calculated for the preceding (i.e. then-current) Rate Year and elected by Agency to be carried forward, as provided in Section 5 above.
Total Contractor Pass-Through Costs	<ul style="list-style-type: none"> Calculated as the sum of the Contractor Pass-Through Costs. 	<ul style="list-style-type: none"> Same method as shown for Rate Year Eleven (2021).
CONTRACTOR'S COMPENSATION	<ul style="list-style-type: none"> Calculated as the sum of Total Annual Cost of Operations, Profit, and Contractor's Pass-Through Costs. 	<ul style="list-style-type: none"> Same method as shown for Rate Year Eleven (2021).
OTHER ADJUSTMENTS		
Incentives/Disincentives Payments	<ul style="list-style-type: none"> Amount varies annually based on actuals pursuant to Section 12 of Attachment K. 	<ul style="list-style-type: none"> Same method as shown for Rate Year Eleven (2021).
CONTRACTOR'S COMPENSATION (Adjusted)	<ul style="list-style-type: none"> Calculated as the sum of the Contractor's Compensation and Other Adjustments 	<ul style="list-style-type: none"> Same method as shown for Rate Year Eleven (2021).

**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

**Table 2: Service Level Adjustment Methodology
for Rate Years Twelve to Twenty-Five (2022 - 2035)
{Note: The table below replaces the current Table 2 in its entirety}**

Accounts (Single-Family Dwelling accounts for Solid Waste Collection)
<ul style="list-style-type: none"> Adjustment shall be based on the annual percent change in the rolling three-year average number of Solid Waste accounts in the SBWMA Service Area, where the annual percent change shall be calculated using the following formula: $((\text{Average of Solid Waste accounts as of April 30 of the then-current Rate Year and the two most-recently completed Rate Years}) - (\text{Average of Solid Waste accounts as of April 30 of the three most-recently completed Rate Years})) / (\text{Average of Solid Waste accounts as of April 30 of the three most-recently completed Rate Years})$. The annual percent change calculated using the above formula is referred to herein as the "average service level change". <p>For example, if the Contractor is preparing its Application in Rate Year Eleven (2021) for Contractor's Compensation to be effective for Rate Year Twelve (2022), the average service level change shall be calculated as follows: $((\text{Average of Solid Waste accounts as of April 30, 2021} + \text{as of April 30, 2020} + \text{as of April 30, 2019}) - (\text{Average of the Solid Waste accounts as of April 30, 2020} + \text{as of April 30, 2019} + \text{as of April 30, 2018})) / (\text{Average of the Solid Waste accounts as of April 30, 2020} + \text{as of April 30, 2019} + \text{as of April 30, 2018})$. The value of the applicable cost item for Rate Year Eleven (2021) would be multiplied by $(1 + \text{the average service level change})$ to determine the value of such cost item for Rate Year Twelve (2022), assuming the cost item is to be adjusted by 100% of the average service level change. If Table 1 states that the cost item is to be adjusted by 65% of the average service level change (as is the case for Allocated Indirect Costs), then the value of the applicable cost item for Rate Year Eleven (2021) would be multiplied by $(1 + (0.65 \times (\text{the average service level change})))$ to determine the value of such cost item for Rate Year Twelve (2022).</p>
Lifts for Carts and Bins (Multi-Family and Commercial, and Agency Facilities Bin and Cart lifts for Solid Waste, Recyclable Materials, and Organic Materials Collection)
<ul style="list-style-type: none"> Same method as described above, but using the average service level change in the number of lifts during a 4 week period in April, rather than the number of accounts as of April 30. Calculations shall be separately performed for Solid Waste, Recyclable Materials, and Organic Materials Collection lifts, separately for Multi-Family and Commercial lifts and Agency Facilities lifts.
Pulls for Drop Boxes (Multi-Family and Commercial, and Agency Facilities Drop Box and Compactor pulls for Solid Waste, Recyclable Materials, and Organic Materials Collection)
<ul style="list-style-type: none"> Same method as described above, but using the average service level change in the number of pulls during the 12 month period ending April 30, rather than the number of accounts as of April 30. Calculations shall be combined for Solid Waste, Recyclable Materials, and Organic Materials Collection pulls, but shall be performed separately for Multi-Family and Commercial pulls and Agency Facilities pulls.

Note: Service level adjustments may be positive or negative values, which shall result in increases or decreases when costs are adjusted pursuant to Section 4.

**ATTACHMENT K
CONTRACTOR'S COMPENSATION AND RATE SETTING PROCESS**

Table 3: Example Compensation Cap Methodology

CPI + Growth Percentage for Example City of Example	4.5% 2023	6.2% 2024	5.8% 2025	5.0% 2026	3.5% 2027	2.4% 2028	2.3% 2029
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	1,731,680	1,839,023	1,946,687	2,042,971	2,114,475	2,166,222	2,216,023
Benefits for CBAs	804,714	854,606	904,173	949,382	982,610	1,008,193	1,029,335
Payroll Taxes	144,074	153,007	161,881	169,975	175,924	180,147	184,290
Workers Compensation Insurance	123,375	131,024	138,624	145,555	150,649	154,285	157,813
Total Direct Labor Related-Costs	2,803,823	2,977,660	3,150,365	3,307,883	3,423,659	3,505,826	3,586,460
Direct Fuel Costs	187,237	198,846	210,379	220,898	228,630	234,117	239,501
Other Direct Costs	244,805	259,983	275,062	288,815	298,824	309,098	313,136
Depreciation							
- Collection Vehicles	254,669	254,669	254,669	254,669	254,669	254,669	254,669
- Containers	98,179	98,179	98,179	98,179	98,179	98,179	98,179
Total Depreciation	352,848	352,848	352,848	352,848	352,848	352,848	352,848
Lease (Yr 1 principal only) for Collection Equipment							
Allocated Indirect Costs							
General and Administrative	997,138	1,058,960	1,120,380	1,176,399	1,217,573	1,246,795	1,275,471
Operations	104,966	111,474	117,940	123,837	128,171	131,247	134,266
Vehicle Maintenance	297,057	315,475	333,772	350,481	362,727	371,433	379,975
Container Maintenance	175,509	186,390	197,201	207,061	214,308	219,451	224,499
Total Allocated Indirect Costs	1,574,670	1,672,299	1,769,293	1,857,757	1,922,779	1,986,926	2,014,211
Total Allocated Indirect Depreciation Costs	9,804	9,804	9,804	9,804	9,804	9,804	9,804
Total Annual Cost of Operations	5,173,187	5,471,441	5,767,750	6,038,005	6,236,843	6,377,618	6,515,963
Profit	543,042	574,350	605,454	633,824	654,675	669,474	683,996
Operating Ratio	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
Total Operating Costs	5,716,229	6,045,791	6,373,205	6,671,829	6,891,318	7,047,092	7,199,959
Contractor Pass-Through Costs							
Interest Expense	95,432	95,432	95,432	95,432	95,432	95,432	95,432
ADD: Prior Year Compensation Cap Reductions	-	-	38,978	100,259	139,796	62,435	-
Contract Changes to Specific Agencies	-	-	-	-	-	-	-
Total Contractor Pass-Through Costs	95,432	95,432	134,411	195,691	235,228	157,867	95,432
BASE CONTRACTOR'S COMPENSATION	5,811,661	6,141,223	6,507,615	6,867,520	7,126,546	7,204,959	7,295,391
CONTRACTOR'S COMPENSATION CAP (5%)	5,861,902	6,102,244	6,407,357	6,727,724	7,064,111	7,417,316	7,565,207
Adjustment for 5% Cap	-	(38,978)	(100,259)	(139,796)	(62,435)	-	-
ADJUSTED CONTRACTORS COMPENSATION	5,811,661	6,102,244	6,407,357	6,727,724	7,064,111	7,204,959	7,295,391
% CHANGE IN CONTRACTOR COMPENSATION	4.10%	5.00%	5.00%	5.00%	5.00%	1.99%	1.28%

Note: All amounts presented in \$ per year with the exception of percentages as noted.

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6. Application for Contractor's Compensation Adjustment

Contractor is required to submit an Application for Contractor's Compensation Adjustment (Application) annually by June 15 for determination of Contractor's Compensation for the following Rate Year commencing with its Application for Rate Year Eleven (2021) Contractor's Compensation, which is due June 15, 2020. This Section describes the content of the Application.

A. Reporting of Operational Information

Operational information shall be reported in total as well as disaggregated by each Line of Business, by Service Sector, and by Member Agency. The information shall be submitted on forms provided by Contractor and approved by SBWMA. Operational information to be provided includes, but is not limited to, the following:

- Tonnage Collected by Line of Business;
- Number of accounts by Line of Business and account type (i.e., Container size, Collection frequency, and material type);
- Number of accounts, lifts, and pulls needed to perform the average service level adjustment calculations (described in Section 4);
- Number of Containers in service by Line of Business;
- Set-out rates by Line of Business;
- Number of routes and annual route hours by Line of Business;
- Number and type of vehicles by Line of Business;
- Annual route labor hours by Line of Business; and,
- Roster of all personnel by category including direct, indirect, and general and administrative (G&A).

B. Audited Financial Statements

Financial statements (balance sheet, income and expense statement) for the operations covered by this Agreement for Contractor's immediately preceding fiscal year (October 1 – September 30) shall be submitted with the Application. The financial statements shall be accompanied by a report of an independent Certified Public Accountant licensed by the California Board of Public Accountancy stating that (i) it has audited the financial statements in accordance with auditing standards generally accepted in the United States, and (ii) in its opinion the financial statements present fairly, in all material respects, the financial position of Contractor as of September 30 of the year under review and of the immediately preceding year, and the changes in its financial position for the years then ended in conformity with United States generally accepted accounting principles.

The Certified Public Accountant's report shall also contain a separate statement identifying the amounts of audited revenue and expense that are attributable to the last nine months of the Contractor's fiscal year (January - September 30).

In addition, Contractor shall submit financial statements covering the last three months of the preceding calendar year (October 1 - December 30) and a compiled twelve (12) month statement covering the preceding calendar year. These statements shall be accompanied by

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a report of the independent Certified Public Accountant stating that it has conducted a review of the statements in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and that contains the elements described in AICPA Professional Standards, section AR 100.

C. Preparation of Management Representation Letter

The Application shall include a management representation letter signed by the President of Contractor, which states that:

- Management accepts responsibility for the accuracy and completeness of the Application;
- The Application is based on the Contractor's Compensation adjustment procedures described in Article 11, this Attachment K (including Tables 1 and 2), and on the forms approved by the SBWMA; and,
- All significant information and supporting documents relevant to the Contractor's Compensation adjustment process are available for review by SBWMA.

D. Calculation of Contractor's Compensation for the Coming Rate Year

The Application shall include a calculation of Contractor's Compensation for the coming Rate Year (i) in total for the SBWMA Service Area, (ii) in total for each Member Agency, and by Service Sector and Lines of Business specified in Section 4 for each Member Agency. The calculations shall show the adjustments to each cost line item and shall be performed in accordance with the methodology described in Section 4 of this Attachment.

For the Application submitted in 2026 for Rate Year Seventeen (2027), Contractor shall include detailed calculations of the vehicle depreciation and interest expense adjustments to be effective for Rate Years Seventeen (2027) through Twenty-Five (2035) that reflect changes for actual vehicle acquisition costs (which were acquired in accordance with the equipment replacement schedule in Attachment N) compared to projected costs presented in Attachment N. In addition to the detailed calculations, Contractor shall provide supporting documentation such as, but not limited to: vehicle specifications, acquisition costs for all vehicles, date vehicles were placed into service, and interest rate.

E. Supporting Documentation

Contractor shall make available to SBWMA and each Member Agency, upon request, supporting documentation and summary reports for all calculations, assumptions, and data used in the calculation of the Contractor's Compensation for the coming Rate Year. Supporting documents and reports requested may include:

- General Ledger
- Revenue and Accounts Receivable Ledgers
- Collective Bargaining Agreements
- Solid Waste Transfer Tickets
- Weight tickets for all C&D Materials, Recyclable Materials, Inert Materials, and Organic Materials
- Customer billing information and service levels

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- Copies of Bureau of Labor Statistics Index Data
- Other information requested by SBWMA

7. SBWMA Review of Application

Agency delegates to SBWMA the authority to conduct the review of the Application. SBWMA will review the Application and supporting documentation to determine that it has been prepared in a manner consistent with the Agreement, including this Attachment. SBWMA may request and Contractor shall provide any missing information necessary to complete the Application. Agency may participate in meetings with SBWMA and Contractor to discuss the Application.

A. Preliminary Review

SBWMA shall determine if the Application is complete and ready for analysis.

1. Completeness and Mathematical Accuracy of Application. SBWMA shall determine if:
 - a. All required forms and financial statements are included;
 - b. All forms are completed correctly and data and indexes tie to correct source; and
 - c. All calculations are mathematically correct.

If the Application is incomplete or contains arithmetic errors, SBWMA will notify Contractor and Contractor will promptly provide missing information and corrected calculations.

2. Verification of Supporting Documents and Schedules. Various documents are to be included in the Application to support the requested adjustment in Contractor's Compensation. Any supporting information SBWMA finds to have been omitted shall be promptly be provided by Contractor.
3. Contractor Notification. SBWMA will notify Contractor when it has determined that the Application is complete.

B. Review of Application

The Contractor's Compensation review process is intended to allow SBWMA to determine whether the Application is consistent with the Agreement and accurately calculates Contractor's Compensation for the coming Rate Year. SBWMA shall take the following steps during its review of the Application.

1. Review of Contractor's Compensation Calculations. SBWMA shall review Contractor's Compensation adjustment calculations to verify that the calculations are performed in accordance with Article 11 and relevant attachments including this Attachment. SBWMA shall notify Contractor of any apparent errors or discrepancies in the calculation of Contractor's Compensation which it identifies.
2. Review of Revenue Projection for Following Year. SBWMA shall review Contractor's projection of Gross Revenue Billed. Any unusual trends will be identified and explanations obtained from the Contractor.
3. Determine Prior Year Revenue Surplus/Shortfall. SBWMA will review the Contractor's Revenue Reconciliation calculations submitted in March in light of audited financial statements.

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8. Allocation of Contractor's Compensation Among Member Agencies

Contractor allocated projected 2021 Contractor's Compensation among the Member Agencies using the methodology described in the 2009 Franchise Agreement (Attachment K, subsection 6.B) and as illustrated in Attachment N. The Contractor's allocation of projected 2021 Contractor's Compensation was based on April-May 2016 operating statistics compiled by Contractor including those from the annual route audit described in Section 7.12, including route labor hours per year, route hours per year, number of accounts, service stops, Bin and Cart lifts, Drop Box pulls, Tonnage, and number of Containers, reported separately for each Member Agency. Route labor hours and route hours included hours related to on and off route time, collection time, and hauling time to deliver materials to the Designated Transfer and Processing Facility. Contractor compiled the operating statistics based on the 2016 annual route audit or best available information.

The Parties agree that the projected 2021 Contractor's Compensation for each Member Agency (which is presented in Attachment N by Service Sector and Lines of Business specified in Section 4) shall be used as the basis for determining each Member Agency's share of adjusted 2021 Contractor's Compensation for Rate Year Eleven (2021), and each Member Agency's share of Contractor's Compensation for all subsequent Rate Years. Cost allocations shall not be adjusted during the Term of the Agreement, with the exception of allocation of adjusted vehicle depreciation and interest costs for Rate Year Seventeen (2027) as described further in Section 4 of this Attachment. Agency's share of Contractor's Compensation shall be adjusted independently from others using the methodology in this Attachment K, adjusting for changes in cost indices and Agency service levels.

99. Pass-Through Costs

Pass-Through Costs are costs which are included in the Revenue Requirement and Gross Revenue Billed on which no profit is paid to Contractor. Pass-Through Costs are divided into two groups:

- 1) Contractor Pass-Through Costs, which consist of regulatory agency fees, interest expense, Member Agency-specific changes to the Agreement, and Cap Carry Forward amounts, as described under the heading "Contractor Pass-Through Costs" in Table 1 above.
- 2) Other Pass-Through Costs, which consist of Member Agency Franchise Fees and other fees which are paid to each Member Agency, and fees paid by Contractor to SBWMA for processing and Disposal (including transfer) of materials delivered by Contractor to the Designated Transfer and Processing Facility.

Other Pass-Through Costs are not part of Contractor's Compensation, but are included in the Revenue Requirement (see Section 13 below). As part of SBWMA's report on Contractor's Application (see Section 11 below), SBWMA shall estimate the total amount of Other Pass-Through Costs and the portion thereof attributable to each Member Agency. Estimated Franchise Fees and other fees are calculated separately for each Member Agency, and therefore do not need to be allocated.

SBWMA will estimate total payments by Contractor to SBWMA for processing and Disposal fees, based on total Tonnages of Solid Waste, Recyclable Materials, and Organic Materials projected to be delivered to the Designated Transfer and Processing Facility for the coming Rate Year. Such fees shall be allocated

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to each Member Agency based on total Tonnages of each type of material projected to be delivered to the Designated Transfer and Processing Facility from each Member Agency.

10. Revenue Reconciliation of Gross Revenue Billed to Approved Contractor's Compensation for Most-Recently Completed Year

Annually, Contractor's Net Revenue Billed for the most-recently completed Rate Year will be reconciled to the Contractor's Compensation approved for the most-recently completed Rate Year. The difference will be added to or subtracted from Contractors' Compensation for the coming Rate Year.

Contractor shall report the Revenue Reconciliation annually by March 31 of each year (in a format to be approved by SBWMA), commencing in 2020 so that it can be included with the Application for Rate Year Eleven (2021) Contractor's Compensation, which is due June 15, 2020. The report shall include the following:

- a. Statement of Gross Revenue Billed for the most-recently completed Rate Year for each Member Agency, by Service Sector and Lines of Business specified in Section 4.
- b. Statement of Other Pass-Through Costs by Member Agency by Service Sectors and Lines of Business specified in Section 4.
- c. Statement of Revenues Billed attributable to additional services defined in Attachment Q by Member Agency with adjustment for Backyard Collection Service pursuant to Section 11.03 of the Agreement.

Subtracting the sum of items b and c from a, yields Net Revenue Billed. [The calculation is: $a - (b + c) =$ Net Revenue Billed.] Net Revenue Billed is compared to the approved Contractor's Compensation and the surplus, or shortfall, is determined. The reconciliation shall be performed separately for each Member Agency, resulting in a surplus or shortfall for each Member Agency.

The amounts described in items a, b and c for the most-recently completed Rate Year must be included in the audited financial statement due by June 15. Any variance between the March 31 data and the final audited data must be explained and the Revenue Reconciliation report revised accordingly. The audited data will be considered in calculating the adjustment to Contractor's Compensation for the following Rate Year.

Payment(s) made by Contractor to SBWMA under Section 6.02 of the Agreement for transportation, Disposal and supplemental processing of Contaminated loads shall not be subtracted from Gross Revenue Billed.

The revenue reconciliation process will not be carried out during the last Rate Year of the Term; however, notwithstanding the foregoing or any other provision of this Agreement, if Agency fails to set Rates in the final Rate Year of the Term so that Contractor is fully reimbursed for all Cap Carry Forwards elected by Agency, as is required by Section 5 and Section 13 of this Attachment K, then a final revenue reconciliation shall be conducted as provided in this paragraph. The process shall follow the above procedure and the procedure for preparation, review and approval of SBWMA staff reports set forth below. If the revenue reconciliation demonstrates that Contractor has been overcompensated for Agency's Cap Carry Forwards through the Rates set by Agency, Contractor shall pay the surplus to Agency. If the revenue reconciliation demonstrates that Contractor has been undercompensated for Agency's Cap Carry Forwards through the Rates set by Agency, Agency shall pay the shortfall to

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Contractor. The Parties and SBWMA shall use best efforts to finalize the revenue reconciliation process and effect any payments within one (1) year after the end of the Term.

11. Preparation and Review of Reports

SBWMA staff will prepare a report on its review of the Application. The report will contain SBWMA staff findings on each of the following components of the Application.

- Contractor's Annual Costs of Operation
- Contractor's Pass-Through Costs
- Calculated Profit
- Revenue surplus or shortfall for the most-recently completed Rate Year, based on the Revenue Reconciliation described in Section 10
- Other Pass-Through Costs, including Contractor payments to SBWMA for processing and Disposal and to Agency for Franchise Fees and other fees
- Total Revenue Requirement for Contractor for the coming Rate Year
- Recommended overall percentage change in each Member Agency's Rates
- Discussion of issues for consideration by Member Agencies, including unresolved disagreements, if any, that Contractor has with the report's findings and recommendations
- Adjusted Attachment Q Charges for the coming Rate Year

Annually in January of each Rate Year, SBWMA provides a report preparation timeline that is reviewed and approved by the Contractor. In accordance with the timeline (on or about before September 1 of each year), SBWMA staff will provide a draft of its report to Contractor and to each Member Agency for review and shall consider all comments received within ten (10) Business Days after the draft report is released. Agency will be responsible to include in its comments any special or intermittent Agency specific costs that should be included in Contractor's Revenue Requirement for the next year. SBWMA staff will submit the final report to the SBWMA Board of Directors for consideration at a regular or special meeting held at a date specified in the timeline (which may be on or before September 30).

Upon approval by the SBWMA Board, the report will be distributed to each Member Agency, in accordance with the timeline (on or before October 1).

12. Performance Incentives and Disincentives for Contractor's Performance

Contractor performance will be monitored against established and quantifiable standards in the areas of Diversion, Collection Performance, and Customer Service. Incentives have been designed to reward Contractor for outstanding levels of performance with regard to Diversion and Average Hold Time for Customer service calls. Disincentives (in the form of reduced compensation to Contractor) may be assessed for substandard performance related to: diversion level attained (i.e., Single-Family and Commercial sectors), Missed Pick-Up Collection Events, Average Hold Time, and Calls Answered in Ninety (90) Seconds.

The Performance Incentives and Disincentives are detailed in Attachment I. Payment related to Performance Incentives and Disincentives shall be included in Contractor's Application. Contractor's

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Compensation for the coming Rate Year will be increased or decreased by the net amount of Performance Incentive payments and Disincentive assessments calculated.

13. Rate Setting

Member Agencies shall review their Collection Rates, including Charges on Attachment Q for additional services, annually (or as frequently as they determine necessary) and adjust them in amount and with an effective date sufficient to achieve the Revenue Requirement projected for that year in the SBWMA report. The Revenue Requirement consists of: (i) the Agency's share of Contractor's Compensation; (ii) an adjustment to reflect a revenue shortfall or surplus for the most-recently completed Rate Year; (iii) Other Pass-Through Costs including, but not limited to, Franchise Fees and others fees and payments to SBWMA for processing and Disposal; and, (iv) Performance Incentive and Disincentive payments due, if any.

Annually, Agency shall adjust Contractor's Charges specified in Attachment Q for additional services for 100% in the Annual Index Change for the CPI-U.

SBWMA COLLECTION AGREEMENT

Attachment N: Form A & B

Contractor's Compensation

CONTRACTOR'S TOTAL COMPENSATION - DETAIL

TOTAL SBWMA

	Proposed Compensation - 2021	Single Family Dwelling	MFD & Commercial	Member Agency Facilities	Total Service Sectors
Annual Cost of Operations					
Direct Labor-Related Costs	19,343,478	10,688,629	8,441,352	213,497	19,343,478
Wages for CBAs	8,989,037	5,094,383	3,794,848	99,806	8,989,037
Benefits for CBAs	1,609,377	889,294	702,320	17,763	1,609,377
Payroll Taxes	1,378,158	761,530	601,419	15,210	1,378,158
Workers Compensation Insurance	31,320,051	17,433,836	13,539,939	346,276	31,320,051
Total Direct Labor Related-Costs	2,091,532	1,217,685	846,740	27,107	2,091,532
Direct Fuel Costs	2,894,742	1,621,306	1,222,303	51,133	2,894,742
Other Direct Costs	3,056,022	1,784,658	1,163,316	108,048	3,056,022
Depreciation	1,178,150	876,951	301,199	-	1,178,150
- Collection Vehicles	4,234,172	2,661,609	1,464,516	108,048	4,234,172
- Containers	9,456,605	5,487,883	3,718,016	250,706	9,456,605
Total Depreciation	1,928,415	1,119,103	758,187	51,125	1,928,415
Allocated Indirect Costs	3,685,656	2,138,871	1,449,075	97,711	3,685,656
General and Administrative Operations	1,558,991	788,653	534,310	36,029	1,558,991
Vehicle Maintenance	16,429,667	9,534,510	6,459,587	435,570	16,429,667
Container Maintenance	117,650	68,238	45,884	3,528	117,650
Total Allocated Indirect Depreciation Costs	57,087,814	32,537,183	23,578,969	971,663	57,087,814
Total Annual Cost of Operations	5,992,644	3,415,505	2,475,140	101,998	5,992,644
Profit	90.5%				
Operating Ratio	63,080,458	35,952,688	26,054,109	1,073,660	63,080,458
Total Operating Costs					
Contractor Pass-Through Costs	1,145,186	652,756	469,526	22,904	1,145,186
Interest Expense ¹	1,145,186	652,756	469,526	22,904	1,145,186
Total Contractor Pass-Through Costs	64,225,644	36,605,444	26,523,635	1,096,564	64,225,644
BASE CONTRACTOR'S COMPENSATION					

¹ Interest expense excludes interest on bin container purchases.

SBWMA COLLECTION AGREEMENT
TOTAL CONTRACTOR'S COMPENSATION BY MEMBER AGENCY
 Proposed Compensation 2021

2021 Projected Total	2021 Costs										Unincorp S.M. County		
	Atherton	Belmont	Burlingame	E Palo Alto	Foster City	Hillsborough	Menlo Park	North Fair Oaks	Redwood City	San Carlos		San Mateo	West Bay
BASE COLLECTION COSTS													
Annual Cost of Operations													
Direct Labor-Related Costs													
Wages for CBAs	\$19,343,478	\$1,256,532	\$1,953,077	\$78,491	\$1,154,855	\$621,506	\$1,438,079	\$511,182	\$3,438,223	\$1,630,035	\$4,345,145	\$2,222,991	\$74,805
Benefits for CBAs	\$5,989,037	\$584,394	\$893,574	\$364,959	\$599,070	\$293,343	\$893,307	\$288,666	\$1,600,910	\$782,768	\$2,020,403	\$1,122,570	\$34,812
Payroll Taxes	\$1,609,377	\$104,545	\$162,491	\$61,228	\$96,918	\$47,709	\$138,248	\$46,850	\$236,060	\$140,811	\$361,578	\$204,956	\$68,304
Workers Compensation Insurance	\$1,376,328	\$89,525	\$139,155	\$54,836	\$82,924	\$42,802	\$128,582	\$42,883	\$229,577	\$120,439	\$309,577	\$163,083	\$51,820
Total Direct Labor Related-Costs	\$11,320,021	\$2,035,016	\$3,184,328	\$1,264,265	\$1,884,434	\$1,101,838	\$3,130,919	\$992,183	\$5,570,344	\$2,703,921	\$7,026,842	\$3,549,600	\$1,178,860
Direct Fuel Costs	\$2,039,432	\$132,595	\$194,352	\$88,906	\$126,958	\$73,999	\$221,724	\$65,153	\$369,109	\$190,123	\$451,875	\$27,057	\$81,077
Other Direct Costs	\$2,894,742	\$183,886	\$277,712	\$12,118	\$175,274	\$98,312	\$369,014	\$89,742	\$511,702	\$202,850	\$523,815	\$49,718	\$18,791
Depreciation	\$3,056,022	\$193,109	\$286,759	\$127,419	\$184,198	\$110,471	\$332,013	\$92,641	\$458,114	\$240,184	\$652,976	\$54,173	\$119,033
- Collection Vehicles	\$1,178,150	\$72,020	\$102,453	\$54,626	\$73,460	\$37,053	\$113,627	\$36,566	\$209,706	\$105,767	\$288,581	\$22,873	\$51,456
- Containers	\$4,234,172	270,198	389,289	18,055	237,658	147,514	445,710	129,207	744,813	385,960	911,819	77,046	170,439
Allocated Indirect Costs													
General and Administrative	\$9,456,695	\$580,446	\$891,820	\$461,831	\$585,320	\$221,624	\$985,912	\$278,558	\$1,765,927	\$898,901	\$2,129,955	\$1,484,992	\$356,136
Operations	\$1,528,415	\$122,028	\$188,494	\$73,467	\$119,502	\$70,750	\$210,877	\$55,200	\$330,483	\$177,843	\$408,578	\$24,487	\$74,096
Vehicle Maintenance	\$3,682,636	\$232,281	\$350,256	\$151,924	\$228,397	\$132,202	\$403,036	\$104,500	\$631,427	\$339,900	\$780,888	\$65,913	\$141,614
Container Maintenance	\$1,558,981	\$54,436	\$83,759	\$36,893	\$57,264	\$33,824	\$118,846	\$39,159	\$242,920	\$133,733	\$302,515	\$21,729	\$49,647
Total Allocated Indirect Costs	\$16,429,667	\$1,020,221	\$1,559,366	\$757,715	\$1,020,982	\$461,270	\$1,748,765	\$478,418	\$2,770,124	\$1,340,374	\$3,622,046	\$270,620	\$621,493
Total Allocated Indirect: Depreciation Costs	\$117,650	\$7,409	\$11,719	\$4851	\$7,246	\$4,301	\$12,348	\$3,323	\$20,229	\$10,734	\$24,916	\$2,084	\$4,308
Annual Implementation Cost: Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$37,087,814	3,649,327	5,590,961	2,422,609	3,472,653	1,796,233	5,968,981	1,757,425	10,866,241	5,123,983	12,675,941	963,126	2,165,868
Profit	\$5,922,644	\$383,028	\$586,827	\$235,112	\$354,522	\$188,535	\$616,082	\$184,481	\$1,029,472	\$527,869	\$1,330,624	\$101,002	\$222,350
Operating Ratio	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
Total Operating Cost	\$62,080,458	\$1,362,301	\$4,032,405	\$2,657,721	\$3,827,175	\$1,984,768	\$6,485,062	\$1,941,906	\$11,895,315	\$5,651,749	\$14,006,565	\$1,064,228	\$2,391,214
Contractor Pass-Through Costs													
Interest Expense	\$1,141,386	\$71,732	\$108,371	\$44,809	\$70,656	\$36,431	\$133,463	\$36,288	\$202,157	\$105,128	\$248,574	\$19,617	\$43,133
BASE CONTRACTOR'S COMPENSATION	\$64,225,644	\$4,054,137	\$6,286,129	\$2,726,530	\$3,907,631	\$2,021,219	\$6,608,325	\$1,977,205	\$11,458,072	\$5,766,877	\$14,255,139	\$1,083,844	\$2,436,377
Interest expense/excludes interest on bin container purchases													

Statistics Used for Year 2021 Cost Allocation Only		Total	
City # of accounts	2,346	483	2,346
SBWMA # of accounts	94,580	90,725	94,580
City # of accounts %	2.5%	1.6%	2.5%
City Total Route Labor hours year	1,438,226	2,673,288	6,084
SBWMA Total Route Labor hours year	46,232.55	39,114.12	141,248
City Total Route Labor hours year %	3.1%	1.6%	2.3%
City # of route hours year	1,260.19	2,318.34	5,397
SBWMA # of route hours year	42,847.89	34,949.16	129,222
City Total Route Labor hours year %	3.2%	1.6%	4.2%
City Total Containers in Service	2,546	6,427	12,079
SBWMA Total Containers in Service	96,806	99,941	29,504
City Total Containers in Service %	2.6%	1.0%	3.2%

Single Family Dwelling	A			B			C			D			Single Family Dwelling Total	
	Solid Waste			Targeted Recyclable Materials			Organic Materials (including Holiday Trees)			Two On-Call Collection Events				
Annual Cost of Operations														
Direct Labor/Benefice Costs														
Wages for CH's	\$1,210,654			\$129,580			\$182,865							\$450,789
Benefits for CH's	\$55,747			\$62,477			\$7,499							\$21,107
Payroll Taxes	\$10,038			\$10,781			\$1,222							\$37,505
Workers Compensation Insurance	\$8,526			\$9,232			\$1,066							\$32,116
Total Direct Labor Related Costs	\$1,283,965			\$212,070			\$202,652							\$731,517
Direct Fuel Costs	\$12,394			\$16,366			\$21,064							\$55,148
Other Direct Costs	\$1,713			\$21,593			\$30,752							\$70,568
Depreciation - Collection Vehicles	\$19,395			\$21,469			\$27,242							\$70,746
Depreciation - Containers	\$7,060			\$7,535			\$11,344							\$55,539
Depreciation for Collection Equipment	\$26,455			\$30,004			\$38,586							\$112,585
Other	\$0			\$0			\$0							\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)														
General and Administrative	\$67,498			\$45,781			\$46,115							\$177,488
Operations	\$11,483			\$14,734			\$24,321							\$50,781
Vehicle Maintenance	\$21,746			\$38,160			\$46,485							\$97,034
Container Maintenance	\$5,704			\$7,216			\$12,610							\$27,000
Total Allocated Indirect Costs including Depreciation and Interest	\$84,130			\$95,896			\$133,531							\$332,303
Total Allocated Indirect Depreciation Costs (Form 9)	\$857			\$892			\$1,509							\$1,179
Annual Implementation Cost Amortization (Form A)	\$0			\$0			\$0							\$0
Total Annual Cost of Operations	\$136,415			\$137,634			\$549,515							\$1,292,156
Profit (insert Operating Ratio below)	\$35,314			\$39,558			\$57,684							\$135,641
Total Proposed Costs before Pass-Through Cost Allocation	\$371,729			\$416,404			\$607,199							\$1,427,797
Contractor Pass-Through Costs														
Interest Expense	\$5,488			\$7,356			\$14,368							\$26,371
Total Contractor Pass-Through Costs	\$6,488			\$7,356			\$14,368							\$26,371
TOTAL BASE CONTRACTOR'S COMPENSATION	\$378,217			\$423,762			\$621,566							\$1,454,168

Service Level Statistics Used for Future Service Level Cost Adjustments			
Year	Accounts	Accounts	Accounts
2014	2,340	2,340	2,340
2015	2,347	2,347	2,347
2016	2,346	2,346	2,346
Rolling Three-Year Average	2,344	2,344	2,344

SBWMA COLLECTION AGREEMENT
 D. Town of Atherton Allocated Costs - SF

Step 1: Index Based Adjustments

PY CPI-W-Wages (2017 Listed as Example)	264.17%	264.17%	264.17%	264.17%
CY CPI-W-Wages (2017 Listed as Example)	264.17%	264.17%	264.17%	264.17%
CPI-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPI-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%
CY CPI-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%
CPI-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPI-U-Motor Fuel (2017 Listed as Example)	209.25%	209.25%	209.25%	209.25%
CY CPI-U-Motor Fuel (2017 Listed as Example)	209.25%	209.25%	209.25%	209.25%
CPI-U-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPI-U (2017 Listed as Example)	269.98%	269.98%	269.98%	269.98%
CY CPI-U (2017 Listed as Example)	269.98%	269.98%	269.98%	269.98%
CPI-U Adjustment	100.0%	100.0%	100.0%	100.0%

Single Family Dwelling	Step 1: Index Based Adjustments				Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	\$120,654	\$129,580	\$185,865	\$14,682	\$450,780
Benefits for CBAs	\$55,741	\$62,477	\$87,499	\$7,897	\$213,614
Payroll Taxes	\$10,078	\$10,781	\$15,464	\$1,222	\$37,565
Workers Compensation Insurance	\$8,556	\$9,232	\$13,242	\$1,046	\$32,118
Total Direct Labor-Related Costs	\$195,030	\$212,070	\$302,069	\$24,847	\$714,015
Direct Fuel Costs	\$12,924	\$16,396	\$23,064	\$694	\$53,148
Other Direct Costs	\$7,113	\$11,589	\$20,752	\$1,110	\$70,568
Depreciation - Collection Vehicles	\$19,395	\$12,469	\$17,242	\$659	\$79,746
Depreciation - Containers	\$7,060	\$7,535	\$11,344	\$0	\$35,939
Depreciation for Collection Equipment	\$26,455	\$30,004	\$38,586	\$639	\$113,685
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative Operations	\$43,998	\$45,781	\$46,115	\$1,195	\$137,088
Vehicle Maintenance	\$1,483	\$1,734	\$2,321	\$244	\$50,781
Container Maintenance	\$11,846	\$18,160	\$26,485	\$466	\$97,054
Total Allocated Indirect Costs excluding Depreciation and Interest	\$57,327	\$73,705	\$75,021	\$1,905	\$235,078
Total Allocated Indirect: Depreciation Costs (Form 9)	\$693	\$892	\$1,509	\$15	\$3,109
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$336,415	\$376,846	\$549,515	\$29,380	\$1,291,156
Profit (insert Operating Ratio below)	\$55,314	\$39,588	\$57,684	\$3,084	\$125,641
Total Proposed Costs before Pass-Through Cost Allocation	\$371,729	\$416,434	\$607,199	\$32,464	\$1,417,797
Contractor Pass-Through Costs					
Interest Expense	\$6,488	\$7,359	\$14,368	\$157	\$28,372
Total Contractor Pass-Through Costs	\$6,488	\$7,359	\$14,368	\$157	\$28,372
TOTAL BASE CONTRACTOR'S COMPENSATION	\$378,217	\$423,793	\$621,567	\$32,621	\$1,446,169

Step 2: Service Level Adjustments		Accounts	Accounts	Accounts
2014	2,340	2,340	2,340	2,340
2015	2,347	2,347	2,347	2,347
2016	2,346	2,346	2,346	2,346
Prior Year Rolling Three-Year Average	2,344	2,344	2,344	2,344
Accounts		Accounts	Accounts	Accounts
2014	2,340	2,340	2,340	2,340
2015	2,347	2,347	2,347	2,347
2016	2,346	2,346	2,346	2,346
Current Year Rolling Three-Year Average	2,344	2,344	2,344	2,344
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%

Single Family Dwelling	Solid Waste		Targeted Recyclable Materials	Organic Materials (Including Holiday Trees)	Two One-Call Collection Events	Single Family Dwelling Total
	A	B				
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CHAs	\$1,200,654	\$125,580	\$185,865	\$14,682	\$14,682	\$450,780
Benefits for CHAs	\$45,742	\$62,477	\$87,499	\$7,897	\$7,897	\$213,624
Payroll Taxes	\$1,003,581	\$107,761	\$155,464	\$12,222	\$12,222	\$377,505
Workers Compensation Insurance	\$8,836	\$12,232	\$17,428	\$1,626	\$1,626	\$47,112
Total Direct Labor-Related Costs	\$1,966,813	\$212,750	\$302,656	\$24,827	\$24,827	\$734,012
Direct Fuel Costs	\$12,974	\$16,396	\$22,084	\$694	\$694	\$51,148
Other Direct Costs	\$1,115	\$11,893	\$50,731	\$1,130	\$1,130	\$70,608
Depreciation - Collection Vehicles	\$16,539	\$22,469	\$37,242	\$639	\$639	\$79,746
Depreciation - Containers	\$7,050	\$7,335	\$21,344	\$0	\$0	\$35,939
Depreciation for Collection Equipment	\$26,453	\$30,024	\$58,586	\$639	\$639	\$115,685
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs (including Depreciation and Interest) (Form 9)						
General and Administrative	\$45,998	\$45,781	\$46,115	\$1,195	\$1,195	\$137,089
Operations	\$11,483	\$14,734	\$24,321	\$344	\$344	\$50,781
Vehicle Maintenance	\$1,846	\$38,160	\$46,483	\$466	\$466	\$97,054
Container Maintenance	\$6,704	\$7,216	\$16,416	\$172	\$172	\$30,707
Total Allocated Indirect Costs (including Depreciation and Interest)	\$84,130	\$92,891	\$133,334	\$2,076	\$2,076	\$318,631
Total Allocated Indirect (Depreciation, Costs) (Form 9)	\$892	\$892	\$1,519	\$15	\$15	\$5,109
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$336,415	\$376,646	\$549,515	\$29,380	\$29,380	\$1,292,156
Profit (insert Operating Ratio below)	\$35,314	\$39,558	\$57,684	\$3,084	\$3,084	\$135,641
Total Proposed Costs before Pass-Through Cost Allocation	\$371,729	\$416,204	\$607,199	\$32,464	\$32,464	\$1,427,797
Contractor Pass-Through Costs						
Interest Expense	\$6,488	\$7,359	\$14,568	\$127	\$127	\$25,372
Total Contractor Pass-Through Costs	\$6,488	\$7,359	\$14,568	\$127	\$127	\$25,372
TOTAL BASE CONTRACTOR'S COMPENSATION	\$378,217	\$423,563	\$621,767	\$32,591	\$32,591	\$1,453,169

SBWMA COLLECTION AGREEMENT
 D. Town of Atherton Allocated Costs - MFD & Commercial

Proposed Compensation
 2021

	Statistics Used for Year 2021 Cost Allocation Only						Total
	11	13	8	0	483	32	
City # of Accounts	10,332	10,210	1,712	195	29,504	22,449	
SBWMA # Accounts	0.1%	0.2%	0.2%	0.0%	1.6%	0.1%	
City # of Accounts %	187.94	102.67	102.07	0.00	213.50	388	
City Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,187.11	13,045.24	87,508	
SBWMA Total Route Labor hours year	0.4%	0.0%	1.6%	0.0%	1.6%	0.4%	
City Total Route Labor hours year %	159.72	98.51	98.59	0.00	213.50	337	
City # of route hours/year	31,307.08	35,241.12	6,046.06	6,187.11	13,045.24	58,761	
SBWMA # of route hours/year	0.4%	0.4%	1.6%	0.0%	1.6%	0.2%	
City # of route hours/year %	14	43	9	0	483	66	
City Total Containers in Service	17,258	19,703	2,059	333	29,504	39,353	
SBWMA Total Containers in Service	0.1%	0.2%	0.4%	0.0%	1.6%	0.2%	
City Total Containers in Service %							

	E	F	G	H	J	MFD & Commercial Total
	Cur and Bin Sold Waste	Cur and Bin Recyclable Materials	Cur and Bin Organic Materials (including Holiday Trees)	Total Drop Box Materials (All Materials)	Two On-Call Collectors Events	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$19,935	\$7,654	\$11,277	\$0	\$2,367	\$41,249
Benefits for CBAs	\$5,514	\$3,238	\$3,519	\$0	\$1,164	\$17,655
Payroll Taxes	\$1,660	\$937	\$938	\$0	\$1,97	\$3,432
Workers Compensation Insurance	\$1,433	\$545	\$823	\$0	\$1,62	\$2,929
Total Direct Labor-Related Costs	\$22,548	\$12,264	\$16,567	\$0	\$3,866	\$55,275
Direct Fuel Costs	\$2,164	\$798	\$1,540	\$0	\$257	\$4,760
Other Direct Costs	\$2,978	\$1,285	\$1,868	\$0	\$334	\$6,486
Depreciation - Collection Vehicles	\$2,567	\$1,038	\$2,748	\$0	\$245	\$6,859
Depreciation - Containers	\$98	\$159	\$374	\$0	\$61	\$732
Depreciation for Collection Equipment	\$2,763	\$1,397	\$3,122	\$0	\$706	\$7,991
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$1,002	\$1,268	\$5,484	\$0	\$491	\$8,245
General and Administrative	\$356	\$793	\$3,922	\$0	\$100	\$5,652
Operations	\$1,637	\$1,636	\$7,458	\$0	\$191	\$10,802
Vehicle Maintenance	\$110	\$322	\$372	\$0	\$11	\$1,216
Container Maintenance	\$3,605	\$3,889	\$17,582	\$0	\$853	\$55,929
Total Allocated Indirect Costs excluding Depreciation and Interest	\$54	\$49	\$203	\$0	\$5	\$312
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$44,114	\$19,682	\$40,883	\$0	\$5,673	\$110,363
Total Annual Cost of Operations	\$4,630.73	\$2,066	\$4,392	\$0	\$596	\$11,584
Profit (insert Operating Ratio below)	90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	\$48,745	\$21,749	\$45,175	\$0	\$6,269	\$121,937
Contractor Pass-Through Costs	\$886	\$448	\$1,001	\$0	\$98	\$2,434
Interest Expense	\$886	\$448	\$1,001	\$0	\$98	\$2,434
Total Contractor Pass-Through Costs	\$89,631	\$22,197	\$46,176	\$0	\$6,367	\$124,371
TOTAL BASE CONTRACTOR'S COMPENSATION						

Service Level Statistics Used for Future Service Level Cost Adjustments			
	Lifts	Lifts	Hauls
2014	1,560	2,964	728
2015	1,560	3,068	1,040
2016	1,456	3,120	1,248
Rolling Three-Year Average	1,525	3,051	1,005

	Step 1: Index Based Adjustments					
	2014-176	204-176	204-176	204-176	204-176	204-176
PY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176
CY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176
CPI-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815
CY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815
CPI-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-U-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252	209,252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252	209,252
CPI-U-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983
CY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983
CPI-U Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

MFD & Commercial	Annual Cost of Operations						MFD & Commercial Total
	E	F	G	H	J		
Direct Labor-Related Costs							
Wages for CBAs	\$19,534	\$7,654	\$1,277	\$0	\$2,367	\$1,249	\$1,249
Benefits for CBAs	\$9,514	\$3,428	\$1,440	\$0	\$1,164	\$1,164	\$1,164
Payroll Taxes	\$1,660	\$938	\$378	\$0	\$197	\$197	\$197
Workers Compensation Insurance	\$1,222	\$525	\$803	\$0	\$166	\$166	\$166
Total Direct Labor Related Costs	\$32,152	\$12,544	\$3,498	\$0	\$3,896	\$3,896	\$3,896
Direct Fuel Costs	\$2,164	\$789	\$1,440	\$0	\$257	\$257	\$257
Other Direct Costs	\$2,978	\$1,285	\$1,868	\$0	\$354	\$354	\$354
Depreciation - Collection Vehicles	\$3,667	\$1,158	\$2,748	\$0	\$243	\$243	\$243
Depreciation - Containers	\$98	\$199	\$374	\$0	\$732	\$732	\$732
Depreciation for Collection Equipment	\$2,765	\$1,357	\$1,122	\$0	\$306	\$306	\$306
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)							
General and Administrative Operations	\$1,022	\$1,208	\$5,484	\$0	\$497	\$497	\$497
Vehicle Maintenance	\$1,637	\$743	\$3,962	\$0	\$106	\$106	\$106
Container Maintenance	\$110	\$126	\$7,458	\$0	\$191	\$191	\$191
Total Allocated Indirect Costs excluding Depreciation and Interest	\$3,669	\$3,885	\$17,904	\$0	\$884	\$884	\$884
Total Allocated Indirect Depreciation Costs (Form 9)	\$54	\$49	\$303	\$0	\$6	\$6	\$6
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$44,114	\$19,682	\$40,883	\$0	\$5,673	\$5,673	\$110,353
Profit (insert Operating Ratio below)	\$4,631	\$2,066	\$4,292	\$0	\$596	\$596	\$11,584
	90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$48,745	\$21,749	\$45,175	\$0	\$6,269	\$6,269	\$121,937
Contractor Pass-Through Costs							
Interest Expense	\$889	\$448	\$1,001	\$0	\$58	\$58	\$2,434
Total Contractor Pass-Through Costs	\$889	\$448	\$1,001	\$0	\$58	\$58	\$2,434
TOTAL BASE CONTRACTOR'S COMPENSATION	\$49,634	\$22,197	\$46,176	\$0	\$6,327	\$6,327	\$124,371

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Lifts	Hauls
2014	1,560	2,964	728	0	0
2015	1,560	3,068	1,040	0	0
2016	1,456	3,120	1,248	0	0
Prior Year Rolling Three-Year Average	1,525	3,051	1,005		
	Lifts	Lifts	Lifts	Hauls	
2014	1,560	2,964	728	0	0
2015	1,560	3,068	1,040	0	0
2016	1,456	3,120	1,248	0	0
Current Year Rolling Three-Year Average	1,525	3,051	1,005		
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%		
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%		

MFD & Commercial	Cart and Bin Solid Waste		Cart and Bin Recyclable Materials		Cart and Bin Organic Materials (including Holiday Trees)		Total Drop Box Services (All Materials)		Two On-Call Collection Events		MFD & Commercial Total
	E	F	G	H	I	J	K	L			
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$19,933	\$7,654	\$11,277	\$0	\$2,367	\$41,249					
Benefits for CBAs	\$8,514	\$3,428	\$5,086	\$0	\$1,164	\$17,685					
Payroll Taxes	\$1,660	\$637	\$938	\$0	\$197	\$1,431					
Workers Compensation Insurance	\$1,322	\$515	\$803	\$0	\$169	\$2,939					
Total Direct Labor-Related Costs	\$32,249	\$12,164	\$18,897	\$0	\$3,896	\$65,275					
Direct Fuel Costs	\$2,764	\$798	\$1,540	\$0	\$257	\$4,760					
Other Direct Costs	\$2,973	\$1,285	\$1,868	\$0	\$354	\$6,486					
Depreciation - Collection Vehicles	\$2,567	\$1,198	\$2,748	\$0	\$345	\$6,859					
Depreciation - Containers	\$98	\$199	\$374	\$0	\$61	\$732					
Depreciation for Collection Equipment	\$4,763	\$1,397	\$3,122	\$0	\$306	\$7,591					
Lease	\$0	\$0	\$0	\$0	\$0	\$0					
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$1,002	\$1,268	\$5,484	\$0	\$481	\$8,245					
General and Administrative	\$856	\$793	\$3,902	\$0	\$100	\$5,652					
Operations	\$1,537	\$1,516	\$7,458	\$0	\$191	\$10,802					
Vehicle Maintenance	\$110	\$312	\$737	\$0	\$71	\$1,230					
Container Maintenance	\$0	\$0	\$0	\$0	\$0	\$0					
Total Allocated Indirect Costs excluding Depreciation and Interest	\$3,505	\$3,889	\$17,582	\$0	\$853	\$25,929					
Total Allocated Indirect Depreciation Costs (Form 9)	\$54	\$49	\$203	\$0	\$6	\$312					
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0					
Total Annual Cost of Operations	\$44,114	\$19,682	\$40,983	\$0	\$5,673	\$110,353					
Profit (insert Operating Ratio below)	\$4,631	\$2,066	\$4,292	\$0	\$596	\$11,584					
90.5%											
Total Proposed Costs before Pass-Through Cost Allocation	\$48,745	\$21,749	\$45,175	\$0	\$6,269	\$121,937					
Contractor Pass-Through Costs											
Interest Expense	\$886	\$448	\$1,001	\$0	\$98	\$2,434					
Total Contractor Pass-Through Costs	\$886	\$448	\$1,001	\$0	\$98	\$2,434					
TOTAL BASE CONTRACTOR'S COMPENSATION	\$886	\$448	\$1,001	\$0	\$98	\$2,434					

SBWMA COLLECTION AGREEMENT 2021
 D. Town of Atherton Allocated Costs - Agency Facilities

Proposed Compensation 2021

	Statistics Used for Year 2021 Cost Allocation Only		Totals	
City # of Lifts per year	858	390	936	2,346
SBWMA # Lifts per year (Accounts for Venues Events)	242,307	16,744	65,039	94,580
City # of Lifts per year %	0.4%	2.3%	1.4%	2.5%
City Total Route Labor hours year	46,23	2,15	17,44	114,07
SBWMA Total Route Labor hours year	-7,066.39	236,00	993,06	5,934.45
City Total Route Labor hours year %	1.0%	0.9%	1.8%	1.9%
City # of route hours/year	31.16	2.15	16.83	114.07
SBWMA # of route hours/year	2,599.51	224.16	939.57	5,934.45
City # of route hours/year %	1.2%	1.0%	1.8%	1.9%
City # of Containers	13	7	18	2,546
SBWMA # of Containers	842	256	528	96,806
City # of Containers %	1.5%	2.7%	3.2%	2.0%
	41%	2%	15%	42%

Agency Facilities	Cur and Bin Solid Waste		Cur and Bin Organic Materials		Cur and Bin Recyclable Materials		Total Drop Box Services (All Materials)		Venues and Events		Agency Facilities Total
	E	F	G	H	I	J	K	L	M		
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$142	\$44	\$44	\$335	\$44	\$335	\$983	\$145	\$145	\$145	\$2,469
Benefits for CBAs	\$440	\$20	\$20	\$166	\$440	\$166	\$668	\$68	\$68	\$68	\$1,134
Payroll Taxes	\$78	\$4	\$4	\$31	\$78	\$31	\$31	\$4	\$4	\$4	\$205
Workers Compensation Insurance	\$27	\$3	\$3	\$25	\$27	\$25	\$25	\$3	\$3	\$3	\$126
Total Direct Labor Related Costs	\$1,228	\$71	\$71	\$557	\$1,228	\$557	\$1,597	\$215	\$215	\$215	\$4,054
Direct Fuel Costs	\$135	\$6	\$6	\$51	\$135	\$51	\$141	\$8	\$8	\$8	\$352
Other Direct Costs	\$245	\$12	\$12	\$96	\$245	\$96	\$269	\$35	\$35	\$35	\$667
Depreciation - Collection Vehicles	\$335	\$23	\$23	\$204	\$335	\$204	\$558	\$60	\$60	\$60	\$1,380
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$535	\$25	\$25	\$202	\$535	\$202	\$538	\$60	\$60	\$60	\$1,380
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)											
General and Administrative (using lifts for Agency Costs)	\$846	\$39	\$39	\$319	\$846	\$319	\$883	\$342	\$342	\$342	\$2,442
Operations	\$234	\$12	\$12	\$96	\$234	\$96	\$265	\$32	\$32	\$32	\$629
Vehicle Maintenance	\$486	\$23	\$23	\$183	\$486	\$183	\$507	\$62	\$62	\$62	\$1,260
Container Maintenance (using lifts for Agency Costs)	\$122	\$6	\$6	\$46	\$122	\$46	\$127	\$15	\$15	\$15	\$331
Total Allocated Indirect Costs including Depreciation and Interest	\$1,708	\$76	\$76	\$644	\$1,708	\$644	\$1,787	\$216	\$216	\$216	\$4,712
Total Allocated Indirect Depreciation Costs (Form 9)	\$17	\$1	\$1	\$7	\$17	\$7	\$18	\$2	\$2	\$2	\$45
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$4,178	\$194	\$194	\$1,576	\$4,178	\$1,576	\$4,360	\$848	\$848	\$848	\$11,156
Profit (insert Operating Ratio below)	\$439	\$20	\$20	\$165	\$439	\$165	\$468	\$89	\$89	\$89	\$1,171
Total Operating Costs before Pass-Through Cost Allocation	\$4,616	\$215	\$215	\$1,741	\$4,616	\$1,741	\$4,818	\$937	\$937	\$937	\$12,327
Contractor Pass-Through Costs											
Interest Expense	\$113	\$5	\$5	\$43	\$113	\$43	\$118	\$13	\$13	\$13	\$282
Total Contractor Pass-Through Costs	\$113	\$5	\$5	\$43	\$113	\$43	\$118	\$13	\$13	\$13	\$282
TOTAL BASE CONTRACTOR'S COMPENSATION	\$4,729	\$220	\$220	\$1,784	\$4,729	\$1,784	\$4,936	\$950	\$950	\$950	\$12,609

Service Level Statistics Used for Future Service Level Cost Adjustments					
	Lifts	Lifts	Lifts	Lifts	Hauls
2014	728	312	780	41	
2015	832	364	780	53	
2016	858	390	956	40	
Rolling Three-Year Average	806	355	832	45	

Step 1: Index Based Adjustments

	2017	2018	2019	2020	2021
PY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CPI-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CPI-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-U-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252
CY CPI-U-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252
CPI-U-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CPI-U Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Cart and Bin Solid Waste		Cart and Bin Organic Materials		Cart and Bin Recyclable Materials		Total Drop Box Services (All Materials)		Vehicles and Events		Agency Facilities Total	
	E	F	G	H	I	J	K	L	M	N	O	P
Annual Cost of Operations												
Direct Labor-Related Costs												
Wages for CBAs	\$42	\$44	\$44	\$44	\$44	\$44	\$44	\$44	\$44	\$44	\$44	\$44
Benefits for CBAs	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40
Payroll Taxes	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78	\$78
Workers Compensation Insurance	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$62
Total Direct Labor-Related-Costs	\$528	\$528	\$528	\$528	\$528	\$528	\$528	\$528	\$528	\$528	\$528	\$528
Direct Fuel Costs	\$135	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6
Other Direct Costs	\$235	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12
Depreciation - Collection Vehicles	\$555	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$533	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)												
General and Administrative Utility bills for Agency Costs	\$846	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39
Operations	\$254	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12	\$12
Vehicle Maintenance	\$86	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23	\$23
Container Maintenance (using bills for Agency Costs)	\$122	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6
Total Allocated Indirect Costs including Depreciation and Interest	\$1,708	\$79	\$79	\$79	\$79	\$79	\$79	\$79	\$79	\$79	\$79	\$79
Total Allocated Indirect Depreciation Costs (Form 9)	\$17	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$4,178	\$194	\$194	\$194	\$194	\$194	\$194	\$194	\$194	\$194	\$194	\$194
Profit (insert Operating Ratio below)	\$439	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20
	90.5%											
Total Operating Costs before Pass-Through Cost Allocation	\$4,616	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215	\$215
Contractor Pass-Through Costs												
Interest Expense	\$13	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Total Contractor Pass-Through Costs	\$13	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
TOTAL BASE CONTRACTOR'S COMPENSATION	\$4,729	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220

D. Town of Atherton Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Lifts	Hauls
2014	728	312	780	41	
2015	852	364	780	53	
2016	858	390	936	40	
Prior Year Rolling Three-Year Average	806	355	832	45	
	Lifts	Lifts	Lifts	Hauls	
2014	728	312	780	41	
2015	852	364	780	53	
2016	858	390	936	40	
Current Year Rolling Three-Year Average	806	355	832	45	
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	

Agency Facilities	Cart and Bin Solid Waste		Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venue and Events	Agency Facilities Total
	Wage		G	F	H	I	Total
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CHAs	\$522	\$44	\$44	\$355	\$983	\$145	\$2,469
Benefits for CHAs	\$440	\$20	\$20	\$166	\$460	\$68	\$1,154
Payroll Taxes	\$78	\$4	\$4	\$30	\$82	\$12	\$205
Workers Compensation Insurance	\$82	\$3	\$3	\$22	\$70	\$10	\$126
Total Direct Labor Related Costs	\$1,124	\$71	\$71	\$576	\$1,594	\$235	\$4,004
Direct Fuel Costs	\$135	\$6	\$6	\$51	\$141	\$18	\$352
Other Direct Costs	\$255	\$12	\$12	\$96	\$266	\$35	\$603
Depreciation - Collection Vehicles	\$515	\$25	\$25	\$202	\$558	\$60	\$1,380
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$515	\$25	\$25	\$202	\$558	\$60	\$1,380
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)							
General and Administrative (using lifts for Agency Costs)	\$846	\$39	\$39	\$319	\$887	\$354	\$2,442
Operations	\$254	\$12	\$12	\$96	\$266	\$35	\$603
Vehicle Maintenance	\$486	\$23	\$23	\$183	\$507	\$62	\$1,265
Container Maintenance (using lifts for Agency Costs)	\$122	\$6	\$6	\$46	\$127	\$16	\$311
Total Allocated Indirect Costs including Depreciation and Interest	\$1,708	\$79	\$79	\$644	\$1,743	\$498	\$4,712
Total Allocated Indirect Depreciation Cost (Form 9)	\$17	\$1	\$1	\$7	\$18	\$2	\$45
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$4,178	\$194	\$194	\$1,576	\$4,360	\$848	\$11,156
Profit (insert Operating Ratio below)	\$439	\$20	\$20	\$165	\$458	\$89	\$1,171
Total Operating Costs before Pass-Through Cost Allocation	\$4,616	\$214	\$214	\$1,741	\$4,818	\$937	\$12,227
Contractor Pass-Through Costs							
Interest Expense	\$113	\$5	\$5	\$45	\$118	\$13	\$252
Total Contractor Pass-Through Costs	\$113	\$5	\$5	\$45	\$118	\$13	\$252
TOTAL BASE CONTRACTOR'S COMPENSATION	\$4,729	\$219	\$219	\$1,786	\$4,937	\$950	\$12,479

2. City of Belmont Allocated Costs - SFD

Step 1: Index Based Adjustments

PY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CY CPI-W-Wages (2017 Listed as Example)	264.176	264.176	264.176	264.176
CPI-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CY CPI-W-Medical (2017 Listed as Example)	477.815	477.815	477.815	477.815
CPI-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPI-L-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CY CPI-L-Motor Fuel (2017 Listed as Example)	209.252	209.252	209.252	209.252
CPI-L-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPI-H (2017 Listed as Example)	269.983	269.983	269.983	269.983
CY CPI-H (2017 Listed as Example)	269.983	269.983	269.983	269.983
CPI-H Adjustment	100.0%	100.0%	100.0%	100.0%

	Single Family Dwelling			
	A	B	C	D
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for CBAs	\$246,615	\$195,052	\$174,518	\$63,622
Benefits for CBAs	\$113,973	\$94,045	\$86,762	\$34,220
Payroll Taxes	\$21,518	\$16,228	\$14,521	\$5,393
Workers Compensation Insurance	\$17,471	\$13,827	\$12,433	\$4,533
Total Direct Labor-Related-Costs	\$348,655	\$319,222	\$288,694	\$107,668
Diesel Fuel Costs	\$21,512	\$25,970	\$11,739	\$3,096
Other Direct Costs	\$31,898	\$34,149	\$28,986	\$4,808
Depreciation - Collection Vehicles	\$38,078	\$35,635	\$38,103	\$2,771
Depreciation - Containers	\$18,838	\$19,340	\$22,496	\$0
Depreciation for Collection Equipment	\$51,916	\$55,075	\$57,600	\$2,771
Lease	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)				
General and Administrative	\$129,873	\$132,029	\$129,764	\$3,175
Operations	\$21,844	\$23,302	\$22,924	\$1,036
Vehicle Maintenance	\$43,086	\$44,515	\$45,813	\$2,017
Container Maintenance	\$17,887	\$18,712	\$17,513	\$744
Total Allocated Indirect Costs excluding Depreciation and Interest	\$210,391	\$218,579	\$214,014	\$8,892
Total Allocated Indirect Depreciation Costs (Form 9)	\$3,361	\$1,410	\$1,422	\$65
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$776,415	\$654,365	\$607,406	\$127,310
Profit (insert Operating Ratio below)	\$76,254	\$68,690	\$63,761	\$13,264
90.5%				
Total Proposed Costs before Pass-Through Cost Allocation	\$802,669	\$723,055	\$671,167	\$140,674
Contractor Pass-Through Costs				
Interest Expense	\$11,938	\$13,507	\$14,126	\$680
Total Contractor Pass-Through Costs	\$13,698	\$13,507	\$14,126	\$680
TOTAL BASE CONTRACTOR'S COMPENSATION	\$816,327	\$736,563	\$685,293	\$141,354
				\$1,379,837

City of Belmont Allocated Costs - SFD

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	6,759	6,759	6,759
2015	6,789	6,789	6,789
2016	6,765	6,765	6,765
Prior Year Rolling Three-Year Average	6,771	6,771	6,771
2014	6,759	6,759	6,759
2015	6,789	6,789	6,789
2016	6,765	6,765	6,765
Current Year Rolling Three-Year Average	6,771	6,771	6,771
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

Single Family Dwelling	Targeted Recyclable Materials			Organic Materials (including Holiday Trees)	Two On-Call Collection Events		Single Family Dwelling Total
	A	B	C		D	E	
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$246,615	\$195,032	\$174,328	\$63,622			\$679,818
Benefits for CBAs	\$113,935	\$94,045	\$82,162	\$34,220			\$324,362
Payroll Taxes	\$20,518	\$16,228	\$14,421	\$5,293			\$56,461
Workers Compensation Insurance	\$12,521	\$11,802	\$12,434	\$4,533			\$48,435
Total Direct Labor Related-Costs	\$393,589	\$319,337	\$283,345	\$107,668			\$1,109,175
Other Direct Costs	\$25,512	\$24,930	\$21,739	\$3,006			\$76,188
Other Direct Costs	\$33,398	\$34,149	\$28,986	\$4,808			\$101,341
Depreciation - Collection Vehicles	\$58,078	\$35,535	\$35,103	\$2,771			\$111,487
Depreciation - Containers	\$18,838	\$19,340	\$22,496	\$0			\$60,674
Depreciation for Collection Equipment	\$56,916	\$53,073	\$57,600	\$2,771			\$172,361
Lease	\$0	\$0	\$0	\$0			\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)							
General and Administrative	\$126,873	\$112,029	\$129,764	\$5,175			\$393,842
Operations	\$22,544	\$23,302	\$22,924	\$1,056			\$69,825
Vehicle Maintenance	\$43,086	\$44,535	\$43,813	\$2,017			\$133,452
Container Maintenance	\$17,887	\$18,712	\$17,513	\$744			\$54,856
Total Allocated Indirect Costs excluding Depreciation and Interest	\$210,386	\$218,579	\$231,404	\$8,992			\$651,975
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,361	\$1,410	\$1,422	\$65			\$4,258
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0			\$0
Total Annual Cost of Operations	\$726,415	\$654,365	\$607,406	\$127,310			\$2,115,497
Profit (insert Operating Ratio below)	\$76,254	\$68,690	\$63,761	\$3,364			\$222,069
Total Proposed Costs before Pass-Through Cost Allocation	\$802,669	\$723,055	\$671,167	\$140,674			\$2,337,566
Contractor Pass-Through Costs							
Interest Expense	\$13,938	\$13,507	\$14,126	\$680			\$44,271
Total Contractor Pass-Through Costs	\$13,938	\$13,507	\$14,126	\$680			\$44,271
TOTAL BASE CONTRACTOR'S COMPENSATION	\$816,607	\$736,562	\$685,293	\$141,354			\$2,379,837

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021

D. City of Belmont-Allocated Costs - MFD & Commercial

	Statistics Used for Year 2021 Cost Allocation Only						Total
	E	F	G	H	J	Total	
City # of Accounts	441	454	86	8	2,092	989	
SBWMA # Accounts	10,332	10,210	1,712	195	25,504	22,449	
City # of Accounts %	-4.3%	-4.4%	3.6%	-1.1%	-1.1%	-4.4%	
City Total Route Labor hours year	3,048,77	2,204,05	428,63	267,13	925,16	5,949	
SBWMA Total Route Labor hours year	47,871,85	27,111,92	6,336,65	6,167,11	13,045,24	87,508	
City Total Route Labor hours year %	6.4%	8.1%	6.7%	4.3%	7.1%	6.8%	
City # of route hours/year	1,838.44	2,126.44	401.91	267.13	925.16	4,634	
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11	13,045.24	88,761	
City # of route hours/year %	5.9%	8.4%	6.6%	4.3%	7.1%	6.7%	
City Total Containers in Service	781	1,081	132	8	2,092	2,002	
SBWMA Total Containers in Service	17,228	19,703	2,059	333	25,504	39,353	
City Total Containers in Service %	4.5%	5.5%	6.4%	2.4%	7.1%	5.1%	

	MFD & Commercial						MFD & Commercial Total
	E	F	G	H	J	Total	
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$513,670	\$164,305	\$47,355	\$31,371	\$10,255	\$566,857	
Benefits for CBAs	\$164,332	\$73,594	\$4,894	\$7,541	\$5,044	\$235,415	
Payroll Taxes	\$29,929	\$13,670	\$3,940	\$1,770	\$857	\$47,162	
Workers Compensation Insurance	\$23,682	\$11,726	\$3,372	\$1,513	\$731	\$30,387	
Total Direct Labor Related Costs	\$527,693	\$269,275	\$66,572	\$32,098	\$16,883	\$899,821	
Direct Fuel Costs	\$28,476	\$17,217	\$6,278	\$1,048	\$1,113	\$55,134	
Other Direct Costs	\$39,151	\$27,715	\$7,617	\$1,886	\$1,255	\$79,945	
Depreciation - Collection Vehicles	\$13,090	\$28,843	\$11,204	\$3,270	\$1,062	\$79,468	
Depreciation - Containers	\$1,466	\$4,995	\$1,489	\$0	\$265	\$16,216	
Depreciation for Collection Equipment	\$0,556	\$16,839	\$3,692	\$1,270	\$1,227	\$92,684	
Lease	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs including Depreciation and Interest (Form 9)							
General and Administrative	\$4,163	\$44,271	\$16,932	\$33,708	\$2,128	\$169,422	
Operations	\$11,268	\$17,124	\$3,598	\$5,104	\$434	\$49,819	
Vehicle Maintenance	\$1,516	\$32,690	\$14,425	\$6,756	\$829	\$98,215	
Container Maintenance	\$5,120	\$7,850	\$1,812	\$1,985	\$306	\$27,182	
Total Allocated Indirect Costs including Depreciation and Interest	\$26,087	\$101,914	\$38,677	\$40,563	\$3,697	\$141,338	
Total Allocated Indirect Depreciation Costs (Form 9)	\$710	\$1,050	\$829	\$567	\$26	\$2,983	
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$716,012	\$442,010	\$117,065	\$82,233	\$24,483	\$1,481,903	
Profit (insert Operating Ratio below)	\$751,615.1	\$46,399	\$27,786	\$8,632	\$2,581	\$155,559	
Total Proposed Costs before Pass-Through Cost Allocation	\$791,174	\$488,409	\$259,851	\$90,865	\$27,163	\$1,637,462	
Contractor Pass-Through Costs							
Interest Expense	\$1,851	\$972	\$1,287	\$1,036	\$40	\$20,368	
Total Contractor Pass-Through Costs	\$13,851	\$9,772	\$4,289	\$1,036	\$420	\$29,368	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$804,025	\$498,181	\$264,140	\$91,901	\$27,584	\$1,666,830	

Service Level Statistics Used for Future Service Level Cost Adjustments			
Year	Lifts	Lifts	Hauls
2014	65,793	74,938	5,902
2015	61,243	79,612	8,385
2016	60,359	81,965	10,192
Rolling Three-Year Average	62,465	78,845	8,160

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021

D. City of Belmont Allocated Costs - MFD & Commercial

	E	F	G	H	J	MFD & Commercial Total
Step 1: Index Based Adjustments						
PY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	
CY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	
CPI-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	
PY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	
CY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	
CPI-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	
PY CPI-U-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252	
CY CPI-U-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252	
CPI-U-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	
PY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	
CY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	
CPI-U Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	

	E	F	G	H	J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$133,670	\$164,305	\$17,355	\$31,271	\$10,255	\$566,857
Benefits for CBAs	\$134,332	\$73,594	\$14,904	\$7,541	\$5,044	\$255,415
Payroll Taxes	\$26,929	\$13,670	\$3,940	\$1,770	\$853	\$47,162
Workers Compensation Insurance	\$31,056	\$11,706	\$3,374	\$1,515	\$731	\$46,387
Total Direct Labor-Related Costs	\$537,993	\$503,275	\$569,572	\$32,098	\$16,883	\$908,821
Direct Fuel Costs	\$38,476	\$17,217	\$6,278	\$2,048	\$1,115	\$55,124
Other Direct Costs	\$39,191	\$27,715	\$7,617	\$3,886	\$1,535	\$79,943
Depreciation - Collection Vehicles	\$35,090	\$25,843	\$11,204	\$3,270	\$1,062	\$76,468
Depreciation - Containers	\$5,466	\$4,996	\$5,489	\$0	\$265	\$16,216
Depreciation for Collection Equipment	\$40,356	\$33,839	\$16,692	\$3,270	\$1,327	\$95,684
Loss	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative Operations	\$40,163	\$44,271	\$58,952	\$23,708	\$2,128	\$169,222
Vehicle Maintenance	\$11,268	\$17,104	\$15,968	\$5,104	\$434	\$49,819
Container Maintenance	\$21,536	\$32,690	\$30,405	\$9,756	\$829	\$95,215
Total Allocated Indirect Costs excluding Depreciation and Interest	\$72,967	\$101,914	\$116,077	\$40,563	\$3,697	\$341,338
Total Allocated Indirect: Depreciation Costs (Form 9)	\$710	\$1,050	\$829	\$367	\$26	\$2,983
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$716,011	\$442,010	\$217,065	\$82,233	\$24,883	\$1,481,903
Profit (insert Operating Ratio below)	\$75,162	\$46,399	\$22,786	\$8,632	\$2,581	\$155,559
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$791,174	\$488,409	\$239,851	\$90,865	\$27,463	\$1,637,462
Contractor Pass-Through Costs						
Interest Expense	\$12,851	\$9,772	\$5,289	\$1,036	\$420	\$29,368
Total Contractor Pass-Through Costs	\$12,851	\$9,772	\$5,289	\$1,036	\$420	\$29,368
TOTAL BASE CONTRACTOR'S COMPENSATION	\$804,025	\$498,181	\$245,140	\$91,901	\$27,884	\$1,666,830

Proposed Compensation 2021

SBWMA COLLECTION AGREEMENT

D. City of Belmont Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments			
	Lifts	Lifts	Hauls
2014	65,793	74,958	5,902
2015	61,343	75,612	8,385
2016	60,359	81,965	10,192
Prior Year Rolling Three-Year Average	62,465	78,845	8,160
	Lifts	Lifts	Hauls
2014	65,793	74,958	5,902
2015	61,343	75,612	8,385
2016	60,359	81,965	10,192
Current Year Rolling Three-Year Average	62,465	78,845	8,160
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

	MFD & Commercial					MFD & Commercial Total
	E	F	G	H	J	
Annual Cost of Operations						
Direct Labor-Related Costs	\$133,670	\$164,305	\$47,355	\$21,171	\$10,255	\$566,687
Wages for CBAs	\$154,332	\$73,594	\$4,964	\$7,541	\$5,044	\$255,475
Benefits for CBAs	\$39,429	\$13,676	\$1,940	\$1,710	\$853	\$47,162
Payroll Taxes	\$23,686	\$11,726	\$1,324	\$1,483	\$231	\$20,887
Workers Compensation Insurance	\$427,993	\$268,275	\$66,572	\$32,098	\$16,883	\$909,821
Total Direct Labor Related Costs	\$388,476	\$472,476	\$114,171	\$42,698	\$11,114	\$851,134
Direct Fuel Costs	\$39,191	\$27,718	\$7,617	\$3,856	\$1,251	\$79,943
Other Direct Costs	\$13,026	\$12,843	\$1,204	\$3,270	\$1,062	\$76,408
Depreciation - Collection Vehicles	\$5,466	\$4,995	\$4,489	\$0	\$265	\$16,216
Depreciation - Containers	\$9,856	\$10,839	\$16,692	\$3,270	\$1,327	\$92,082
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)						
General and Administrative	\$4,165	\$4,271	\$8,952	\$2,708	\$2,128	\$69,222
Operations	\$1,248	\$1,104	\$1,908	\$3,104	\$434	\$49,816
Vehicle Maintenance	\$1,836	\$32,690	\$1,405	\$9,736	\$429	\$95,219
Container Maintenance	\$6,120	\$7,850	\$10,812	\$1,995	\$306	\$27,082
Total Allocated Indirect Costs including Depreciation and Interest	\$79,087	\$101,914	\$16,077	\$40,563	\$3,697	\$341,338
Total Allocated Indirect Depreciation Costs (Form 9)	\$710	\$1,020	\$829	\$367	\$26	\$2,983
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$716,012	\$442,010	\$217,065	\$82,223	\$24,583	\$1,481,903
Profit (insert Operating Ratio below)	\$51,162	\$46,399	\$21,786	\$8,632	\$2,491	\$185,459
Total Proposed Costs before Pass-Through Cost Allocation	\$791,174	\$488,409	\$238,851	\$90,855	\$27,163	\$1,637,462
Contractor Pass-Through Costs						
Interest Expense	\$1,451	\$5,772	\$1,289	\$1,016	\$420	\$29,568
Total Contractor Pass-Through Costs	\$13,851	\$27,272	\$4,289	\$1,036	\$420	\$39,488
TOTAL BASE CONTRACTOR'S COMPENSATION	\$884,025	\$589,181	\$243,140	\$91,901	\$27,584	\$1,666,830

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021

D. City of Belmont Allocated Costs - Agency Facilities

Agency Facilities	Statistics Used for 2021 Cost Allocation Only				Totals
	E	G	F	H	
City # of Lifts per year	6,604	4,004	5,148	6,765	15,756.00
SBWMA # Lifts per year (Accounts for Venues/Events)	342,307	16,744	65,029	94,580	
City # of Lifts per year %	2.7%	23.2%	7.9%	2.2%	
City Total Route Labor hours year	123.51	23.52	71.02	291.15	218.05
SBWMA Total Route Labor hours year	4,706.39	236.00	992.06	5,935.45	
City Total Route Labor hours year %	2.6%	10.0%	2.2%	4.9%	
City # of route hours per year	72.30	22.93	64.95	291.15	160.18
SBWMA # of route hours per year	2,599.51	224.16	939.57	5,935.45	
City # of route hours per year %	2.8%	10.2%	6.9%	4.9%	
City # of Containers	82	57	100	6793	239.00
SBWMA # of Containers	842	356	578	96,806	
City # of Containers %	9.7%	22.5%	18.9%	7.0%	

Agency Facilities	Statistics Used for 2021 Cost Allocation Only				Totals
	E	G	F	H	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CEAs	\$5,187	\$759	\$2,295	\$2,350	\$4,791
Benefits for CEAs	\$1,854	\$355	\$1,072	\$1,103	\$2,124
Payroll Taxes	\$312	\$63	\$191	\$196	\$40
Workers Compensation Insurance	\$234	\$46	\$143	\$148	\$31
Total Direct Labor Related Costs	\$6,997	\$1,231	\$3,718	\$3,827	\$7,777
Direct Fuel Costs	\$51.4	\$98	\$296	\$304	\$61
Other Direct Costs	\$970	\$185	\$558	\$574	\$1,115
Depreciation - Collection Vehicles	\$2,102	\$400	\$1,209	\$1,244	\$198
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$2,102	\$400	\$1,209	\$1,244	\$198
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs (excluding Depreciation and Interest) (Form 9)					
General and Administrative using lifts for Agency Costs	\$6,341	\$1,322	\$3,991	\$4,108	\$1,020
Operations	\$979	\$186	\$563	\$579	\$107
Vehicle Maintenance	\$1,871	\$356	\$1,076	\$1,107	\$304
Container Maintenance (using lifts for Agency Costs)	\$908	\$190	\$574	\$590	\$147
Total Allocated Indirect Costs including Depreciation and Interest	\$10,788	\$2,054	\$6,203	\$6,385	\$1,477
Total Allocated Indirect Depreciation Costs (Form 9)	\$69	\$13	\$39	\$41	\$6
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$20,910	\$3,982	\$12,024	\$12,276	\$2,655
Profit (Insert Operating Ratio below)	\$2,195	\$418	\$1,262	\$1,299	\$377
Total Operating Costs before Pass-Through Cost Allocation	\$23,105	\$4,400	\$13,286	\$13,675	\$2,911
Contractor Pass-Through Costs					
Interest Expense	\$445	\$85	\$256	\$264	\$42
Total Contractor Pass-Through Costs	\$445	\$85	\$256	\$264	\$42
TOTAL BASE CONTRACTOR'S COMPENSATION	\$23,551	\$4,485	\$13,542	\$13,939	\$2,953

Service Level Statistics Used for Future Service Level Cost Adjustments	Lifts		Hauls	
	2014	2015	2014	2015
Rolling Three-Year Average	5,599	3,675	4,316	68

	2014-17*	2014-17*	2014-17*	2014-17*	2014-17*	2014-17*
PY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176
CY CPI-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176
CPI-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815
CY CPI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815
CPI-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-L-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252	209,252
CY CPI-L-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252	209,252
CPI-L-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983
CY CPI-U (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983
CPI-U Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Step 1: Index Based Adjustments					Agency Facilities	
	E	G	F	H	I	Total	
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$3,357	\$759	\$3,292	\$2,560	\$479	\$9,878	
Benefits for CBAs	\$1,864	\$355	\$1,072	\$1,103	\$224	\$4,618	
Payroll Taxes	\$332	\$63	\$191	\$196	\$40	\$822	
Workers Compensation Insurance	\$282	\$54	\$162	\$168	\$32	\$702	
Total Direct Labor-Related Costs	\$6,057	\$1,231	\$3,718	\$3,827	\$777	\$16,021	
Direct Fuel Costs	\$54	\$98	\$396	\$304	\$61	\$1,273	
Other Direct Costs	\$970	\$185	\$558	\$574	\$115	\$2,402	
Depreciation - Collection Vehicles	\$2,102	\$400	\$1,209	\$1,244	\$198	\$4,153	
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	
Depreciation for Collection Equipment	\$2,102	\$400	\$1,209	\$1,244	\$198	\$4,153	
Lease	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$6,941	\$1,322	\$3,991	\$4,108	\$1,220	\$17,582	
General and Administrative using bids for Agency Costs	\$979	\$186	\$663	\$679	\$124	\$2,414	
Operations	\$1,871	\$356	\$1,076	\$1,107	\$204	\$4,614	
Vehicle Maintenance	\$958	\$189	\$574	\$590	\$117	\$2,398	
Container Maintenance using bids for Agency Costs	\$10,788	\$2,054	\$6,203	\$6,385	\$1,477	\$26,909	
Total Allocated Indirect Costs excluding Depreciation and Interest	\$69	\$13	\$39	\$41	\$6	\$168	
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Implementation Cost Amortization (Form A)	\$20,910	\$3,982	\$12,034	\$12,376	\$2,635	\$51,926	
Total Annual Cost of Operations	\$23,195	\$4,18	\$12,62	\$12,99	\$277	\$58,451	
Profit (insert Operating Ratio below)							
						90.5%	
Total Operating Costs before Pass-Through Cost Allocation	\$23,105	\$4,400	\$12,286	\$12,675	\$2,911	\$57,377	
Contractor Pass-Through Costs							
Interest Expense	\$446	\$85	\$256	\$264	\$42	\$1,092	
Total Contractor Pass-Through Costs	\$446	\$85	\$256	\$264	\$42	\$1,092	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$23,551	\$4,485	\$12,542	\$12,939	\$2,953	\$58,469	

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	Hauls
2014	4,784	3,380	3,640	65	65
2015	5,408	3,640	4,160	64	64
2016	6,604	4,004	5,148	74	74
Prior Year Rolling Three-Year Average	5,599	3,675	4,316	68	68
	Lifts	Lifts	Lifts	Hauls	Hauls
2014	4,784	3,380	3,640	65	65
2015	5,408	3,640	4,160	64	64
2016	6,604	4,004	5,148	74	74
Current Year Rolling Three-Year Average	5,599	3,675	4,316	68	68
100% Service Level Adjustment Factor	100.00%	100.00%	100.00%	100.00%	100.00%
65% Service Level Adjustment Factor	100.00%	100.00%	100.00%	100.00%	100.00%

Agency Facilities	Cur and Bin Solid Waste		Cur and Bin Organic Materials		Cur and Bin Recyclable Materials		Total Drop-Box Services (All Materials)		Venues and Events		Agency Facilities Total	
	E	F	G	H	I	J	K	L	M	N	O	P
Annual Cost of Operations												
Direct Labor-Related Costs												
Wages for CBAs	\$3,097	\$759	\$1,322	\$1,020	\$4,108	\$1,732	\$2,360	\$479	\$1,020	\$1,732	\$4,108	\$9,878
Benefits for CBAs	\$1,864	\$555	\$1,072	\$1,072	\$579	\$1,072	\$1,103	\$224	\$1,072	\$1,072	\$2,174	\$4,618
Payroll Taxes	\$332	\$63	\$191	\$191	\$96	\$191	\$196	\$40	\$191	\$191	\$387	\$882
Workers Compensation Insurance	\$285	\$54	\$168	\$168	\$84	\$168	\$174	\$34	\$168	\$168	\$332	\$724
Total Direct Labor Related-Costs	\$5,463	\$1,471	\$2,743	\$2,743	\$1,362	\$2,743	\$2,827	\$577	\$2,743	\$2,743	\$5,490	\$16,021
Direct Fuel Costs	\$514	\$98	\$98	\$304	\$304	\$304	\$304	\$61	\$61	\$61	\$61	\$1,273
Other Direct Costs	\$970	\$185	\$185	\$574	\$574	\$574	\$574	\$115	\$115	\$115	\$115	\$2,402
Depreciation - Collection Vehicles	\$2,102	\$400	\$400	\$1,244	\$1,244	\$1,244	\$1,244	\$198	\$198	\$198	\$198	\$5,153
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$2,102	\$400	\$400	\$1,244	\$1,244	\$1,244	\$1,244	\$198	\$198	\$198	\$198	\$5,153
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest: (Form 9)												
General and Administrative (using lifts for Agency Costs)	\$6,941	\$1,322	\$1,322	\$1,020	\$4,108	\$1,732	\$2,360	\$479	\$1,020	\$1,732	\$4,108	\$9,878
Operations	\$979	\$186	\$186	\$579	\$579	\$579	\$579	\$107	\$107	\$107	\$107	\$2,414
Vehicle Maintenance	\$1,871	\$356	\$356	\$1,076	\$1,076	\$1,076	\$1,107	\$204	\$204	\$204	\$204	\$4,814
Container Maintenance (using lifts for Agency Costs)	\$993	\$190	\$190	\$574	\$574	\$574	\$590	\$147	\$147	\$147	\$147	\$2,498
Total Allocated Indirect Costs excluding Depreciation and Interest:	\$10,784	\$2,054	\$2,054	\$6,285	\$6,285	\$6,285	\$6,385	\$1,477	\$1,477	\$1,477	\$1,477	\$26,909
Total Allocated Indirect: Depreciation Costs (Form 9)	\$661	\$13	\$13	\$41	\$41	\$41	\$41	\$6	\$6	\$6	\$6	\$158
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$20,910	\$3,982	\$3,982	\$12,376	\$12,376	\$12,376	\$12,376	\$2,635	\$2,635	\$2,635	\$2,635	\$51,926
Profit (insert Operating Ratio below)	\$2,185	\$418	\$418	\$1,263	\$1,263	\$1,263	\$1,263	\$277	\$277	\$277	\$277	\$5,451
90.5%												
Total Operating Costs before Pass-Through Cost Allocation	\$23,105	\$4,400	\$4,400	\$13,625	\$13,625	\$13,625	\$13,625	\$2,911	\$2,911	\$2,911	\$2,911	\$57,377
Contractor Pass-Through Costs												
Interest Expense	\$445	\$85	\$85	\$264	\$264	\$264	\$264	\$42	\$42	\$42	\$42	\$1,092
Total Contractor Pass-Through Costs	\$445	\$85	\$85	\$264	\$264	\$264	\$264	\$42	\$42	\$42	\$42	\$1,092
TOTAL BASE CONTRACTOR'S COMPENSATION	\$23,550	\$4,485	\$4,485	\$13,889	\$13,889	\$13,889	\$13,889	\$3,353	\$3,353	\$3,353	\$3,353	\$58,469

SBWMA COLLECTION AGREEMENT 2021 Proposed Compensation

D. City of Burlingame Allocated Costs - FYD

	2014	2015	2016	Rolling Three-Year Average
City % of accounts	6.52%	6.61%	6.52%	6.55%
SBWMA % of accounts	94.48%	93.39%	93.48%	93.45%
City % of accounts *				
City Total Route Labor hours/year	3,016,544	2,425,288	2,694,559	2,712,127
SBWMA Total Route Labor hours/year	46,232,358	48,866,200	39,114,112	44,737,557
City Total Route Labor hours/year *				
City # of route hours/year	2,798,555	2,166,528	2,233,000	2,399,028
SBWMA # of route hours/year	42,847,159	38,380,224	34,949,166	38,725,514
City Total Route Labor hours/year *				
City Total Contracts in Service	96,836	6,627	6,696	6,719
SBWMA Total Contracts in Service	96,836	96,224	96,921	96,685
City Total Contracts in Service *				
Total	6,626.00	2,015	6,626	6,626
	94,980.00	29,264	29,264	29,264
	9,028.82	892.31	892.31	892.31
	141,748.11	13,042.24	13,042.24	13,042.24
	8,090.24	892.31	892.31	892.31
	129,222.33	13,042.24	13,042.24	13,042.24
	22,133.00	2,015	2,015	2,015
	312,135.00	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042
	8,090	892	892	892
	129,222	13,042	13,042	13,042
	22,133	2,015	2,015	2,015
	312,135	29,264	29,264	29,264
	6,626	2,015	2,015	2,015
	94,980	29,264	29,264	29,264
	9,029	892	892	892
	141,748	13,042	13,042	13,042

	2021 (%)	2021 (%)	2021 (%)	2021 (%)
Step 1: Index Based Adjustments				
PY CPB-W-Wages (2017 Listed as Example)	264.17%	264.17%	264.17%	264.17%
CY CPB-W-Wages (2017 Listed as Example)	264.17%	264.17%	264.17%	264.17%
CPB-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPB-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%
CY CPB-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%
CPB-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPB-L-Motor Fuel (2017 Listed as Example)	219.25%	219.25%	219.25%	219.25%
CY CPB-L-Motor Fuel (2017 Listed as Example)	219.25%	219.25%	219.25%	219.25%
CPB-L-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPB-LI (2017 Listed as Example)	269.98%	269.98%	269.98%	269.98%
CY CPB-LI (2017 Listed as Example)	269.98%	269.98%	269.98%	269.98%
CPB-LI Adjustment	100.0%	100.0%	100.0%	100.0%

	A	B	C	D	Total
	Solid Waste	Targeted Recyclable Materials	Organic Materials (Including Holiday-Trip)	Two On-Call Collection Events	Single Family Dwelling Total
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CPB	\$253,062	\$180,733	\$187,346	\$61,363	\$682,504
Benefits for CPB	\$116,313	\$87,141	\$88,196	\$33,005	\$325,215
Payroll Taxes	\$11,035	\$11,037	\$11,587	\$5,105	\$38,764
Workers Compensation Insurance	\$18,030	\$12,826	\$13,248	\$4,322	\$48,426
Total Direct Labor-Related-Costs	\$409,480	\$293,737	\$300,377	\$103,815	\$1,113,370
Direct Fuel Costs	\$26,736	\$21,868	\$22,215	\$2,900	\$53,719
Other Direct Costs	\$18,210	\$11,091	\$29,620	\$4,637	\$100,559
Depreciation - Collection Vehicles	\$39,905	\$32,353	\$35,872	\$5,672	\$110,802
Depreciation - Containers	\$18,572	\$19,201	\$22,247	\$0	\$60,120
Depreciation for Collection Equipment	\$18,477	\$1,654	\$58,119	\$1,672	\$170,923
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)					
General and Administrative	\$124,266	\$129,139	\$129,323	\$4,992	\$387,726
Operations	\$23,626	\$21,217	\$23,426	\$1,018	\$69,285
Vehicle Maintenance	\$45,154	\$40,347	\$44,772	\$1,946	\$132,219
Container Maintenance	\$17,834	\$13,454	\$17,319	\$717	\$52,325
Total Allocated Indirect Costs including Depreciation and Interest	\$210,881	\$209,245	\$214,844	\$8,674	\$643,653
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,426	\$1,284	\$1,453	\$62	\$4,225
Annual Implementation Cost Amortization (Form V)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$741,890	\$612,899	\$630,729	\$122,791	\$2,107,919
Profit (Insert Operating Ratio below)	\$71,846	\$64,238	\$66,109	\$12,890	\$321,273
Total Proposed Costs before Pass-Through Cost Allocation	\$819,437	\$677,137	\$696,838	\$135,680	\$2,139,192
Contractor Pass-Through Costs					
Interest Expense	\$14,241	\$12,668	\$14,254	\$655	\$41,819
Total Contractor Pass-Through Costs	\$14,241	\$12,668	\$14,254	\$655	\$41,819
TOTAL BASE CONTRACTOR'S COMPENSATION	\$833,678	\$689,805	\$711,092	\$136,335	\$2,181,011

Step 2: Service Level Adjustments		Accounts	
2014	6,604	6,604	6,604
2015	6,608	6,608	6,608
2016	6,626	6,626	6,626
Prior Year Rolling Three-Year Average	6,613	6,613	6,613
2014	6,604	6,604	6,604
2015	6,608	6,608	6,608
2016	6,626	6,626	6,626
Current Year Rolling Three-Year Average	6,613	6,613	6,613
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

	Solid Waste		Targeted Recyclable Materials		Organic Materials (Including Food)		Two City Cell Collection Events		Single Family Dwelling Total
	A	B	C	D	E	F	G		
Annual Cost of Operations									
Direct Labor-Related Costs									
Wages for CBAs	\$253,062	\$180,733	\$187,346	\$50,363	\$187,346	\$50,363	\$187,346	\$50,363	\$882,564
Benefits for CBAs	\$116,913	\$87,441	\$88,196	\$33,204	\$88,196	\$33,204	\$88,196	\$33,204	\$321,255
Payroll Taxes	\$21,659	\$16,037	\$16,487	\$5,054	\$16,487	\$5,054	\$16,487	\$5,054	\$56,784
Workers' Compensation Insurance	\$18,036	\$13,826	\$14,348	\$4,372	\$14,348	\$4,372	\$14,348	\$4,372	\$48,828
Total Direct Labor-Related Costs	\$409,660	\$298,037	\$306,377	\$102,844	\$306,377	\$102,844	\$306,377	\$102,844	\$1,113,170
Direct Fuel Costs	\$26,778	\$23,688	\$22,212	\$2,900	\$22,212	\$2,900	\$22,212	\$2,900	\$75,459
Other Direct Costs	\$35,210	\$31,091	\$29,820	\$4,037	\$29,820	\$4,037	\$29,820	\$4,037	\$100,559
Depreciation - Collection Vehicle(s)	\$39,895	\$32,183	\$31,972	\$5,072	\$31,972	\$5,072	\$31,972	\$5,072	\$110,802
Depreciation - Collection Containers	\$18,972	\$16,901	\$16,456	\$2,454	\$16,456	\$2,454	\$16,456	\$2,454	\$60,120
Depreciation for Collection Equipment	\$38,477	\$31,854	\$31,119	\$3,972	\$31,119	\$3,972	\$31,119	\$3,972	\$170,823
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)									
General and Administrative	\$124,206	\$129,139	\$129,328	\$4,992	\$129,328	\$4,992	\$129,328	\$4,992	\$387,729
Operations	\$23,626	\$21,215	\$21,426	\$1,018	\$21,426	\$1,018	\$21,426	\$1,018	\$66,284
Vehicle Maintenance	\$40,154	\$40,547	\$42,712	\$1,646	\$42,712	\$1,646	\$42,712	\$1,646	\$132,459
Container Maintenance	\$17,634	\$18,484	\$17,319	\$717	\$17,319	\$717	\$17,319	\$717	\$52,155
Total Allocated Indirect Costs excluding Depreciation and Interest	\$210,681	\$209,385	\$211,844	\$8,372	\$211,844	\$8,372	\$211,844	\$8,372	\$643,883
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,426	\$1,284	\$1,443	\$62	\$1,443	\$62	\$1,443	\$62	\$4,226
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$741,490	\$612,809	\$630,739	\$122,791	\$630,739	\$122,791	\$630,739	\$122,791	\$2,107,919
Profit (less Operating Ratio below)	\$77,846	\$64,328	\$66,409	\$1,890	\$66,409	\$1,890	\$66,409	\$1,890	\$21,473
Total Proposed Costs before Pass-Through Cost Allocation	\$819,437	\$677,137	\$696,938	\$135,680	\$696,938	\$135,680	\$696,938	\$135,680	\$2,129,192
Contractor Pass-Through Costs									
Interest Expense	\$14,341	\$12,668	\$12,254	\$655	\$12,254	\$655	\$12,254	\$655	\$41,919
Total Contractor Pass-Through Costs	\$14,341	\$12,668	\$12,254	\$655	\$12,254	\$655	\$12,254	\$655	\$41,919
TOTAL BASE CONTRACTOR'S COMPENSATION	\$833,778	\$689,805	\$709,192	\$142,335	\$709,192	\$142,335	\$709,192	\$142,335	\$2,171,111

SBWMA COLLECTION AGREEMENT 2021 Proposed Compensation

D. City of Burlingame Allocated Costs- MFD & Commercial

	1,282	1,288	221	20	2,018	Total
City # of Accounts	10,332.00	10,310.00	1,712.00	195.00	29,504.00	3,011.00
SBWMA Accounts	13.4%	13.0%	17.2%	19.2%	6.8%	22.44%
City Total Route Labor hours Year	6,865.99	3,795.01	719.45	1,617.92	892.31	13,018.37
SBWMA Total Route Labor hours Year	47,871.85	6,256.65	6,167.11	13,044.34	87,507.53	14.9%
City Total Route Labor hours year %	14.3%	14.0%	11.6%	26.2%	6.8%	14.9%
City # of route hours/year	4,061.34	3,411.82	699.76	1,617.92	892.31	9,795.84
SBWMA # of route hours/year	31,207.08	25,241.12	5,045.06	6,167.11	13,044.34	68,761.37
City # of route hours/year %	13.0%	13.0%	11.6%	26.2%	6.8%	14.2%
City Total Contractors in Service	2,484	3,686	306	333.20	29,504.00	5,603.00
SBWMA Total Contractors in Service	17,458.00	19,703.00	2,059.00	333.20	39,393.00	14.2%
City Total Contractors in Service %	14.5%	15.6%	14.4%	8.7%	6.8%	14.2%

	E	F	G	H	J	MFD & Commercial Total
Annual Cost of Operation						
Direct Labor-Related Costs						
Wages for CDAs	\$728,923	\$282,906	\$81,694	\$128,834	\$9,891	\$1,232,248
Benefits for CDAs	\$147,565	\$126,717	\$35,711	\$45,673	\$4,863	\$450,531
Payroll Taxes	\$60,646	\$51,318	\$6,797	\$10,719	\$823	\$105,523
Workers Compensation Insurance	\$51,933	\$20,156	\$5,821	\$9,128	\$705	\$87,793
Total Direct Labor-Related-Costs	\$1,189,067	\$480,117	\$120,023	\$194,404	\$16,283	\$1,977,084
Direct Fuel Costs	\$62,907	\$7,624	\$10,931	\$12,465	\$1,076	\$114,942
Other Direct Costs	\$66,577	\$44,468	\$13,262	\$23,537	\$1,460	\$169,324
Depreciation - Collection Vehicle	\$77,518	\$41,464	\$19,506	\$19,866	\$1,024	\$159,319
Depreciation - Collection Equipment	\$17,459	\$12,413	\$12,309	\$6	\$256	\$42,453
Lease	\$94,974	\$33,878	\$31,314	\$19,866	\$1,280	\$201,752
	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$125,863	\$135,347	\$151,492	\$59,270	\$2,022	\$474,026
General and Administrative	\$24,872	\$27,443	\$27,698	\$10,916	\$419	\$111,267
Vehicle Maintenance	\$47,575	\$52,450	\$52,937	\$19,087	\$800	\$122,849
Contractor Maintenance	\$19,522	\$19,553	\$24,244	\$6,731	\$285	\$70,320
Total Allocated Indirect Costs excluding Depreciation and Interest	\$217,373	\$234,744	\$256,372	\$156,007	\$3,166	\$688,562
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,669	\$1,685	\$1,443	\$2,224	\$28	\$6,847
Annual Impairment Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,650,966	\$815,716	\$433,845	\$408,384	\$23,710	\$3,334,621
Profit (Insert Operating Ratio below)	\$173,515.79	\$85,628	\$45,542	\$44,869	\$1,489	\$350,043
Total Proposed Costs before Pass-Through Cost Allocation	\$1,824,482	\$901,344	\$479,386	\$453,253	\$25,199	\$3,684,664
Contractor Pass-Through Costs						
Interest Expense	\$29,577	\$16,779	\$9,908	\$6,168	\$199	\$62,430
Total Contractor Pass-Through Costs	\$29,577	\$16,779	\$9,908	\$6,168	\$199	\$62,430
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,854,059	\$918,122	\$489,294	\$459,491	\$25,398	\$3,747,094

	2014	2015	2016	Rolling Three-Year Average
City Total Contractors in Service	200,256	201,491	209,575	203,774
SBWMA Total Contractors in Service	1,665,007	1,665,007	1,665,007	1,665,007
City Total Contractors in Service %	11.9%	12.1%	12.5%	12.2%
Rolling Three-Year Average	198,870	209,001	33,348	1,499

SBWMA COLLECTION AGREEMENT
 Proposed Compensation
 D. City of Burlingame, Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustments

	2021 (1%)	2021 (1%)	2021 (1%)	2021 (1%)	2021 (1%)	2021 (1%)
PY CPW-Wages 2017 Listed as Example	264,176	264,176	264,176	264,176	264,176	264,176
CY CPW-Wages 2017 Listed as Example	264,176	264,176	264,176	264,176	264,176	264,176
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815
CY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252	219,252
CY CPW-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252	219,252
CPW-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-AD (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983
CY CPW-AD (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983
CPW-AD Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	A	B	C	D	E	F	G	H	I	J	K
	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop-Box Services (All Materials)	Two-On-One Collection Events	MFD & Commercial Total					
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$728,523	\$324,966	\$61,694	\$1,215,153	\$58,891	\$1,215,153					
Benefits for CBAs	\$347,385	\$158,717	\$29,711	\$673,811	\$30,865	\$673,811					
Payroll Taxes	\$66,648	\$30,158	\$6,797	\$103,603	\$4,733	\$103,603					
Worker's Compensation Insurance	\$21,923	\$10,035	\$2,029	\$33,987	\$1,523	\$33,987					
Total Direct Labor Related Costs	\$1,168,484	\$523,976	\$100,231	\$2,026,554	\$95,922	\$2,026,554					
Direct Fuel Costs	\$61,967	\$27,624	\$5,171	\$94,762	\$4,376	\$94,762					
Other Direct Costs	\$86,577	\$41,468	\$7,262	\$135,307	\$6,140	\$135,307					
Depreciation - Collection Vehicles	\$77,518	\$41,484	\$19,556	\$138,558	\$6,424	\$138,558					
Depreciation - Containers	\$17,416	\$12,113	\$12,388	\$41,917	\$2,058	\$41,917					
Depreciation for Collection Equipment	\$84,974	\$53,378	\$11,814	\$149,866	\$7,136	\$149,866					
Lease	\$0	\$0	\$0	\$0	\$0	\$0					
Allocated Indirect Costs including Depreciation and Interest (Form 9)											
General and Administrative	\$124,863	\$134,347	\$141,892	\$391,102	\$18,512	\$391,102					
Operations	\$24,892	\$27,443	\$27,988	\$80,323	\$3,919	\$80,323					
Vehicles Maintenance	\$47,575	\$51,450	\$52,937	\$151,962	\$7,300	\$151,962					
Container Maintenance	\$19,542	\$19,825	\$24,244	\$63,611	\$3,024	\$63,611					
Total Allocated Indirect Costs including Depreciation and Interest	\$217,872	\$234,745	\$237,851	\$689,642	\$32,765	\$689,642					
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,569	\$1,685	\$1,443	\$4,817	\$234	\$4,817					
Annual Implementation Cost Amortization (Form V)	\$0	\$0	\$0	\$0	\$0	\$0					
Total Annual Cost of Operations	\$1,652,666	\$815,716	\$433,846	\$2,902,228	\$137,110	\$2,902,228					
Profit (Insert Operating Ratio below)	\$173,516	\$84,628	\$44,542	\$302,686	\$14,489	\$302,686					
Total Proposed Costs before Pass-Through Cost Allocation	\$1,826,482	\$900,344	\$478,388	\$3,204,914	\$151,599	\$3,204,914					
Contractor Pass-Through Costs											
Interest Expense	\$29,577	\$14,779	\$7,928	\$52,284	\$2,539	\$52,284					
Total Contractor Pass-Through Costs	\$29,577	\$14,779	\$7,928	\$52,284	\$2,539	\$52,284					
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,856,059	\$915,123	\$486,316	\$3,257,200	\$154,138	\$3,257,200					

D. City of Burlington Allocated Costs - MFD & Commercial

	Step 2: Service Level Adjustments			
	2014	2015	2016	Three-Year Average
Direct Labor-Related Costs	\$728,923	\$728,923	\$728,923	\$728,923
Wages for CBAs	\$347,565	\$347,565	\$347,565	\$347,565
Benefits for CBAs	\$66,646	\$66,646	\$66,646	\$66,646
Payroll Taxes	\$31,933	\$31,933	\$31,933	\$31,933
Workers' Compensation Insurance	\$1,89,067	\$1,89,067	\$1,89,067	\$1,89,067
Total Direct Labor-Related Costs	\$662,907	\$662,907	\$662,907	\$662,907
Other Direct Costs	\$86,577	\$86,577	\$86,577	\$86,577
Depreciation - Collection Vehicles	\$77,518	\$77,518	\$77,518	\$77,518
Depreciation - Containers	\$17,456	\$17,456	\$17,456	\$17,456
Depreciation for Collision Equipment	\$98,974	\$98,974	\$98,974	\$98,974
Lease	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,023,422	\$1,023,422	\$1,023,422	\$1,023,422
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$125,863	\$125,863	\$125,863	\$125,863
General and Administrative	\$22,892	\$22,892	\$22,892	\$22,892
Operators	\$47,575	\$47,575	\$47,575	\$47,575
Vehicle Maintenance	\$19,342	\$19,342	\$19,342	\$19,342
Container Maintenance	\$35,854	\$35,854	\$35,854	\$35,854
Total Allocated Indirect Costs excluding Depreciation and Interest	\$125,863	\$125,863	\$125,863	\$125,863
Total Annual Cost of Operations	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285
Annual Implementation Cost - Inflation (Form 5)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285
Profit (insert Operating Ratio below)	90.5%	90.5%	90.5%	90.5%
Total Proposed Costs before Pass-Through Cost Allocation	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285
Contractor Pass-Through Costs	\$29,577	\$29,577	\$29,577	\$29,577
Interest Expense	\$29,577	\$29,577	\$29,577	\$29,577
Total Contractor Pass-Through Costs	\$59,154	\$59,154	\$59,154	\$59,154
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,208,439	\$1,208,439	\$1,208,439	\$1,208,439

	MFD & Commercial		MFD & Commercial		MFD & Commercial		MFD & Commercial	
	E	F	G	H	I	J	K	L
Annual Cost of Operations	\$728,923	\$728,923	\$728,923	\$728,923	\$728,923	\$728,923	\$728,923	\$728,923
Direct Labor-Related Costs	\$347,565	\$347,565	\$347,565	\$347,565	\$347,565	\$347,565	\$347,565	\$347,565
Wages for CBAs	\$66,646	\$66,646	\$66,646	\$66,646	\$66,646	\$66,646	\$66,646	\$66,646
Benefits for CBAs	\$31,933	\$31,933	\$31,933	\$31,933	\$31,933	\$31,933	\$31,933	\$31,933
Payroll Taxes	\$1,89,067	\$1,89,067	\$1,89,067	\$1,89,067	\$1,89,067	\$1,89,067	\$1,89,067	\$1,89,067
Workers' Compensation Insurance	\$662,907	\$662,907	\$662,907	\$662,907	\$662,907	\$662,907	\$662,907	\$662,907
Total Direct Labor-Related Costs	\$86,577	\$86,577	\$86,577	\$86,577	\$86,577	\$86,577	\$86,577	\$86,577
Other Direct Costs	\$77,518	\$77,518	\$77,518	\$77,518	\$77,518	\$77,518	\$77,518	\$77,518
Depreciation - Collection Vehicles	\$17,456	\$17,456	\$17,456	\$17,456	\$17,456	\$17,456	\$17,456	\$17,456
Depreciation - Containers	\$98,974	\$98,974	\$98,974	\$98,974	\$98,974	\$98,974	\$98,974	\$98,974
Depreciation for Collision Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lease	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$22,892	\$22,892	\$22,892	\$22,892	\$22,892	\$22,892	\$22,892	\$22,892
General and Administrative	\$47,575	\$47,575	\$47,575	\$47,575	\$47,575	\$47,575	\$47,575	\$47,575
Operators	\$19,342	\$19,342	\$19,342	\$19,342	\$19,342	\$19,342	\$19,342	\$19,342
Vehicle Maintenance	\$35,854	\$35,854	\$35,854	\$35,854	\$35,854	\$35,854	\$35,854	\$35,854
Container Maintenance	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863	\$125,863
Total Allocated Indirect Costs excluding Depreciation and Interest	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285
Total Annual Cost of Operations	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285
Annual Implementation Cost - Inflation (Form 5)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285
Profit (insert Operating Ratio below)	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
Total Proposed Costs before Pass-Through Cost Allocation	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285	\$1,149,285
Contractor Pass-Through Costs	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577
Interest Expense	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577	\$29,577
Total Contractor Pass-Through Costs	\$59,154	\$59,154	\$59,154	\$59,154	\$59,154	\$59,154	\$59,154	\$59,154
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,208,439	\$1,208,439	\$1,208,439	\$1,208,439	\$1,208,439	\$1,208,439	\$1,208,439	\$1,208,439

D. City of Burlingame Allocated Costs - Agency Facilities

	Statistics used for Year 2021 Cost Allocation Only		Totals	
City # of lifts per year	37,284	1,244	4,680	6,626
SBWMA # of lifts per year (Accounts for Venue Events)	34,237	16,744	65,039	94,880
City # of lifts per year %	1.2%	1.3%	1.2%	1.2%
City Total Route Labor hours/year	1,127,361	21,822	66,442	1,604,999
SBWMA Total Route Labor hours/year	4,706,399	992,906	5,931,435	8,271,435
City Total Route Labor hours/year %	23.7%	2.7%	2.7%	2.7%
City # of route hours/year	50,433	20,599	62,242	1,604,999
SBWMA # of route hours/year	2,895,311	324,166	539,577	5,931,435
City # of route hours/year %	17.4%	2.9%	2.9%	2.9%
City # of Containers	11	13	22	6,697
SBWMA # of Containers	342	235	538	96,826
City # of Containers %	3.0%	2.7%	2.7%	2.7%

Agency Facilities	E Cart and Bin Solid Waste	G Cart and Bin Organic Materials	F Cart and Bin Recyclable Materials	H Total Drop Box Services (All Materials)	I Vendor and Events	J Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$24,878	\$484	\$1,274	\$8,712	\$2,647	\$38,285
Benefits for CBAs	\$11,650	\$228	\$899	\$4,107	\$1,242	\$17,836
Payroll Taxes	\$4,070	\$40	\$123	\$730	\$221	\$5,184
Workers' Compensation Insurance	\$1,272	\$12	\$32	\$202	\$63	\$522
Total Direct Labor-Related Costs	\$40,870	\$786	\$1,298	\$14,228	\$4,370	\$61,552
Dinner Fuel Costs	\$2,464	\$52	\$143	\$939	\$337	\$4,135
Other Direct Costs	\$5,425	\$98	\$258	\$1,772	\$628	\$7,881
Depreciation - Collection Vehicles	\$10,839	\$211	\$642	\$3,822	\$1,101	\$16,615
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$10,839	\$211	\$642	\$3,822	\$1,101	\$16,615
Leases	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)	\$20,316	\$395	\$1,203	\$7,181	\$999	\$30,094
General and Administrative Overly (for Agency Costs)	\$5,664	\$98	\$260	\$1,786	\$592	\$7,842
Operations	\$9,681	\$188	\$573	\$3,413	\$1,132	\$14,987
Vehicle Maintenance	\$2,519	\$52	\$171	\$1,029	\$344	\$4,115
Contractor's Maintenance (Weight Lifts for Agency Costs)	\$739	\$14	\$42	\$266	\$87	\$948
Total Allocated Indirect Costs including Depreciation and Interest	\$37,973	\$747	\$2,249	\$13,366	\$2,867	\$57,202
Contractor Pass-Through Costs	\$314	\$7	\$21	\$121	\$50	\$512
Annual Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$97,208	\$1,892	\$5,758	\$34,276	\$9,288	\$148,421
Total Annual Cost of Operations	\$10,204	\$199	\$604	\$3,498	\$975	\$16,580
Profit (Insert Operating Ratio below)						
Total Operating Costs before Past-Through Cost Allocation	\$107,412	\$2,090	\$6,462	\$27,874	\$10,263	\$164,001
Contractor Pass-Through Costs	\$2,298	\$44	\$139	\$810	\$231	\$3,422
Total Contractor Pass-Through Costs	\$2,298	\$44	\$139	\$810	\$231	\$3,422
TOTAL BASE CONTRACTOR'S COMPENSATION	\$109,710	\$2,134	\$6,601	\$28,684	\$10,494	\$167,629

Service Level Statistics Used for Future Service Level Cost Adjustments	2014	2015	2016	Rolling Three-Year Average
Lifts	33,438	37,238	37,284	36,010
Hauls	864	988	1,144	1,005
	1,976	2,210	2,680	2,955

D. City of Burlington Allocated Costs - Agency Facilities

Step 1: Index Based Adjustments

	2017	2018	2019	2020	2021
PY CPW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
NY CPW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
NY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252
NY CPW-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252
CPW-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Cell (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
NY CPW-Cell (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CPW-Cell Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Car and Bin Sold Wage		Car and Bin Organic Materials		Cart and Bin Recyclable Materials		Total Drop-Box Services (All Materials)		Agency Facilities Vendor and Events		Agency Facilities Total
	F	G	C	D	E	F	H	I	J		
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$24,478	\$484	\$484	\$484	\$1,474	\$8,772	\$8,772	\$2,457	\$2,457	\$38,262	
Benefits for CBAs	\$11,639	\$236	\$236	\$236	\$689	\$4,101	\$4,101	\$1,242	\$1,242	\$17,488	
Payroll Taxes	\$3,070	\$61	\$61	\$61	\$173	\$730	\$730	\$221	\$221	\$3,184	
Workers Compensation Insurance	\$1,224	\$24	\$24	\$24	\$68	\$328	\$328	\$99	\$99	\$1,224	
Total Direct Labor-Related Costs	\$40,411	\$785	\$785	\$785	\$2,399	\$14,224	\$14,224	\$4,210	\$4,210	\$62,263	
Direct Fuel Costs	\$2,684	\$52	\$52	\$52	\$158	\$939	\$939	\$337	\$337	\$4,151	
Other Direct Costs	\$5,027	\$98	\$98	\$98	\$298	\$1,772	\$1,772	\$619	\$619	\$7,829	
Depreciation - Collector Vehicles	\$10,839	\$211	\$211	\$211	\$642	\$3,822	\$3,822	\$1,101	\$1,101	\$16,615	
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Depreciation for Collection Equipment	\$10,839	\$211	\$211	\$211	\$642	\$3,822	\$3,822	\$1,101	\$1,101	\$16,615	
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs including Depreciation and Interest (Form 9)											
Contract and Administrative (using 40% for Agency Costs)	\$20,719	\$395	\$395	\$395	\$1,203	\$7,461	\$7,461	\$2,209	\$2,209	\$30,269	
Operation	\$1,067	\$21	\$21	\$21	\$60	\$350	\$350	\$106	\$106	\$1,454	
Vehicle Maintenance	\$948	\$18	\$18	\$18	\$57	\$313	\$313	\$94	\$94	\$1,213	
Contract Maintenance (using 40% of Agency Costs)	\$2,919	\$57	\$57	\$57	\$173	\$1,029	\$1,029	\$314	\$314	\$4,121	
Total Allocated Indirect Costs including Depreciation and Interest	\$37,673	\$719	\$719	\$719	\$2,249	\$13,190	\$13,190	\$3,867	\$3,867	\$57,220	
Total Allocated Indirect Depreciation Costs (Form 9)	\$374	\$7	\$7	\$7	\$21	\$121	\$121	\$39	\$39	\$542	
Annual Implementation Cost Amortization (Form V)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$97,108	\$1,892	\$1,892	\$1,892	\$5,758	\$34,478	\$34,478	\$9,288	\$9,288	\$148,421	
Profit (Insert Operating Ratio below)	\$10,304	\$199	\$199	\$199	\$604	\$3,598	\$3,598	\$975	\$975	\$15,580	
90.5%											
Total Operating Costs before Pass-Through Cost Allocation	\$107,412	\$2,090	\$2,090	\$2,090	\$6,362	\$37,874	\$37,874	\$10,263	\$10,263	\$164,001	
Contractor Pass-Through Costs											
Interest Expense	\$2,298	\$45	\$45	\$45	\$136	\$810	\$810	\$233	\$233	\$3,122	
Total Contractor Pass-Through Costs	\$2,298	\$45	\$45	\$45	\$136	\$810	\$810	\$233	\$233	\$3,122	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$109,710	\$2,135	\$2,135	\$2,135	\$6,498	\$38,684	\$38,684	\$10,496	\$10,496	\$167,123	

SBWMA COLLECTION AGREEMENT

Proposed Compensation 2021

D. City of East Palo Alto Allocated Costs - SED

Statistics Used for Year 2021 Cost Allocation Only		Total	
City # of accounts	4,186	1,647	4,186
SBWMA # of accounts	94,580	28,504	94,580
City # of accounts %	4.4%	7.6%	4.4%
City Total Route Labor hours year	2,436.89	1,948.01	6,993
SBWMA Total Route Labor hours year	46,233.55	13,045.24	141,248
City Total Route Labor hours year %	1.7%	3.6%	5.0%
City # of route hours year	2,100.18	1,843.89	6,407
SBWMA # of route hours year	42,947.89	13,045.24	128,232
City Total Route Labor hours year %	1.7%	5.8%	5.0%
City Total Commercial Service	4,222	1,647	14,252
SBWMA Total Commercial Service	96,866	28,504	322,535
City Total Commercial in Service %	4.2%	4.7%	4.4%

Annual Cost of Operations	Single Family Dwelling			
	A	B	C	D
Direct Labor-Related Costs				
Wages for CBUs	\$24,385	\$19,515	\$13,995	\$59,089
Benefits for CBUs	\$94,425	\$67,268	\$66,022	\$226,930
Payroll Taxes	\$17,005	\$11,608	\$11,315	\$41,189
Workers' Compensation Insurance	\$24,854	\$22,859	\$22,859	\$27,252
Total Direct Labor Related-Costs	\$130,377	\$123,331	\$121,321	\$364,131
Direct Fuel Costs	\$20,828	\$18,645	\$18,334	\$4,366
Other Direct Costs	\$7,429	\$2,784	\$3,446	\$7,734
Depreciation - Collection Vehicles	\$31,087	\$24,729	\$29,665	\$2,181
Depreciation - Computers	\$11,708	\$11,996	\$13,971	\$0
Depreciation for Collection Equipment	\$44,795	\$36,725	\$43,575	\$2,181
Interest	\$0	\$0	\$0	\$0
Allocated Indirect Costs (including Depreciation and Interest) (Form 9)	\$78,566	\$81,327	\$82,262	\$4,075
General and Administrative	\$18,495	\$16,216	\$19,333	\$831
Overhead	\$345,176	\$306,992	\$356,450	\$1,588
Vehicles Maintenance	\$11,117	\$11,488	\$10,876	\$586
Customer Maintenance	\$143,203	\$140,023	\$149,421	\$7,079
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$11,111	\$981	\$1,199	\$51
Total Allocated Indirect Depreciation Cost (Form 9)	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$585,744	\$47,869	\$457,997	\$100,192
Total Annual Cost of Operations	\$59,387	\$47,014	\$48,077	\$10,517
Profit (Insert Operating Ratio below)	90.5%			
Total Proposed Costs before Pass-Through Cost Allocation	\$623,131	\$494,883	\$506,074	\$110,710
Contractor Pass-Through Costs				
Interest Expense	\$10,485	\$9,807	\$10,687	\$515
Total Contractor Pass-Through Costs	\$10,485	\$9,807	\$10,687	\$515
TOTAL BASE CONTRACTOR'S COMPENSATION	\$633,616	\$504,690	\$516,761	\$111,224

Service Level Statistics Used for Future Service Level Cost Adjustments	
2014	Accounts 4,155
2015	Accounts 4,164
2016	Accounts 4,186
Rolling Three-Year Average 4,168	

Step 1: Intra Based Adjustments

	2017	2017	2017	2017	2017
PY CPB-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CY CPB-W-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CPB-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPB-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CY CPB-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CPB-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPB-L-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252
CY CPB-L-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252
CPB-L-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPB-L1 (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CY CPB-L1 (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CPB-L1 Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%

Single Family Dwelling	Step 1: Intra Based Adjustments			Organic Materials (Including Holiday Thru)	Two Day-Call Collection Events	Single Family Dwelling Total
	A	B	C			
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$204,385	\$139,515	\$133,995	\$50,069	\$50,069	\$129,964
Benefits for CBAs	\$84,425	\$67,268	\$64,022	\$26,930	\$26,930	\$52,644
Payroll Taxes	\$17,005	\$11,618	\$11,315	\$4,186	\$4,186	\$8,493
Workers Compensation Insurance	\$32,855	\$23,820	\$23,688	\$8,587	\$8,587	\$17,721
Total Direct Labor Related-Costs	\$337,670	\$233,227	\$223,025	\$86,772	\$86,772	\$184,448
Direct Fuel Costs	\$20,828	\$18,045	\$18,334	\$3,366	\$3,366	\$16,473
Other Direct Costs	\$27,429	\$27,764	\$24,446	\$1,784	\$1,784	\$29,429
Depreciation - Collection Vehicles	\$31,087	\$24,759	\$28,605	\$2,181	\$2,181	\$8,601
Depreciation - Containers	\$11,708	\$11,096	\$13,971	\$0	\$0	\$37,676
Depreciation for Collection Equipment	\$4,795	\$3,725	\$4,576	\$2,131	\$2,131	\$12,377
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)						
Management Administrative	\$78,566	\$81,127	\$82,262	\$4,071	\$4,071	\$24,146
Overhead	\$18,455	\$18,214	\$18,333	\$83	\$83	\$44,466
Vehicles Maintenance	\$38,176	\$35,962	\$34,956	\$1,588	\$1,588	\$16,702
Container Maintenance	\$1,117	\$1,048	\$1,076	\$38	\$38	\$3,682
Total Allocated Indirect Costs including Depreciation and Interest	\$137,203	\$140,023	\$140,422	\$7,079	\$7,079	\$439,726
Total Annual Cost of Operations	\$1,111	\$98	\$119	\$5	\$5	\$1,343
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$665,744	\$477,869	\$475,997	\$100,192	\$100,192	\$1,571,802
Profit (Insert Operating Ratio below)	\$59,387	\$47,013	\$48,077	\$10,517	\$10,517	\$145,996
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$625,131	\$494,883	\$496,074	\$110,710	\$110,710	\$1,736,798
Contractor Pass-Through Costs						
Interest Expense	\$10,495	\$9,027	\$10,837	\$338	\$338	\$30,724
Total Contractor Pass-Through Costs	\$10,495	\$9,027	\$10,837	\$338	\$338	\$30,724
TOTAL BASE CONTRACTOR'S COMPENSATION	\$635,626	\$503,910	\$516,911	\$111,048	\$111,048	\$1,767,522

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	-1,155	-1,155	-1,155
2015	-1,164	-1,164	-1,164
2016	-1,186	-1,186	-1,186
Prior Year Rolling Three-Year Average	-1,168	-1,168	-1,168
2014	-1,155	-1,155	-1,155
2015	-1,164	-1,164	-1,164
2016	-1,186	-1,186	-1,186
Current Year Rolling Three-Year Average	-1,168	-1,168	-1,168
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	102.0%	102.0%	102.0%

Single Family Dwelling	A		B		C		D	
	Solid Waste	Tripartite Recyclable Materials	Tripartite Recyclable Materials	Organic Materials (Including Hoops/Trees)	Two On-Call Collection Events	Single Family Dwelling Total		
Annual Cost of Operations								
Diesel Labor-Related Costs	\$204,385	\$139,515	\$139,515	\$135,895	\$50,069	\$539,379		
Wages for CBAs	\$84,425	\$67,268	\$67,268	\$64,022	\$28,930	\$212,685		
Benefits for CBAs	\$17,005	\$11,608	\$11,608	\$11,315	\$4,166	\$44,093		
Payroll Taxes	\$14,562	\$9,940	\$9,940	\$9,689	\$3,457	\$31,738		
Workers Compensation Insurance	\$330,377	\$224,331	\$224,331	\$221,021	\$84,732	\$665,461		
Total Direct Labor-Related-Costs	\$766,154	\$522,667	\$522,667	\$521,942	\$172,347	\$1,169,623		
Diesel Fuel Costs	\$20,828	\$18,045	\$18,045	\$18,334	\$2,366	\$59,573		
Other Direct Costs	\$27,429	\$21,764	\$21,764	\$24,448	\$1,784	\$79,423		
Depreciation - Collection Vehicles	\$11,387	\$5,729	\$5,729	\$29,605	\$2,181	\$50,901		
Depreciation - Containers	\$11,708	\$1,896	\$1,896	\$3,971	\$0	\$17,675		
Depreciation for Collection Equipment	\$42,793	\$36,725	\$36,725	\$43,376	\$2,181	\$123,277		
Lease	\$0	\$0	\$0	\$0	\$0	\$0		
Allocated Indirect Costs (excluding Depreciation and Interest (Form 9))	\$78,506	\$81,327	\$81,327	\$82,282	\$4,079	\$246,189		
General and Administrative Operations	\$18,405	\$18,216	\$18,216	\$19,233	\$831	\$54,784		
Vehicle Maintenance	\$35,176	\$39,992	\$39,992	\$36,950	\$1,558	\$104,705		
Container Maintenance	\$11,117	\$11,488	\$11,488	\$10,776	\$486	\$38,282		
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$145,204	\$149,223	\$149,223	\$149,941	\$7,079	\$439,726		
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,111	\$881	\$881	\$1,199	\$51	\$3,343		
Annual Implementation Cost (Amortization (Form V))	\$0	\$0	\$0	\$0	\$0	\$0		
Total Annual Cost of Operations	\$965,744	\$647,869	\$647,869	\$647,997	\$100,192	\$1,571,802		
Profit (Insert Operating Ratio below)	\$59,387	\$47,014	\$47,014	\$48,077	\$10,517	\$164,996		
Total Proposed Costs before Pass-Through Cost Allocation	\$625,131	\$495,883	\$495,883	\$506,074	\$110,710	\$1,126,798		
Contractor Pass-Through Costs								
Interest Expense	\$10,495	\$8,007	\$8,007	\$10,887	\$535	\$30,724		
Total Contractor Pass-Through Costs	\$10,495	\$8,007	\$8,007	\$10,887	\$535	\$30,724		
TOTAL BASE CONTRACTOR'S COMPENSATION	\$935,626	\$503,890	\$503,890	\$516,961	\$111,244	\$1,157,522		

SBWMA COLLECTION AGREEMENT 2021 Proposed Compensation
 B. City of East Palo Alto Allocated Costs - MFD & Commercial

Statistic Used for Year 2022 Cost Allocation Only	2014	2015	2016	Total
City # of Accounts	354	355	164	1,647
SBWMA % Accounts	10.32%	10.21%	1.71%	29,504
City # of Accounts %	2.9%	2.5%	5.6%	7.6%
City Total Route Labor hours year	1,493.05	492.90	148.11	2,134.06
SBWMA Total Route Labor hours year	47,871.85	27,111.92	6,256.65	81,240.42
City Total Route Labor hours year %	2.2%	2.2%	2.2%	2.6%
City # of route hours year	1,234.06	575.29	140.97	2,050.32
SBWMA # of route hours year	31,307.08	25,242.12	6,046.06	62,595.26
City # of route hours year %	3.9%	2.3%	2.3%	2.8%
City Total Compensation Service %	17.25%	18.70%	2.05%	29,504
City Total Compensation Service %	3.2%	3.6%	3.6%	3,955

	E	F	G	H	J	MFD & Commercial Total
	Current Bin Solid Waste	Current Bin Recyclable Materials	Current Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two One-Call Collection Events	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$138,809	\$44,999	\$16,142	\$23,847	\$8,071	\$230,867
Benefits for CBAs	\$75,980	\$19,797	\$8,085	\$8,151	\$3,989	\$112,782
Payroll Taxes	\$13,188	\$3,877	\$1,343	\$1,361	\$671	\$20,841
Workers Compensation Insurance	\$11,923	\$3,148	\$1,156	\$1,628	\$523	\$17,856
Total Direct Labor Related Costs	\$238,870	\$71,822	\$23,716	\$35,622	\$13,286	\$401,356
Direct Fuel Costs	\$19,115	\$4,842	\$2,262	\$2,269	\$878	\$29,105
Other Direct Costs	\$26,307	\$7,472	\$2,872	\$4,308	\$1,208	\$41,964
Depreciation - Collection Vehicles	\$23,654	\$6,967	\$3,930	\$3,623	\$836	\$38,910
Depreciation - Composites	\$1,058	\$7,407	\$0	\$0	\$209	\$14,966
Depreciation for Collection Equipment	\$27,600	\$14,272	\$11,331	\$3,623	\$1,044	\$58,870
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative	\$32,240	\$33,007	\$112,420	\$32,812	\$1,879	\$216,960
Operations	\$7,584	\$4,811	\$1,536	\$3,633	\$142	\$27,752
Vehicle Maintenance	\$14,416	\$18,113	\$10,684	\$10,809	\$653	\$43,395
Contractor Maintenance	\$1,529	\$1,025	\$1,388	\$1,028	\$21	\$5,226
Total Allocated Indirect Costs excluding Depreciation and Interest	\$58,769	\$57,022	\$143,224	\$57,014	\$2,916	\$315,380
Total Allocated Indirect Depreciation Costs (Form 9)	\$477	\$293	\$291	\$407	\$21	\$1,478
Annual Implementation Cost (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$390,856	\$147,114	\$183,455	\$103,160	\$19,347	\$843,952
Profit (Insert Operating Ratio below)	\$41,028.09	\$15,443	\$19,258	\$10,851	\$3,031	\$88,992
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$431,884	\$162,557	\$202,713	\$114,011	\$21,378	\$932,544
Contractor Pass-Through Costs						
Material Expense	\$9,013	\$3,314	\$3,776	\$1,165	\$141	\$17,682
Total Contractor Pass-Through Costs	\$9,013	\$3,314	\$3,776	\$1,165	\$141	\$17,682
TOTAL BASE CONTRACTOR'S COMPENSATION	\$440,897	\$165,871	\$206,489	\$115,176	\$21,519	\$950,226

Service Level Statistics Used for Future Service Level Cost Adjustments		
Year	Rolling Three-Year Average	Rolling Three-Year Average
2014	45,032	9,412
2015	43,784	9,484
2016	44,382	10,010
Rolling Three-Year Average	44,399	9,629

D. City of East Palo Alto Allocated Costs - MFD & Commercial

	E	F	G	H	J
Step 1: Index Based Adjustments	254,176	254,176	254,176	254,176	254,176
PY CPE-W-Wages (2017 Listed as Example)	254,176		254,176	254,176	254,176
CY CPE-W-Wages (2017 Listed as Example)					
CPE-W-Wages Adjustment	100.0%		100.0%	100.0%	100.0%
Step 2: Other Adjustments					
PY CPE-W-Medical (2017 Listed as Example)	477,815		477,815	477,815	477,815
CY CPE-W-Medical (2017 Listed as Example)					
CPE-W-Medical Adjustment	100.0%		100.0%	100.0%	100.0%
PY CPE-U-Motor Fuel (2017 Listed as Example)	249,252		249,252	249,252	249,252
CY CPE-U-Motor Fuel (2017 Listed as Example)					
CPE-U-Motor Fuel Adjustment	100.0%		100.0%	100.0%	100.0%
PY CPE-I-I (2017 Listed as Example)	209,983		209,983	209,983	209,983
CY CPE-I-I (2017 Listed as Example)					
CPE-I-I Adjustment	100.0%		100.0%	100.0%	100.0%

	E	F	G	H	J	MFD & Commercial Total
Annual Cost of Operations						
Depreciation - Collection Costs	\$18,569	\$4,189	\$16,142	\$16,142	\$16,142	\$16,142
Benefit for CEAs	\$75,580	\$19,597	\$5,080	\$5,080	\$5,080	\$5,080
Payroll Taxes	\$11,188	\$1,843	\$1,843	\$1,843	\$1,843	\$1,843
Workers Compensation Insurance	\$1,263	\$1,149	\$1,149	\$1,149	\$1,149	\$1,149
Total Direct Labor Related Costs	\$388,570	\$70,822	\$323,716	\$323,716	\$323,716	\$323,716
Direct Fixed Costs	\$18,115	\$4,842	\$2,202	\$2,202	\$2,202	\$2,202
Other Direct Costs	\$26,307	\$7,472	\$2,872	\$2,872	\$2,872	\$2,872
Depreciation - Collection Vehicle	\$23,554	\$6,967	\$3,910	\$3,910	\$3,910	\$3,910
Depreciation - Containers	\$4,046	\$3,004	\$7,401	\$0	\$0	\$0
Depreciation for Collection Equipment	\$27,600	\$10,272	\$11,131	\$11,131	\$11,131	\$11,131
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)	\$12,240	\$15,207	\$112,420	\$12,562	\$12,562	\$12,562
General and Administrative	\$7,564	\$4,611	\$5,580	\$5,580	\$5,580	\$5,580
Operations	\$14,446	\$8,813	\$10,664	\$10,664	\$10,664	\$10,664
Vehicle Maintenance	\$4,529	\$1,392	\$1,150	\$4,988	\$4,988	\$4,988
Container Maintenance	\$18,789	\$3,823	\$1,452,44	\$1,452,44	\$1,452,44	\$1,452,44
Total Allocated Indirect Costs excluding Depreciation and Interest	\$477	\$283	\$281	\$407	\$21	\$21
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$190,866	\$147,114	\$183,455	\$183,186	\$183,186	\$183,186
Total Annual Cost of Operations	\$41,029	\$15,443	\$19,258	\$19,831	\$19,831	\$19,831
Profit (Insert Operating Ratio below)	90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	\$41,029	\$15,443	\$19,258	\$19,831	\$19,831	\$19,831
Contractor Pass-Through Costs	\$8,013	\$3,354	\$5,700	\$1,183	\$1,183	\$1,183
Interest Expense	\$2,013	\$2,851	\$2,000	\$1,883	\$1,883	\$1,883
Total Contractor Pass-Through Costs	\$10,026	\$6,205	\$7,700	\$3,066	\$3,066	\$3,066
TOTAL BASE CONTRACTOR'S COMPENSATION						

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Lifts	Lifts
2014	44,532	43,511	9,412	197	
2015	44,184	43,511	10,010	197	
2016	44,184	47,853	10,010	197	
Prior Year Rolling Three-Year Average	44,399	46,319	9,629	191	
2014	45,032	43,511	9,412	197	
2015	43,784	47,553	9,464	179	
2016	44,382	47,853	10,010	197	
Current Year Rolling Three-Year Average	44,399	46,319	9,629	191	
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	

	MFD & Commercial				MFD & Commercial Total
	E	F	G	H	
Annual Cost of Operations					
Direct Labor Related Costs					
Wages for CHVs	\$14,569	\$4,199	\$18,142	\$22,267	\$59,071
Benefits for CHVs	\$7,386	\$1,797	\$9,083	\$8,317	\$20,499
Payroll Taxes	\$1,183	\$1,183	\$1,343	\$1,183	\$2,897
Vehicle Expenses	\$11,263	\$1,183	\$1,326	\$1,183	\$15,955
Vehicle Insurance	\$248,470	\$7,822	\$23,716	\$33,552	\$301,558
Total Direct Labor Related Costs	\$19,471	\$16,184	\$52,610	\$65,715	\$144,060
Direct Fuel Costs					
Other Direct Costs	\$26,307	\$7,472	\$2,672	\$4,356	\$41,807
Depreciation - Collection Vehicle	\$23,454	\$6,967	\$3,930	\$3,423	\$37,774
Depreciation - Containers	\$4,048	\$3,304	\$7,401	\$0	\$14,753
Depreciation for Collection Equipment	\$27,600	\$10,272	\$11,331	\$3,623	\$52,826
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	\$12,240	\$15,007	\$11,240	\$35,562	\$74,054
Operations	\$7,884	\$4,811	\$1,510	\$1,645	\$15,850
Vehicle Maintenance	\$14,459	\$8,813	\$10,684	\$10,829	\$44,785
Container Maintenance	\$4,229	\$1,192	\$14,380	\$4,988	\$24,889
Total Allocated Indirect Costs excluding Depreciation and Interest	\$38,792	\$39,923	\$47,814	\$57,024	\$182,553
Total Allocated Indirect Depreciation Costs (Form 9)	\$477	\$233	\$291	\$407	\$1,408
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$390,856	\$171,114	\$183,465	\$103,180	\$748,615
Profit (Insert Operating Ratio below)	\$41,079	\$14,443	\$19,258	\$10,831	\$85,611
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	\$431,935	\$185,557	\$202,723	\$114,011	\$934,226
Contractor Pass-Through Costs					
Interest Expense	\$9,013	\$3,354	\$3,700	\$1,183	\$17,250
Total Contractor Pass-Through Costs	\$9,013	\$3,354	\$3,700	\$1,183	\$17,250
TOTAL BASE CONTRACTOR'S COMPENSATION	\$440,948	\$188,911	\$206,423	\$115,194	\$951,476

SBWMA COLLECTION AGREEMENT

Proposed Compensation 2021

D. City of East Palo Alto Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only	2020		2021		Totals
	2020	%	2021	%	
City # of lifts per year	2,518	0%	676	-1.86%	3,224.00
SBWMA # of lifts per year	16,744	0%	65,039	94.380%	81,783
City # of lifts per year *	2,518	7.7%	676	1.0%	3,224
City Total Route Labor hours per year	32,83	0.00%	3,76	110.91%	36.59
SBWMA Total Route Labor hours per year	4,706,39	236.00%	593,06	593.44%	5,299.45
City Total Route Labor hours *	32,83	0.7%	3,76	2.8%	36.59
City # of route hours per year	31,77	0.00%	3,61	1.47%	35.38
SBWMA # of route hours per year	2,599,51	224.16%	529,57	593.44%	3,129.08
City # of route hours per year *	31,77	1.2%	3,61	2.8%	35.38
City # of containers	7	0%	10	4.22%	17.00
SBWMA # of containers	842	0.6%	528	1.9%	1,370
City # of containers *	7	22%	10	3%	17

Agency Facilities	2020		2021		Agency Facilities Total
	2020	%	2021	%	
Annual Cost of Operations					
Direct Labor Costs					
Wages for CHs	\$236	\$0	\$57	\$796	\$1,032
Benefits for CHs	\$100	\$0	\$13	\$172	\$185
Payroll Taxes	\$50	\$0	\$5	\$66	\$116
Workers Compensation Insurance	\$17	\$0	\$2	\$57	\$79
Total Direct Labor Related Costs	\$382	\$0	\$74	\$1,291	\$1,673
Direct Fuel Costs	\$49	\$0	\$6	\$164	\$213
Other Direct Costs	\$92	\$0	\$11	\$310	\$401
Depreciation - Collection Vehicles	\$195	\$0	\$22	\$618	\$813
Depreciation - Containers	\$195	\$0	\$22	\$618	\$813
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$473	\$0	\$54	\$1,600	\$2,073
General and Administrative (using lifts for Agency Costs)	\$92	\$0	\$11	\$311	\$403
Operations	\$176	\$0	\$20	\$594	\$770
Vehicle Maintenance	\$68	\$0	\$8	\$230	\$298
Container Maintenance (using lifts for Agency Costs)	\$69	\$0	\$9	\$274	\$343
Total Allocated Indirect Costs excluding Depreciation and Interest	\$668	\$0	\$76	\$2,309	\$2,977
Total Allocated Indirect Depreciation Costs (Form 9)	\$6	\$0	\$1	\$31	\$37
Annual Implementation Cost Amortization (Form A)	\$1,533	\$0	\$176	\$5,179	\$6,712
Total Annual Cost of Operations	\$1,611	\$0	\$188	\$5,644	\$7,255
Profit (Insert Operating Ratio below)	90.5%				\$825
Total Operating Costs before Pass-Through Cost Allocation	\$1,694	\$0	\$194	\$5,722	\$7,416
Contractor Pass-Through Costs	\$41	\$0	\$5	\$140	\$181
Interest Expense	\$41	\$0	\$5	\$140	\$181
Total Contractor Pass-Through Costs	\$1,735	\$0	\$199	\$5,862	\$7,597
TOTAL BASE CONTRACTOR'S COMPENSATION					\$8,372

Service Level Statistics Used for Future Service Level Cost Adjustments				
Year	Lifts	Hours	Containers	Total
2014	2,992	52	573	3,617
2015	2,996	0	520	3,516
2016	2,548	0	626	3,174
Rolling Three-Year Average	2,879	17	589	3,485

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021
 D. City of Foster, City Allocated Costs - SFJ

Statistics Used for Year 2021 Cost Allocation Only		2021	
	6.75%	5.618	1.907
City # of accounts	94,372	96,723	25,504
SBWMA # of accounts	7%	6.7%	6.7%
City # of accounts*	2,649.75	3,073.43	843.04
SBWMA # of accounts*	42,532.45	39,114.12	13,045.24
City Total Route Labor hours year	6.7%	6.7%	6.7%
SBWMA Total Route Labor hours year	2,485.82	1,858.94	843.04
City Total Route Labor hours year*	42,847.86	34,045.76	13,045.24
SBWMA # of route hours year	6.3%	6.6%	6.5%
City Total Route Labor hours year*	6.7%	6.6%	6.5%
City Total Customers in Service	6,774	5,545	1,907
SBWMA Total Customers in Service	96,866	99,391	25,504
City Total Customers in Service*	7.0%	7.0%	7.0%
Total			
			6,750.00
			94,150.00
			9,018.29
			141,248.11
			7,844.84
			129,222.33
			21,070.00
			322,339.00

	Single Family Dwelling				Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CHAs	\$247,450	\$329,033	\$149,418	\$17,975	\$603,876
Benefits for CHAs	\$114,320	\$119,429	\$76,341	\$11,182	\$328,273
Payroll Taxes	\$20,888	\$19,056	\$12,432	\$4,824	\$56,999
Workers' Compensation Insurance	\$17,630	\$16,318	\$10,645	\$4,131	\$48,724
Total Direct Labor-Related Costs	\$399,286	\$574,835	\$248,436	\$38,111	\$1,118,772
Direct Fuel Costs	\$21,774	\$27,758	\$18,494	\$2,740	\$70,766
Other Direct Costs	\$33,917	\$36,556	\$24,659	\$4,351	\$99,512
Depreciation - Collection Vehicle	\$38,316	\$38,620	\$29,861	\$5,525	\$132,322
Depreciation - Collection	\$18,745	\$18,388	\$18,730	\$5	\$50,868
Depreciation for Collection Equipment	\$57,224	\$57,427	\$48,493	\$2,525	\$166,669
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	\$126,775	\$131,600	\$111,334	\$4,775	\$374,484
Operations	\$22,758	\$24,944	\$19,561	\$962	\$68,185
Vehicle Maintenance	\$43,492	\$47,673	\$37,272	\$1,839	\$133,276
Customer Maintenance	\$17,837	\$18,567	\$14,181	\$673	\$51,063
Total Allocated Indirect Costs excluding Depreciation and Interest	\$210,862	\$232,784	\$182,348	\$8,196	\$634,187
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,374	\$1,558	\$1,210	\$59	\$4,152
Annual Implementation Cost - Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$729,117	\$770,669	\$558,479	\$116,612	\$1,884,487
Profit (Insert Operating Ratio below)	\$76,538	\$75,671	\$54,426	\$12,179	\$318,814
Total Proposed Costs before Pass-Through Cost Allocation	\$805,656	\$796,540	\$572,905	\$128,190	\$1,203,301
Contractor Pass-Through Costs					
Interest Expense	\$14,034	\$14,084	\$11,917	\$619	\$40,655
Total Contractor Pass-Through Costs	\$14,034	\$14,084	\$11,917	\$619	\$40,655
TOTAL BASE CONTRACTOR'S COMPENSATION	\$819,700	\$810,624	\$584,822	\$128,809	\$1,243,956

Service Level Statistics Used for Future Service Level Cost Adjustments	
Accounts	Accounts
2014	6,747
2015	6,787
2016	6,750
Rolling Three-Year Average	6,765

Step 3: Index Based Adjustments

PY CPA-Wages (2017 Listed as Example)	264.17%	264.17%	264.17%
CY CPA-Wages (2017) Used as Example	264.17%	264.17%	264.17%
CPA-Wages Adjustment	100.0%	100.0%	100.0%
PY CPA-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%
CY CPA-W-Medical (2017) Listed as Example	477.81%	477.81%	477.81%
CPA-W-Medical Adjustment	100.0%	100.0%	100.0%
PY CPA-L-Motor Fuel (2017 Listed as Example)	269.25%	269.25%	269.25%
CY CPA-L-Motor Fuel (2017) Listed as Example	269.25%	269.25%	269.25%
CPA-L-Motor Fuel Adjustment	100.0%	100.0%	100.0%
PY CPA-L (2017) Listed as Example	269.98%	269.98%	269.98%
CY CPA-L (2017) Listed as Example	269.98%	269.98%	269.98%
CPA-L Adjustment	100.0%	100.0%	100.0%

Single Family Dwelling	Single Family Dwelling		Organic Materials (Including Holiday Truss)	Single Family Dwelling	
	Sold Waste	Trapped Recyclable Materials		Two On-Call Collectors Events	Dwelling Total
	A	B	C	D	E
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CEVA	\$247,450	\$229,033	\$149,518	\$37,975	\$683,876
Benefits for CEVA	\$114,321	\$110,429	\$70,341	\$31,182	\$326,273
Payroll Taxes	\$20,385	\$19,046	\$12,532	\$4,824	\$46,899
Workers' Compensative Insurance	\$17,830	\$17,118	\$10,845	\$4,131	\$45,934
Total Direct Labor-Related-Costs	\$399,990	\$375,626	\$243,236	\$78,112	\$1,115,172
Direct Fuel Costs	\$25,754	\$27,758	\$18,494	\$2,740	\$74,745
Other Direct Costs	\$33,917	\$35,556	\$24,619	\$4,281	\$98,512
Depreciation - Collection Vehicles	\$38,439	\$38,040	\$29,863	\$2,522	\$108,866
Depreciation - Computers	\$18,785	\$18,388	\$14,730	\$0	\$56,903
Depreciation for Collection Equipment	\$57,224	\$57,427	\$48,193	\$2,522	\$185,369
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$1,24,779	\$116,600	\$111,334	\$4,718	\$374,431
General and Administrative	\$22,258	\$24,444	\$19,501	\$982	\$88,165
Operations	\$43,485	\$47,673	\$37,232	\$1,838	\$130,279
Vehicle Maintenance	\$17,037	\$18,467	\$14,581	\$678	\$31,863
Container Maintenance	\$210,869	\$222,784	\$182,588	\$8,196	\$624,537
Total Allocated Indirect Costs excluding Depreciation and Interest	\$1,24,779	\$1,169,998	\$1,110,339	\$59	\$4,152
Annual Implementation Cost (Amortization Form 5)	\$0	\$0	\$0	\$0	\$0
Annual Implementation Cost (Amortization Form 5)	\$729,127	\$729,869	\$518,479	\$116,012	\$1,084,487
Total Annual Cost of Operations	\$76,538	\$76,571	\$54,458	\$12,178	\$318,814
Profit (Insert Operating Ratio below)	90.5%				
Total Proposed Costs before Pass-Through Cost Allocation	\$805,666	\$799,540	\$577,695	\$128,190	\$2,303,301
Contractor Pass-Through Costs					
Insurance	\$14,034	\$14,084	\$11,017	\$619	\$46,545
Total Contractor Pass-Through Costs	\$14,034	\$14,084	\$11,017	\$619	\$46,545
TOTAL BASE CONTRACTOR'S COMPENSATION	\$819,700	\$813,624	\$588,712	\$128,809	\$2,349,846

B. City of Foster City Allocated Costs - SFD

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	6,747	6,747	6,747
2015	6,787	6,787	6,787
2016	6,765	6,765	6,765
Prior Year Rolling Three-Year Average	6,765	6,765	6,765
2014	6,747	6,747	6,747
2015	6,787	6,787	6,787
2016	6,765	6,765	6,765
Current Year Rolling Three-Year Average	6,765	6,765	6,765
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
95% Service Level Adjustment Factor	100.0%	100.0%	100.0%

	Single Family Dwelling			Single Family Dwelling Total
	A	B	C	
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages Per CHSA	\$247,442	\$229,033	\$149,418	\$57,972
Benefits for CHSA	\$114,221	\$111,429	\$70,241	\$31,182
Payroll Taxes	\$20,388	\$19,016	\$12,432	\$6,584
Workers' Compensation Insurance	\$27,620	\$18,318	\$16,825	\$1,493
Total Direct Labor Related Costs	\$399,671	\$377,837	\$249,926	\$149,772
Direct Fuel Costs	\$25,754	\$27,768	\$14,984	\$7,770
Other Physical Costs	\$33,917	\$34,256	\$4,381	\$9,876
Depreciation - Collection Vehicle	\$38,439	\$38,640	\$29,863	\$18,576
Depreciation - Containers	\$18,781	\$19,388	\$18,730	\$6,903
Depreciation for Collection Equipment	\$57,224	\$57,427	\$48,393	\$2,525
Lease	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)				
General and Administrative	\$126,772	\$131,860	\$111,334	\$37,428
Operations	\$52,754	\$52,664	\$42,491	\$10,163
Vehicle Maintenance	\$43,185	\$47,072	\$17,938	\$13,247
Container Maintenance	\$17,817	\$18,545	\$17,531	\$878
Total Allocated Indirect Costs including Depreciation and Interest	\$210,869	\$222,764	\$182,288	\$82,437
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,374	\$1,359	\$1,210	\$152
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$729,127	\$720,869	\$518,179	\$2,084,487
Profit (Insert Operating Ratio below)	90.5%	\$76,071	\$54,426	\$218,814
Total Proposed Costs before Pass-Through Cost Allocation	\$805,698	\$796,940	\$573,595	\$2,303,301
Contractor Pass-Through Costs				
Interest Expense	\$14,034	\$14,084	\$11,917	\$46,655
Total Contractor Pass-Through Costs	\$14,034	\$14,084	\$11,917	\$46,655
TOTAL BASE CONTRACTOR'S COMPENSATION	\$819,732	\$811,024	\$585,512	\$2,350,956

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021
D. City of Foster City, Allocated Costs - MFD & Commercial

Statistical Year	2020	2021	% Change
City # of Accounts	10,332	10,210	-1.2%
SBWMA Accounts	531	531	0%
City # of Accounts %	5.1%	5.2%	2.2%
City Total Route Labor hours year	2,408,955	1,880,399	-21.1%
SBWMA Total Route Labor hours year	47,871,855	27,111,192	-43.5%
City Total Route Labor hours year %	2.7%	1.5%	-44.8%
City # of route hours/year	1,760,521	1,577,541	-10.1%
SBWMA # of route hours/year	31,307,088	23,244,112	-26.1%
City # of route hours year %	5.6%	6.3%	11.3%
City Total Contract in Service	767	1,235	161%
SBWMA Total Contracts in Service	17,258,000	19,703,000	11.3%
City Total Contract in Service %	4.4%	6.3%	14.3%

	E	F	G	H	I	J	K
	Cart and Bin Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic (Including Holiday Tons)	Total Drop Box Materials (Including Materials)	Total Drop Box Services (All Materials)	Two-Or-Cut Colloids Events	MFD & Commercial Total
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$245,744	\$125,268	\$53,121	\$10,992	\$9,345	\$9,345	\$474,470
Benefits for CBAs	\$121,944	\$66,059	\$28,718	\$5,857	\$4,996	\$4,996	\$210,335
Payroll Taxes	\$11,278	\$10,422	\$4,420	\$919	\$777	\$777	\$39,476
Workers Compensation Insurance	\$3,221	\$3,221	\$1,383	\$283	\$241	\$241	\$11,602
Total Direct Labor-Related Costs	\$170,187	\$205,724	\$78,044	\$16,462	\$14,360	\$14,360	\$758,105
Direct Fuel Costs	\$7,289	\$12,775	\$7,134	\$2,584	\$2,116	\$2,116	\$11,177
Other Direct Costs	\$37,530	\$20,582	\$8,655	\$1,882	\$1,399	\$1,399	\$73,807
Depreciation - Collection Vehicles	\$31,603	\$19,173	\$12,731	\$4,785	\$3,688	\$3,688	\$71,239
Depreciation - Collection Equipment	\$51,971	\$51,948	\$17,970	\$0	\$0	\$0	\$16,557
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$87,795
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$47,722	\$1,974	\$12,097	\$5,343	\$1,940	\$1,940	\$207,076
General and Administrative	\$10,790	\$12,890	\$18,077	\$7,437	\$3,995	\$3,995	\$49,389
Vehicle Maintenance	\$20,623	\$24,253	\$14,349	\$1,214	\$759	\$759	\$94,395
Contractor Maintenance	\$6,010	\$6,010	\$10,320	\$3,278	\$228	\$228	\$13,532
Total Allocated Indirect Costs excluding Depreciation and Interest	\$44,146	\$97,345	\$113,043	\$44,970	\$13,770	\$13,770	\$186,413
Total Allocated Indirect Depreciation Costs (Form 9)	\$880	\$779	\$942	\$533	\$24	\$24	\$2,960
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$666,783	\$357,604	\$227,987	\$145,682	\$12,402	\$12,402	\$1,360,258
Profit (Insert Operating Ratio below)	\$93,695.41	\$7,539	\$13,911	\$15,933	\$3,552	\$3,552	\$142,789
90.5%							
Total Proposed Costs before Pass-Through Cost Allocation	\$670,478	\$395,143	\$241,698	\$160,975	\$14,753	\$14,753	\$1,503,047
Contractor Pass-Through Costs							
Interest Expense	\$12,888	\$4,228	\$1,943	\$1,976	\$400	\$400	\$26,034
Total Contractor Pass-Through Costs	\$12,888	\$4,228	\$1,943	\$1,976	\$400	\$400	\$26,034
TOTAL BASE CONTRACTOR'S COMPENSATION	\$683,366	\$403,371	\$243,641	\$162,951	\$15,153	\$15,153	\$1,529,081

Service Level Statistics Used for Future Service Level Cost Adjustments	2014	2015	2016	Rolling Three-Year Average
Trucks	79,404	78,533	77,493	78,477
Trucks	93,925	98,761	101,881	98,189
Trucks	12,428	14,833	17,030	14,764
Trucks	431	318	381	

SRWMA COLLECTION AGREEMENT - Proposed Compensation - 2021

D. City of Inglewood, Allocated Costs - MFD & Commercial

	Step 1: Index Based Adjustments			
	2017	2018	2019	2020
PY CPW-Wages (2017 Listed as Example)	244,176	244,176	244,176	244,176
CY CPW-Wages (2017 Listed as Example)	244,176	244,176	244,176	244,176
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPW-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252
CY CPW-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252
CPW-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPW-I (2017 Listed as Example)	209,983	209,983	209,983	209,983
CY CPW-I (2017 Listed as Example)	209,983	209,983	209,983	209,983
CPW-I Adjustment	100.0%	100.0%	100.0%	100.0%

	E	F	G	H	J	K
	Cost and Bin Sold Wages	Cost and Bin Organic Materials (including Holiday/Travel)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBs	\$255,744	\$22,268	\$53,121	\$30,692	\$5,344	\$474,470
Benefit for CBs	\$12,944	\$56,109	\$18,718	\$10,987	\$4,496	\$210,355
Payroll Taxes	\$21,478	\$10,422	\$4,420	\$2,579	\$777	\$39,476
Workers' Compensation Insurance	\$3,221	\$8,622	\$2,783	\$2,228	\$658	\$13,862
Total Direct Labor-Related Costs	\$417,387	\$200,724	\$78,044	\$46,768	\$11,384	\$738,161
Direct Fuel Costs	\$27,269	\$1,773	\$7,134	\$2,984	\$1,016	\$31,177
Other Direct Costs	\$27,336	\$20,152	\$8,655	\$5,662	\$1,399	\$73,307
Depreciation - Collection Vehicles	\$13,623	\$12,731	\$4,765	\$988	\$241	\$16,557
Depreciation - Containers	\$5,368	\$5,208	\$2,239	\$0	\$0	\$12,815
Depreciation for Collection Equipment	\$38,971	\$24,881	\$17,970	\$4,765	\$1,209	\$87,785
Interest	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs (including Depreciation and Interest) (Form 9)						
General and Administrative	\$47,722	\$51,974	\$52,097	\$13,145	\$1,940	\$207,476
Operations	\$10,796	\$12,890	\$18,071	\$7,137	\$395	\$49,389
Vehicle Maintenance	\$20,623	\$24,253	\$14,414	\$14,214	\$758	\$94,395
Container Maintenance	\$8,010	\$8,968	\$10,210	\$9,976	\$279	\$33,823
Total Allocated Indirect Costs (including Depreciation and Interest)	\$85,146	\$97,885	\$115,043	\$44,970	\$3,372	\$386,413
Total Annual Indirect Depreciation Costs (Form 9)	\$680	\$779	\$942	\$535	\$24	\$2,960
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$606,783	\$357,564	\$327,787	\$145,682	\$21,402	\$1,380,238
Profit (Insert Operating Ratio below)	\$63,695	\$37,539	\$33,911	\$15,593	\$3,355	\$142,789
Total Proposed Costs before Pass-Through Cost Allocation	\$670,478	\$395,103	\$361,698	\$160,975	\$24,757	\$1,523,027
Contractor Pass-Through Costs						
Interest Expense	\$12,888	\$8,228	\$5,943	\$1,876	\$406	\$29,024
Total Contractor Pass-Through Costs	\$12,888	\$8,228	\$5,943	\$1,876	\$406	\$29,024
TOTAL BASE CONTRACTOR'S COMPENSATION	\$683,366	\$403,331	\$367,641	\$162,851	\$25,163	\$1,552,051

	Step 2: Service Level Adjustments			
	Lifts	Lifts	Lifts	Lifts
2014	79,404	93,925	12,428	395
2015	78,553	98,761	14,833	431
2016	77,493	101,881	17,030	318
Prior Year Rolling Three-Year Average	78,477	98,189	14,764	381
2014	79,404	93,925	12,428	395
2015	78,553	98,761	14,833	431
2016	77,493	101,881	17,030	318
Current Year Rolling Three-Year Average	78,477	98,189	14,764	381
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%

	MFD & Commercial		MFD & Commercial		MFD & Commercial		MFD & Commercial		MFD & Commercial	
	Wage	Materials	Materials	Materials	Materials	Materials	Materials	Materials	Materials	Materials
Annual Cost of Operations										
Direct Labor-Related Costs										
Wages for CBAs	\$25,744	\$13,268	\$33,121	\$3,992	\$3,345	\$3,992	\$3,345	\$3,992	\$3,345	\$3,992
Benefits for CBAs	\$12,144	\$6,109	\$16,718	\$1,967	\$1,678	\$1,967	\$1,678	\$1,967	\$1,678	\$1,967
Payroll Taxes	\$11,278	\$5,722	\$14,422	\$1,779	\$1,479	\$1,779	\$1,479	\$1,779	\$1,479	\$1,779
Workers' Compensation Insurance	\$18,221	\$8,225	\$23,325	\$2,828	\$2,328	\$2,828	\$2,328	\$2,828	\$2,328	\$2,828
Total Direct Labor-Related Costs	\$41,187	\$20,724	\$78,044	\$4,766	\$4,766	\$4,766	\$4,766	\$4,766	\$4,766	\$4,766
Direct Fuel Costs	\$27,269	\$12,773	\$7,134	\$3,984	\$3,984	\$3,984	\$3,984	\$3,984	\$3,984	\$3,984
Other Direct Costs	\$37,530	\$20,582	\$38,855	\$5,862	\$3,399	\$3,399	\$3,399	\$3,399	\$3,399	\$3,399
Depreciation - Collection Vehicles	\$33,603	\$19,173	\$12,731	\$4,765	\$988	\$4,765	\$988	\$4,765	\$988	\$4,765
Depreciation - Curbsiders	\$5,268	\$5,708	\$5,209	\$0	\$241	\$0	\$241	\$0	\$241	\$0
Depreciation for Collection Equipment	\$38,971	\$24,881	\$17,970	\$4,765	\$1,209	\$4,765	\$1,209	\$4,765	\$1,209	\$4,765
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)										
General and Administrative	\$4,722	\$1,974	\$32,097	\$5,343	\$1,940	\$5,343	\$1,940	\$5,343	\$1,940	\$5,343
Operations	\$10,790	\$12,896	\$13,077	\$7,457	\$935	\$7,457	\$935	\$7,457	\$935	\$7,457
Vehicle Maintenance	\$20,823	\$14,253	\$14,214	\$14,214	\$758	\$14,214	\$758	\$14,214	\$758	\$14,214
Container Maintenance	\$8,010	\$8,968	\$10,320	\$9,976	\$279	\$9,976	\$279	\$9,976	\$279	\$9,976
Total Allocated Indirect Costs excluding Depreciation and Interest	\$48,146	\$37,885	\$113,043	\$84,970	\$3,700	\$84,970	\$3,700	\$84,970	\$3,700	\$84,970
Total Allocated Indirect: Depreciation Costs (Form 9)	\$686	\$779	\$942	\$433	\$34	\$433	\$34	\$433	\$34	\$433
Annual Implementation Cost: Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$666,783	\$357,604	\$327,787	\$145,682	\$12,402	\$145,682	\$12,402	\$145,682	\$12,402	\$145,682
Profit (Insert Operating Ratio below)	\$63,695	\$37,539	\$33,911	\$15,393	\$1,352	\$15,393	\$1,352	\$15,393	\$1,352	\$15,393
90.5%										
Total Proposed Costs before Pass-Through Cost Allocation	\$570,478	\$395,143	\$351,698	\$160,975	\$14,753	\$160,975	\$14,753	\$160,975	\$14,753	\$160,975
Contractor Pass-Through Costs										
Interest Expense	\$12,848	\$8,228	\$5,943	\$1,276	\$600	\$1,276	\$600	\$1,276	\$600	\$1,276
Total Contractor Pass-Through Costs	\$12,848	\$8,228	\$5,943	\$1,276	\$600	\$1,276	\$600	\$1,276	\$600	\$1,276
TOTAL BASE CONTRACTOR'S COMPENSATION	\$689,366	\$403,371	\$357,641	\$162,251	\$15,353	\$162,251	\$15,353	\$162,251	\$15,353	\$162,251

SBWMA COLLECTION AGREEMENT

Proposed Compensation 2021

D. City of Foster City Allocated Costs - Agency Facilities

Statistics Used for Year 2021 Cost Allocation Only	2020	2021
City of Foster City per year	1,924	936
SBWMA % of lbs per year (Accounts for Venues Events)	244,337	65,039
City of Foster City per year %	12.6%	7.4%
City Total Route Labor hours year	87.13	56.15
SBWMA Total Route Labor hours year	4,766.35	992.00
City Total Route Labor hours year %	1.0%	2.1%
City of route hours/year	82.24	55.42
SBWMA % of route hours/year	2,999.57	937.57
City of route hours/year %	3.6%	4.9%
City of Containers	12	14
SBWMA % of Containers	842	528
City of Containers %	7.0%	7.0%
City of Containers	12	14
SBWMA % of Containers	842	528
City of Containers %	7.0%	7.0%

Agency Facilities	Cart and Bin Solid Materials			Cart and Bin Recyclable Materials			Total Drop Box Materials			Agency Facilities		
	A	B	C	D	E	F	G	H	I	J	K	
Annual Cost of Operations												
Direct Labor-Related Costs	\$1,887	\$215	\$215	\$1,216	\$1,216	\$1,216	\$1,216	\$1,216	\$1,216	\$1,216	\$1,216	\$1,216
Wages for CHAs	\$852	\$100	\$100	\$548	\$548	\$548	\$548	\$548	\$548	\$548	\$548	\$548
Benefits for CHAs	\$157	\$18	\$18	\$101	\$101	\$101	\$101	\$101	\$101	\$101	\$101	\$101
Payroll Taxes	\$132	\$15	\$15	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72
Workers' Compensation Insurance	\$106	\$12	\$12	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57
Total Direct Labor Related Costs	\$1,244	\$145	\$145	\$776	\$776	\$776	\$776	\$776	\$776	\$776	\$776	\$776
Direct Fuel Costs	\$304	\$35	\$35	\$159	\$159	\$159	\$159	\$159	\$159	\$159	\$159	\$159
Other Direct Costs	\$173	\$20	\$20	\$89	\$89	\$89	\$89	\$89	\$89	\$89	\$89	\$89
Depreciation - Collection Vehicles	\$1,209	\$138	\$138	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$1,209	\$138	\$138	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779	\$779
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$844	\$97	\$97	\$451	\$451	\$451	\$451	\$451	\$451	\$451	\$451	\$451
General and Administrative (including Indirect Agency Costs)	\$873	\$85	\$85	\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$389	\$389
Operations	\$1,594	\$124	\$124	\$704	\$704	\$704	\$704	\$704	\$704	\$704	\$704	\$704
Vehicle Maintenance	\$123	\$14	\$14	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70
Container Maintenance (using J11s for Agency Costs)	\$2,644	\$301	\$301	\$1,704	\$1,704	\$1,704	\$1,704	\$1,704	\$1,704	\$1,704	\$1,704	\$1,704
Total Allocated Indirect Costs excluding Depreciation and Interest	\$5,084	\$425	\$425	\$2,538	\$2,538	\$2,538	\$2,538	\$2,538	\$2,538	\$2,538	\$2,538	\$2,538
Total Allocated Indirect Depreciation Costs (Form 9)	\$19	\$2	\$2	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$7,830	\$891	\$891	\$5,046	\$5,046	\$5,046	\$5,046	\$5,046	\$5,046	\$5,046	\$5,046	\$5,046
Profit (Insert Operating Ratio below)	90.5%											
Total Operating Costs before Pass-Through Cost Allocation	\$8,652	\$984	\$984	\$5,576	\$5,576	\$5,576	\$5,576	\$5,576	\$5,576	\$5,576	\$5,576	\$5,576
Contractor Pass-Through Costs												
Interest Expense	\$216	\$29	\$29	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167
Total Contractor Pass-Through Costs	\$216	\$29	\$29	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167
TOTAL BASE CONTRACTOR'S COMPENSATION	\$8,908	\$1,013	\$1,013	\$5,743	\$5,743	\$5,743	\$5,743	\$5,743	\$5,743	\$5,743	\$5,743	\$5,743

Service Level Statistics Used for Future Service Level Cost Adjustments		
Year	Hours	Cost
2014	1,807	403
2015	2,007	455
2016	1,924	416
Rolling Three-Year Average	1,933	425

Agency Facilities	Step 2: Index Based Adjustments				Agency Facilities Total
	E	F	G	H	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CHVs	\$1,887	\$215	\$215	\$2,854	\$6,589
Benefits for CHVs	\$882	\$100	\$100	\$1,354	\$3,043
Payroll Taxes	\$157	\$18	\$18	\$237	\$542
Workers' Compensation Insurance	\$334	\$38	\$38	\$503	\$1,144
Total Direct Labor Related-Costs	\$3,061	\$348	\$348	\$4,590	\$10,357
Direct Fuel Costs	\$104	\$15	\$15	\$460	\$1,036
Other Direct Costs	\$773	\$61	\$61	\$867	\$1,955
Depreciation - Collection Vehicles	\$1,209	\$138	\$138	\$1,829	\$4,084
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$1,209	\$138	\$138	\$1,829	\$4,084
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Interest Costs excluding Depreciation and Interest (Form 9)	\$845	\$97	\$97	\$1,262	\$3,813
General and Administrative (using bids for Agency Costs)	\$773	\$85	\$85	\$866	\$1,948
Operations	\$1,894	\$214	\$214	\$1,845	\$3,723
Vehicle Maintenance (using bids for Agency Costs)	\$123	\$14	\$14	\$166	\$348
Total Allocated Interest Costs excluding Depreciation and Interest	\$2,644	\$301	\$301	\$4,000	\$10,032
Total Allocated Interest Depreciation Costs (Form 9)	\$39	\$4	\$4	\$60	\$134
Annual Implementation Cost, Incentivization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$7,830	\$891	\$891	\$11,844	\$27,808
Profit (insert Operating Ratio below)	\$822	\$93	\$93	\$1,243	\$2,919
Total Operating Costs before Pass-Through Cost Allocation	\$8,652	\$984	\$984	\$13,087	\$30,727
Contractor Pass-Through Costs					
Inherent Expense	\$256	\$29	\$29	\$388	\$868
Total Contractor Pass-Through Costs	\$256	\$29	\$29	\$388	\$868
TOTAL BASE CONTRACTOR'S COMPENSATION	\$8,908	\$1,013	\$1,013	\$13,475	\$31,595

	Step 2: Service Level Adjustments			
	Lifts	Lifts	Lifts	Hauls
2014	1,837	403	923	134
2015	2,207	455	1,079	122
2016	2,604	416	936	120
Prior Year Rolling Three-Year Average	1,933	425	979	122
2014	1,837	403	923	134
2015	2,097	455	1,079	122
2016	1,854	416	936	120
Current Year Rolling Three-Year Average	1,933	425	979	122
118% Service Level Adjustment Factor	160.0%	160.0%	160.0%	160.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Cur and Bin Solid Waste			Cur and Bin Recyclable Materials			Total Drop Box Services (All Materials)			Agency Facilities		
	E	G	F	F	H	I	H	I	Total			
Annual Cost of Operations												
Direct Labor-Related Costs	\$1,487	\$215	\$1,215	\$215	\$2,554	\$337	\$2,554	\$337	\$6,859			
Wages for CBA	\$414	\$106	\$518	\$106	\$1,334	\$177	\$1,334	\$177	\$3,643			
Benefits for CBA	\$137	\$38	\$175	\$38	\$437	\$58	\$437	\$58	\$1,142			
Payroll Taxes	\$124	\$32	\$156	\$32	\$388	\$51	\$388	\$51	\$979			
Workers Compensation Insurance	\$1,081	\$34	\$1,115	\$34	\$1,972	\$262	\$1,972	\$262	\$5,224			
Total Direct Labor-Related Costs	\$3,164	\$215	\$3,379	\$215	\$4,650	\$548	\$4,650	\$548	\$10,357			
Direct Fuel Costs	\$573	\$65	\$638	\$65	\$703	\$43	\$703	\$43	\$1,028			
Other Diesel Costs	\$1,209	\$0	\$1,209	\$0	\$1,209	\$87	\$1,209	\$87	\$1,964			
Depreciation - Collection Vehicle	\$0	\$0	\$0	\$0	\$0	\$139	\$0	\$139	\$495			
Depreciation - Containers	\$1,209	\$138	\$1,347	\$138	\$1,485	\$0	\$1,485	\$0	\$4,084			
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0	\$139	\$0	\$139	\$495			
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$454	\$97	\$551	\$97	\$648	\$1,019	\$648	\$1,019	\$3,813			
General and Administrative (using lifts for Agency Costs)	\$573	\$65	\$638	\$65	\$703	\$75	\$703	\$75	\$1,848			
Operations	\$1,094	\$124	\$1,218	\$124	\$1,342	\$143	\$1,342	\$143	\$3,723			
Vehicle Maintenance	\$123	\$14	\$137	\$14	\$151	\$146	\$151	\$146	\$448			
Container Maintenance (using lifts for Agency Costs)	\$2,644	\$301	\$2,945	\$301	\$3,246	\$1,384	\$3,246	\$1,384	\$10,032			
Total Allocated Indirect Costs excluding Depreciation and Interest	\$339	\$64	\$403	\$64	\$467	\$65	\$467	\$65	\$1,314			
Total Allocated Indirect: Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Annual Implementation Cost Amortization (Form A)	\$7,806	\$893	\$8,699	\$893	\$9,592	\$2,197	\$9,592	\$2,197	\$27,868			
Total Annual Cost of Operations	\$822	\$93	\$915	\$93	\$1,008	\$231	\$1,008	\$231	\$2,919			
Profit (Insert Operating Ratio below)			90.5%									
Total Operating Costs before Pass-Through Cost Allocation	\$8,655	\$984	\$9,639	\$984	\$10,623	\$2,428	\$10,623	\$2,428	\$30,717			
Contractor Pass-Through Costs												
Interest Expense	\$246	\$29	\$275	\$29	\$304	\$10	\$304	\$10	\$843			
Total Contractor Pass-Through Costs	\$246	\$29	\$275	\$29	\$304	\$10	\$304	\$10	\$843			
TOTAL BASE CONTRACTOR'S COMPENSATION	\$8,901	\$1,013	\$9,914	\$1,013	\$10,927	\$2,438	\$10,927	\$2,438	\$31,660			

SBWMA COLLECTION AGREEMENT

Proposed Compensation 2021

D. Town of Hillsborough, Allocated Costs - SFD

	Statistics Used for Year 2021 Cost Allocation Only		Total
City # of accounts	3,671	3,338	792
SBWMA # of accounts	94,380	90,725	29,504
City # of accounts %	2.9%	4.0%	2.7%
City Total Route Labor hours year	2,511,118	2,607,683	350,135
SBWMA Total Route Labor hours year	46,232,545	39,114,113	13,045,724
City Total Route Labor hours year %	5.4%	6.7%	2.7%
City # of route-hourly year	2,368,584	2,402,411	350,135
SBWMA # of route-hourly year	42,841,899	34,949,166	13,045,724
City Total Route Labor hours year %	2.9%	6.9%	2.7%
City Total Consumer in Service	3,809	3,763	792
SBWMA Total Consumers in Service	96,806	99,594	29,504
City Total Consumers in Service %	2.9%	4.5%	2.7%

	Single Family Dwelling			
	Single Family Dwelling	Organic Materials (Including Holiday Trees)	Two-De-Call Collection Items	Single Family Dwelling Total
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for CHUs	\$70,659	\$18,200	\$181,300	\$60,255
Benefits for CHUs	\$97,324	\$8,326	\$81,350	\$12,999
Peyroll Taxes	\$15,227	\$15,089	\$15,084	\$15,089
Workers Compensation Insurance	\$15,025	\$15,025	\$15,022	\$15,022
Total Direct Labor-Related Costs	\$100,235	\$56,640	\$294,851	\$979,341
Direct Fuel Costs	\$22,637	\$22,642	\$22,900	\$1,138
Other Direct Costs	\$26,799	\$1,399	\$1,488	\$1,821
Depreciation - Collection Vehicles	\$33,772	\$32,673	\$38,593	\$1,049
Depreciation - Containers	\$10,163	\$10,810	\$15,008	\$0
Depreciation for Collection Equipment	\$44,335	\$43,483	\$53,801	\$1,349
Liabilities	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)	\$88,847	\$70,917	\$71,105	\$1,939
General and Administrative	\$19,985	\$21,025	\$24,203	\$400
Operations	\$38,215	\$40,248	\$48,168	\$764
Vehicles Maintenance	\$10,020	\$10,352	\$11,683	\$382
Container Maintenance	\$137,087	\$143,642	\$156,189	\$1,405
Total Allocated Indirect Costs excluding Depreciation and Interest	\$1,207	\$1,297	\$1,564	\$34
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$575,574	\$546,760	\$564,742	\$48,311
Total Annual Cost of Operations	\$604,119	\$577,395	\$586,967	\$5,061
Profit (Insert Operating Ratio below)	90.45%			\$181,842
Total Proposed Costs before Pass-Through Cost Allocation	\$635,993	\$604,158	\$620,709	\$53,272
Contractor Pass-Through Costs				
Interest Expense	\$10,873	\$10,684	\$13,145	\$2,627
Total Contractor Pass-Through Costs	\$10,873	\$10,684	\$13,145	\$2,627
TOTAL BASE CONTRACTOR'S COMPENSATION	\$646,867	\$614,842	\$633,854	\$55,899

Service Level Statistics Used for Future Service Level Cost Adjustments	
Accounts	Accounts
2014	3,646
2015	3,664
2016	3,671
Rolling Three-Year Average	3,660

STEP 1 - Index Based Adjustments				
	2021 17%	2021 17%	2021 17%	2021 17%
PY CPW-Wages 2017 Listed as Example	264,176	264,176	264,176	264,176
CY CPW-Wages 2017 Listed as Example	264,176	264,176	264,176	264,176
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPW-Motor Fuel (2017 Listed as Example)	269,252	269,252	269,252	269,252
CY CPW-Motor Fuel (2017 Listed as Example)	269,252	269,252	269,252	269,252
CPW-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPW-AM (2017 Listed as Example)	269,983	269,983	269,983	269,983
CY CPW-AM (2017 Listed as Example)	269,983	269,983	269,983	269,983
CPW-AM Adjustment	100.0%	100.0%	100.0%	100.0%

Single Family Dwelling	STEP 1 - Index Based Adjustments				Organic Materials (Including Holiday Trees)	Two On-Call Collection Events	Single Family Dwelling Total
	A	B	C	D			
Annual Cost of Operations							
Direct Labor-Related Costs	\$10,459	\$18,200	\$18,100	\$18,100	\$18,100	\$18,100	\$18,100
Wages for CBAs	\$9,124	\$15,251	\$15,151	\$15,151	\$15,151	\$15,151	\$15,151
Benefits for CBAs	\$1,335	\$2,949	\$2,949	\$2,949	\$2,949	\$2,949	\$2,949
Payroll Taxes	\$1,335	\$2,949	\$2,949	\$2,949	\$2,949	\$2,949	\$2,949
Workers' Compensation Insurance	\$1,335	\$2,949	\$2,949	\$2,949	\$2,949	\$2,949	\$2,949
Total Direct Labor-Related Costs	\$14,159	\$26,148	\$26,100	\$26,100	\$26,100	\$26,100	\$26,100
Direct Fuel Costs	\$22,627	\$22,627	\$22,627	\$22,627	\$22,627	\$22,627	\$22,627
Other Direct Costs	\$29,799	\$31,399	\$31,399	\$31,399	\$31,399	\$31,399	\$31,399
Depreciation - Collection Vehicle	\$33,772	\$33,772	\$33,772	\$33,772	\$33,772	\$33,772	\$33,772
Depreciation - Containers	\$10,453	\$10,453	\$10,453	\$10,453	\$10,453	\$10,453	\$10,453
Depreciation for Collection Equipment	\$44,331	\$44,331	\$44,331	\$44,331	\$44,331	\$44,331	\$44,331
Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Item 9):							
General Administrative	\$68,847	\$70,917	\$71,105	\$71,105	\$71,105	\$71,105	\$71,105
Operations	\$18,995	\$21,421	\$21,203	\$21,203	\$21,203	\$21,203	\$21,203
Vehicle Maintenance	\$38,411	\$40,948	\$40,168	\$40,168	\$40,168	\$40,168	\$40,168
Container Maintenance	\$10,036	\$10,524	\$10,683	\$10,683	\$10,683	\$10,683	\$10,683
Total Allocated Indirect Costs including Depreciation and Interest	\$137,089	\$143,812	\$143,159	\$143,159	\$143,159	\$143,159	\$143,159
Total Annual Cost of Operations	\$278,574	\$310,060	\$310,259	\$310,259	\$310,259	\$310,259	\$310,259
Profit (Insert Operating Ratio below)	\$60,419	\$55,395	\$55,395	\$55,395	\$55,395	\$55,395	\$55,395
Total Proposed Costs before Pass-Through Cost Allocation	\$638,993	\$665,455	\$665,654	\$665,654	\$665,654	\$665,654	\$665,654
Contractor Pass-Through Costs							
Interest Expense	\$10,473	\$10,494	\$10,494	\$10,494	\$10,494	\$10,494	\$10,494
Total Contractor Pass-Through Costs	\$10,473	\$10,494	\$10,494	\$10,494	\$10,494	\$10,494	\$10,494
TOTAL BASE CONTRACTOR'S COMPENSATION	\$649,466	\$675,949	\$676,148	\$676,148	\$676,148	\$676,148	\$676,148

D. Town of Hillsborough Allocated Costs - SFD

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	3,846	3,846	3,846
2015	3,664	3,664	3,664
2016	3,671	3,671	3,671
Prior Year Rolling Three-Year Average	3,660	3,660	3,660
2014	3,846	3,846	3,846
2015	3,664	3,664	3,664
2016	3,671	3,671	3,671
Current Year Rolling Three-Year Average	3,660	3,660	3,660
100.0%	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

Single Family Dwelling	Single Family Dwelling			Single Family Dwelling Total
	A	B	C	
Annual Cost of Operations				
Direct Labor-Related Costs	\$181,200	\$181,200	\$181,200	\$181,200
Wages for CHAs	\$77,324	\$77,324	\$77,324	\$77,324
Benefits for CHAs	\$15,207	\$15,207	\$15,207	\$15,207
Payroll Taxes	\$11,669	\$11,669	\$11,669	\$11,669
Workers' Compensation Insurance	\$34,019	\$34,019	\$34,019	\$34,019
Total Direct Labor-Related Costs	\$22,827	\$22,827	\$22,827	\$22,827
Other Direct Costs	\$29,799	\$29,799	\$29,799	\$29,799
Depreciation - Collection Vehicles	\$33,772	\$33,772	\$33,772	\$33,772
Depreciation - Containers	\$10,463	\$10,463	\$10,463	\$10,463
Depreciation for Collection Equipment	\$41,337	\$41,337	\$41,337	\$41,337
Leases	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$68,847	\$70,917	\$71,125	\$71,125
General and Administrative	\$19,995	\$21,425	\$22,203	\$22,203
Operations	\$38,419	\$40,948	\$48,168	\$48,168
Vehicle Maintenance	\$10,030	\$10,352	\$11,843	\$11,843
Container Maintenance	\$137,087	\$143,842	\$156,159	\$156,159
Total Allocated Indirect Costs excluding Depreciation and Interest	\$1,207	\$1,297	\$1,584	\$1,584
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$575,574	\$546,760	\$561,742	\$548,211
Total Annual Cost of Operations	\$80,419	\$57,395	\$58,987	\$58,987
Profit (insert Operating Ratio below)	90.5%			\$181,842
Total Proposed Cost before Pass-Through Cost Allocation	\$655,993	\$604,155	\$620,709	\$623,721
Contractor Pass-Through Costs	\$10,873	\$10,664	\$13,145	\$13,145
Interest Expense	\$10,873	\$10,664	\$13,145	\$13,145
Total Contractor Pass-Through Costs	\$10,873	\$10,664	\$13,145	\$13,145
TOTAL BASE CONTRACTOR'S COMPENSATION	\$646,867	\$604,155	\$633,854	\$636,870

SRWMA COLLECTION AGREEMENT - Proposed Compensation 2021
 D. Levy of Hillsborough - Allocated Costs - MFD & Commercial

City # of Accounts	Statistics Used for Year 2021 Cost Allocation Only							Total
	10,332.00	1,712.00	195.00	6	0	792	21.00	
SRWMA # Accounts	10,332.00	1,712.00	195.00	6	0	792	21.00	
City # of Accounts %	0.1%	0.1%	0.4%	0.4%	0.0%	2.7%	0.7%	
City Total Route Labor hours year	\$0.25	13.56	66.74	350.35	133.55	133.55	133.55	
SRWMA Total Route Labor hours year	47,871.85	27,111.92	6,356.65	6,167.11	13,045.24	87,507.93	87,507.93	
City Total Route Labor hours year %	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	
City # of route hours year	40.7%	13.20	67.21	350.35	121.20	121.20	121.20	
SRWMA # of route hours year	31,307.08	25,241.12	6,164.06	6,167.11	13,045.24	68,784.37	68,784.37	
City # of route hours year %	0.1%	0.1%	1.7%	0.0%	2.7%	0.2%	0.2%	
City Total Customers in Service	5	27	9	9	0	792	45.00	
SRWMA Total Customers in Service	17,258.00	19,713.00	2,659.00	353.00	29,564.00	98,139.00	98,139.00	
City Total Customers in Service %	0.1%	0.1%	0.4%	0.4%	0.0%	2.7%	0.7%	

MFD & Commercial	Statistics Used for Year 2021 Cost Allocation Only							MFD & Commercial Total
	A	B	C	D	E	F	G	
Annual Cost of Operations								
Direct Labor-Related Costs								
Wages for CHAs	\$5,335	\$1,011	\$7,702	\$0	\$3,884	\$17,932	\$17,932	
Benefits for CHAs	\$2,544	\$453	\$2,423	\$0	\$1,910	\$7,331	\$7,331	
Payroll Taxes	\$44	\$84	\$64	\$0	\$323	\$1,492	\$1,492	
Workers' Compensative Insurance	\$380	\$22	\$358	\$0	\$272	\$1,273	\$1,273	
Total Direct Labor Related Costs	\$8,702	\$1,620	\$11,320	\$0	\$6,393	\$28,033	\$28,033	
Diesel Fuel Costs	\$632	\$107	\$1,040	\$0	\$422	\$2,211	\$2,211	
Other Direct Costs	\$870	\$172	\$1,274	\$0	\$481	\$2,197	\$2,197	
Depreciation - Collection Vehicles	\$779	\$160	\$1,874	\$0	\$492	\$3,215	\$3,215	
Depreciation of Collection Equipment	\$63	\$124	\$374	\$0	\$100	\$862	\$862	
Depreciation for Collection Equipment	\$842	\$285	\$1,248	\$0	\$592	\$3,177	\$3,177	
Leases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs including Depreciation and Interest (Form 9)								
General and Administrative	\$846	\$878	\$4,113	\$0	\$806	\$6,342	\$6,342	
Operations	\$250	\$106	\$2,680	\$0	\$184	\$3,181	\$3,181	
Vehicle Maintenance	\$478	\$203	\$5,284	\$0	\$314	\$6,079	\$6,079	
Contractor Maintenance	\$11	\$26	\$116	\$0	\$116	\$128	\$128	
Total Allocated Indirect Costs excluding Depreciation and Interest	\$1,344	\$1,383	\$12,595	\$0	\$1,400	\$18,722	\$18,722	
Total Allocated Indirect Depreciation Costs (Form 9)	\$16	\$7	\$139	\$0	\$10	\$171	\$171	
Annual Implementation Cost (Amortization) (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$12,406	\$3,473	\$38,625	\$0	\$9,309	\$53,913	\$53,913	
Profit (Insert Operating Ratio below)	\$1,303.17	\$375	\$3,005	\$0	\$977	\$5,669	\$5,669	
90.5%								
Total Proposed Costs before Pass-Through Cost Allocation	\$13,709	\$3,848	\$41,630	\$0	\$10,286	\$59,572	\$59,572	
Contractor Pass-Through Costs								
Direct Expense	\$270	\$91	\$721	\$0	\$161	\$1,243	\$1,243	
Total Contractor Pass-Through Costs	\$270	\$91	\$721	\$0	\$161	\$1,243	\$1,243	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$270	\$91	\$721	\$0	\$161	\$1,243	\$1,243	

Service Level Statistics Used for Future Service Level Cost Adjustments	
Rolling Three-Year Average	988
2014	988
2015	988
2016	988

D. Town of Hillsborough Allocated Costs - MFD & Commercial

	Step 1: Index Based Adjustments	
	204.17%	204.17%
PY CPW-Wages (2017 Listed as Example)	204.17%	204.17%
CY CPW-Wages (2017 Listed as Example)	204.17%	204.17%
CPW-Wages Adjustment	100.0%	100.0%
PY CPW-Medical (2017 Listed as Example)	477.81%	477.81%
CY CPW-Medical (2017 Listed as Example)	477.81%	477.81%
CPW-Medical Adjustment	100.0%	100.0%
PY CPW-Motor Fuel (2017 Listed as Example)	209.98%	209.98%
CY CPW-Motor Fuel (2017 Listed as Example)	209.98%	209.98%
CPW-Motor Fuel Adjustment	100.0%	100.0%
PY CPW (2017 Listed as Example)	209.98%	209.98%
CY CPW (2017 Listed as Example)	209.98%	209.98%
CPW Adjustment	100.0%	100.0%

	MFD & Commercial		Car and Van Depreciation (All Other Items)	Car and Van Organic Materials (Including Rubber Tires)	Total Drop Box Services (All Other Items)	Two De-Cell Collector Items	MFD & Commercial Total
	E	F					
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$4,335	\$1,071	\$7,705	\$0	\$0	\$3,884	\$17,995
Benefits for CBAs	\$2,644	\$645	\$6,245	\$0	\$0	\$1,910	\$17,331
Payroll Taxes	\$444	\$111	\$841	\$0	\$0	\$333	\$17,452
Workers Compensation Insurance	\$285	\$71	\$522	\$0	\$0	\$227	\$17,724
Total Direct Labor-Related Costs	\$8,708	\$1,920	\$11,320	\$0	\$0	\$6,359	\$23,024
Direct Fuel Costs	\$632	\$107	\$1,040	\$0	\$0	\$422	\$2,211
Other Direct Costs	\$870	\$172	\$1,274	\$0	\$0	\$381	\$2,897
Depreciation - Collection Vehicles	\$779	\$160	\$1,874	\$0	\$0	\$402	\$3,215
Depreciation - Containers	\$63	\$13	\$374	\$0	\$0	\$100	\$662
Depreciation for Collection Equipment	\$842	\$245	\$6,248	\$0	\$0	\$502	\$8,877
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Interest Costs including Depreciation and Interest (Form 9)							
General and Administrative	\$444	\$878	\$4,113	\$0	\$0	\$608	\$6,742
Operations	\$250	\$106	\$2,660	\$0	\$0	\$184	\$3,141
Vehicles Maintenance	\$478	\$203	\$4,984	\$0	\$0	\$314	\$6,979
Container Maintenance	\$71	\$196	\$737	\$0	\$0	\$118	\$1,120
Total Allocated Interest Costs including Depreciation and Interest	\$1,245	\$1,383	\$12,595	\$0	\$0	\$1,400	\$16,722
Total Allocated Interest Depreciation Costs (Form 9)	\$16	\$7	\$139	\$0	\$0	\$10	\$171
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$12,406	\$3,573	\$38,625	\$0	\$0	\$9,399	\$53,913
Profit (insert Operating Ratio below)	\$1,202	\$375	\$3,005	\$0	\$0	\$977	\$5,659
Total Proposed Costs before Pass-Through Cost Allocation	\$13,708	\$3,948	\$41,630	\$0	\$0	\$10,286	\$59,572
Contractor Pass-Through Costs							
Interest Expense	\$270	\$91	\$721	\$0	\$0	\$161	\$1,243
Total Contractor Pass-Through Costs	\$270	\$91	\$721	\$0	\$0	\$161	\$1,243
TOTAL BASE CONTRACTOR'S COMPENSATION	\$13,978	\$4,040	\$42,351	\$0	\$0	\$10,447	\$60,815

		Step 2: Service Level Adjustments			
	2014	2015	2016	Three-Year Average	
2014	988	2,028	988	988	
2015	988	1,820	884	884	
2016	988	1,820	884	884	
Prior Year Rolling Three-Year Average	988	1,889	919	919	
2014	988	2,028	988	988	
2015	988	1,820	884	884	
2016	988	1,820	884	884	
Current Year Rolling Three-Year Average	988	1,889	919	919	
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%	

	Curt and Bin Sales Waste		Curt and Bin Recyclables Materials		Curt and Bin Organic Materials (including Holiday Trees)		Total Drop Box Services (All Materials)		Two On-Call Collection Events		MFD & Commercial Total
	E	F	G	H	I	J	K	L			
Annual Cost of Operations											
Direct Labor-Retail Costs											
Wages for Crews	\$5,335	\$1,011	\$7,795	\$0	\$17,924	\$0	\$17,924	\$0	\$0	\$17,924	
Benefits for Crews	\$2,844	\$443	\$2,225	\$0	\$1,812	\$0	\$1,812	\$0	\$0	\$1,812	
Payroll Taxes	\$444	\$84	\$84	\$0	\$1,592	\$0	\$1,592	\$0	\$0	\$1,592	
Workers' Compensation Insurance	\$386	\$24	\$24	\$0	\$222	\$0	\$222	\$0	\$0	\$222	
Total Direct Labor Related Costs	\$8,700	\$1,526	\$11,320	\$0	\$58,033	\$0	\$58,033	\$0	\$0	\$58,033	
Direct Fuel Costs	\$632	\$107	\$1,040	\$0	\$422	\$0	\$422	\$0	\$0	\$422	
Other Direct Costs	\$870	\$172	\$1,274	\$0	\$181	\$0	\$181	\$0	\$0	\$181	
Depreciation - Collection Vehicles	\$779	\$186	\$1,874	\$0	\$462	\$0	\$462	\$0	\$0	\$462	
Depreciation - Containers	\$63	\$123	\$174	\$0	\$160	\$0	\$160	\$0	\$0	\$160	
Depreciation for Collection Equipment	\$142	\$282	\$424	\$0	\$562	\$0	\$562	\$0	\$0	\$562	
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs (excluding Depreciation and Interest (Form 9))											
General and Administrative	\$156	\$874	\$4,123	\$0	\$866	\$0	\$866	\$0	\$0	\$866	
Operations	\$256	\$168	\$2,485	\$0	\$184	\$0	\$184	\$0	\$0	\$184	
Vehicles Maintenance	\$178	\$203	\$384	\$0	\$314	\$0	\$314	\$0	\$0	\$314	
Container Maintenance	\$7	\$196	\$177	\$0	\$116	\$0	\$116	\$0	\$0	\$116	
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$1,245	\$1,383	\$12,195	\$0	\$1,600	\$0	\$1,600	\$0	\$0	\$1,600	
Total Allocated Indirect Depreciation Costs (Form 9)	\$18	\$7	\$179	\$0	\$10	\$0	\$10	\$0	\$0	\$10	
Annual Implementation Cost (Amortization (Form A))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$12,406	\$3,873	\$28,625	\$0	\$93,099	\$0	\$93,099	\$0	\$0	\$93,099	
Profit (Insert Operating Ratio below)	\$1,302	\$375	\$3,066	\$0	\$977	\$0	\$977	\$0	\$0	\$977	
90.5%											
Total Proposed Costs before Pass-Through Cost Allocation	\$13,708	\$4,248	\$31,691	\$0	\$102,886	\$0	\$102,886	\$0	\$0	\$102,886	
Contractor Pass-Through Costs											
Interest Expense	\$270	\$91	\$721	\$0	\$161	\$0	\$161	\$0	\$0	\$161	
Total Contractor Pass-Through Costs	\$270	\$91	\$721	\$0	\$161	\$0	\$161	\$0	\$0	\$161	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$13,978	\$4,339	\$32,412	\$0	\$104,447	\$0	\$104,447	\$0	\$0	\$104,447	

SBWMA COLLECTION AGREEMENT 2021 Proposed Compensation 2021

D. Town of Hillsborough, Allocated Costs - Agency Facilities

Service Used for Year 2021 Cont Allocation Only	2020	2021	2021 Cont Allocation Only	2021 %	Total
City # of lifts per year	16,744	16,744	778	4.6%	3,471
SBWMA # Lifts per year (Accounts for Venues Events)	242,307	242,307	65,039	2.7%	94,580
City # of lifts per year *	10,055	10,055	21,778	10.1%	135,04
City Total Route Labor hours year	4,706.39	4,706.39	993.06	2.1%	5,935.45
SBWMA Total Route Labor hours year	0.91	0.91	19.11	2.0%	135.04
City Total Route Labor hours year	2,599.51	2,599.51	939.57	3.6%	5,935.45
SBWMA # of route hours year	5	5	14	0.8%	3,809
City # of route hours year *	842	842	528	62.5%	96,806
City # of Containers	0.66	0.66	2.56	3.9%	28.00
SBWMA # of Containers					
City # of Containers *					

Agency Facilities	Curt and Bin Solid Waste			Curt and Bin Recyclable Materials			Curt and Bin Services (All Materials)			Agency Facilities Total		
	F	G	H	F	G	H	F	G	H	I	J	K
Annual Cost of Operations												
Direct Labor-Retained Costs												
Wages for CBAs	\$34	\$187	\$162	\$162	\$187	\$162	\$162	\$187	\$162	\$162	\$162	\$162
Benefits for CBAs	\$16	\$78	\$69	\$69	\$78	\$69	\$69	\$78	\$69	\$69	\$69	\$69
Payroll Taxes	\$3	\$14	\$12	\$12	\$14	\$12	\$12	\$14	\$12	\$12	\$12	\$12
Workers Compensation Insurance	\$2	\$12	\$10	\$10	\$12	\$10	\$10	\$12	\$10	\$10	\$10	\$10
Total Direct Labor Related-Costs	\$55	\$291	\$263	\$263	\$291	\$263	\$263	\$291	\$263	\$263	\$263	\$263
Other Direct Costs	\$4	\$20	\$17	\$17	\$20	\$17	\$17	\$20	\$17	\$17	\$17	\$17
Depreciation - Collection Vehicles	\$8	\$38	\$33	\$33	\$38	\$33	\$33	\$38	\$33	\$33	\$33	\$33
Depreciation - Containers	\$17	\$85	\$73	\$73	\$85	\$73	\$73	\$85	\$73	\$73	\$73	\$73
Depreciation for Collection Equipment	\$17	\$85	\$73	\$73	\$85	\$73	\$73	\$85	\$73	\$73	\$73	\$73
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$27	\$134	\$116	\$116	\$134	\$116	\$116	\$134	\$116	\$116	\$116	\$116
General and Administrative (using lifts for Agency Costs)	\$8	\$39	\$34	\$34	\$39	\$34	\$34	\$39	\$34	\$34	\$34	\$34
Vehicle Maintenance	\$13	\$64	\$56	\$56	\$64	\$56	\$56	\$64	\$56	\$56	\$56	\$56
Container Maintenance (using lifts for Agency Costs)	\$4	\$19	\$17	\$17	\$19	\$17	\$17	\$19	\$17	\$17	\$17	\$17
Total Allocated Indirect Costs including Depreciation and Interest	\$53	\$266	\$233	\$233	\$266	\$233	\$233	\$266	\$233	\$233	\$233	\$233
Total Allocated Indirect Depreciation Costs (Form 9)	\$1	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$137	\$683	\$603	\$603	\$683	\$603	\$603	\$683	\$603	\$603	\$603	\$603
Profit (insert Operating Ratio below)	\$14	\$72	\$63	\$63	\$72	\$63	\$63	\$72	\$63	\$63	\$63	\$63
90.5%												
Total Operating Costs before Pass-Through Cont. Allocation	\$152	\$755	\$666	\$666	\$755	\$666	\$666	\$755	\$666	\$666	\$666	\$666
Contractor Pass-Through Costs	\$4	\$18	\$16	\$16	\$18	\$16	\$16	\$18	\$16	\$16	\$16	\$16
Interest Expense	\$1	\$5	\$4	\$4	\$5	\$4	\$4	\$5	\$4	\$4	\$4	\$4
Total Contractor Pass-Through Costs	\$5	\$23	\$20	\$20	\$23	\$20	\$20	\$23	\$20	\$20	\$20	\$20
TOTAL BASE CONTRACTOR'S COMPENSATION	\$157	\$778	\$686	\$686	\$778	\$686	\$686	\$778	\$686	\$686	\$686	\$686

Service Level Statistics Used for Future Service Level Cost Adjustments

Year	Lifts	Hours	Containers
2014	312	312	832
2015	312	416	832
2016	416	468	728
Rolling Three-Year Average	347	399	797

Step 1: Index Based Adjustments

	2017	2018	2019	2020	2021
PY CPW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CY CPW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Motor Fuel (2017 Listed as Example)	246,252	246,252	246,252	246,252	246,252
CY CPW-Motor Fuel (2017 Listed as Example)	246,252	246,252	246,252	246,252	246,252
CPW-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CBFAI (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CY CBFAI (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CBFAI Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Cart and Bin Solid Waste			Cart and Bin Organic Materials			Cart and Bin Recyclable Materials			Total Drop Box Services (All Materials)			Venues and Events			Agency Facilities Total		
	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
Annual Cost of Operations																		
Direct Labor-Related Costs	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14
Wages for CBAs	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18	\$18
Benefits for CBAs	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
PAYROLL TAXES	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Workers' Compensation Insurance	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Total Direct Labor-Related Costs	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35
Direct Fuel Costs	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
Other Direct Costs	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8
Depreciation - Collection Vehicle	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9) General and Administrative (using 10% for Agency Costs) (Percent of) Vehicle Maintenance Container Maintenance (using 10% for Agency Costs) Total Allocated Indirect Costs excluding Depreciation and Interest	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17
Total Annual Indirect Depreciation Costs (Form 9)	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17	\$17
Annual Implementation Cost (Implementation Form V)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137
Profit (Insert Operating Ratio below)	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14	\$14
Total Operating Costs before Pass-Through Cost Allocation	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152
Contractor Pass-Through Costs																		
Interest Expense	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
Total Contractor Pass-Through Costs	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
TOTAL BASE CONTRACTOR'S COMPENSATION	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156

D. Town of Hillsborough Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	2014	2015	2016	Three-Year Average	100.0%
Direct Labor Costs	312	312	312	312	100.0%
Materials for CIBs	416	416	416	416	100.0%
Payroll Taxes	416	416	416	416	100.0%
Workers Compensation Insurance	399	399	399	399	100.0%
Total Direct Labor Related Costs	1,543	1,543	1,543	1,543	100.0%
Other Direct Costs	312	312	312	312	100.0%
Depreciation - Collection Vehicles	416	416	416	416	100.0%
Depreciation - Containers	399	399	399	399	100.0%
Depreciation for Collection Equipment	312	312	312	312	100.0%
Lease	416	416	416	416	100.0%
Total Annual Cost of Operations	3,447	3,447	3,447	3,447	100.0%
Profit (Insert Operating Ratio below)					90.5%
Total Operating Costs before Pass-Through Cost Allocation	3,447	3,447	3,447	3,447	100.0%
Contractor Pass-Through Costs					
Interest Expense	54	54	54	54	100.0%
Total Contractor Pass-Through Costs	54	54	54	54	100.0%
TOTAL BASE CONTRACTOR'S COMPENSATION	\$3,501	\$3,501	\$3,501	\$3,501	100.0%

Agency Facilities	Current Bin Solid Waste		Current Bin Organic Materials		Current Bin Recyclable Materials		Total Drop Line Materials (All Materials)		Agency Facilities Total		
	E	F	G	H	I	J	K	L	M	N	
Annual Cost of Operations											
Direct Labor Costs	\$14	\$167	\$167	\$1,482	\$74	\$74	\$1,482	\$1,482	\$2,319	\$2,319	
Materials for CIBs	\$16	\$16	\$16	\$766	\$15	\$15	\$766	\$766	\$1,084	\$1,084	
Payroll Taxes	\$3	\$14	\$14	\$140	\$6	\$6	\$140	\$140	\$193	\$193	
Workers Compensation Insurance	\$3	\$12	\$12	\$120	\$5	\$5	\$120	\$120	\$165	\$165	
Total Direct Labor Related Costs	\$34	\$207	\$207	\$1,882	\$95	\$95	\$1,882	\$1,882	\$2,752	\$2,752	
Other Direct Costs	\$4	\$20	\$20	\$203	\$9	\$9	\$203	\$203	\$281	\$281	
Depreciation - Collection Vehicles	\$8	\$38	\$38	\$383	\$18	\$18	\$383	\$383	\$529	\$529	
Depreciation - Containers	\$17	\$85	\$85	\$845	\$31	\$31	\$845	\$845	\$1,169	\$1,169	
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$27	\$134	\$134	\$1,348	\$55	\$55	\$1,348	\$1,348	\$2,333	\$2,333	
General and Administrative (using lifts for Agency Costs)	\$8	\$39	\$39	\$390	\$17	\$17	\$390	\$390	\$537	\$537	
Operations	\$8	\$39	\$39	\$390	\$17	\$17	\$390	\$390	\$537	\$537	
Vehicles Maintenance	\$15	\$74	\$74	\$746	\$32	\$32	\$746	\$746	\$1,027	\$1,027	
Container Maintenance (using lifts for Agency Costs)	\$4	\$19	\$19	\$194	\$80	\$80	\$194	\$194	\$338	\$338	
Total Allocated Indirect Costs excluding Depreciation and Interest	\$55	\$286	\$286	\$2,878	\$181	\$181	\$2,878	\$2,878	\$4,235	\$4,235	
Total Allocated Indirect Depreciation Costs (Form 9)	\$1	\$3	\$3	\$28	\$1	\$1	\$28	\$28	\$38	\$38	
Annual Implementation Cost Amortization (Form 5)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$137	\$683	\$683	\$6,874	\$861	\$861	\$6,874	\$6,874	\$10,034	\$10,034	
Profit (Insert Operating Ratio below)	\$14	\$72	\$72	\$722	\$90	\$90	\$722	\$722	\$1,063	\$1,063	
Total Operating Costs before Pass-Through Cost Allocation	\$151	\$755	\$755	\$7,596	\$951	\$951	\$7,596	\$7,596	\$11,097	\$11,097	
Contractor Pass-Through Costs											
Interest Expense	\$4	\$18	\$18	\$181	\$7	\$7	\$181	\$181	\$248	\$248	
Total Contractor Pass-Through Costs	\$4	\$18	\$18	\$181	\$7	\$7	\$181	\$181	\$248	\$248	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$185	\$773	\$773	\$7,777	\$1028	\$1028	\$7,777	\$7,777	\$11,345	\$11,345	

SBWMA COLLECTION AGREEMENT
 City of Menlo Park, Allocated Costs - SFD

Proposed Compensation 2021

Statistics Used for Year 2021 Cost Allocation Only	2020	2021	Total
City # of accounts	7,850	7,861	3,105
SBWMA # of accounts	94,372	90,725	19,352
City # of accounts %	8.2%	8.2%	7.7%
City Total Route Labor hours year	4,235,333	3,742,001	930,663
SBWMA Total Route Labor hours year	46,232,553	39,114,112	13,045,244
City Total Route Labor hours year %	9.2%	9.6%	9.2%
City # of route hours/year	3,976,988	3,334,466	910,663
SBWMA # of route hours/year	38,330,044	34,945,146	13,022,222
City Total Route Labor hours year %	9.2%	9.6%	9.2%
City Total Contractors in Service	8,119	8,834	27,472
SBWMA Total Contractors in Service	96,806	99,941	19,354
City Total Contractors in Service %	8.4%	8.8%	8.4%

Single Family Dwelling	A	B	C	D	Single Family Dwelling Total
	Solid Waste	Tagged Recyclable Materials	Organic Materials (including Holiday Trees)	Two On-Call Collection Events	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	\$355,382	\$502,153	\$266,170	\$63,993	\$987,702
Benefits for CBAs	\$194,184	\$145,102	\$122,479	\$34,422	\$466,287
Payroll Taxes	\$59,668	\$24,056	\$21,646	\$5,335	\$81,594
Workers Compensation Insurance	\$25,326	\$21,455	\$18,536	\$4,550	\$59,872
Total Direct Labor-Related Costs	\$574,545	\$592,867	\$422,831	\$108,305	\$1,598,545
Other Direct Costs					
Fuel	\$37,983	\$40,074	\$33,173	\$3,024	\$114,264
Other	\$50,335	\$53,776	\$44,231	\$4,837	\$153,183
Depreciation - Collection Vehicles	\$56,907	\$49,918	\$53,164	\$2,787	\$162,782
Depreciation - Collection Equipment	\$22,315	\$23,309	\$29,338	\$0	\$75,162
Lease	\$79,222	\$78,227	\$82,902	\$2,787	\$243,139
Other	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	\$147,972	\$143,865	\$148,839	\$5,708	\$446,384
Operations	\$33,573	\$38,013	\$34,581	\$1,062	\$107,237
Vehicle Maintenance	\$54,166	\$58,827	\$66,836	\$2,029	\$181,868
Equipment Maintenance	\$21,379	\$22,322	\$22,838	\$748	\$67,387
Total Allocated Indirect Costs excluding Depreciation and Interest	\$257,090	\$262,027	\$273,194	\$9,547	\$801,876
Total Allocated Indirect Depreciation Costs (Form 9)	\$2,027	\$2,779	\$2,170	\$65	\$7,041
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,010,817	\$947,148	\$845,823	\$128,065	\$2,941,853
Profit (Insert Operating Ratio below)	\$106,108	\$99,424	\$96,258	\$13,443	\$399,233
Total Proposed Costs before Pass-Through Cost Allocation	\$1,116,925	\$1,046,573	\$942,081	\$141,508	\$3,341,087
Contractor Pass-Through Costs					
Interest Expense	\$19,429	\$19,185	\$20,332	\$684	\$59,630
Total Contractor Pass-Through Costs	\$19,429	\$19,185	\$20,332	\$684	\$59,630
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,136,354	\$1,065,758	\$962,413	\$142,192	\$3,400,717

Service Level Statistics Used for Future Service Level Cost Adjustments	Accounts	Accounts	Accounts
2014	8,259	8,839	7,859
2015	7,874	7,874	7,874
2016	7,860	7,860	7,860
Rolling Three-Year Average	7,864	7,864	7,864

Step 1: Index Based Adjustments

	2017	2018	2019	2020	2021
PY CPW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CY CPW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-Labor Fuel (2017 Listed as Example)	249,252	249,252	249,252	249,252	249,252
CY CPW-Labor Fuel (2017 Listed as Example)	249,252	249,252	249,252	249,252	249,252
CPW-Labor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPW-IT (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CY CPW-IT (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CPW-IT Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%

Single Family Dwelling	Single Family Dwelling Total			
	A	B	C	D
	Solid Waste	Targeted Recyclable Materials	Organic Materials (including Holiday Trees)	Two-On-Call Collector Events
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for CEAs	\$355,380	\$301,153	\$260,170	\$63,998
Benefit for CEAs	\$164,184	\$142,479	\$122,479	\$34,422
Payroll Taxes	\$29,568	\$25,026	\$21,846	\$5,335
Workers Compensation Insurance	\$25,320	\$21,456	\$18,356	\$4,560
Total Direct Labor-Related-Costs	\$574,451	\$492,867	\$422,831	\$108,305
Direct Fuel Costs	\$37,993	\$40,074	\$33,173	\$3,024
Other Direct Costs	\$50,035	\$52,776	\$44,231	\$4,837
Depreciation - Collection Vehicles	\$26,707	\$28,918	\$23,566	\$2,787
Depreciation - Containers	\$22,315	\$23,309	\$29,338	\$0
Depreciation for Collection Equipment	\$79,222	\$78,227	\$82,903	\$2,787
Lease	\$0	\$0	\$0	\$0
Allocated Interest Costs excluding Depreciation and Interest (Form 9)				
Central and Administrative Operations	\$147,722	\$153,865	\$149,839	\$5,208
Vehicle Maintenance	\$33,373	\$35,012	\$34,981	\$1,061
Container Maintenance	\$81,166	\$88,827	\$86,856	\$2,029
Total Allocated Interest Costs excluding Depreciation and Interest	\$262,261	\$277,694	\$271,676	\$10,306
Total Allocated Interest Depreciation Costs (Form 9)	\$2,027	\$2,179	\$2,170	\$55
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,010,817	\$947,148	\$859,823	\$128,065
Profit (insert Operating Ratio below)	\$106,108	\$99,424	\$90,258	\$13,443
90.5%				
Total Proposed Costs before Pass-Through Cost Allocation	\$1,116,925	\$1,046,573	\$950,081	\$141,508
Contractor Pass-Through Costs				
Interest Expense	\$19,429	\$19,185	\$20,332	\$684
Total Contractor Pass-Through Costs	\$19,429	\$19,185	\$20,332	\$684
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,136,354	\$1,065,758	\$970,413	\$142,192

Step 2: Service Level Adjustments

	Accounts	Accounts	Accounts
2014	7,829	7,829	7,829
2015	7,874	7,874	7,874
2016	7,890	7,890	7,890
Prior Year Rolling Three-Year Average	7,864	7,864	7,864
2014	7,829	7,829	7,829
2015	7,874	7,874	7,874
2016	7,890	7,890	7,890
Current Year Rolling Three-Year Average	7,864	7,864	7,864
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

	A	B	C	D	Single Family Dwelling Total
	Solid Waste Materials	Trapped/Recyclable Materials	Organic Materials (Including Holiday Trees)	Two-On-Call Collection Events	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages per CIBAs	\$155,380	\$301,653	\$266,170	\$63,988	\$787,291
Benefits for CIBAs	\$164,184	\$145,022	\$129,479	\$33,422	\$472,105
Payroll Taxes	\$26,468	\$26,468	\$17,626	\$3,324	\$73,886
Workers Compensation Insurance	\$24,320	\$24,320	\$18,836	\$3,580	\$71,066
Total Direct Labor-Related Costs	\$270,352	\$527,463	\$432,071	\$104,314	\$1,334,200
Direct Fuel Costs	\$17,993	\$45,074	\$33,173	\$3,024	\$103,264
Other Direct Costs	\$30,032	\$21,776	\$44,251	\$4,837	\$100,900
Depreciation - Collection Vehicles	\$45,707	\$45,918	\$33,566	\$3,787	\$129,000
Depreciation - Containers	\$22,813	\$23,369	\$24,338	\$0	\$70,520
Depreciation for Collection Equipment	\$79,222	\$78,227	\$82,903	\$7,787	\$248,139
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	\$147,972	\$133,863	\$149,839	\$3,208	\$434,882
Operations	\$33,273	\$36,012	\$14,981	\$1,062	\$85,328
Vehicle Maintenance	\$68,166	\$68,827	\$68,826	\$2,029	\$207,850
Container Maintenance	\$1,376	\$2,322	\$2,833	\$748	\$7,379
Total Allocated Indirect Costs excluding Depreciation and Interest	\$250,887	\$240,024	\$236,481	\$6,047	\$733,439
Total Allocated Indirect Depreciation Costs (Form 9)	\$2,027	\$2,179	\$3,176	\$64	\$8,446
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,010,817	\$947,148	\$855,823	\$128,065	\$3,242,853
Profit (Insert Operating Ratio below)	90.5%	\$99,424	\$99,258	\$13,443	\$309,323
Total Proposed Costs before Pass-Through Cost Allocation	\$1,110,241	\$1,046,573	\$955,081	\$141,508	\$3,245,087
Contractor Pass-Through Costs					
Interest Expense	\$19,429	\$19,185	\$20,332	\$984	\$59,930
Total Contractor Pass-Through Costs	\$19,429	\$19,185	\$20,332	\$984	\$59,930
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,129,670	\$1,065,758	\$975,413	\$142,492	\$3,305,017

City of Menlo Park Allocated Costs - MFD & Commercial

	Statistics Used for Year 2021 Cost Allocation Only			Total
	City # of Accounts	1,130	392	
SBWMA # Accounts	10,333	10,210	1,712	2,566
City # of Accounts %	11.0%	11.0%	11.7%	11.4%
City Total Route Labor hours Year	4,962.11	2,970.32	877.66	910.63
SBWMA Total Route Labor hours Year	47,871.85	27,111.92	6,356.65	87,508
City Total Route Labor hours Year %	10.4%	11.0%	13.8%	10.9%
City # of route hours/year	3,760.29	2,871.19	849.20	910.63
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	66,761
City # of route hours/year %	12.0%	11.4%	14.0%	11.9%
City Total Containers in Service	2,011	2,122	346	2,105
SBWMA Total Containers in Service	17,258	19,703	2,059	39,504
City Total Containers in Service %	11.7%	10.8%	16.8%	11.5%

MFD & Commercial	City and Bin Sold Year		City and Bin Recycled Materials		City and Bin Organic (Household, Trees)		Total Drop Bin Service Materials (All)		Two On-Call Collision Events		MFD & Commercial Total
	F	E	F	E	G	H	I	J	K		
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$259,694	\$221,577	\$96,963	\$56,548	\$30,577	\$20,047	\$10,316	\$814,388			
Benefits for CBAs	\$232,707	\$99,247	\$30,577	\$4,705	\$18,435	\$4,067	\$3,818	\$407,391			
Payroll Taxes	\$44,095	\$18,435	\$5,022	\$2,133	\$13,782	\$2,022	\$1,022	\$76,160			
Workers Compensation Insurance	\$37,260	\$13,782	\$3,818	\$1,022	\$5,022	\$1,022	\$5,022	\$65,213			
Total Direct Labor Related-Costs	\$364,345	\$335,046	\$142,436	\$85,328	\$58,328	\$16,983	\$16,983	\$1,484,357			
Direct Fuel Costs	\$58,244	\$23,246	\$13,246	\$5,445				\$101,322			
Other Direct Costs	\$80,150	\$37,421	\$16,094	\$10,331				\$145,549			
Depreciation - Collection Vehicles	\$71,772	\$34,894	\$23,672	\$8,463				\$140,099			
Depreciation - Containers	\$14,075	\$9,807	\$4,387	\$0				\$18,536			
Depreciation for Collection Equipment	\$82,847	\$44,701	\$18,059	\$8,693				\$178,635			
Lease	\$0	\$0	\$0	\$0				\$0			
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)											
General and Administrative	\$103,459	\$109,214	\$200,152	\$59,270				\$2,141			
Operations	\$33,047	\$33,047	\$33,613	\$13,770				\$437			
Vehicle Maintenance	\$44,059	\$44,139	\$64,242	\$25,935				\$834			
Container Maintenance	\$14,327	\$14,409	\$28,340	\$13,966				\$208			
Total Allocated Indirect Costs excluding Depreciation and Interest	\$186,312	\$191,856	\$326,357	\$112,740				\$1,720			
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,453	\$1,418	\$1,751	\$976				\$27			
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0				\$0			
Total Annual Cost of Operations	\$1,276,660	\$653,983	\$537,983	\$233,614				\$34,729			
Profit (insert Operating Ratio below)	\$134,000.51	\$68,619	\$56,473	\$23,463				\$3,596			
90.5%											
Total Proposed Costs before Pass-Through Cost Allocation	\$1,410,663	\$722,308	\$594,456	\$246,977				\$37,325			
Contractor Pass-Through Costs											
Interest Expense	\$28,142	\$14,654	\$12,476	\$2,850				\$438			
Total Contractor Pass-Through Costs	\$28,142	\$14,654	\$12,476	\$2,850				\$438			
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,438,805	\$736,962	\$606,932	\$249,827				\$37,762			

	Service Level Statistics Used for Future Service Level Cost Adjustments	
	Lifts	Flats
2014	146,575	24,596
2015	144,404	27,131
2016	143,546	29,926
Rolling Three-Year Average	144,842	27,218

Step 1: Index Based Adjustments

	2017	2017	2017	2017	2017	2017	2017
	2017	2017	2017	2017	2017	2017	2017
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CFA-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176	264,176
CY CFA-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176	264,176
CFA-Wages Adjustment							
PY CFA-W-Mediant (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815	477,815
CY CFA-W-Mediant (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815	477,815
CFA-W-Mediant Adjustment							
PY CFA-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252	219,252	219,252
CY CFA-Motor Fuel (2017 Listed as Example)	219,252	219,252	219,252	219,252	219,252	219,252	219,252
CFA-Motor Fuel Adjustment							
PY CFA- (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983	269,983
CY CFA- (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983	269,983	269,983
CFA- Adjustment							

	E	F	G	H	J	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$221,477	\$221,477	\$221,477	\$221,477	\$221,477	\$221,477
Benefits for CBAs	\$99,247	\$99,247	\$99,247	\$99,247	\$99,247	\$99,247
Payroll Taxes	\$18,435	\$18,435	\$18,435	\$18,435	\$18,435	\$18,435
Workers' Compensation Insurance	\$33,782	\$33,782	\$33,782	\$33,782	\$33,782	\$33,782
Total Direct Labor Related-Costs	\$393,941	\$393,941	\$393,941	\$393,941	\$393,941	\$393,941
Direct Fuel Costs	\$23,246	\$23,246	\$23,246	\$23,246	\$23,246	\$23,246
Other Direct Costs	\$80,180	\$80,180	\$80,180	\$80,180	\$80,180	\$80,180
Depreciation - Collection Vehicles	\$71,772	\$71,772	\$71,772	\$71,772	\$71,772	\$71,772
Depreciation - Containers	\$14,074	\$14,074	\$14,074	\$14,074	\$14,074	\$14,074
Depreciation for Collection Equipment	\$89,847	\$89,847	\$89,847	\$89,847	\$89,847	\$89,847
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$103,459	\$103,459	\$103,459	\$103,459	\$103,459	\$103,459
General and Administrative	\$23,047	\$23,047	\$23,047	\$23,047	\$23,047	\$23,047
Operations	\$44,139	\$44,139	\$44,139	\$44,139	\$44,139	\$44,139
Vehicle Maintenance	\$15,737	\$15,737	\$15,737	\$15,737	\$15,737	\$15,737
Container Maintenance	\$19,536	\$19,536	\$19,536	\$19,536	\$19,536	\$19,536
Total Allocated Indirect Costs excluding Depreciation and Interest	\$102,459	\$102,459	\$102,459	\$102,459	\$102,459	\$102,459
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418
Annual Implementation Cost (Amortization) (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,276,460	\$1,276,460	\$1,276,460	\$1,276,460	\$1,276,460	\$1,276,460
Profit (insert Operating Ratio below)	\$134,004	\$134,004	\$134,004	\$134,004	\$134,004	\$134,004
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$1,410,464	\$1,410,464	\$1,410,464	\$1,410,464	\$1,410,464	\$1,410,464
Contractor Pass-Through Costs						
Interest Expense	\$28,142	\$28,142	\$28,142	\$28,142	\$28,142	\$28,142
Total Contractor Pass-Through Costs	\$28,142	\$28,142	\$28,142	\$28,142	\$28,142	\$28,142
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,438,606	\$1,438,606	\$1,438,606	\$1,438,606	\$1,438,606	\$1,438,606

Step 2: Service Level Adjustments				
	2014	2015	2016	Three-Year Average
Direct Labor-Related Costs	\$429,984	\$429,984	\$429,984	\$429,984
Wages for CBAs	\$32,707	\$32,707	\$32,707	\$32,707
Benefits for CBAs	\$44,093	\$44,093	\$44,093	\$44,093
Payroll Taxes	\$37,260	\$37,260	\$37,260	\$37,260
Workers' Compensation Insurance	\$864,545	\$864,545	\$864,545	\$864,545
Total Direct Labor-Related Costs	\$1,008,589	\$1,008,589	\$1,008,589	\$1,008,589
Direct Fuel Costs	\$38,244	\$38,244	\$38,244	\$38,244
Other Direct Costs	\$80,160	\$80,160	\$80,160	\$80,160
Depreciation - Collection Vehicles	\$71,772	\$71,772	\$71,772	\$71,772
Depreciation - Containers	\$14,075	\$14,075	\$14,075	\$14,075
Depreciation for Collection Equipment	\$83,847	\$83,847	\$83,847	\$83,847
Lease	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$108,214	\$108,214	\$108,214	\$108,214
General and Administrative	\$33,347	\$33,347	\$33,347	\$33,347
Operations	\$44,309	\$44,309	\$44,309	\$44,309
Vehicle Maintenance	\$15,737	\$15,737	\$15,737	\$15,737
Container Maintenance	\$186,312	\$186,312	\$186,312	\$186,312
Total Allocated Indirect Costs excluding Depreciation and Interest	\$385,709	\$385,709	\$385,709	\$385,709
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,453	\$1,453	\$1,453	\$1,453
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,776,580	\$1,776,580	\$1,776,580	\$1,776,580
Profit (Insert Operating Ratio below)	90.5%	90.5%	90.5%	90.5%
Total Proposed Cost before Pass-Through Cost Allocation	\$1,410,563	\$1,410,563	\$1,410,563	\$1,410,563
Contractor Pass-Through Costs	\$38,142	\$38,142	\$38,142	\$38,142
Interest Expense	\$28,142	\$28,142	\$28,142	\$28,142
Total Contractor Pass-Through Costs	\$66,284	\$66,284	\$66,284	\$66,284
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,476,847	\$1,476,847	\$1,476,847	\$1,476,847

MFD & Commercial	MFD & Commercial				MFD & Commercial Total
	F	G	H	J	
Cart and Bin Solid Waste	\$221,577	\$96,983	\$56,548	\$10,216	\$915,388
Cart and Bin Recyclable Materials	\$99,247	\$30,817	\$20,047	\$5,074	\$407,391
Cart and Bin Organic Materials (including Holiday Trees)	\$8,067	\$8,067	\$4,705	\$858	\$76,160
Total Drop Box Materials (including Holiday Trees)	\$37,260	\$8,928	\$4,705	\$235	\$85,439
Cart and Bin Solid Waste	\$355,046	\$142,456	\$84,328	\$16,983	\$1,464,357
Cart and Bin Recyclable Materials	\$13,266	\$5,443	\$3,443	\$1,122	\$10,122
Cart and Bin Organic Materials (including Holiday Trees)	\$16,094	\$10,331	\$1,644	\$1,644	\$145,549
Total Drop Box Materials (including Holiday Trees)	\$23,872	\$8,493	\$4,968	\$1,068	\$140,099
Cart and Bin Solid Waste	\$9,807	\$0	\$0	\$267	\$38,536
Cart and Bin Recyclable Materials	\$44,701	\$33,039	\$8,693	\$1,333	\$78,635
Cart and Bin Organic Materials (including Holiday Trees)	\$0	\$0	\$0	\$0	\$0
Total Drop Box Materials (including Holiday Trees)	\$54,508	\$33,632	\$8,693	\$2,600	\$80,458
Cart and Bin Solid Waste	\$1,741	\$1,741	\$976	\$27	\$5,633
Cart and Bin Recyclable Materials	\$0	\$0	\$0	\$0	\$0
Cart and Bin Organic Materials (including Holiday Trees)	\$537,983	\$223,514	\$24,729	\$24,729	\$2,716,475
Total Drop Box Materials (including Holiday Trees)	\$56,473	\$24,463	\$2,596	\$2,596	\$285,155
Total Proposed Cost before Pass-Through Cost Allocation	\$594,456	\$246,977	\$27,225	\$27,225	\$3,001,529
Contractor Pass-Through Costs	\$14,654	\$2,850	\$438	\$438	\$38,559
Interest Expense	\$14,654	\$2,850	\$438	\$438	\$58,559
Total Contractor Pass-Through Costs	\$29,308	\$5,700	\$876	\$876	\$97,118
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,523,764	\$302,677	\$28,101	\$28,101	\$3,098,647

Statistics Used for Year 2021 Cost Allocation Only	2019		2020		2021	
	Value	%	Value	%	Value	%
City # of Lids per Year	1,131		1,718		7,890	
SBWMA # of Lids per Year - Accounts for Venues/Events	16,044	6.3%	65,039	2.7%	94,260	3.2%
City # of Lids per Year %	24.2%		2.7%		5.2%	
City Total Route Labor Hours Year	33,10		22,75		194,82	
SBWMA Total Route Labor Hours Year	4,2639	12.9%	993.06	4.3%	1,350.22	0.7%
City Total Route Labor Hours %	77.0%		95.7%		99.3%	
City # of route hours/year	883.85		287.60		1,350.22	
SBWMA # of route hours/year	2,592.51		936.57		5,935.43	
City # of route hours/year %	23.3%		30.9%		22.7%	
City # of Containers	30		105		8,119	
SBWMA # of Containers	542	18.1%	528	17.9%	96,806	1.2%
City # of Containers (Lids for example %)	21.6%		2.8%		0.4%	

Agency Facilities	E		C		F		H		I		Agency Facilities Total
	Cart and Bin Waste	Cart and Bin Solid	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events					
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$54,223	\$665	\$665	\$8,869	\$1,652	\$2,538	\$1,989				
Benefits for CBAs	\$11,323	\$311	\$311	\$4,146	\$2,061	\$1,187	\$1,629				
Payroll Taxes	\$2,016	\$45	\$45	\$738	\$474	\$211	\$3,484				
Workers Compensation Insurance	\$1,728	\$47	\$47	\$622	\$426	\$181	\$2,891				
Total Direct Labor-Related Costs	\$59,296	\$1,078	\$1,078	\$14,184	\$9,232	\$4,117	\$88,104				
Direct Fuel Costs	\$3,574	\$88	\$88	\$1,308	\$840	\$322	\$5,142				
Other Direct Costs	\$6,741	\$185	\$185	\$3,468	\$1,584	\$668	\$11,586				
Depreciation - Collection Vehicles	\$14,051	\$386	\$386	\$7,145	\$3,302	\$1,032	\$23,916				
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Depreciation for Collection Equipment	\$14,052	\$386	\$386	\$7,145	\$3,302	\$1,032	\$23,916				
Leases	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)											
General and Administrative (using 11% for Agency Costs)	\$32,908	\$903	\$903	\$13,035	\$7,713	\$1,185	\$54,782				
Operations	\$5,708	\$164	\$164	\$2,426	\$1,276	\$366	\$11,496				
Vehicle Maintenance	\$12,820	\$332	\$332	\$4,894	\$2,512	\$366	\$20,959				
Container Maintenance (using 11% for Agency Costs)	\$4,729	\$130	\$130	\$1,731	\$871	\$171	\$7,873				
Total Allocated Indirect Costs excluding Depreciation and Interest:	\$57,166	\$1,569	\$1,569	\$26,929	\$13,412	\$1,008	\$66,104				
Total Allocated Indirect Depreciator Costs (Form 9)	\$459	\$13	\$13	\$168	\$108	\$34	\$782				
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Annual Cost of Operations	\$121,283	\$3,328	\$3,328	\$44,404	\$28,498	\$9,141	\$206,653				
Profit (insert Operating Ratio below)	\$12,731	\$349	\$349	\$4,661	\$2,992	\$960	\$21,653				
90.5%											
Total Operating Costs before Pass-Through Cost Allocation	\$134,014	\$3,677	\$3,677	\$49,065	\$31,490	\$10,100	\$228,346				
Contractor Pass-Through Costs											
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Total Contractor Pass-Through Costs	\$1,975	\$82	\$82	\$1,091	\$700	\$223	\$3,074				
TOTAL BASE CONTRACTOR'S COMPENSATION	\$135,989	\$3,759	\$3,759	\$50,156	\$32,190	\$10,323	\$231,420				

Service Level Statistics Used for Future Service Level Cost Adjustments

Year	Lids	Hours
2014	58,487	1,443
2015	57,486	1,326
2016	58,375	1,785
Rolling Three-Year Average	58,483	1,517

Step 1: Index Based Adjustments

	2017	2018	2019	2020	2021
PP CPI-W-Wages (2017 Listed as Example)	264.17%	264.17%	264.17%	264.17%	264.17%
CY CPI-W-Wages (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPI-W-Wages Adjustment					
PY CPI-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%	477.81%
CY CPI-W-Medical (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPI-W-Medical Adjustment					
PY CPI-A-Motor Fuel (2017 Listed as Example)	209.25%	209.25%	209.25%	209.25%	209.25%
CY CPI-A-Motor Fuel (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPI-A-Motor Fuel Adjustment					
PY CPI-U (2017 Listed as Example)	269.98%	269.98%	269.98%	269.98%	269.98%
CY CPI-U (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPI-U Adjustment					

Agency Facilities	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events	Agency Facilities Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CEAs	\$24,225	\$665	\$8,869	\$5,692	\$2,338	\$41,989
Benefits for CEAs	\$11,225	\$311	\$4,146	\$2,661	\$1,187	\$19,629
Payroll Taxes	\$2,016	\$55	\$738	\$474	\$211	\$3,484
Workers Compensation Insurance	\$1,226	\$27	\$362	\$206	\$81	\$2,592
Total Direct Labor-Related-Costs	\$39,291	\$1,078	\$14,384	\$9,232	\$4,117	\$68,104
Direct Fuel Costs	\$9,574	\$98	\$1,209	\$840	\$322	\$12,422
Other Direct Costs	\$6,741	\$185	\$2,468	\$1,584	\$608	\$11,586
Depreciation - Collection Vehicles	\$14,022	\$386	\$5,145	\$3,302	\$1,052	\$23,936
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$14,022	\$386	\$5,145	\$3,302	\$1,052	\$23,936
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs (excluding Depreciation and Interest (Form 9) General and Administrative (using 10% for Agency Costs)	\$32,209	\$923	\$12,248	\$7,733	\$1,189	\$54,782
Operations	\$6,708	\$184	\$2,456	\$1,576	\$566	\$11,490
Vehicle Maintenance	\$12,820	\$332	\$4,694	\$3,012	\$1,082	\$21,959
Container Maintenance (using 10% for Agency Costs)	\$4,729	\$130	\$1,731	\$1,111	\$371	\$7,873
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$57,166	\$1,569	\$20,929	\$13,432	\$3,008	\$96,104
Total Allocated Interest (Depreciation Costs (Form 9))	\$459	\$13	\$185	\$108	\$34	\$782
Annual Implementation Cost (Amortization (Form A))	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$121,383	\$3,328	\$44,404	\$28,498	\$9,141	\$206,653
Profit (insert Operating Ratio below)	\$12,731	\$349	\$4,661	\$2,992	\$960	\$21,693
						90.45%
Total Operating Costs before Pass-Through Cost Allocation	\$134,114	\$3,677	\$49,065	\$31,490	\$10,100	\$238,346
Contractor Pass-Through Costs						
Interest Expense	\$2,979	\$82	\$1,091	\$700	\$223	\$4,074
Total Contractor Pass-Through Costs	\$2,979	\$82	\$1,091	\$700	\$223	\$4,074
TOTAL BASE CONTRACTOR'S COMPENSATION	\$137,093	\$3,759	\$50,156	\$32,190	\$10,323	\$242,420

Step 2: Service Level Adjustments			
	Lifts	Lifts	Hauls
2014	\$8,487	1,443	13,861
2015	\$7,486	1,196	14,196
2016	\$9,735	1,131	14,964
Prior Year Rolling Three-Year Average	\$8,483	1,257	15,847
	Lifts	Lifts	Hauls
2014	\$8,487	1,443	13,861
2015	\$7,486	1,196	14,196
2016	\$9,735	1,131	14,964
Current Year Rolling Three-Year Average	\$8,483	1,257	15,847
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

Agency Facilities	E		G		F		H		I	
	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (all Binarity)	Venues and Events	Agency Facilities Total			
Annual Cost of Operations										
Direct Labor-Related Costs										
Wages for CLNs	\$24,224	\$665	\$8,869	\$2,538	\$1,897	\$41,866				
Benefits for CLNs	\$11,324	\$111	\$1,428	\$1,877	\$1,625	\$19,625				
Payroll Taxes	\$1,016	\$45	\$724	\$474	\$411	\$1,994				
Workers Compensation Insurance	\$1,726	\$21	\$268	\$181	\$151	\$681				
Total Direct Labor-Related Costs	\$39,291	\$1,078	\$11,334	\$5,232	\$4,117	\$58,104				
Direct Fuel Costs	\$3,574	\$98	\$1,358	\$840	\$322	\$6,142				
Other Direct Costs	\$6,741	\$182	\$2,488	\$1,584	\$668	\$11,586				
Depreciation - Collection Vehicles	\$14,042	\$386	\$1,145	\$3,302	\$1,082	\$23,936				
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0				
Depreciation for Collection Equipment	\$14,042	\$386	\$1,145	\$3,302	\$1,082	\$23,936				
Lease	\$0	\$0	\$0	\$0	\$0	\$0				
Allocated Indirect Costs including Depreciation and Interest (Form 9)										
General and Administrative (using Lifts for Agency Costs)	\$32,909	\$603	\$12,048	\$7,733	\$1,897	\$54,782				
Operations	\$6,708	\$184	\$2,426	\$1,576	\$566	\$11,490				
Vehicle Maintenance	\$12,820	\$332	\$4,684	\$3,012	\$1,082	\$21,959				
Container Maintenance (using Lifts for Agency Costs)	\$4,729	\$130	\$1,731	\$1,111	\$171	\$7,873				
Total Allocated Indirect Costs excluding Depreciation and Interest	\$57,166	\$1,269	\$20,529	\$13,432	\$3,108	\$96,104				
Total Allocated Indirect Depreciation Costs (Form 9)	\$4,549	\$13	\$168	\$108	\$34	\$782				
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0				
Total Annual Cost of Operations	\$112,283	\$3,238	\$44,404	\$28,498	\$9,141	\$206,653				
Profit (insert Operating Ratio below)	\$12,731	\$348	\$4,661	\$2,992	\$960	\$21,693				
	90.45%									
Total Operating Costs before Pass-Through Cost Allocation	\$134,014	\$3,677	\$49,065	\$31,490	\$10,100	\$228,346				
Contractor Pass-Through Costs										
Interest Expense	\$2,976	\$82	\$1,091	\$700	\$223	\$5,072				
Total Contractor Pass-Through Costs	\$2,976	\$82	\$1,091	\$700	\$223	\$5,072				
TOTAL BASE CONTRACTOR'S COMPENSATION	\$156,992	\$4,759	\$50,156	\$32,189	\$10,323	\$233,420				

SBWMA COLLECTION AGREEMENT

Proposed Compensation 2021

D. City of Redwood Ctr. Allocated Costs - SFD

	17,405	17,380	16,465	5,418	Total
City # of accounts	17,405	17,380	16,465	5,418	17,405
SBWMA # of accounts	94,580	94,372	90,725	29,504	94,580
City # of accounts %	18.4%	18.4%	18.4%	18.4%	18.4%
City Total Route Labor hours year	7,858.44	7,813.61	8,544.88	2,408.69	13,085
SBWMA Total Route Labor hours year	46,232.55	47,856.20	39,114.12	13,048.24	142,248
City Total Route Labor hours year %	17.0%	16.2%	15.0%	18.5%	16.8%
City # of route hours year	7,260.70	6,739.85	5,242.45	2,408.69	21,772
SBWMA # of route hours year	42,847.89	38,280.04	34,849.16	13,048.24	129,222
City Total Route Labor hours year %	16.9%	17.6%	15.2%	18.2%	16.8%
City Total Contractors in Service	18,158	17,919	17,272	5,418	58,877
SBWMA Total Contractors in Service	96,806	96,284	99,841	29,504	322,535
City Total Contractors in Service %	18.8%	18.6%	17.4%	18.5%	18.2%

	A	B	C	D	Single Family Dwelling Total
Single Family Dwelling					
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	\$659,234	\$582,273	\$407,071	\$165,564	\$1,814,221
Benefits for CBAs	\$304,363	\$280,745	\$191,635	\$86,093	\$866,035
Payroll Taxes	\$54,848	\$44,445	\$33,848	\$17,781	\$150,843
Workers Compensation Insurance	\$46,862	\$41,484	\$29,002	\$11,881	\$129,227
Total Direct Labor-Related-Costs	\$1,065,314	\$952,648	\$661,577	\$280,319	\$2,960,456
Direct Fuel Costs	\$69,353	\$73,689	\$53,150	\$7,427	\$304,609
Other Direct Costs	\$91,348	\$97,019	\$70,467	\$12,213	\$271,752
Depreciation - Collection Vehicles	\$100,328	\$100,987	\$85,823	\$7,214	\$297,122
Depreciation - Outcasts	\$50,345	\$51,475	\$17,692	\$0	\$159,122
Depreciation for Collection Equipment	\$152,883	\$152,812	\$142,515	\$7,214	\$457,044
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)					
General and Administrative	\$326,419	\$339,448	\$325,293	\$13,473	\$1,005,638
Operations	\$61,294	\$66,201	\$36,046	\$2,743	\$186,288
Vehicle Maintenance	\$171,147	\$126,256	\$107,116	\$5,125	\$310,644
Customer Maintenance	\$47,813	\$49,296	\$44,912	\$1,937	\$143,957
Total Allocated Indirect Costs including Depreciation and Interest	\$552,673	\$534,201	\$514,366	\$23,416	\$1,691,925
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,700	\$4,006	\$3,477	\$168	\$11,352
Annual Implementation Cost (Amortization (Form A))	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,936,581	\$1,861,544	\$1,466,951	\$331,462	\$5,596,538
Profit (Inert Operating Ratio below)	\$103,287	\$195,411	\$153,989	\$34,794	\$587,482
Total Proposed Costs before Pass-Through Cost Allocation	\$2,139,868	\$2,056,955	\$1,620,940	\$366,256	\$6,184,019
Contractor Pass-Through Costs					
Inert Expense	\$17,740	\$17,384	\$15,197	\$1,269	\$112,889
Total Contractor Pass-Through Costs	\$17,740	\$17,384	\$15,197	\$1,269	\$112,889
TOTAL BASE CONTRACTOR'S COMPENSATION	\$17,740	\$17,384	\$15,197	\$1,269	\$112,889

Service Level Statistics Used for Future Service Level Cost Adjustments	
Accounts	Accounts
2014	17,316
2015	17,406
2016	17,405
Rolling Three-Year Average	17,376

SBWMA COLLECTION AGREEMENT
 D. City of Redwood City Allocated Costs - SFD

Proposed Compensation 2021

Step 1: Index Based Adjustments			
	2017	2021	2021/2017
PY CPWA-Wages 2017 Listed as Example	264,176	264,176	264,176
CY CPWA-Wages 2017 Listed as Example	264,176	264,176	264,176
CPWA-Wages Adjustment	100.0%	100.0%	100.0%
PY CPWA-Medical 2017 Listed as Example	477,815	477,815	477,815
CY CPWA-Medical 2017 Listed as Example	477,815	477,815	477,815
CPWA-Medical Adjustment	100.0%	100.0%	100.0%
PY CPWA-Motor Fuel 2017 Listed as Example	269,583	269,583	269,583
CY CPWA-Motor Fuel 2017 Listed as Example	269,583	269,583	269,583
CPWA-Motor Fuel Adjustment	100.0%	100.0%	100.0%
PY CPWA 2017 Listed as Example	209,983	209,983	209,983
CY CPWA 2017 Listed as Example	209,983	209,983	209,983
CPWA Adjustment	100.0%	100.0%	100.0%

Single Family Dwelling	Step 1: Index Based Adjustments				Original Materials (including Holiday Fees)	Two One-Call Collection Events	Single Family Dwelling Total
	A	B	C	D			
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$659,234	\$382,773	\$407,071	\$165,843	\$1,814,221		
Benefits for CBAs	\$304,363	\$260,745	\$191,635	\$89,093	\$866,035		
Payroll Taxes	\$44,448	\$44,448	\$13,868	\$13,781	\$19,943		
Workers' Compensation Insurance	\$49,662	\$1,351	\$29,002	\$1,821	\$1,29,237		
Total Direct Labor-Related Costs	\$1,064,614	\$592,948	\$661,477	\$236,318	\$2,860,456		
Direct Fuel Costs	\$69,367	\$71,669	\$53,150	\$7,127	\$24,009		
Other Direct Costs - (Example)	\$91,248	\$91,019	\$70,887	\$12,118	\$271,752		
Depreciation - Collection Vehicle	\$103,428	\$100,987	\$85,833	\$7,714	\$287,422		
Depreciation - Containers	\$50,355	\$51,475	\$57,692	\$5	\$149,512		
Depreciation for Collection Equipment	\$153,883	\$152,452	\$143,514	\$7,214	\$457,044		
Insurance	\$0	\$0	\$0	\$0	\$0		
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)							
General and Administrative	\$126,419	\$339,448	\$126,293	\$13,478	\$1,005,638		
Operations	\$61,294	\$66,201	\$56,646	\$2,748	\$146,288		
Vehicle Maintenance	\$177,147	\$126,526	\$107,114	\$5,243	\$356,641		
Contract Maintenance - (Example)	\$47,813	\$49,296	\$44,912	\$1,937	\$153,967		
Total Allocated Indirect Costs excluding Depreciation and Interest	\$452,673	\$581,471	\$534,966	\$23,416	\$1,491,425		
Total Allocated Indirect Depreciation Costs (Form 9)	\$3,700	\$5,006	\$3,477	\$148	\$11,312		
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0		
Total Annual Cost of Operations	\$1,694,581	\$1,364,544	\$1,466,951	\$331,462	\$5,596,538		
Profit (Insert Operating Ratio below)	\$303,287	\$195,411	\$153,989	\$24,794	\$587,481		
		90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	\$2,139,868	\$2,066,945	\$1,620,940	\$366,256	\$6,184,019		
Contractor Pass-Through Costs							
Interest Expense	\$37,740	\$37,384	\$35,197	\$1,569	\$12,049		
Total Contractor Pass-Through Costs	\$37,740	\$37,384	\$35,197	\$1,569	\$12,049		
TOTAL BASE CONTRACTOR'S COMPENSATION	\$417,608	\$394,339	\$346,133	\$368,024	\$6,196,109		

D. City of Redwood City Allocated Costs - SFJ

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	17,316	17,316	17,316
2015	17,406	17,406	17,406
2016	17,405	17,405	17,405
Prior Year Rolling Three-Year Average	17,376	17,376	17,376
2014	17,316	17,316	17,316
2015	17,406	17,406	17,406
2016	17,405	17,405	17,405
Current Year Rolling Three-Year Average	17,376	17,376	17,376
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

Single Family Dwelling	Targeted Recyclable Materials			Organic Materials (Including Holiday Trees)		Two On-Call Collection Events		Single Family Dwelling Total
	A	B	C	D	E	F		
Annual Cost of Operations								
Direct Labor-Related Costs	\$639,334	\$512,273	\$627,071	\$585,653	\$1,814,221			
Wages for OTRs	\$304,363	\$280,745	\$301,633	\$280,991	\$866,693			
Benefits for OTRs	\$17,348	\$16,445	\$17,388	\$16,781	\$50,963			
Payroll Taxes	\$216,623	\$185,083	\$208,050	\$192,977	\$588,737			
Workers' Compensation Insurance	\$1,065,614	\$73,869	\$53,150	\$73,827	\$204,009			
Total Direct Labor-Related Costs	\$669,363	\$97,019	\$770,687	\$724,578	\$2,148,128			
Direct Fuel Costs	\$91,348	\$100,977	\$88,823	\$72,214	\$279,322			
Other Direct Costs	\$103,528	\$51,473	\$57,892	\$0	\$159,522			
Depreciation - Collection Vehicles	\$50,355	\$152,432	\$143,515	\$72,214	\$457,044			
Depreciation - Containers	\$153,883	\$0	\$0	\$0	\$0			
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0			
Leases	\$0	\$0	\$0	\$0	\$0			
Allocated Interest Costs excluding Depreciation and Interest (Form 9)	\$378,419	\$319,448	\$326,293	\$313,478	\$1,005,635			
General and Administrative	\$61,294	\$66,201	\$56,046	\$2,748	\$186,298			
Operations	\$17,147	\$126,528	\$107,112	\$5,253	\$346,041			
Vehicle Maintenance	\$47,813	\$49,296	\$44,912	\$1,937	\$143,957			
Continental Maintenance	\$52,673	\$58,177	\$53,186	\$22,416	\$1,691,921			
Total Allocated Interest Costs excluding Depreciation and Interest	\$570	\$4,066	\$3,477	\$188	\$1,352			
Total Allocated Interest Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0			
Annual Implementation Cost - Memorization (Form A)	\$1,036,581	\$1,861,544	\$1,466,951	\$331,462	\$5,696,538			
Total Annual Cost of Operations	\$2,022,887	\$1,954,411	\$1,533,989	\$34,784	\$5,877,482			
Profit (insert Operating Ratio below)	90.5%							
Total Proposed Cost before Pass-Through Cost Allocation	\$2,139,868	\$1,956,955	\$1,620,940	\$362,256	\$6,184,019			
Contractor Pass-Through Costs								
Interest Expense	\$17,740	\$17,384	\$18,197	\$17,769	\$12,039			
Total Contractor Pass-Through Costs	\$31,740	\$37,384	\$38,972	\$31,769	\$24,089			
TOTAL BASE CONTRACTOR'S COMPENSATION	\$317,608	\$394,339	\$388,137	\$368,025	\$6,196,109			

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021

D. City of Redwood City Allocated Costs - MFD & Commercial

Statistical Used for Year 2021 Cost Allocation ONLY	2019	2020	2021	Total
City # of Accounts	1,939	1,914	288	5,448
SBWMA # Accounts	10,332	10,210	1,712	29,504
City # of Accounts %	19.2%	18.9%	16.8%	18.5%
City Total Route Labor hours year	9,569.42	4,464.74	1,203.30	4,408.69
SBWMA Total Route Labor hours year	47,871.82	27,111.92	6,336.65	61,671.11
City Total Route Labor hours year %	20.1%	16.8%	19.8%	18.4%
City # of route hours year	6,478.21	3,993.07	997.39	2,408.69
SBWMA # of route hours year	31,307.33	25,241.13	6,646.06	61,671.11
City # of route hours year %	20.7%	15.8%	16.0%	18.9%
City Total Containers in Service	3,294	3,358	352	5,448
SBWMA Total Containers in Service	17,224	19,702	2,459	29,504
City Total Containers in Service %	19.1%	17.0%	14.2%	18.5%

	MFD & Commercial			MFD & Commercial Total
	A	B	C	
Annual Cost of Operations				
Direct Labor Related Costs				
Wages for CBAs	\$1,018,841	\$332,832	\$54,818	\$1,606,491
Benefits for CBAs	\$444,471	\$149,079	\$33,969	\$627,519
Payroll Taxes	\$84,529	\$27,982	\$7,972	\$119,483
Workers Compensation Insurance	\$22,382	\$7,313	\$6,828	\$36,523
Total Direct Labor Related Costs	\$1,469,223	\$507,206	\$103,587	\$2,079,996
Direct Fuel Costs	\$100,342	\$32,332	\$9,228	\$141,892
Other Direct Costs	\$138,098	\$42,043	\$17,504	\$197,645
Depreciation - Collection Vehicle	\$123,648	\$48,229	\$4,731	\$176,608
Depreciation - Containers	\$23,083	\$11,219	\$0	\$34,302
Depreciation for Collection Equipment	\$146,771	\$80,648	\$17,881	\$245,299
Lease	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$182,045	\$36,639	\$33,338	\$252,022
General and Administrative	\$39,706	\$12,118	\$3,297	\$55,121
Operators	\$73,887	\$18,185	\$4,945	\$97,017
Vehicle Maintenance	\$23,841	\$2,385	\$1,207	\$27,433
Customer Maintenance	\$34,511	\$12,951	\$3,933	\$51,395
Total Allocated Indirect Costs excluding Depreciation and Interest	\$182,045	\$36,639	\$33,338	\$252,022
Total Allocated Indirect Depreciation Costs (Form 9)	\$2,613	\$1,973	\$1,654	\$6,240
Annual Implementative Cost Amortization (Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$2,160,433	\$680,236	\$405,704	\$3,246,373
Profit (Innet Operating Ratio below)	\$348,620.07	\$59,653	\$42,588	\$450,861
Total Proposed Costs before Pass-Through Cost Allocation	\$2,609,053	\$1,081,974	\$448,292	\$4,139,319
Contractor Pass-Through Costs	\$47,307	\$20,649	\$4,749	\$72,705
Interest Expense	\$57,307	\$30,659	\$1,114	\$89,080
Total Contractor Pass-Through Costs	\$104,614	\$51,308	\$5,863	\$161,785
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,604,439	\$1,133,282	\$454,155	\$3,192,876

Service Level Statistics Used for Future Service Level Cost Adjustments	2014	2015	2016	Rolling Three-Year Average
1,000	247,013	247,143	249,392	247,849
1,000	217,689	223,237	238,527	226,638
1,000	24,856	31,239	32,435	29,510
1,000	1,041	1,031	1,102	1,058

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021
 D. City of Redwood City Allocated Costs - MFD & Commercial

Step 1: Index Based Adjustments

PY CFW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176
CY CFW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CY CFW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFW-Union Fee (2017 Listed as Example)	269,252	269,252	269,252	269,252
CY CFW-Union Fee (2017 Listed as Example)	269,252	269,252	269,252	269,252
CPW-Union Fee Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFW-PT (2017 Listed as Example)	269,983	269,983	269,983	269,983
CY CFW-PT (2017 Listed as Example)	269,983	269,983	269,983	269,983
CPW-PT Adjustment	100.0%	100.0%	100.0%	100.0%

MFD & Commercial	Current Year		Previous Year		Total Prop. Base Salary (Off-Hours)	Two-Occ. Client Events	MFD & Commercial Total
	A	B	C	D			
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$1,015,841	\$312,832	\$112,047	\$54,818	\$54,818	\$54,818	\$1,483,338
Benefits for CBAs	\$484,421	\$149,679	\$55,264	\$33,132	\$33,132	\$33,132	\$715,864
Payroll Taxes	\$84,526	\$27,692	\$9,322	\$7,072	\$7,072	\$7,072	\$131,734
Workers' Compensation Insurance	\$23,335	\$7,313	\$2,884	\$1,862	\$1,862	\$1,862	\$112,808
Total Direct Labor Related-Costs	\$1,657,271	\$553,317	\$184,617	\$104,585	\$104,585	\$104,585	\$2,443,744
Direct Fuel Costs	\$100,342	\$12,320	\$15,112	\$9,226	\$9,226	\$9,226	\$159,913
Other Direct Costs	\$138,698	\$52,043	\$18,324	\$17,505	\$17,505	\$17,505	\$229,976
Depreciation - Collection Vehicles	\$128,448	\$48,529	\$26,967	\$14,731	\$14,731	\$14,731	\$216,638
Depreciation - Containers	\$23,083	\$13,519	\$10,894	\$0	\$0	\$0	\$30,188
Depreciation for Collection Equipment	\$148,731	\$65,048	\$37,861	\$14,731	\$14,731	\$14,731	\$206,824
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$182,655	\$186,639	\$197,420	\$333,358	\$333,358	\$333,358	\$725,013
General and Administrative Operations	\$39,706	\$12,118	\$18,291	\$18,291	\$18,291	\$18,291	\$134,238
Vehicle Maintenance	\$75,887	\$61,385	\$73,183	\$43,945	\$43,945	\$43,945	\$236,560
Container Maintenance	\$25,841	\$22,385	\$21,460	\$17,707	\$17,707	\$17,707	\$90,489
Total Allocated Indirect Costs excluding Depreciation and Interest	\$221,489	\$226,527	\$239,324	\$218,503	\$218,503	\$218,503	\$1,166,000
Total Allocated Indirect-Depreciation Costs (Form 9)	\$2,463	\$1,973	\$1,985	\$1,654	\$1,654	\$1,654	\$8,193
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$3,368,433	\$988,236	\$568,272	\$405,704	\$405,704	\$405,704	\$4,394,650
Profit (insert Operating Ratio below)	\$248,620	\$103,238	\$59,453	\$42,588	\$42,588	\$42,588	\$461,317
90.5%							
Total Proposed Costs before Pass-Through Cost Allocation	\$3,617,053	\$1,091,474	\$627,725	\$448,292	\$448,292	\$448,292	\$4,855,967
Contractor Pass-Through Costs							
Interest Expense	\$47,307	\$20,649	\$12,208	\$4,749	\$4,749	\$4,749	\$86,025
Total Contractor Pass-Through Costs	\$47,307	\$20,649	\$12,208	\$4,749	\$4,749	\$4,749	\$86,025
TOTAL BASE CONTRACTOR'S COMPENSATION	\$3,664,360	\$1,112,123	\$640,132	\$453,041	\$453,041	\$453,041	\$4,941,992

Step 2: Service Level Adjustments			
	Lifts	Lifts	Lifts
2014	247,013	217,659	24,856
2015	247,143	223,227	3,235
2016	249,352	228,927	3,425
Prior Year Rolling Three-Year Average	247,819	226,638	29,510
2014	247,013	217,659	24,856
2015	247,143	223,227	3,235
2016	249,352	228,927	3,425
Current Year Rolling Three-Year Average	247,819	226,638	29,510
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

	E	F	G	H	I	J
	Carroll Bin Solid Waste	Carroll Bin Recyclable Materials	Carroll Bin Organic Materials (Excluding Holiday Trees)	Total Drop Box Materials	Two-Op-Call Collection Events	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CHVs	\$1,015,941	\$32,832	\$11,047	\$95,818	\$26,700	\$1,583,338
Benefits for CHVs	\$486,241	\$149,079	\$51,284	\$13,969	\$13,132	\$715,664
Payroll Taxes	\$84,526	\$27,692	\$9,122	\$7,972	\$7,221	\$131,734
Workers' Compensation, Insurance	\$24,336	\$8,213	\$2,882	\$8,826	\$1,262	\$112,868
Total Direct Labor Related Costs	\$1,610,070	\$527,826	\$183,335	\$136,594	\$56,325	\$2,514,150
Direct Fuel Costs	\$106,342	\$32,330	\$15,112	\$9,225	\$2,903	\$159,913
Other Direct Costs	\$138,098	\$2,023	\$18,334	\$7,503	\$3,999	\$226,957
Depreciation - Collection Vehicles	\$123,643	\$48,529	\$26,967	\$14,731	\$2,784	\$216,658
Depreciation - Containers	\$23,083	\$13,519	\$6,894	\$6	\$690	\$50,188
Depreciation for Collector Equipment	\$146,731	\$64,048	\$37,861	\$14,731	\$3,424	\$266,824
Liabilities	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$182,025	\$36,626	\$37,426	\$13,358	\$5,541	\$275,013
General and Administrative Operations	\$39,706	\$32,118	\$31,291	\$22,993	\$1,130	\$137,238
Vehicle Maintenance	\$71,817	\$61,318	\$71,183	\$28,844	\$2,165	\$256,560
Container Maintenance	\$23,841	\$24,385	\$21,460	\$7,707	\$796	\$58,392
Total Allocated Indirect Costs excluding Depreciation and Interest	\$137,364	\$143,847	\$153,934	\$60,603	\$9,627	\$1,186,000
Total Allocated Indirect Depreciation Costs (Form 9)	\$2,503	\$1,973	\$1,993	\$1,654	\$69	\$8,193
Annual Implementation Cost (Amortization) (Form A)	\$0	\$0	\$668,272	\$405,704	\$64,004	\$4,394,650
Total Annual Cost of Operations	\$2,468,433	\$980,226	\$950,653	\$614,588	\$66,719	\$4,861,317
Profit (insert Operating Ratio below)	90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	\$5,617,063	\$1,091,974	\$627,925	\$448,292	\$70,723	\$4,865,967
Contractor Pass-Through Costs						
Interest Expense	\$47,307	\$20,649	\$12,206	\$4,749	\$1,114	\$86,025
Total Contractor Pass-Through Costs	\$47,307	\$20,649	\$12,206	\$4,749	\$1,114	\$86,025
TOTAL BASE CONTRACTOR'S COMPENSATION	\$2,664,360	\$1,112,623	\$640,332	\$453,041	\$71,836	\$4,941,982

SBWMA COLLECTION AGREEMENT 2021
 D. City of Redwood City Allocated Costs - Agency Facilities

Proposed Compensation 2021
 Statistics Used for Year 2021 Cost Allocation Only

	71,006	8,957	17,405	Totals
City # of Lbs per year	71,006	8,957	17,405	80,959
SBWMA # Lbs per year (Accounts for Venues Events)	242,327	65,039	94,580	
City # of Lbs per year *	2,93%	23.6%	18.4%	
City Total Road Labor hours year	1,147.88	119.32	1,716.23	
SBWMA Total Road Labor hours year	1,706.39	899.96	5,038.46	
City Total Road Labor hours per ton	2.47%	12.0%	25.0%	
City # of route hours year	638.71	109.54	1,716.23	
SBWMA # of route hours year	2,399.31	939.57	5,038.46	
City # of route hours per year *	25.3%	11.7%	28.9%	
City # of Containers	370	37	18,138	
SBWMA # of Containers	842	528	96,866	
City # of Containers *	4.7%	0.6%	18.5%	

Agency Facilities	G		F		H		I	
	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Total Drop Box	Scrap (All Materials)	Venue and Events	Agency Facilities Total	
Annual Cost of Operations								
Direct Labor-Related Costs								
Wages for CBAs	\$25,317	\$278	\$2,632	\$9,626	\$1,314	\$2,812	\$40,664	
Benefits for CBAs	\$11,835	\$130	\$1,230	\$4,500	\$1,314	\$1,914	\$19,400	
Payroll Taxes	\$2,108	\$23	\$219	\$801	\$234	\$524	\$3,383	
Workers Compensation Insurance	\$1,824	\$20	\$187	\$686	\$202	\$487	\$2,897	
Total Direct Labor Related-Costs	\$41,084	\$451	\$4,268	\$15,513	\$4,360	\$9,944	\$65,354	
Direct Fuel Costs	\$3,298	\$36	\$343	\$1,254	\$357	\$788	\$5,788	
Other Direct Costs	\$6,221	\$8	\$67	\$2,365	\$673	\$974	\$9,974	
Depreciation - Collection Vehicles	\$13,228	\$146	\$1,376	\$5,033	\$1,665	\$2,945	\$20,945	
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Depreciation for Collection Equipment	\$13,228	\$146	\$1,376	\$5,033	\$1,665	\$2,945	\$20,945	
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs including Depreciation and Interest (Form 9) (General and Administrative using lbs for Agency Costs)	\$35,214	\$387	\$3,661	\$13,389	\$4,523	\$8,275	\$55,275	
Operations	\$6,239	\$69	\$649	\$2,372	\$637	\$935	\$9,935	
Vehicle Maintenance	\$11,973	\$131	\$1,239	\$4,334	\$1,198	\$2,025	\$19,925	
Container Maintenance (using lbs for Agency Costs)	\$5,061	\$56	\$528	\$1,924	\$377	\$744	\$7,944	
Total Allocated Indirect Costs including Depreciation and Interest	\$58,437	\$642	\$6,073	\$22,219	\$8,425	\$15,198	\$92,198	
Total Allocated Indirect Depreciation Costs (Form 9)	\$432	\$5	\$45	\$164	\$38	\$64	\$684	
Annual Implementation Cost (Amortization (Form A))	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$122,685	\$1,449	\$12,753	\$46,648	\$11,619	\$19,654	\$195,054	
Profit (Insert Operating Ratio below)	\$12,879	\$142	\$1,319	\$4,897	\$1,310	\$2,475	\$20,475	
Total Operating Costs before Pass-Through Cost Allocation	\$135,563	\$1,590	\$14,072	\$51,545	\$12,929	\$22,129	\$215,529	
Contractor Pass-Through Costs								
Interest Expense	\$2,806	\$31	\$292	\$1,067	\$247	\$442	\$4,442	
Total Contractor Pass-Through Costs	\$2,806	\$31	\$292	\$1,067	\$247	\$442	\$4,442	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$138,369	\$1,621	\$14,364	\$52,612	\$13,176	\$22,571	\$219,971	

Service Level Statistics Used for Future Service Level Cost Adjustments	
2014	383
2015	413
2016	416
Rolling Three-Year Average	404

D. City of Redwood City Allocated Costs - Agency Facilities

Step 1: Index Based Adjustments			
	2017	2021	% Change
PY CPW-Wages 2017 Listed as Example	264,176	264,176	100.0%
CY CPW-Wages 2017 Listed as Example	264,176	264,176	100.0%
CPW-Wages Adjustment	100.0%	100.0%	100.0%
PY CPW-Medical 2017 Listed as Example	477,815	477,815	100.0%
CY CPW-Medical 2017 Listed as Example	477,815	477,815	100.0%
CPW-Medical Adjustment	100.0%	100.0%	100.0%
PY CPW-Motor Fuel 2017 Listed as Example	248,252	248,252	100.0%
CY CPW-Motor Fuel 2017 Listed as Example	248,252	248,252	100.0%
CPW-Motor Fuel Adjustment	100.0%	100.0%	100.0%
PY CPW-2017 Listed as Example	209,983	209,983	100.0%
CY CPW-2017 Listed as Example	209,983	209,983	100.0%
CPW Adjustment	100.0%	100.0%	100.0%

Agency Facilities	Agency Facilities				Agency Facilities Total
	E	G	F	H	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	\$28,317	\$278	\$4,632	\$9,628	\$28,317
Benefits for CBAs	\$11,835	\$130	\$1,231	\$4,400	\$11,835
Payroll Taxes	\$2,106	\$23	\$219	\$801	\$2,106
Workers' Compensation Insurance	\$1,862	\$20	\$187	\$686	\$1,862
Total Direct Labor Related-Costs	\$44,120	\$451	\$4,269	\$15,515	\$44,120
Direct Fuel Costs	\$3,298	\$39	\$357	\$1,234	\$3,298
Other Direct Costs	\$6,221	\$68	\$647	\$2,165	\$6,221
Depreciation - Collection Vehicle	\$13,236	\$146	\$1,376	\$5,033	\$13,236
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$13,236	\$146	\$1,376	\$5,033	\$13,236
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)					
General and Administrative (G&A) for Agency Costs	\$35,214	\$337	\$3,661	\$13,336	\$35,214
Operations	\$6,239	\$69	\$649	\$2,172	\$6,239
Vehicle Maintenance	\$11,923	\$131	\$1,239	\$4,334	\$11,923
Container Maintenance (using JET for Agency Costs)	\$3,061	\$36	\$326	\$1,124	\$3,061
Total Allocated Indirect Costs including Depreciation and Interest	\$58,437	\$562	\$6,075	\$22,219	\$58,437
Total Allocated Indirect: Depreciation, Costs (Form 9)	\$432	\$5	\$44	\$164	\$432
Annual Implementation Costs Allocation (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$122,686	\$1,349	\$12,753	\$46,648	\$122,686
Profit (net Operating Ratio below)	90.5%	\$142	\$1,339	\$4,897	\$30,475
Total Operating Costs before Pass-Through Cost Allocation	\$135,563	\$1,490	\$14,092	\$51,545	\$135,563
Contractor Pass-Through Costs					
Interest Expense	\$2,806	\$31	\$282	\$1,067	\$2,806
Total Contractor Pass-Through Costs	\$2,806	\$31	\$282	\$1,067	\$2,806
TOTAL BASE CONTRACTOR'S COMPENSATION	\$28,969	\$361	\$3,814	\$13,912	\$28,969

D. City of Redwood City, Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments			
	100.0%	100.0%	100.0%
2014	69,888	1,170	383
2015	69,550	923	413
2016	71,006	806	416
Prior Year Rolling Three-Year Average	70,148	966	404
2014	69,888	1,170	383
2015	69,550	923	413
2016	71,006	806	416
Current Year Rolling Three-Year Average	70,148	966	404
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

Agency Facilities	Agency Facilities			Agency Facilities Total
	K Cost and Bill Sold Waste	G Cost and Bill Organic Materials	F Cost and Bill Recyclable Materials	
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for CBA	\$35,917	\$278	\$5,432	\$42,627
Benefits for CBA	\$11,831	\$130	\$1,314	\$13,275
Payroll Taxes	\$2,106	\$23	\$219	\$2,348
Workers' Compensation Insurance	\$1,824	\$20	\$666	\$2,510
Total Direct Labor-Related Costs	\$41,682	\$451	\$7,631	\$50,764
Other Direct Costs				
Direct Fuel Costs	\$1,298	\$36	\$343	\$1,677
Other Direct Costs	\$6,221	\$68	\$647	\$6,956
Depreciation - Collection Vehicles	\$13,236	\$146	\$1,376	\$14,758
Depreciation - Containers	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$13,239	\$146	\$1,376	\$14,761
Taxes	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)				
General and Administrative (using Bifs for Agency Costs)	\$31,214	\$387	\$3,681	\$35,282
Operations	\$6,239	\$69	\$649	\$6,957
Vehicle Maintenance	\$11,923	\$131	\$1,239	\$13,293
Contract Maintenance (using Bifs for Agency Costs)	\$1,061	\$56	\$526	\$1,643
Total Allocated Indirect Costs excluding Depreciation and Interest	\$53,437	\$642	\$6,075	\$60,154
Total	\$432	\$5	\$4	\$441
Annual Allocated Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$12,686	\$149	\$1,153	\$14,988
Total Annual Cost of Operations	\$12,879	\$142	\$1,339	\$14,360
Profit (Insert Operating Ratio below)				90.5%
Total Operating Costs before Pass-Through Cont. Allocation	\$135,603	\$1,490	\$14,092	\$151,185
Contractor Pass-Through Costs				
Interest Expense	\$2,806	\$31	\$292	\$3,129
Total Contractor Pass-Through Costs	\$2,806	\$31	\$292	\$3,129
TOTAL BASE CONTRACTOR'S COMPENSATION	\$138,409	\$1,521	\$14,384	\$154,314

SBWMA COLLECTION AGREEMENT 2021 Proposed Compensation 2021

D. City of San Carlos Allocated Costs - SFD

City # of accounts	Statistics Used for Year 2021 Cost Allocation Only			Total
	8,558 9.7%	8,440 9.7%	2,213 9.7%	
SBWMA # of accounts	94,532 9.7%	94,372 9.7%	39,504 9.7%	8,588 9.7%
City Total Route Labor hours/year	3,887.29	3,076.02	1,111.28	11,955
SBWMA Total Route Labor hours/year	46,332.55	42,854.20	13,645.24	141,248
City Total Route Labor hours/year %	8.3%	7.2%	8.2%	8.5%
SBWMA # of route hours/year	3,007.1	3,568.70	1,111.28	11,360
City Total Route Labor hours/year %	8.7%	8.3%	8.5%	8.6%
City Total Containers in Service	8,623	8,596	2,213	28,415
SBWMA Total Containers in Service	96,862	98,941	29,504	322,939
City Total Containers in Service %	8.9%	8.7%	8.5%	8.9%

Single Family Dwelling	Targeted Recyclable Materials			Organic Materials (Including Holiday Trees)	Two-On-Call Collection Events	Single Family Dwelling Total
	A	B	C			
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$334,488	\$374,132	\$226,948	\$76,421	\$965,990	
Benefits for CBAs	\$134,532	\$132,174	\$104,015	\$41,104	\$431,825	
Payroll Taxes	\$27,829	\$28,808	\$18,383	\$6,338	\$73,378	
Workers Compensation Insurance	\$23,832	\$23,832	\$18,282	\$8,484	\$64,548	
Total Direct Labor-Related-Costs	\$540,681	\$548,946	\$359,628	\$139,347	\$1,477,742	
Direct Fuel Costs	\$93,413	\$38,952	\$29,579	\$9,611	\$167,497	
Other Direct Costs	\$46,640	\$51,219	\$39,439	\$8,775	\$143,073	
Depreciation - Collection Vehicle	\$42,842	\$43,298	\$47,762	\$3,228	\$137,130	
Depreciation - Collection Equipment	\$23,962	\$24,693	\$28,849	\$4,484	\$77,442	
Lease	\$78,781	\$77,991	\$76,612	\$3,328	\$234,692	
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$0	\$0	\$0	\$0	\$0	
General and Administrative	\$161,002	\$167,498	\$169,238	\$6,217	\$502,035	
Operations	\$31,295	\$34,949	\$31,191	\$1,268	\$98,703	
Vehicle Maintenance	\$59,813	\$69,766	\$59,613	\$2,421	\$182,613	
Container Maintenance	\$22,695	\$23,648	\$24,488	\$863	\$69,681	
Total Allocated Indirect Costs excluding Depreciation and Interest	\$274,805	\$292,891	\$286,520	\$10,802	\$864,078	
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,885	\$2,115	\$1,935	\$73	\$6,017	
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$976,253	\$991,752	\$797,173	\$152,913	\$2,828,160	
Profit (insert Operating Ratio below)	\$102,480	\$98,709	\$85,431	\$16,653	\$396,873	
Total Proposed Costs before Pass-Through Cost-Allocation	\$1,078,732	\$1,090,461	\$882,604	\$169,566	\$3,225,033	
Contractor Pass-Through Costs	\$18,829	\$19,127	\$18,789	\$816	\$57,558	
Interest Expense	\$18,626	\$19,022	\$18,302	\$816	\$57,688	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$36,455	\$38,149	\$37,091	\$1,632	\$115,246	

Service Level Statistics Used for Future Service Level Cost Adjustments	
Accounts	Accounts
2014	8,654
2015	8,615
2016	8,588
Rolling Three-Year Average	8,604

Step 1: Index Based Adjustments			
	2017	2021	% Change
PY CPLW-Wages (2017 Listed as Example)	264,176	264,176	100.0%
CY CPLW-Wages (2017 Listed as Example)	264,176	264,176	100.0%
CPLW-Wages Adjustment	100.0%	100.0%	100.0%
PY CPLW-Medical (2017 Listed as Example)	477,815	477,815	100.0%
CY CPLW-Medical (2017 Listed as Example)	477,815	477,815	100.0%
CPLW-Medical Adjustment	100.0%	100.0%	100.0%
PY CPLW-Motor Fuel (2017 Listed as Example)	209,252	209,252	100.0%
CY CPLW-Motor Fuel (2017 Listed as Example)	209,252	209,252	100.0%
CPLW-Motor Fuel Adjustment	100.0%	100.0%	100.0%
PY CPLW (2017 Listed as Example)	2,609,983	2,609,983	100.0%
CY CPLW (2017 Listed as Example)	2,609,983	2,609,983	100.0%
CPLW Adjustment	100.0%	100.0%	100.0%

Single Family Dwelling	Solid Waste		Targeted Recyclable Materials		Organics/Minerals (Including Holiday Fees)		Two On-Call Collection Events		Single Family Dwelling Total
	A	B	C	D	E	F	G	H	
Annual Cost of Operations									
Direct Labor-Related Costs									
Wages for CBAs	\$134,488	\$274,132	\$120,948	\$76,421	\$120,948	\$76,421	\$120,948	\$76,421	\$965,990
Benefits for CBAs	\$154,532	\$132,74	\$104,015	\$41,104	\$104,015	\$41,104	\$104,015	\$41,104	\$431,825
Payroll Taxes	\$22,829	\$22,829	\$18,383	\$6,338	\$18,383	\$6,338	\$18,383	\$6,338	\$75,378
Workers Compensation Insurance	\$23,832	\$19,531	\$15,522	\$5,445	\$15,522	\$5,445	\$15,522	\$5,445	\$66,549
Total Direct Labor-Related Costs	\$540,681	\$448,245	\$349,868	\$128,328	\$349,868	\$128,328	\$349,868	\$128,328	\$1,477,742
Direct Fuel Costs	\$35,415	\$38,892	\$29,879	\$3,611	\$29,879	\$3,611	\$29,879	\$3,611	\$107,497
Other Direct Costs	\$46,640	\$51,219	\$39,439	\$5,775	\$39,439	\$5,775	\$39,439	\$5,775	\$143,073
Depreciation - Collection Vehicles	\$52,859	\$53,398	\$47,762	\$3,328	\$47,762	\$3,328	\$47,762	\$3,328	\$167,248
Depreciation - Containers	\$23,902	\$24,953	\$22,849	\$0	\$22,849	\$0	\$22,849	\$0	\$71,445
Depreciation for Collection Equipment	\$16,781	\$77,991	\$76,612	\$3,328	\$76,612	\$3,328	\$76,612	\$3,328	\$234,692
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$161,062	\$167,398	\$167,258	\$6,217	\$167,258	\$6,217	\$167,258	\$6,217	\$562,035
General and Administrative	\$31,293	\$34,949	\$31,191	\$1,268	\$31,191	\$1,268	\$31,191	\$1,268	\$98,703
Operators	\$59,813	\$66,796	\$59,613	\$2,423	\$59,613	\$2,423	\$59,613	\$2,423	\$188,645
Vehicle Maintenance	\$22,695	\$23,648	\$22,458	\$893	\$22,458	\$893	\$22,458	\$893	\$69,695
Container Maintenance	\$274,866	\$292,891	\$280,520	\$10,802	\$280,520	\$10,802	\$280,520	\$10,802	\$859,078
Total Allocated Indirect Costs excluding Depreciation and Interest	\$1,889	\$2,115	\$1,935	\$78	\$1,935	\$78	\$1,935	\$78	\$6,017
Actual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$976,253	\$911,552	\$787,173	\$155,923	\$787,173	\$155,923	\$787,173	\$155,923	\$1,838,100
Profit (Inner Operating Ratio below)	\$102,480	\$95,709	\$82,631	\$16,053	\$82,631	\$16,053	\$82,631	\$16,053	\$296,872
90.5%									
Total Proposed Costs before Pass-Through Cost Allocation	\$1,078,732	\$1,007,461	\$869,804	\$168,975	\$869,804	\$168,975	\$869,804	\$168,975	\$3,124,972
Contractor Pass-Through Costs									
Interest Expense	\$18,825	\$19,127	\$18,789	\$816	\$18,789	\$816	\$18,789	\$816	\$57,558
Total Contractor Pass-Through Costs	\$18,825	\$19,127	\$18,789	\$816	\$18,789	\$816	\$18,789	\$816	\$57,558
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,097,557	\$1,026,588	\$888,593	\$169,792	\$888,593	\$169,792	\$888,593	\$169,792	\$3,182,530

D. City of San Carlos Allocated Costs - SFD

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	8,608	8,608	8,608
2015	8,613	8,613	8,613
2016	8,588	8,588	8,588
Prior Year Rolling Three-Year Average	8,604	8,604	8,604
2014	8,608	8,608	8,608
2015	8,613	8,613	8,613
2016	8,588	8,588	8,588
Current Year Rolling Three-Year Average	8,604	8,604	8,604
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
85% Service Level Adjustment Factor	100.0%	100.0%	100.0%

Single Family Dwelling	Targeted Allocable Materials			Organic Materials (Including Holiday Trivia)	Pre-Occ Call Collector Events	Single Family Dwelling Total
	A	B	C			
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CHAs	\$334,488	\$776,132	\$220,948	\$76,421	\$805,899	
Benefits for CHAs	\$144,532	\$132,174	\$144,532	\$41,104	\$431,842	
Payroll Taxes	\$27,832	\$22,808	\$18,808	\$6,558	\$53,972	
Workers Compensation Insurance	\$23,832	\$18,808	\$15,048	\$5,458	\$42,952	
Total Direct Labor-Related Costs	\$529,684	\$949,922	\$357,136	\$129,541	\$1,466,283	
Other Direct Costs	\$18,415	\$38,892	\$29,579	\$3,811	\$107,497	
Other Direct Costs	\$46,640	\$51,219	\$39,439	\$5,774	\$143,073	
Depreciation - Collection Vehicle(s)	\$58,859	\$33,208	\$47,762	\$3,328	\$157,248	
Depreciation - Containers	\$23,902	\$24,693	\$28,849	\$0	\$77,445	
Depreciation for Collection Equipment	\$76,761	\$77,991	\$76,612	\$3,323	\$234,692	
Lease	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs (excluding Depreciation and Interest) Form 9						
General and Administrative	\$161,062	\$167,498	\$167,226	\$62,117	\$557,903	
Operations	\$31,293	\$34,949	\$31,197	\$1,468	\$98,703	
Vehicle Maintenance	\$59,813	\$66,766	\$59,613	\$2,423	\$188,645	
Container Maintenance	\$22,093	\$23,648	\$22,435	\$893	\$69,052	
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$274,861	\$292,852	\$286,471	\$10,803	\$864,933	
Total Allocated Indirect: Depreciation: Costs (Form 9)	\$1,889	\$2,113	\$1,535	\$78	\$5,617	
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$976,253	\$911,752	\$787,173	\$152,923	\$2,828,100	
Profit (Insert Operating Ratio below)						
90.5%	\$102,480	\$99,709	\$85,031	\$16,063	\$296,872	
Total Proposed Costs before Pass-Through Cost Allocation	\$1,078,733	\$1,007,461	\$862,804	\$168,986	\$3,124,972	
Contractor Pass-Through Costs						
Interest Expense	\$18,826	\$19,127	\$18,789	\$816	\$57,558	
Total Contractor Pass-Through Costs	\$18,826	\$19,127	\$18,789	\$816	\$57,558	
TOTAL BASE CONTRACTOR COMPENSATION	\$1,097,559	\$1,026,588	\$881,593	\$169,802	\$3,182,530	

SBWMA COLLECTION AGREEMENT
 D. City of San Carlos Allocated Costs - MFD & Commercial

Proposed Compensation 2021

Statistics Used for Year 2021 Cost Allocation Only		Total	
City # of Accounts	1,157	3,513	2,495
SBWMA # Accounts	10,332	1,712	29,864
City # of Accounts %	11.1%	6.2%	11.1%
City Total Route Labor hours/year	4,003.38	2,856.61	7,997
SBWMA Total Route Labor hours/year	47,871.85	6,356.65	87,568
City Total Route Labor hours/year %	8.4%	7.2%	9.1%
City # of route hours/year	2,775.42	2,677.25	6,482
SBWMA # of route hours/year	31,007.08	25,241.12	58,751
City # of route hours/year %	8.9%	10.6%	9.4%
City Total Containers in Service	1,590	1,838	2,795
SBWMA Total Containers in Service	17,238	19,703	29,504
City Total Containers in Service %	9.2%	9.2%	9.4%

	E	F	G	H	J	MFD & Commercial Total
	City and Bin Solid Waste	City and Bin Recyclable Materials	City and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$423,016	\$12,951	\$84,117	\$35,105	\$12,318	\$759,568
Benefits for CBAs	\$202,656	\$95,383	\$26,474	\$8,900	\$6,058	\$339,472
Payroll Taxes	\$35,361	\$17,718	\$6,999	\$2,889	\$1,025	\$64,191
Workers Compensation Insurance	\$30,281	\$15,072	\$5,984	\$1,389	\$528	\$54,113
Total Direct Labor Related-Costs	\$692,314	\$314,224	\$133,582	\$37,883	\$20,279	\$1,216,283
Other Fuel Costs	\$42,989	\$21,676	\$11,150	\$2,417	\$1,449	\$79,571
Other Direct Costs	\$59,165	\$34,894	\$13,526	\$4,887	\$1,844	\$114,315
Depreciation - Collection Vehicles	\$52,974	\$32,637	\$19,896	\$3,860	\$1,725	\$110,551
Depreciation - Containers	\$11,129	\$8,723	\$8,130	\$0	\$318	\$28,322
Depreciation for Collection Equipment	\$96,102	\$1,283	\$28,045	\$3,860	\$1,994	\$138,864
Interest	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$104,819	\$12,805	\$14,476	\$35,862	\$2,558	\$371,015
General and Administrative	\$17,911	\$21,534	\$28,251	\$6,024	\$521	\$73,342
Operations	\$32,612	\$41,157	\$53,984	\$11,814	\$996	\$140,173
Vehicle Maintenance	\$12,488	\$13,210	\$16,054	\$7,231	\$367	\$50,321
Collection Maintenance	\$166,897	\$189,906	\$212,775	\$60,832	\$4,441	\$634,851
Total Allocated Indirect Costs excluding Depreciation and Interest	\$1,072	\$1,323	\$1,472	\$433	\$32	\$4,132
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,027,540	\$630,285	\$399,550	\$110,012	\$19,638	\$2,187,315
Profit (insert Operating Ratio below)	\$107,863.28	\$66,163	\$40,997	\$11,548	\$3,100	\$229,671
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$1,135,403	\$696,448	\$441,547	\$121,560	\$22,738	\$2,417,886
Contractor Pass-Through Costs						
Interest Expense	\$20,746	\$13,354	\$9,076	\$1,249	\$116	\$44,941
Total Contractor Pass-Through Costs	\$20,746	\$13,354	\$9,076	\$1,249	\$116	\$44,941
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,156,149	\$709,802	\$450,624	\$122,809	\$23,144	\$2,462,827

Service Level Statistics Used for Future Service Level Cost Adjustments	
Year	Units
2014	107,900
2015	108,615
2016	107,419
Rolling Three-Year Average	107,978

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021
 D. City of San Carlos Allocated Costs - MFD & Commercial

Step 1: Inmate Base Adjustments

	2020 (1)	2021 (1)	2020 (1)	2021 (1)
PY CFI-W-Wages 2017 Listed as Example	2,441,770	2,441,770	2,441,770	2,441,770
CY CFI-W-Wages 2017 Listed as Example	2,441,770	2,441,770	2,441,770	2,441,770
CFI-W-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CY CFI-W-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CFI-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFI-M-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252
CY CFI-M-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252
CFI-M-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFI-I (2017 Listed as Example)	209,983	209,983	209,983	209,983
CY CFI-I (2017 Listed as Example)	209,983	209,983	209,983	209,983
CFI-I Adjustment	100.0%	100.0%	100.0%	100.0%

	E	F	G	H	J	MFD & Commercial Total
	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (Holidays/Events)	Fuel/Drive/Procurement (Mileage/All Materials)	Time On-Call Collection Events	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CIBAs	\$425,016	\$112,981	\$84,117	\$25,106	\$12,318	\$749,608
Benefits for CIBAs	\$302,656	\$89,383	\$26,424	\$5,602	\$6,638	\$139,127
Payroll Taxes	\$15,365	\$17,718	\$4,909	\$2,086	\$1,021	\$43,181
Workers Compensation Insurance	\$32,281	\$14,722	\$4,982	\$1,286	\$878	\$58,133
Total Direct Labor-Related-Costs	\$695,317	\$232,812	\$120,512	\$37,080	\$20,844	\$1,126,566
Direct Fuel Costs	\$42,989	\$2,576	\$11,150	\$2,417	\$1,340	\$79,571
Other Direct Costs	\$56,165	\$34,894	\$13,226	\$4,287	\$1,844	\$114,016
Depreciation - Collection Vehicles	\$32,974	\$32,537	\$19,896	\$1,860	\$1,275	\$110,541
Depreciation - Containers	\$11,129	\$8,723	\$8,150	\$0	\$318	\$28,322
Depreciation for Collection Equipment	\$84,102	\$4,283	\$23,647	\$1,860	\$1,594	\$138,864
Interest	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$104,816	\$113,524	\$114,476	\$32,262	\$2,556	\$371,112
General and Administrative	\$17,011	\$21,324	\$23,221	\$6,024	\$271	\$79,842
Operations	\$32,512	\$41,157	\$33,964	\$11,514	\$966	\$140,173
Vehicle Maintenance	\$12,498	\$12,710	\$10,354	\$7,731	\$897	\$50,821
Container Maintenance	\$166,897	\$186,906	\$212,775	\$50,832	\$4,441	\$643,851
Total Allocated Indirect Costs excluding Depreciation and Interest	\$107,918	\$128,257	\$138,410	\$76,903	\$6,475	\$467,963
Total Allocated Indirect: Depreciation Costs (Form 9)	\$1,072	\$1,323	\$1,472	\$433	\$32	\$4,332
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,027,540	\$630,285	\$390,450	\$110,012	\$29,528	\$2,187,915
Profit (insert Operating Ratio below)	\$107,863	\$66,163	\$40,397	\$11,548	\$3,100	\$239,671
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$1,135,403	\$696,448	\$430,847	\$121,560	\$32,628	\$2,427,586
Contractor Pass-Through Costs						
Interest Expense	\$20,746	\$13,324	\$8,076	\$1,249	\$516	\$44,911
Total Contractor Pass-Through Costs	\$20,746	\$13,324	\$8,076	\$1,249	\$516	\$44,911
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,156,149	\$709,772	\$438,923	\$122,809	\$33,144	\$2,472,497

Step 2: Service Level Adjustments				
	Litres	Litres	Litres	Hauls
2014	107,900	123,817	111,128	326
2015	108,615	128,297	14,586	370
2016	107,419	131,092	18,109	369
Prior Year Rolling Three-Year Average	107,978	127,669	14,608	355
	Litres	Litres	Litres	Hauls
2014	107,900	123,817	111,128	326
2015	108,615	128,297	14,586	370
2016	107,419	131,092	18,109	369
Current Year Rolling Three-Year Average	107,978	127,669	14,608	355
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%

	A	B	C	D	E	F	G	H	I	J	K	L
Annual Cost of Operations												
Direct Labor-Related Costs												
Wages for CDAs	\$425,016	\$12,951	\$84,117	\$25,105	\$12,318							\$759,568
Bonuses for CDAs	\$202,859	\$95,383	\$36,474	\$8,900	\$9,058							\$339,472
Payroll Taxes	\$35,361	\$17,718	\$6,999	\$2,089	\$1,025							\$63,191
Workers Compensation Insurance	\$20,281	\$13,072	\$5,052	\$1,789	\$828							\$52,113
Total Direct Labor-Related Costs	\$693,314	\$59,124	\$124,352	\$37,883	\$20,279							\$1,276,283
Direct Fuel Costs	\$42,889	\$2,676	\$11,150	\$2,417	\$1,340							\$78,571
Other Direct Costs	\$39,165	\$34,894	\$13,526	\$4,587	\$1,844							\$114,013
Depreciation - Collection Vehicles	\$12,974	\$12,537	\$19,896	\$3,860	\$1,275							\$19,541
Depreciation - Containers	\$11,129	\$3,725	\$8,150	\$0	\$318							\$28,322
Depreciation for Collection Equipment	\$64,103	\$41,263	\$28,245	\$3,860	\$1,594							\$138,864
Lease	\$0	\$0	\$0	\$0	\$0							\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)												
General and Administrative	\$134,816	\$13,505	\$114,476	\$35,562	\$2,556							\$371,015
Oversees	\$17,011	\$1,334	\$28,231	\$6,024	\$521							\$73,342
Vehicle Maintenance	\$32,312	\$41,157	\$53,994	\$11,314	\$996							\$140,173
Container Maintenance	\$12,433	\$13,710	\$16,054	\$7,731	\$367							\$58,331
Total Allocated Indirect Costs excluding Depreciation and Interest	\$166,897	\$139,906	\$212,775	\$68,332	\$4,441							\$634,851
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,072	\$1,233	\$1,472	\$433	\$32							\$4,332
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0							\$0
Total Annual Cost of Operations	\$1,027,540	\$630,285	\$399,550	\$110,012	\$39,528							\$2,187,315
Profit (insert Operating Ratio below)	\$107,663	\$66,163	\$40,997	\$11,548	\$3,100							\$229,671
90.45%												
Total Proposed Costs before Pass-Through Cost Allocation	\$1,135,403	\$696,448	\$431,547	\$121,560	\$32,628							\$2,417,586
Contractor Pass-Through Costs												
Interest Expense	\$20,746	\$13,354	\$9,076	\$1,249	\$516							\$44,941
Total Contractor Pass-Through Costs	\$20,746	\$13,354	\$9,076	\$1,249	\$516							\$44,941
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,156,149	\$709,802	\$440,623	\$122,809	\$33,144							\$2,462,527

Statistics Used for Year 2021 Cost Allocation Only	2014	2015	2016	2017	2018	2019	2020	2021	Total
City # of CTRs Per Year	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	28,608.00
SBWMA # of CTRs Per Year	18,764	18,764	18,764	18,764	18,764	18,764	18,764	18,764	187,640.00
City # of CTRs Per Year %	14.76%	14.76%	14.76%	14.76%	14.76%	14.76%	14.76%	14.76%	14.76%
City Total Route Labor Hours Year	317.12	63.19	159.80	182.87	722.68	182.87	722.68	182.87	840.11
SBWMA Total Route Labor Hours Year	4,706.35	236.00	593.06	676.71	5,935.45	676.71	5,935.45	676.71	5,935.45
City Total Route Labor Hours Year %	6.7%	26.8%	16.7%	16.7%	12.2%	12.2%	12.2%	12.2%	12.2%
City # of route hours/year	161.87	59.30	156.03	182.68	722.68	182.68	722.68	182.68	877.20
SBWMA # of route hours/year	2,599.51	224.16	939.87	1,055.45	5,935.45	1,055.45	5,935.45	1,055.45	5,935.45
City # of route hours/year %	6.2%	26.5%	16.6%	16.6%	12.2%	12.2%	12.2%	12.2%	12.2%
City # of Containers	15	47	77	86.65	366.59	86.65	366.59	86.65	366.59
SBWMA # of Containers	842	256	528	528	96,806	528	96,806	528	96,806
City # of Containers %	15.32%	15.22%	14.59%	16.41%	3.78%	3.78%	3.78%	3.78%	3.78%

Agency Facilities	E	G	F	H	I	J
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CTRAs	\$10,246	\$2,042	\$5,163	\$1,899	\$1,187	\$24,536
Benefits for CTRAs	\$4,790	\$954	\$2,414	\$2,735	\$155	\$11,470
Payroll Taxes	\$852	\$170	\$430	\$491	\$99	\$1,041
Workers Compensation Insurance	\$730	\$146	\$368	\$422	\$85	\$1,748
Total Direct Labor-Related Costs	\$16,618	\$3,311	\$8,374	\$5,568	\$349	\$39,796
Direct Fuel Costs	\$1,274	\$254	\$642	\$724	\$151	\$3,055
Other Direct Costs	\$2,404	\$479	\$1,211	\$1,384	\$284	\$8,762
Depreciation - Collection Vehicles	\$1,228	\$1,042	\$1,654	\$1,010	\$592	\$12,464
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$4,228	\$1,042	\$2,634	\$1,010	\$592	\$12,464
Traffic	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Interest Costs (excluding Depreciation and Interest (Form 9) Personal and Administrative Using This for Agency's Use)	\$10,772	\$2,147	\$5,430	\$6,204	\$1,264	\$28,835
Operations	\$2,428	\$484	\$1,242	\$1,398	\$265	\$8,798
Vehicle Maintenance	\$4,841	\$969	\$2,484	\$2,872	\$566	\$11,082
Container Maintenance (Using This for Agency's Use)	\$1,509	\$302	\$780	\$892	\$186	\$3,715
Total Allocated Interest Costs (excluding Depreciation and Interest)	\$19,393	\$3,864	\$9,772	\$11,165	\$2,251	\$46,442
Total Allocated Interest Depreciation Costs (Form 9)	\$171	\$34	\$86	\$98	\$16	\$405
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$48,088	\$8,984	\$22,720	\$26,998	\$5,118	\$107,864
Profit (insert Operating Ratio below)	\$4,733	\$943	\$2,384	\$1,725	\$537	\$11,323
Total Operating Costs before Pass-Through Cost Allocation	\$49,821	\$9,927	\$25,104	\$28,683	\$5,655	\$119,187
Contractor Pass-Through Costs						
Interest Expense	\$1,108	\$221	\$558	\$638	\$104	\$2,630
Total Contractor Pass-Through Costs	\$1,108	\$221	\$558	\$638	\$104	\$2,630
TOTAL BASE CONTRACTOR'S COMPENSATION	\$50,929	\$10,148	\$25,662	\$29,321	\$5,759	\$121,817

Service Level Statistics Used for Future Services Level Cost Adjustments	2014	2015	2016	2017	2018	2019	2020	2021	Rolling Three-Year Average
City Total Route Labor Hours Year	317.12	63.19	159.80	182.87	722.68	182.87	722.68	182.87	840.11
SBWMA Total Route Labor Hours Year	4,706.35	236.00	593.06	676.71	5,935.45	676.71	5,935.45	676.71	5,935.45
City # of route hours/year	161.87	59.30	156.03	182.68	722.68	182.68	722.68	182.68	877.20
SBWMA # of route hours/year	2,599.51	224.16	939.87	1,055.45	5,935.45	1,055.45	5,935.45	1,055.45	5,935.45
City # of Containers	15	47	77	86.65	366.59	86.65	366.59	86.65	366.59
SBWMA # of Containers	842	256	528	528	96,806	528	96,806	528	96,806
City # of Containers %	15.32%	15.22%	14.59%	16.41%	3.78%	3.78%	3.78%	3.78%	3.78%

D. City of San Carlos Allocated Costs - Agency Facilities

Step 3: Index Based Adjustments

	2017	2018	2019	2020	2021
PY CPFA-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CY CPFA-Wages (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPFA-Wages Adjustment					
PY CPFA-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CY CPFA-Medical (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPFA-Medical Adjustment					
PY CPFA-Motor Fuel (2017 Listed as Example)	209,252	209,252	209,252	209,252	209,252
CY CPFA-Motor Fuel (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPFA-Motor Fuel Adjustment					
PY CPFA (2017 Listed as Example)	209,983	209,983	209,983	209,983	209,983
CY CPFA (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPFA Adjustment					

Agency Facilities	Cur and Bin Solid Waste		Cur and Bin Organic Materials		Cur and Bin Recyclable Materials		Total Drop Box Services (All Materials)		Vehicle and Events		Agency Facilities Total
	E	G	F	H	I	J	K	L	M		
Annual Cost of Operations											
Direct Labor-Release Costs	\$10,246	\$2,442	\$1,163	\$4,899	\$1,187	\$24,336					
Wages for CHAs	\$4,790	\$954	\$2,414	\$2,735	\$555	\$11,470					
Benefit for CHAs	\$852	\$170	\$430	\$491	\$99	\$2,041					
Payroll Taxes	\$730	\$145	\$368	\$520	\$103	\$1,728					
Workers Compensation Insurance	\$18,618	\$3,311	\$8,374	\$9,568	\$1,925	\$39,796					
Total Direct Labor-Related-Costs	\$1,274	\$254	\$642	\$734	\$151	\$3,055					
Other Direct Costs	\$2,404	\$479	\$1,211	\$1,384	\$284	\$5,762					
Depreciation - Collection Vehicles	\$8,228	\$1,042	\$2,634	\$3,010	\$592	\$12,405					
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0					
Depreciation for Collection Equipment	\$3,228	\$1,042	\$2,334	\$3,010	\$492	\$12,405					
Lease	\$0	\$0	\$0	\$0	\$0	\$0					
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$10,775	\$2,147	\$5,430	\$6,204	\$1,294	\$23,850					
General and Administrative using (Rate for Agency, Cost)	\$2,428	\$484	\$1,224	\$1,398	\$285	\$5,798					
Operations	\$4,641	\$925	\$2,339	\$2,672	\$506	\$11,082					
Vehicle Maintenance	\$1,549	\$309	\$780	\$892	\$186	\$3,715					
Container Maintenance (using (Rate for Agency, Cost))	\$19,393	\$3,864	\$9,772	\$11,165	\$2,231	\$46,443					
Total Allocated Indirect Costs excluding Depreciation and Interest	\$771	\$34	\$86	\$98	\$16	\$405					
Total Allocated Indirect-Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0					
Annual Implementation Cost Amortization (Form A)	\$46,088	\$8,984	\$23,720	\$26,959	\$5,118	\$107,867					
Total Annual Cost of Operations	\$4,733	\$543	\$1,386	\$1,735	\$337	\$11,333					
Profit (insert Operating Ratio below)	90.5%										
Total Operating Costs before Pass-Through Cost Allocation	\$49,821	\$9,927	\$25,195	\$28,683	\$5,645	\$119,191					
Contractor Pass-Through Costs	\$1,108	\$221	\$558	\$638	\$104	\$2,630					
Interest Expense	\$1,108	\$221	\$558	\$638	\$104	\$2,630					
Total Contractor Pass-Through Costs	\$99,929	\$10,148	\$25,753	\$29,321	\$5,749	\$121,821					
TOTAL BASE CONTRACTOR'S COMPENSATION											

D. City of San Carlos Allocated Costs - Agency Facilities

Step 2: Service Level Adjustments					
	2014	2015	2016	Three Year Average	2021
Wages for CHAs	11,700	11,700	11,700	11,700	11,700
Benefits for CHAs	1,586	1,586	1,586	1,586	1,586
Payroll Taxes	1,508	1,508	1,508	1,508	1,508
Workers Compensation Insurance	1,144	1,144	1,144	1,144	1,144
Total Direct Labor Related Costs	11,497	11,497	11,497	11,497	11,497
Other Direct Costs	128	128	128	128	128
Depreciation - Collection Vehicles	11,700	11,700	11,700	11,700	11,700
Depreciation - Containers	1,428	1,428	1,428	1,428	1,428
Depreciation for Collection Equipment	1,428	1,428	1,428	1,428	1,428
Lease	11,497	11,497	11,497	11,497	11,497
Total	180,000	180,000	180,000	180,000	180,000
100%	100.00%	100.00%	100.00%	100.00%	100.00%

Agency Facilities	Cart and Bin Solid Waste		Cart and Bin Organic Materials		Cart and Bin Recyclable Materials		Total Drop Box Services (All Materials)		Agency Facilities Total	
	E	G	F	H	I	J	K	L	M	N
Annual Cost of Operations	\$10,246	\$2,042	\$5,143	\$5,899	\$1,187	\$24,516	\$1,187	\$24,516	\$24,516	\$24,516
Direct Labor-Related Costs	\$4,790	\$954	\$2,474	\$2,748	\$555	\$11,470	\$555	\$11,470	\$11,470	\$11,470
Wages for CHAs	\$832	\$170	\$435	\$491	\$99	\$999	\$99	\$999	\$999	\$999
Benefits for CHAs	\$758	\$145	\$338	\$352	\$83	\$1,218	\$83	\$1,218	\$1,218	\$1,218
Payroll Taxes	\$16	\$3	\$7	\$7	\$1	\$38	\$1	\$38	\$38	\$38
Workers Compensation Insurance	\$16,618	\$3,111	\$8,174	\$9,468	\$1,825	\$39,768	\$1,825	\$39,768	\$39,768	\$39,768
Total Direct Labor Related Costs	\$1,274	\$254	\$642	\$734	\$151	\$3,055	\$151	\$3,055	\$3,055	\$3,055
Other Direct Costs	\$2,404	\$479	\$1,211	\$1,384	\$284	\$5,762	\$284	\$5,762	\$5,762	\$5,762
Depreciation - Collection Vehicles	\$5,228	\$1,042	\$2,634	\$3,010	\$492	\$12,403	\$492	\$12,403	\$12,403	\$12,403
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$5,228	\$1,042	\$2,634	\$3,010	\$492	\$12,403	\$492	\$12,403	\$12,403	\$12,403
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs (excluding Depreciation and Interest (Items 8) General and Administrative (only) (lbs for Agency Cans)	\$10,775	\$2,147	\$5,410	\$6,204	\$1,294	\$25,840	\$1,294	\$25,840	\$25,840	\$25,840
Operations	\$3,438	\$684	\$1,724	\$1,988	\$395	\$7,798	\$395	\$7,798	\$7,798	\$7,798
Vehicle Maintenance	\$5,441	\$1,085	\$2,786	\$3,216	\$699	\$6,702	\$699	\$6,702	\$6,702	\$6,702
Container Maintenance (using lbs for Agency Cans)	\$1,549	\$309	\$786	\$902	\$186	\$3,712	\$186	\$3,712	\$3,712	\$3,712
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$19,393	\$3,864	\$9,772	\$11,145	\$2,251	\$46,443	\$2,251	\$46,443	\$46,443	\$46,443
Total Allocated Indirect (Depreciation Costs (Item 9) Annual Implementation Cost Amortization (Item 6))	\$171	\$34	\$86	\$98	\$19	\$403	\$19	\$403	\$403	\$403
Annual Implementation Cost Amortization (Item 6)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$45,088	\$8,994	\$22,710	\$25,968	\$5,118	\$107,867	\$5,118	\$107,867	\$107,867	\$107,867
Profit (Inner Operating Ratio below)	\$4,733	\$943	\$2,386	\$2,725	\$557	\$11,323	\$557	\$11,323	\$11,323	\$11,323
90.45%										
Total Operating Costs before Pass-Through Cost Allocation	\$49,821	\$9,937	\$25,116	\$28,693	\$5,675	\$119,191	\$5,675	\$119,191	\$119,191	\$119,191
Contractor Pass-Through Costs	\$11,08	\$221	\$558	\$638	\$124	\$2,650	\$124	\$2,650	\$2,650	\$2,650
Interest Expense	\$1,108	\$221	\$558	\$638	\$124	\$2,650	\$124	\$2,650	\$2,650	\$2,650
Total Contractor Pass-Through Costs	\$12,188	\$442	\$1,116	\$1,276	\$248	\$5,300	\$248	\$5,300	\$5,300	\$5,300
TOTAL BASE CONTRACTOR'S COMPENSATION	\$62,009	\$10,379	\$26,232	\$30,000	\$5,923	\$124,491	\$5,923	\$124,491	\$124,491	\$124,491

SBWMA COLLECTION AGREEMENT
D. City of San Mateo Allocated Costs - SFD

Proposed Compensation 2021

	Statistics Used for Year 2021 Cost Allocation Only		Total
City # of accounts	20,438	19,651	7,614
SBWMA # of accounts	94,580	90,725	29,534
City # of accounts *	21.6%	21.7%	21.6%
City Total Route Labor hours year	8,833,47	8,126,64	3,266,69
SBWMA Total Route Labor hours year	46,232,55	39,114,12	13,055,24
City Total Route Labor hours year **	21.2%	19.9%	23.8%
City # of route hours year	2,245,98	1,512,84	3,366,89
SBWMA # of route hours year	42,847,89	38,280,04	13,043,24
City Total Route Labor hours year **	21.6%	19.6%	25.6%
City Total Customers in Service	20,742	20,125	7,614
SBWMA Total Customers in Service	96,384	98,941	29,534
City Total Customers in Service **	21.2%	20.1%	24.8%

	A	B	C	D	Single Family Dwelling Total
	Spot Visits	Tagged Recyclable Materials	Organic Materials (Including Holiday Closure Events)	Two-De-Call	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	\$524,077	\$605,801	\$485,722	\$21,123	\$2,146,323
Benefits for CBAs	\$180,119	\$291,992	\$228,662	\$124,327	\$1,023,900
Payroll Taxes	\$48,353	\$50,386	\$40,412	\$19,383	\$178,624
Workers Compensation Insurance	\$32,012	\$31,436	\$25,805	\$13,495	\$132,961
Total Direct Labor Related Costs	\$1,112,174	\$991,125	\$799,401	\$371,848	\$3,304,458
Direct Fuel Costs	\$43,329	\$1,364	\$1,352	\$1,940	\$244,529
Other Direct Costs	\$16,125	\$107,869	\$81,504	\$7,497	\$324,494
Depreciation - Collection Vehicles	\$11,838	\$11,248	\$96,048	\$1,083	\$350,235
Depreciation - Containers	\$9,120	\$9,254	\$66,435	\$0	\$180,610
Depreciation for Collection Equipment	\$19,258	\$171,502	\$116,993	\$1,083	\$518,845
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and administrative	\$183,301	\$198,393	\$168,431	\$14,834	\$1,169,361
Operations	\$74,053	\$71,604	\$64,693	\$1,841	\$220,134
Vehicle Maintenance	\$169,178	\$149,676	\$120,848	\$7,342	\$420,844
Collection Maintenance	\$54,817	\$55,744	\$52,029	\$1,707	\$166,089
Total Allocated Indirect Costs including Depreciation and Interest	\$685,150	\$695,419	\$609,403	\$27,726	\$1,997,098
Total Allocated Indirect Depreciation Costs (Form 9)	\$4,712	\$4,454	\$4,014	\$235	\$13,415
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$2,995,946	\$2,096,276	\$1,792,277	\$403,290	\$6,677,790
Profit (insert Operating Ratio below)	\$251,608	\$112,703	\$181,841	\$48,633	\$694,685
Total Proposed Costs before Pass-Through Cost Allocation	\$1,547,454	\$1,238,979	\$1,014,119	\$511,923	\$7,372,475
Contractor Pass-Through Costs					
Interest Expense	\$46,439	\$42,061	\$40,887	\$4,473	\$131,660
Total Contractor Pass-Through Costs	\$46,439	\$42,061	\$40,887	\$4,473	\$131,660
TOTAL BASE CONTRACTOR'S COMPENSATION	\$1,603,893	\$1,281,040	\$1,055,006	\$516,396	\$7,504,135

Service Level Statistics Used for Future Service Level Cost Adjustments	
Accounts	Accounts
2014	20,120
2015	20,366
2016	20,438
Rolling Three-Year Average	20,288

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	20,120	20,120	20,120
2015	20,306	20,306	20,306
2016	20,438	20,438	20,438
Prior Year Rolling Three-Year Average	20,288	20,288	20,288
2014	20,120	20,120	20,120
2015	20,306	20,306	20,306
2016	20,438	20,438	20,438
Current Year Rolling Three-Year Average	20,288	20,288	20,288
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

Single Family Dwelling	Single Family Dwelling			Single Family Dwelling Total
	A. Solid Waste	B. Targeted Recyclable Materials	C. Organic Materials (including Holiday Thru-Ins)	
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for Crews	\$81,077	\$69,461	\$48,732	\$199,270
Benefits for Crews	\$30,719	\$26,992	\$18,612	\$76,323
Payroll Taxes	\$4,463	\$3,846	\$2,641	\$10,950
Workers Compensation Insurance	\$12,214	\$10,546	\$7,285	\$29,945
Total Direct Labor-Related-Costs	\$130,473	\$111,845	\$77,270	\$319,588
Other Direct Costs	\$16,329	\$14,308	\$8,132	\$38,769
Other Direct Costs	\$16,329	\$14,308	\$8,132	\$38,769
Depreciation - Collection Vehicles	\$11,836	\$11,248	\$9,068	\$32,152
Depreciation - Containers	\$7,120	\$6,835	\$6,835	\$20,790
Depreciation for Collection Equipment	\$19,356	\$17,502	\$16,903	\$53,761
Lease	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$13,301	\$13,301	\$13,301	\$39,903
General and Administrative	\$71,053	\$71,053	\$64,495	\$206,601
Operations	\$19,778	\$19,778	\$13,648	\$53,104
Vehicle Maintenance	\$4,817	\$4,817	\$3,029	\$12,663
Container Maintenance	\$65,150	\$65,150	\$62,967	\$193,267
Total Allocated Indirect Costs excluding Depreciation and Interest	\$190,999	\$190,999	\$168,175	\$550,173
Total Allocated Indirect Depreciation Costs (Form 9)	\$4,712	\$4,454	\$4,014	\$13,180
Annual Implementation Cost - Amortization (Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$3,395,846	\$2,026,276	\$1,732,277	\$7,154,400
Profit (Insert Operating Ratio below)				
				90.5%
Total Proposed Costs before Pass-Through Cost Allocation	\$2,547,454	\$2,138,979	\$1,914,119	\$6,599,552
Contractor Pass-Through Costs				
Interest Expense	\$48,439	\$42,081	\$40,647	\$131,167
Total Contractor Pass-Through Costs	\$48,439	\$42,081	\$40,647	\$131,167
TOTAL BASE CONTRACTOR'S COMPENSATION	\$2,595,893	\$2,181,060	\$1,954,766	\$6,730,719

D. City of San Mateo Allocated Costs - MFD & Commercial

Statistics Used for Year 2021 Cost Allocation Only	Statistics Used for Year 2021 Cost Allocation Only						Total
	K	L	M	N	O	P	
City # of Accounts	2,827	3,12	60	7,614			5,560
SBWMA # Accounts	10,312	1,712	192	29,264			22,448
City # of Accounts %	27.4%	18.2%	29.9%	27.4%			24.8%
City Total Route Labor hours/year	12,429.85	1,409.53	1,368.17	3,366.69			22,564
SBWMA Total Route Labor hours/year	47,871.83	6,256.62	6,167.11	13,043.24			87,528
City Total Route Labor hours/year %	26.7%	22.0%	22.2%	25.4%			25.4%
City # of route hours/year	443.59	6,096.84	1,322.44	3,366.69			16,831
SBWMA # of route hours/year	31,307.08	25,241.12	6,046.06	6,167.11			68,782
City # of route hours/year %	23.8%	27.8%	21.9%	22.2%			24.5%
City Total Collections in Service	4,881	5,473	80	7,614			10,620
SBWMA Total Collections in Service	17,228	2,059	333	29,264			39,193
City Total Collections in Service %	27.7%	27.0%	24.0%	27.0%			27.0%

MFD & Commercial	Car and Bin Sold		Car and Bin Recyclable		Car and Bin Organic		Total Drop Box		Two-Occ Call		MFD & Commercial Total
	Waste	Materials	Materials	Materials (including Holiday/Ten)	Materials (including Holiday/Ten)	Materials	Materials	Materials	Materials	Materials	
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$1,322,739	\$533,617	\$134,730	\$108,546	\$17,819	\$18,388	\$17,819	\$18,388	\$17,819	\$18,388	\$1,447,371
Benefits for CBAs	\$630,717	\$239,613	\$48,697	\$48,623	\$18,384	\$18,384	\$18,384	\$18,384	\$18,384	\$18,384	\$971,405
Payroll Taxes	\$110,024	\$44,397	\$1,873	\$9,064	\$1,105	\$1,105	\$1,105	\$1,105	\$1,105	\$1,105	\$179,593
Workers' Compensation Insurance	\$24,252	\$10,118	\$1,624	\$7,781	\$839	\$839	\$839	\$839	\$839	\$839	\$143,706
Total Direct Labor-Related Costs	\$2,111,752	\$827,765	\$187,124	\$184,394	\$20,147	\$20,147	\$20,147	\$20,147	\$20,147	\$20,147	\$2,463,975
Direct Fuel Costs	\$112,293	\$55,421	\$20,458	\$10,490	\$4,058	\$4,058	\$4,058	\$4,058	\$4,058	\$4,058	\$204,720
Other Direct Costs	\$1,816,767	\$87,283	\$2,002	\$19,904	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$1,581	\$3,964,509
Depreciation - Collection Vehicles	\$142,072	\$1,388	\$16,864	\$16,799	\$3,864	\$3,864	\$3,864	\$3,864	\$3,864	\$3,864	\$286,936
Depreciation - Containers	\$32,763	\$1,293	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$74,071
Depreciation for Collection Equipment	\$174,823	\$106,881	\$12,914	\$16,799	\$4,828	\$4,828	\$4,828	\$4,828	\$4,828	\$4,828	\$356,007
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)											
General Administrative	\$259,249	\$259,750	\$21,872	\$17,810	\$7,744	\$7,744	\$7,744	\$7,744	\$7,744	\$7,744	\$888,401
Operations	\$43,822	\$13,866	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$179,555
Vehicle Maintenance	\$8,184	\$10,190	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$14,372
Container Maintenance	\$32,421	\$32,421	\$1,112	\$1,112	\$1,112	\$1,112	\$1,112	\$1,112	\$1,112	\$1,112	\$35,608
Total Allocated Indirect Costs including Depreciation and Interest	\$468,744	\$446,218	\$37,674	\$37,672	\$13,445	\$13,445	\$13,445	\$13,445	\$13,445	\$13,445	\$1,142,234
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,816,767	\$1,308	\$2,127	\$1,831	\$96	\$96	\$96	\$96	\$96	\$96	\$3,964,509
Annual Implementation Cost (Interpretation Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$3,018,196	\$1,653,226	\$216,662	\$487,290	\$89,459	\$89,459	\$89,459	\$89,459	\$89,459	\$89,459	\$5,874,334
Profit: (insert Operating Ratio below)	\$16,871.15	\$103,004	\$76,269	\$51,152	\$9,391	\$9,391	\$9,391	\$9,391	\$9,391	\$9,391	\$610,643
Total Proposed Costs before Pass-Through Cost Allocation	\$3,035,067	\$1,756,230	\$292,931	\$538,443	\$98,850	\$98,850	\$98,850	\$98,850	\$98,850	\$98,850	\$6,484,977
Contractor Pass-Through Costs	\$51,463	\$33,342	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$112,936
Total Contractor Pass-Through Costs	\$51,463	\$33,342	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$1,516	\$112,936
TOTAL BASE CONTRACTOR'S COMPENSATION	\$96,926	\$66,684	\$3,032	\$3,032	\$3,032	\$3,032	\$3,032	\$3,032	\$3,032	\$3,032	\$225,872

Service Level Statistics Used for Future Service Level Cost Adjustments	2014		2015		2016		Rolling Three-Year Average
	Lifts	Trips	Lifts	Trips	Lifts	Trips	
2014	381,576	379,639	33,826	33,826	1,536	1,536	
2015	372,593	396,447	38,454	38,454	1,221	1,221	
2016	368,771	407,030	42,445	42,445	1,211	1,211	
Rolling Three-Year Average	374,313	394,472	38,242	38,242	1,223	1,223	

Step 1: Index Based Adjustments

PY CFA-W-Ages (2017 Listed as Example)	264.17%	264.17%	264.17%	264.17%
CV CFA-W-Ages (2017 Listed as Example)	264.17%	264.17%	264.17%	264.17%
CFA-W-Ages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFA-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%
CV CFA-W-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%
CFA-W-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFA-Motor Fuel (2017 Listed as Example)	269.25%	269.25%	269.25%	269.25%
CV CFA-Motor Fuel (2017 Listed as Example)	269.25%	269.25%	269.25%	269.25%
CFA-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CFA-ET (2017 Listed as Example)	269.98%	269.98%	269.98%	269.98%
CV CFA-ET (2017 Listed as Example)	269.98%	269.98%	269.98%	269.98%
CFA-ET Adjustment	100.0%	100.0%	100.0%	100.0%

	MFD & Commercial				MFD & Commercial Total
	E	F	G	H	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CFA	\$1,320,769	\$533,617	\$154,720	\$18,846	\$377,119
Benefits for CFA	\$630,717	\$139,013	\$48,697	\$38,623	\$18,354
Payroll Taxes	\$110,654	\$44,397	\$12,873	\$9,664	\$3,105
Workers Compensation Insurance	\$84,245	\$38,018	\$11,026	\$7,761	\$2,659
Total Direct Labor Related-Costs	\$2,146,385	\$855,145	\$237,326	\$64,304	\$61,437
Direct Fuel Costs	\$11,293	\$4,221	\$2,658	\$1,496	\$4,058
Other Direct Costs	\$158,676	\$87,283	\$28,002	\$19,904	\$5,585
Depreciation - Collection Vehicles	\$142,072	\$81,388	\$36,864	\$6,749	\$3,864
Depreciation - Containers	\$2,783	\$2,293	\$16,050	\$0	\$964
Depreciation for Collection Equipment	\$71,435	\$108,681	\$2,914	\$6,749	\$4,828
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Interest Costs (excluding Depreciation and Interest) (Form 9)	\$239,249	\$249,730	\$213,872	\$77,810	\$7,744
General and Administrative	\$45,822	\$53,866	\$2,344	\$2,144	\$1,579
Operations	\$87,944	\$102,950	\$100,043	\$9,968	\$3,018
Vehicle Maintenance	\$26,578	\$39,743	\$1,617	\$1,951	\$1,113
Container Maintenance	\$403,744	\$446,288	\$397,876	\$73,872	\$13,455
Total Allocated Interest Costs (excluding Depreciation and Interest)	\$2,776	\$3,358	\$2,727	\$1,881	\$996
Total Allocated Interest/Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0
Annual Implementation Cost: Amortization (Form A)	\$3,018,196	\$1,653,826	\$736,862	\$487,290	\$89,459
Total Annual Cost of Operations	\$3,163,827	\$1,663,004	\$776,269	\$51,152	\$9,391
Profit (Insert Operating Ratio below)	90.5%				
Total Proposed Costs before Pass-Through Cont. Allocation	\$3,335,023	\$1,715,830	\$802,831	\$58,443	\$98,880
Contractor Pass-Through Costs					
Interest Expense	\$55,463	\$33,842	\$16,786	\$5,313	\$1,532
Total Contractor Pass-Through Costs	\$55,463	\$33,842	\$16,786	\$5,313	\$1,532
TOTAL BASE CONTRACTOR'S COMPENSATION	\$3,390,486	\$1,749,672	\$819,617	\$63,756	\$100,412

Proposed Compensation

2021

Step 2: Service Level Adjustments			
	2014	2015	2016
Wages for CBAs	\$6,267,771	\$6,267,771	\$6,267,771
Benefits for CBAs	\$1,100,024	\$1,100,024	\$1,100,024
Payroll Taxes	\$384,252	\$384,252	\$384,252
Workers' Compensation Insurance	\$2,137,772	\$2,137,772	\$2,137,772
Total Direct Labor Related Costs	\$10,889,819	\$10,889,819	\$10,889,819
Other Direct Costs	\$1,582,763	\$1,582,763	\$1,582,763
Depreciation - Collection Vehicles	\$1,420,772	\$1,420,772	\$1,420,772
Depreciation - Containers	\$12,763	\$12,763	\$12,763
Depreciation for Collection Equipment	\$7,748,823	\$7,748,823	\$7,748,823
Lease	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$2,819,249	\$2,819,249	\$2,819,249
General and Administrative	\$4,162,222	\$4,162,222	\$4,162,222
Operations	\$87,194	\$87,194	\$87,194
Vehicle Maintenance	\$16,878	\$16,878	\$16,878
Container Maintenance	\$478,742	\$478,742	\$478,742
Total Allocated Indirect Costs excluding Depreciation and Interest	\$5,763,930	\$5,763,930	\$5,763,930
Total Allocated Indirect Depreciation Costs (Form 9)	\$2,819,249	\$2,819,249	\$2,819,249
Annual Implementation Cost Amortization (Form V)	\$0	\$0	\$0
Total Annual Cost of Operations	\$3,018,196	\$3,018,196	\$3,018,196
Profit (insert Operating Ratio below)	\$316,837	\$316,837	\$316,837
Total Proposed Costs before Pass-Through Cost Allocation	\$3,335,033	\$3,335,033	\$3,335,033
Contractor Pass-Through Costs	\$55,463	\$55,463	\$55,463
Interest Expense	\$55,463	\$55,463	\$55,463
Total Contractor Pass-Through Costs	\$110,926	\$110,926	\$110,926
TOTAL BASE CONTRACTOR'S COMPENSATION	\$3,445,959	\$3,445,959	\$3,445,959

	MFD & Commercial						MFD & Commercial Total
	E	F	G	H	J	Total	
Annual Cost of Operations	\$1,322,759	\$1,322,759	\$1,322,759	\$1,322,759	\$1,322,759	\$1,322,759	\$1,322,759
Direct Labor-Related Costs	\$6,267,771	\$6,267,771	\$6,267,771	\$6,267,771	\$6,267,771	\$6,267,771	\$6,267,771
Benefits for CBAs	\$1,100,024	\$1,100,024	\$1,100,024	\$1,100,024	\$1,100,024	\$1,100,024	\$1,100,024
Payroll Taxes	\$384,252	\$384,252	\$384,252	\$384,252	\$384,252	\$384,252	\$384,252
Workers' Compensation Insurance	\$2,137,772	\$2,137,772	\$2,137,772	\$2,137,772	\$2,137,772	\$2,137,772	\$2,137,772
Total Direct Labor Related Costs	\$10,889,819	\$10,889,819	\$10,889,819	\$10,889,819	\$10,889,819	\$10,889,819	\$10,889,819
Other Direct Costs	\$1,582,763	\$1,582,763	\$1,582,763	\$1,582,763	\$1,582,763	\$1,582,763	\$1,582,763
Depreciation - Collection Vehicles	\$1,420,772	\$1,420,772	\$1,420,772	\$1,420,772	\$1,420,772	\$1,420,772	\$1,420,772
Depreciation - Containers	\$12,763	\$12,763	\$12,763	\$12,763	\$12,763	\$12,763	\$12,763
Depreciation for Collection Equipment	\$7,748,823	\$7,748,823	\$7,748,823	\$7,748,823	\$7,748,823	\$7,748,823	\$7,748,823
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249
General and Administrative	\$4,162,222	\$4,162,222	\$4,162,222	\$4,162,222	\$4,162,222	\$4,162,222	\$4,162,222
Operations	\$87,194	\$87,194	\$87,194	\$87,194	\$87,194	\$87,194	\$87,194
Vehicle Maintenance	\$16,878	\$16,878	\$16,878	\$16,878	\$16,878	\$16,878	\$16,878
Container Maintenance	\$478,742	\$478,742	\$478,742	\$478,742	\$478,742	\$478,742	\$478,742
Total Allocated Indirect Costs excluding Depreciation and Interest	\$5,763,930	\$5,763,930	\$5,763,930	\$5,763,930	\$5,763,930	\$5,763,930	\$5,763,930
Total Allocated Indirect Depreciation Costs (Form 9)	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249	\$2,819,249
Annual Implementation Cost Amortization (Form V)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$3,018,196	\$3,018,196	\$3,018,196	\$3,018,196	\$3,018,196	\$3,018,196	\$3,018,196
Profit (insert Operating Ratio below)	\$316,837	\$316,837	\$316,837	\$316,837	\$316,837	\$316,837	\$316,837
Total Proposed Costs before Pass-Through Cost Allocation	\$3,335,033	\$3,335,033	\$3,335,033	\$3,335,033	\$3,335,033	\$3,335,033	\$3,335,033
Contractor Pass-Through Costs	\$55,463	\$55,463	\$55,463	\$55,463	\$55,463	\$55,463	\$55,463
Interest Expense	\$55,463	\$55,463	\$55,463	\$55,463	\$55,463	\$55,463	\$55,463
Total Contractor Pass-Through Costs	\$110,926	\$110,926	\$110,926	\$110,926	\$110,926	\$110,926	\$110,926
TOTAL BASE CONTRACTOR'S COMPENSATION	\$3,445,959	\$3,445,959	\$3,445,959	\$3,445,959	\$3,445,959	\$3,445,959	\$3,445,959

Proposed Compensation 2021

SBWMA COLLECTION AGREEMENT

D. City of San Mateo Allocated Costs - Agency Facilities

	2019	2020	2021
City # of Lifts per year	45,656	13,974	20,438
SBWMA # Lifts per year (Accounts for Venues Events)	242,307	65,039	94,380
City # of Lifts per year*	71.8%	21.9%	21.0%
City Total Route Labor hours per year	810,777	160,117	299,977
SBWMA Total Route Labor hours per year	4,706,399	993,106	1,428,772
City Total Route Labor hours per year	19.4%	16.1%	21.0%
City # of route hours per year	425,118	149,951	1,428,772
SBWMA # of route hours per year	2,599,511	939,577	1,428,772
City # of route hours per year*	16.2%	16.0%	21.0%
City # of Containers	128	79	123
SBWMA # of Containers	842	256	20,742
City # of Containers*	15.2%	27.3%	21.0%
Totals			63,466.00

Agency Facilities	Cur and Bin Solid Waste		Cur and Bin Operating Materials		Cur and Bin Recyclable Materials		Total Drop Box Materials		Agency Facilities	
	F	G	F	G	F	G	H	I	Total	
Annual Cost of Operations										
Direct Labor-Related Costs										
Wages for CBAs	\$24,495	\$1,601	\$24,495	\$1,601	\$24,495	\$1,601	\$24,495	\$1,601	\$50,452	
Benefits for CBAs	\$11,453	\$782	\$11,453	\$782	\$11,453	\$782	\$11,453	\$782	\$24,898	
Payroll Taxes	\$1,248	\$87	\$1,248	\$87	\$1,248	\$87	\$1,248	\$87	\$2,669	
Workers Compensation Insurance	\$1,248	\$87	\$1,248	\$87	\$1,248	\$87	\$1,248	\$87	\$2,669	
Total Direct Labor-Related Costs	\$39,044	\$2,557	\$39,044	\$2,557	\$39,044	\$2,557	\$39,044	\$2,557	\$86,259	
Direct Fuel Costs	\$2,774	\$170	\$2,774	\$170	\$2,774	\$170	\$2,774	\$170	\$4,468	
Other Direct Costs	\$5,240	\$321	\$5,240	\$321	\$5,240	\$321	\$5,240	\$321	\$8,461	
Depreciation - Collection Vehicles	\$11,324	\$694	\$11,324	\$694	\$11,324	\$694	\$11,324	\$694	\$18,765	
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Depreciation for Collection Equipment	\$11,324	\$694	\$11,324	\$694	\$11,324	\$694	\$11,324	\$694	\$18,765	
Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs (excluding Depreciation and Interest (Form 9) General and Administrative (except lifts for Agency Costs)	\$30,972	\$1,498	\$30,972	\$1,498	\$30,972	\$1,498	\$30,972	\$1,498	\$51,458	
Operations	\$5,283	\$224	\$5,283	\$224	\$5,283	\$224	\$5,283	\$224	\$8,428	
Vehicle Maintenance	\$10,998	\$619	\$10,998	\$619	\$10,998	\$619	\$10,998	\$619	\$18,473	
Utilities-Maintenance (except lifts for Agency Costs)	\$4,451	\$273	\$4,451	\$273	\$4,451	\$273	\$4,451	\$273	\$7,415	
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$50,804	\$2,113	\$50,804	\$2,113	\$50,804	\$2,113	\$50,804	\$2,113	\$84,774	
Total Allocated Indirect Depreciation Costs (Form 9)	\$770	\$23	\$770	\$23	\$770	\$23	\$770	\$23	\$813	
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$110,251	\$6,756	\$110,251	\$6,756	\$110,251	\$6,756	\$110,251	\$6,756	\$183,818	
Profit (insert Operating Ratio below)	\$11,573	\$709	\$11,573	\$709	\$11,573	\$709	\$11,573	\$709	\$19,296	
90.5%										
Total Operating Costs before Pass-Through Cost Allocation	\$121,824	\$7,465	\$121,824	\$7,465	\$121,824	\$7,465	\$121,824	\$7,465	\$203,114	
Contractor Pass-Through Costs	\$2,401	\$147	\$2,401	\$147	\$2,401	\$147	\$2,401	\$147	\$3,778	
Interest Expense	\$2,401	\$147	\$2,401	\$147	\$2,401	\$147	\$2,401	\$147	\$3,778	
Total Contractor Pass-Through Costs	\$4,802	\$294	\$4,802	\$294	\$4,802	\$294	\$4,802	\$294	\$7,556	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$126,626	\$8,059	\$126,626	\$8,059	\$126,626	\$8,059	\$126,626	\$8,059	\$210,670	

Service Level Statistics Used for Future Service Level Cost Adjustments			
Year	Lifts	Hours	Hauls
2014	30,849	4,134	10,829
2015	42,487	4,956	12,133
2016	45,656	4,836	13,974
Rolling Three-Year Average	40,664	4,689	12,772

	204 176	204 176	204 176	204 176	204 176	204 176
CPW-Wages 2017 Listed as Example	204,176	204,176	204,176	204,176	204,176	204,176
CPW-Wages 2017 Listed as Example	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CPW-Wages Adjustment						
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815
CY CPW-Medical (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CPW-Medical Adjustment						
PY CPW-Motor Fuel 2017 Listed as Example	246,252	246,252	246,252	246,252	246,252	246,252
CY CPW-Motor Fuel 2017 Listed as Example	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CPW-Motor Fuel Adjustment						
PY CPW-IT (2017 Listed as Example)	209,983	209,983	209,983	209,983	209,983	209,983
CY CPW-IT (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CPW-IT Adjustment						

Agency Facilities	Step 3: Index Based Adjustments					Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$54,498	\$1,561	\$4,308	\$8,059	\$2,475	\$40,852
Benefits for CBAs	\$11,453	\$762	\$2,014	\$3,772	\$1,147	\$18,098
Payroll Taxes	\$2,038	\$123	\$318	\$671	\$266	\$3,399
Workers Compensation Insurance	\$1,724	\$107	\$287	\$552	\$178	\$2,910
Total Direct Labor-Related Costs	\$397,735	\$2,435	\$6,988	\$13,087	\$4,075	\$66,259
Direct Fuel Costs	\$2,773	\$170	\$446	\$915	\$314	\$4,666
Other Direct Costs	\$5,240	\$321	\$821	\$1,726	\$593	\$8,861
Depreciation - Collection Vehicle(s)	\$11,324	\$694	\$1,992	\$3,730	\$1,026	\$18,765
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$11,324	\$694	\$1,992	\$3,730	\$1,026	\$18,765
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)						
General and Administrative (leasing, bills for Agency Costs)	\$10,972	\$1,898	\$5,142	\$10,201	\$3,081	\$17,598
Operations	\$3,253	\$124	\$329	\$670	\$232	\$8,828
Vehicle Maintenance	\$10,098	\$619	\$1,775	\$3,326	\$1,024	\$16,873
Container Maintenance (leasing bills for Agency Costs)	\$4,471	\$273	\$783	\$1,486	\$443	\$7,415
Total Allocated Indirect Costs excluding Depreciation and Interest	\$50,804	\$3,113	\$8,033	\$16,733	\$4,130	\$64,714
Total Allocated Indirect Depreciation Costs (Form 9)	\$70	\$23	\$65	\$122	\$33	\$63
Annual Implementation Cost Allocation (Form 8)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$110,251	\$6,756	\$19,389	\$36,311	\$11,111	\$183,818
Profit (Insert Operating Ratio below)	\$11,573	\$709	\$2,035	\$3,812	\$1,166	\$19,296
Total Operating Costs before Pass-Through Cost Allocation	\$121,824	\$7,465	\$21,424	\$40,123	\$12,277	\$183,114
Contractor Pass-Through Costs						
Interest Expense	\$2,401	\$147	\$422	\$791	\$217	\$3,978
Total Contractor Pass-Through Costs	\$2,401	\$147	\$422	\$791	\$217	\$3,978
TOTAL BASE CONTRACTOR'S COMPENSATION	\$124,225	\$7,612	\$21,846	\$40,914	\$12,494	\$187,092

Proposed Compensation 2021

SBWMA COLLECTION AGREEMENT

D. City of San Mateo Allocated Costs - Agency Facilities

	Step 2: Service Level Adjustments			
	Lifts	Lifts	Lifts	Trails
2014	30,849	4,134	10,829	266
2015	45,487	5,096	13,613	247
2016	45,656	4,836	12,974	320
Prior Year Rolling Three-Year Average	40,664	4,689	12,772	278
2014	30,849	4,134	10,829	266
2015	45,487	5,096	13,613	247
2016	45,656	4,836	12,974	320
Current Year Rolling Three-Year Average	40,664	4,689	12,772	278
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Agency Facilities				Agency Facilities Total
	E Cart and Bin Solid Waste	G Cart and Bin Organic Materials	F Cart and Bin Recyclable Materials	H Total Drop Box Services (All Materials)	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CBAs	\$24,498	\$1,501	\$4,368	\$8,069	\$2,475
Benefits for CBAs	\$11,453	\$702	\$2,014	\$3,772	\$1,098
Payroll Taxes	\$2,038	\$125	\$348	\$671	\$206
Workers Compensation Insurance	\$1,745	\$107	\$302	\$573	\$176
Total Direct Labor Related-Costs	\$39,735	\$2,435	\$6,988	\$13,087	\$4,015
Direct Fuel Costs	\$2,778	\$170	\$489	\$915	\$274
Other Direct Costs	\$5,240	\$921	\$1,726	\$339	\$8,801
Depreciation - Collection Vehicles	\$11,324	\$694	\$1,982	\$370	\$18,765
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$11,324	\$694	\$1,982	\$370	\$18,765
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative (using Lifts for Agency Costs)	\$10,972	\$1,399	\$5,447	\$10,201	\$51,599
Operations	\$5,283	\$324	\$929	\$1,740	\$8,828
Vehicle Maintenance	\$10,098	\$619	\$1,776	\$3,326	\$16,873
Container Maintenance (using Lifts for Agency Costs)	\$4,451	\$273	\$783	\$1,466	\$7,415
Total Allocated Indirect Costs excluding Depreciation and Interest	\$50,804	\$3,113	\$8,935	\$16,733	\$84,714
Total Allocated Indirect Depreciation Costs (Form 9)	\$370	\$23	\$65	\$122	\$613
Annual Implementation Cost: Amortization (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$110,251	\$6,756	\$19,389	\$36,311	\$183,819
Profit (Insert Operating Ratio below)	\$11,573	\$709	\$2,025	\$3,812	\$19,296
Total Operating Costs before Pass-Through Cost Allocation	\$121,824	\$7,465	\$21,414	\$40,123	\$203,114
Contractor Pass-Through Costs					
Interest Expense	\$2,401	\$147	\$422	\$791	\$3,761
Total Contractor Pass-Through Costs	\$2,401	\$147	\$422	\$791	\$3,761
TOTAL BASE CONTRACTOR'S COMPENSATION	\$124,225	\$7,612	\$21,836	\$40,914	\$206,875

Statistics Used for Year 2021 Cost Allocation Only	2018	2019	2020	2021	Total
City # of accounts	54,330	54,372	50,723	59,854	219,279
SBWMA # of accounts	2,818	2,814	2,602	929	9,763
City # of accounts %	2.9%	2.9%	2.9%	2.9%	2.9%
City Total Route Labor hours year	1,283,358	1,346,550	1,091,360	410,577	4,131,785
SBWMA Total Route Labor hours year	46,232,158	42,846,200	39,114,112	13,043,224	142,248,113
City Total Route Labor hours year %	2.8%	2.8%	2.7%	2.7%	2.8%
City # of route hours year	1,198,488	1,212,778	1,003,165	410,577	4,825,008
SBWMA # of route hours year	42,847,189	38,380,024	34,869,164	13,043,224	138,147,333
City Total Route Labor hours year %	2.8%	2.9%	2.9%	2.7%	2.8%
City Total Compensation Service	2,991	2,827	2,831	929	9,278
SBWMA Total Compensation Service	96,866	90,284	99,941	29,504	316,595
City Total Compensation Service %	2.9%	2.9%	2.8%	2.7%	2.9%

Single Family Dwelling	A	B	C	D	Single Family Dwelling Total
Annual Cost of Operations	Solid Waste	Targeted Recyclable Materials	Organic Materials (Including Holiday Trees)	Two On-Call Collection Events	
Direct Labor-Related Costs					
Wages for CHAs	\$107,658	\$100,342	\$71,879	\$28,234	\$312,113
Benefit for CHAs	\$49,738	\$48,380	\$35,721	\$15,186	\$149,024
Payroll Taxes	\$8,957	\$8,318	\$6,313	\$2,349	\$25,948
Workers Compensation Insurance	\$7,621	\$7,248	\$5,426	\$2,012	\$22,317
Total Direct Labor Related Costs	\$174,074	\$164,278	\$123,339	\$47,781	\$509,443
Direct Fuel Costs	\$11,480	\$13,871	\$9,879	\$3,324	\$38,644
Other Direct Costs	\$14,952	\$18,287	\$13,303	\$2,134	\$48,798
Depreciation - Collection Vehicles	\$17,124	\$19,009	\$16,113	\$1,235	\$53,481
Depreciation - Generator	\$8,284	\$8,121	\$9,402	\$0	\$25,807
Depreciation for Collection Equipment	\$23,399	\$23,130	\$23,418	\$1,236	\$79,253
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)					
General and Administrative	\$4,099	\$1,024	\$1,569	\$2,298	\$14,018
Operations	\$10,127	\$2,465	\$3,623	\$488	\$33,882
Vehicle Maintenance	\$19,334	\$23,823	\$20,111	\$893	\$64,154
Equipment Maintenance	\$7,876	\$7,777	\$7,319	\$335	\$23,307
Total Allocated Indirect Costs excluding Depreciation and Interest	\$38,436	\$36,119	\$33,632	\$3,992	\$126,064
Total Allocated Indirect Depreciation Costs (Form 9)	\$6,111	\$7,514	\$6,653	\$29	\$20,307
Annual Implementation Cost (Amortization) (Form A)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$319,042	\$319,460	\$362,289	\$56,500	\$951,190
Profit (insert Operating Ratio below)	\$23,861	\$33,524	\$17,453	\$5,951	\$99,849
90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	\$342,903	\$352,984	\$379,742	\$62,451	\$1,051,039
Contractor Pass-Through Costs					
Overhead	\$6,129	\$6,654	\$6,219	\$102	\$19,142
Total Contractor Pass-Through Costs	\$6,129	\$6,654	\$6,219	\$102	\$19,442
TOTAL BASE CONTRACTOR'S COMPENSATION	\$349,032	\$359,638	\$385,961	\$62,553	\$1,070,481

Service Level Statistics Used for Future Service Level Cost Adjustments	Accounts
2014	2,626
2015	2,622
2016	2,618
Rolling Three-Year Average	2,622

D. County of San Mateo, North Fair Oaks, Allocated Costs - SFD

Step 1: Index Based Adjustments

	2017	2018	2019	2020	2021
PY CPAW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176
CY CPAW-Wages (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPAW-Wages Adjustment					
PY CPW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CY CPW-Medical (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPAW-Medical Adjustment					
PY CP41-Motor Fuel (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CY CP41-Motor Fuel (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CP41-Motor Fuel Adjustment					
PY CP41 (2017 Listed as Example)	269,983	269,983	269,983	269,983	269,983
CY CP41 (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CP41 Adjustment					

Single Family Dwelling	Single Family Dwelling		Single Family Dwelling		Single Family Dwelling	
	A	B	C	D	E	F
Annual Cost of Operations						
Direct Labor-Release Costs						
Wages for CBAs	\$107,658	\$100,342	\$74,879	\$34,214	\$12,113	
Benefits for CBAs	\$19,724	\$18,340	\$13,721	\$5,156	\$1,625	
Payroll Taxes	\$8,487	\$8,248	\$6,113	\$2,348	\$764	
Workers Compensation Insurance	\$2,621	\$2,498	\$1,826	\$683	\$227	
Total Direct Labor Related Costs	\$174,052	\$154,219	\$103,319	\$47,781	\$15,983	
Other Direct Costs	\$11,460	\$11,871	\$9,979	\$1,334	\$36,844	
Depreciation - Collection Vehicles	\$15,092	\$14,267	\$10,305	\$2,134	\$4,784	
Depreciation - Containers	\$17,104	\$19,009	\$16,113	\$1,200	\$3,456	
Depreciation for Collection Equipment	\$4,394	\$4,121	\$4,402	\$0	\$3,817	
Lease	\$23,399	\$27,130	\$23,515	\$1,240	\$79,279	
Interest	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$49,099	\$51,034	\$41,555	\$2,298	\$14,016	
General and Administrative	\$10,127	\$11,465	\$10,523	\$468	\$3,382	
Operators	\$19,354	\$21,823	\$17,315	\$895	\$6,184	
Vehicle Maintenance	\$7,576	\$7,777	\$7,319	\$330	\$23,302	
Container Maintenance	\$86,456	\$93,119	\$89,218	\$3,992	\$75,084	
Total Allocated Indirect Costs excluding Depreciation and Interest	\$611	\$754	\$653	\$29	\$2,047	
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	
Annual Implementation Cost Amortization (Form A)	\$13,042	\$19,360	\$16,289	\$66,560	\$95,190	
Total Annual Cost of Operations	\$32,861	\$33,524	\$27,533	\$5,931	\$99,849	
Profit (insert Operating Ratio below)	90.5%					
Total Proposed Costs before Pass-Through Cost Allocation	\$245,903	\$192,984	\$139,822	\$82,431	\$1,051,039	
Contractor Pass-Through Costs						
Interest Expense	\$6,229	\$6,654	\$6,218	\$302	\$19,442	
Total Contractor Pass-Through Costs	\$6,229	\$6,654	\$6,218	\$302	\$19,442	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$252,132	\$199,638	\$146,040	\$82,733	\$1,070,481	

Step 2: Service Level Adjustments	
Accounts	Accounts
2014	2,626
2015	2,622
2016	2,618
Prior Year Rolling Three-Year Average	2,622
Accounts	Accounts
2014	2,626
2015	2,622
2016	2,618
Current Year Rolling Three-Year Average	2,622
100% Service Level Adjustment Factor	100.0%
65% Service Level Adjustment Factor	100.0%

	Single Family Dwelling			Single Family Dwelling Total
	A	B	C	
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for CHVs	\$107,458	\$100,742	\$71,879	\$318,234
Benefits for CHVs	\$49,738	\$48,338	\$31,721	\$131,868
Payroll Taxes	\$8,977	\$8,348	\$6,313	\$23,149
Workers' Compensation Insurance	\$2,671	\$2,126	\$1,658	\$6,457
Total Direct Labor-Related Costs	\$174,024	\$164,219	\$112,319	\$448,791
Direct Fuel Costs	\$11,460	\$13,871	\$9,979	\$35,644
Other Direct Costs	\$12,092	\$18,205	\$13,204	\$44,798
Depreciation - Collection Vehicle	\$17,104	\$19,009	\$16,113	\$52,200
Depreciation - Containers	\$8,294	\$8,121	\$9,402	\$25,817
Depreciation for Collection Equipment	\$23,399	\$27,136	\$23,513	\$74,200
Taxes	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Form 9)				
General Administrative	\$25,029	\$57,054	\$5,565	\$87,648
Operations	\$12,127	\$12,466	\$10,223	\$34,816
Vehicles Maintenance	\$19,134	\$21,111	\$20,111	\$60,356
Container Maintenance	\$7,875	\$7,777	\$7,319	\$22,971
Total Allocated Indirect Costs including Depreciation and Interest	\$68,416	\$98,119	\$56,518	\$222,853
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$794	\$643	\$2,047
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$313,042	\$319,260	\$222,289	\$854,591
Profit (Insert Operating Ratio below)	\$32,861	\$33,524	\$27,533	\$93,918
Total Proposed Costs before Pass-Through Cost Allocation	\$345,903	\$352,784	\$249,822	\$948,509
Contractor Pass-Through Costs				
Interest Expense	\$6,229	\$6,454	\$6,548	\$19,231
Total Contractor Pass-Through Costs	\$6,229	\$6,454	\$6,548	\$19,231
TOTAL BASE CONTRACTOR'S COMPENSATION	\$40,090	\$40,000	\$34,081	\$114,171

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021
 D. County of San Mateo, North Fair Oaks Allocated Costs: MFD & Commercial

Statistics	2014	2015	2016	2017	2018	2019	2020	2021	Total
City # of Accounts	469	454	469	454	469	454	469	454	929
SBWMA # Accounts	10,392	10,210	10,210	10,210	10,210	10,210	10,210	10,210	29,504
City # of Accounts %	4.2%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.3%
City Total Route Labor hours year	2,007.27	773.90	1,888.62	410.57	2,970.79	410.57	2,970.79	410.57	2,970.79
SBWMA Total Route Labor hours year	7,871.85	27,111.92	6,236.65	6,187.11	13,045.24	6,187.11	13,045.24	6,187.11	87,507.53
City Total Route Labor hours year %	4.2%	2.9%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.4%
City # of route hours year	1,210.07	742.21	1,86.24	410.57	2,138.62	410.57	2,138.62	410.57	2,138.62
SBWMA # of route hours year	31,307.08	25,241.12	6,046.06	6,157.11	13,045.24	6,157.11	13,045.24	6,157.11	86,765.37
City # of route hours year %	3.9%	2.8%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	3.1%
City Total Contractors in Service	712	652	652	652	652	652	652	652	1,444.00
SBWMA Total Contractors in Service	17,238	19,703	21,059	333	29,504	333	29,504	333	99,359.00
City Total Contractors in Service %	4.2%	3.3%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.3%

	A	B	C	D	E	F	G	H	I	J	K
	City and Bin Solid Waste	City and Bin Recyclable Materials	City and Bin Organic Materials (including Holiday Toner)	Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total					
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CHS	\$213,100	\$7,692	\$20,949	\$0	\$4,451	\$266,292					
Benefits for CHS	\$101,610	\$23,841	\$6,593	\$0	\$2,238	\$134,282					
Payroll Taxes	\$17,730	\$4,800	\$1,743	\$0	\$779	\$24,052					
Workers Compensation Insurance	\$15,183	\$4,100	\$1,493	\$0	\$524	\$21,300					
Total Direct Labor-Related-Costs	\$347,623	\$92,443	\$30,778	\$0	\$7,992	\$478,836					
Direct Fuel Costs	\$18,743	\$6,069	\$2,911	\$0	\$493	\$28,216					
Other Direct Costs	\$25,796	\$9,674	\$3,531	\$0	\$881	\$39,882					
Depreciation - Collection Vehicles	\$23,096	\$9,020	\$3,184	\$0	\$771	\$36,071					
Depreciation - Containers	\$5,133	\$3,013	\$2,485	\$0	\$148	\$10,779					
Depreciation for Collection Equipment	\$28,220	\$12,033	\$7,689	\$0	\$389	\$48,331					
Lease	\$0	\$0	\$0	\$0	\$0	\$0					
Allocated Indirect Costs including Depreciation and Interest (Form 9)											
General and Administrative	\$42,713	\$44,271	\$34,274	\$0	\$945	\$122,203					
Operations	\$7,417	\$5,970	\$7,376	\$0	\$193	\$20,956					
Vehicle Maintenance	\$14,175	\$11,410	\$14,097	\$0	\$388	\$40,060					
Customer Maintenance	\$3,226	\$4,224	\$4,214	\$0	\$126	\$11,820					
Total Allocated Indirect Costs including Depreciation and Interest	\$77,531	\$85,875	\$66,661	\$0	\$1,652	\$190,719					
Total Allocated Indirect Depreciation Costs (Form 9)	\$49,7	\$167	\$184	\$0	\$12	\$1,232					
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0					
Total Annual Cost of Operations	\$490,890	\$186,911	\$108,945	\$0	\$10,910	\$794,666					
Profit (Insert Operating Ratio below)	\$51,239.85	\$19,620	\$11,122	\$0	\$1,145	\$83,127					
Total Proposed Costs before Pass-Through Cost Allocation	\$542,119	\$206,531	\$120,023	\$0	\$12,055	\$874,708					
Contractor Pass-Through Costs											
Interest Expense	\$9,047	\$3,158	\$2,465	\$0	\$189	\$15,859					
Total Contractor Pass-Through Costs	\$9,047	\$3,158	\$2,465	\$0	\$189	\$15,859					
TOTAL BASE CONTRACTOR'S COMPENSATION	\$551,166	\$209,689	\$122,488	\$0	\$13,244	\$890,567					

Service Level Statistics Used for Future Service Level Cost Adjustments

Year	2014	2015	2016	2017	2018	2019	2020	2021
Rolling Three-Year Average	43,667	39,858	3,896					

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021

D. County of San Mateo, North Fair Oaks Allocated Costs - MFD & Commercial

	2017	2017	2017	2017	2017	2017	2017
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPAW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176	264,176
CY CPAW-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176	264,176	264,176	264,176
CPAW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPAW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815	477,815
CY CPAW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815	477,815	477,815
CPAW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPAW-Motor Fuel (2017 Listed as Example)	249,252	249,252	249,252	249,252	249,252	249,252	249,252
CY CPAW-Motor Fuel (2017 Listed as Example)	249,252	249,252	249,252	249,252	249,252	249,252	249,252
CPAW-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PY CPAW (2017 Listed as Example)	2,069,983	2,069,983	2,069,983	2,069,983	2,069,983	2,069,983	2,069,983
CY CPAW (2017 Listed as Example)	2,069,983	2,069,983	2,069,983	2,069,983	2,069,983	2,069,983	2,069,983
CPAW Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

MFD & Commercial	Step 1: Index Base Adjustments		Step 2: Index Base Adjustments		Step 3: Index Base Adjustments		MFD & Commercial Total
	E	F	G	H	I	J	
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBAs	\$213,100	\$213,100	\$213,100	\$213,100	\$213,100	\$213,100	\$213,100
Benefits for CBAs	\$101,816	\$101,816	\$101,816	\$101,816	\$101,816	\$101,816	\$101,816
Payroll Taxes	\$17,730	\$17,730	\$17,730	\$17,730	\$17,730	\$17,730	\$17,730
Workers' Compensation Insurance	\$15,183	\$15,183	\$15,183	\$15,183	\$15,183	\$15,183	\$15,183
Total Direct Labor-Related Costs	\$337,623	\$337,623	\$337,623	\$337,623	\$337,623	\$337,623	\$337,623
Direct Fuel Costs	\$18,743	\$18,743	\$18,743	\$18,743	\$18,743	\$18,743	\$18,743
Other Direct Costs	\$25,796	\$25,796	\$25,796	\$25,796	\$25,796	\$25,796	\$25,796
Depreciation - Collection Vehicles	\$23,096	\$23,096	\$23,096	\$23,096	\$23,096	\$23,096	\$23,096
Depreciation - Containers	\$5,123	\$5,123	\$5,123	\$5,123	\$5,123	\$5,123	\$5,123
Depreciation for Collection Equipment	\$28,220	\$28,220	\$28,220	\$28,220	\$28,220	\$28,220	\$28,220
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)							
Operational and Administrative	\$42,713	\$42,713	\$42,713	\$42,713	\$42,713	\$42,713	\$42,713
Operations	\$7,417	\$7,417	\$7,417	\$7,417	\$7,417	\$7,417	\$7,417
Vehicle Maintenance	\$14,735	\$14,735	\$14,735	\$14,735	\$14,735	\$14,735	\$14,735
Container Maintenance	\$3,733	\$3,733	\$3,733	\$3,733	\$3,733	\$3,733	\$3,733
Total Allocated Indirect Costs including Depreciation and Interest	\$70,041	\$70,041	\$70,041	\$70,041	\$70,041	\$70,041	\$70,041
Total Allocated Indirect Depreciation Costs (Form 9)	\$467	\$467	\$467	\$467	\$467	\$467	\$467
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$490,890	\$490,890	\$490,890	\$490,890	\$490,890	\$490,890	\$490,890
Profit (insert Operating Ratio below)	\$61,830	\$61,830	\$61,830	\$61,830	\$61,830	\$61,830	\$61,830
Total Proposed Costs before Pass-Through Cost Allocation	\$552,720	\$552,720	\$552,720	\$552,720	\$552,720	\$552,720	\$552,720
Contractor Pass-Through Costs	\$0,047	\$0,047	\$0,047	\$0,047	\$0,047	\$0,047	\$0,047
Interest Expenses	\$0,047	\$0,047	\$0,047	\$0,047	\$0,047	\$0,047	\$0,047
Total Contractor Pass-Through Costs	\$0,094	\$0,094	\$0,094	\$0,094	\$0,094	\$0,094	\$0,094
TOTAL BASE CONTRACTOR'S COMPENSATION	\$552,814	\$552,814	\$552,814	\$552,814	\$552,814	\$552,814	\$552,814

SBWMA COLLECTION AGREEMENT
Proposed Compensation
D. County of San Mateo, North Fair Oaks Allocated Costs - MFD & Commercial

Step 2: Service Level Adjustments			
	Lifts	Lifts	Hauls
2014	42,900	37,856	3,380
2015	42,382	40,690	3,939
2016	43,719	41,028	4,368
Prior Year Rolling Three-Year Average	43,667	39,858	3,896
	Lifts	Lifts	Hauls
2014	42,900	37,856	3,380
2015	42,382	40,690	3,939
2016	43,719	41,028	4,368
Current Year Rolling Three-Year Average	43,667	39,858	3,896
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

	M		N		O		P		Q		R		S		T		U		V		W		X		Y		Z		AA		AB		AC		AD		AE		AF		AG		AH		AI		AJ		AK		AL		AM		AN		AO		AP		AQ		AR		AS		AT		AU		AV		AW		AX		AY		AZ		BA		BB		BC		BD		BE		BF		BG		BH		BI		BJ		BK		BL		BM		BN		BO		BP		BQ		BR		BS		BT		BU		BV		BW		BX		BY		BZ		CA		CB		CC		CD		CE		CF		CG		CH		CI		CJ		CK		CL		CM		CN		CO		CP		CQ		CR		CS		CT		CU		CV		CW		CX		CY		CZ		DA		DB		DC		DD		DE		DF		DG		DH		DI		DJ		DK		DL		DM		DN		DO		DP		DQ		DR		DS		DT		DU		DV		DW		DX		DY		DZ		EA		EB		EC		ED		EE		EF		EG		EH		EI		EJ		EK		EL		EM		EN		EO		EP		EQ		ER		ES		ET		EU		EV		EW		EX		EY		EZ		FA		FB		FC		FD		FE		FF		FG		FH		FI		FJ		FK		FL		FM		FN		FO		FP		FQ		FR		FS		FT		FU		FV		FW		FX		FY		FZ		GA		GB		GC		GD		GE		GF		GG		GH		GI		GJ		GK		GL		GM		GN		GO		GP		GQ		GR		GS		GT		GU		GV		GW		GX		GY		GZ		HA		HB		HC		HD		HE		HF		HG		HH		HI		HJ		HK		HL		HM		HN		HO		HP		HQ		HR		HS		HT		HU		HV		HW		HX		HY		HZ		IA		IB		IC		ID		IE		IF		IG		IH		II		IJ		IK		IL		IM		IN		IO		IP		IQ		IR		IS		IT		IU		IV		IW		IX		IY		IZ		JA		JB		JC		JD		JE		JF		JG		JH		JI		JJ		JK		JL		JM		JN		JO		JP		JQ		JR		JS		JT		JU		JV		JW		JX		JY		JZ		KA		KB		KC		KD		KE		KF		KG		KH		KI		KJ		KL		KM		KN		KO		KP		KQ		KR		KS		KT		KU		KV		KW		KX		KY		KZ		LA		LB		LC		LD		LE		LF		LG		LH		LI		LJ		LK		LL		LM		LN		LO		LP		LQ		LR		LS		LT		LU		LV		LW		LX		LY		LZ		MA		MB		MC		MD		ME		MF		MG		MH		MI		MJ		MK		ML		MN		MO		MP		MQ		MR		MS		MT		MU		MV		MW		MX		MY		MZ		NA		NB		NC		ND		NE		NF		NG		NH		NI		NJ		NK		NL		NM		NO		NP		NQ		NR		NS		NT		NU		NV		NW		NX		NY		NZ		OA		OB		OC		OD		OE		OF		OG		OH		OI		OJ		OK		OL		OM		ON		OO		OP		OQ		OR		OS		OT		OU		OV		OW		OX		OY		OZ		PA		PB		PC		PD		PE		PF		PG		PH		PI		PJ		PK		PL		PM		PN		PO		PP		PQ		PR		PS		PT		PU		PV		PW		PX		PY		PZ		QA		QB		QC		QD		QE		QF		QG		QH		QI		QJ		QK		QL		QM		QN		QO		QP		QQ		QR		QS		QT		QU		QV		QW		QX		QY		QZ		RA		RB		RC		RD		RE		RF		RG		RH		RI		RJ		RK		RL		RM		RN		RO		RP		RQ		RR		RS		RT		RU		RV		RW		RX		RY		RZ		SA		SB		SC		SD		SE		SF		SG		SH		SI		SJ		SK		SL		SM		SN		SO		SP		SQ		SR		SS		ST		SU		SV		SW		SX		SY		SZ		TA		TB		TC		TD		TE		TF		TG		TH		TI		TJ		TK		TL		TM		TN		TO		TP		TQ		TR		TS		TU		TV		TW		TX		TY		TZ		UA		UB		UC		UD		UE		UF		UG		UH		UI		UJ		UK		UL		UM		UN		UO		UP		UQ		UR		US		UT		UU		UV		UW		UX		UY		UZ		VA		VB		VC		VD		VE		VF		VG		VH		VI		VJ		VK		VL		VM		VN		VO		VP		VQ		VR		VS		VT		VU		VV		VW		VX		VY		VZ		WA		WB		WC		WD		WE		WF		WG		WH		WI		WJ		WK		WL		WM		WN		WO		WP		WQ		WR		WS		WT		WU		WV		WW		WX		WY		WZ		XA		XB		XC		XD		XE		XF		XG		XH		XI		XJ		XK		XL		XM		XN		XO		XP		XQ		XR		XS		XT		XU		XV		XW		XX		XY		XZ		YA		YB		YC		YD		YE		YF		YG		YH		YI		YJ		YK		YL		YM		YN		YO		YP		YQ		YR		YS		YT		YU		YV		YW		YX		YY		YZ		ZA		ZB		ZC		ZD		ZE		ZF		ZG		ZH		ZI		ZJ		ZK		ZL		ZM		ZN		ZO		ZP		ZQ		ZR		ZS		ZT		ZU		ZV		ZW		ZX		ZY		ZZ	
		E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA	BB	BC	BD	BE	BF	BG	BH	BI	BJ	BK	BL	BM	BN	BO	BP	BQ	BR	BS	BT	BU	BV	BW	BX	BY	BZ	CA	CB	CC	CD	CE	CF	CG	CH	CI	CJ	CK	CL	CM	CN	CO	CP	CQ	CR	CS	CT	CU	CV	CW	CX	CY	CZ	DA	DB	DC	DD	DE	DF	DG	DH	DI	DJ	DK	DL	DM	DN	DO	DP	DQ	DR	DS	DT	DU	DV	DW	DX	DY	DZ	EA	EB	EC	ED	EE	EF	EG	EH	EI	EJ	EK	EL	EM	EN	EO	EP	EQ	ER	ES	ET	EU	EV	EW	EX	EY	EZ	FA	FB	FC	FD	FE	FF	FG	FH	FI	FJ	FK	FL	FM	FN	FO	FP	FQ	FR	FS	FT	FU	FV	FW	FX	FY	FZ	GA	GB	GC	GD	GE	GF	GG	GH	GI	GJ	GK	GL	GM	GN	GO	GP	GQ	GR	GS	GT	GU	GV	GW	GX	GY	GZ	HA	HB	HC	HD	HE	HF	HG	HH	HI	HJ	HK	HL	HM	HN	HO	HP	HQ	HR	HS	HT	HU	HV	HW	HX	HY	HZ	IA	IB	IC	ID	IE	IF	IG	IH	IJ	IK	IL	IM	IN	IO	IP	IQ	IR	IS	IT	IU	IV	IW	IX	IY	IZ	JA	JB	JC	JD	JE	JF	JG	JH	JI	JJ	JK	JL	JM	JN	JO	JP	JQ	JR	JS	JT	JU	JV	JW	JX	JY	JZ	KA	KB	KC	KD	KE	KF	KG	KH	KI	KJ	KL	KM	KN	KO	KP	KQ	KR	KS	KT	KU	KV	KW	KX	KY	KZ	LA	LB	LC	LD	LE	LF	LG	LH	LI	LJ	LK	LM	LN	LO	LP	LQ	LR	LS	LT	LU	LV	LW	LX	LY	LZ	MA	MB	MC	MD	ME	MF	MG	MH	MI	MJ	MK	ML	MN	MO	MP	MQ	MR	MS	MT	MU	MV	MW	MX	MY	MZ	NA	NB	NC	ND	NE	NF	NG	NH	NI	NJ	NK	NL	NM	NO	NP	NQ	NR	NS	NT	NU	NV	NW	NX	NY	NZ	OA	OB	OC	OD	OE	OF	OG	OH	OI	OJ	OK	OL	OM	ON	OO	OP	OQ	OR	OS	OT	OU	OV	OW	OX	OY	OZ	PA	PB	PC	PD	PE	PF	PG	PH	PI	PJ	PK	PL	PM	PN	PO	PP	PQ	PR	PS	PT	PU	PV	PW	PX	PY	PZ	QA	QB	QC	QD	QE	QF	QG	QH	QI	QJ	QK	QL	QM	QN	QO	QP	QQ	QR	QS	QT	QU	QV	QW	QX	QY	QZ	RA	RB	RC	RD	RE	RF	RG	RH	RI	RJ	RK	RL	RM	RN	RO	RP	RQ	RR	RS	RT	RU	RV	RW	RX	RY	RZ	SA	SB	SC	SD	SE	SF	SG	SH	SI	SJ	SK	SL	SM	SN	SO	SP	SQ	SR	SS	ST	SU	SV	SW	SX	SY	SZ	TA	TB	TC	TD	TE	TF	TG	TH	TI	TJ	TK	TL	TM	TN	TO	TP	TQ	TR	TS	TU	TV	TW	TX	TY	TZ	UA	UB	UC	UD	UE	UF	UG	UH	UI	UJ	UK	UL	UM	UN	UO	UP	UQ	UR	US	UT	UU	UV	UW	UX	UY	UZ	VA	VB	VC	VD	VE	VF	VG	VH	VI	VJ	VK	VL	VM	VN	VO	VP	VQ	VR	VS	VT	VU	VV	VW	VX	VY	VZ	WA	WB	WC	WD	WE	WF	WG	WH	WI	WJ	WK	WL	WM	WN	WO	WP	WQ	WR	WS	WT	WU	WV	WW	WX	WY	WZ	XA	XB	XC	XD	XE	XF	XG	XH	XI	XJ	XK	XL	XM	XN	XO	XP	XQ	XR	XS	XT	XU	XV	XW	XX	XY	XZ	YA	YB	YC																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								

SBWMA COLLECTION AGREEMENT 2021 Proposed Compensation Agency Facilities

D. County of San Mateo, North Fair Oaks Allocated Costs - Agency Facilities

Statistic Used for Year 2021 Cost Allocation Only	2020	2021	2021	Totals
City # of Lids per year	136	136	136	2,618
SBWMA # of Lids per year	16,744	16,744	16,744	94,580
City # of Lids per year %	0.8%	0.8%	0.8%	2.7%
City Total Route Labor hours year	85,49	3,99	31,69	122,23
SBWMA Total Route Labor hours year	4,706,00	963,66	963,66	\$935,45
City Total Route Labor hours year	7.9%	0.4%	2.7%	2.7%
City # of route hours year	16,68	3,99	122,23	\$1.81
SBWMA # of route hours year	2,399,31	935,67	935,67	\$935,67
City # of route hours year %	0.1%	0.4%	2.7%	2.7%
City # of Containers (Lids for example)	6	5	5	1,991
SBWMA # of Containers	82	528	528	96,836
City # of Containers %	0.7%	0.5%	0.5%	2.7%

Agency Facilities	E	G	F	H	I	Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages per CBAs	\$1,807	\$18	\$84	\$688	\$199	\$2,796
Benefits for CBAs	\$845	\$8	\$39	\$312	\$93	\$1,297
Payroll Taxes	\$150	\$1	\$7	\$56	\$17	\$231
Workers' Compensation Insurance	\$129	\$1	\$6	\$48	\$14	\$198
Total Direct Labor-Related Costs	\$2,991	\$29	\$136	\$1,044	\$323	\$4,523
Other Direct Costs	\$223	\$2	\$11	\$84	\$22	\$352
Depreciation - Collection Vehicles	\$431	\$4	\$20	\$159	\$48	\$662
Depreciation - Containers	\$826	\$8	\$43	\$342	\$82	\$1,403
Depreciation for Collection Equipment	\$826	\$8	\$43	\$342	\$82	\$1,601
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (using 10% for Agency Costs)	\$1,263	\$14	\$63	\$504	\$195	\$2,139
Operations	\$434	\$4	\$20	\$186	\$54	\$698
Vehicle Maintenance	\$129	\$1	\$5	\$306	\$85	\$1,251
Contingency (Maintainance, using 10% for Agency Costs)	\$196	\$2	\$9	\$72	\$22	\$301
Total Allocated Indirect Costs excluding Depreciation and Interest	\$2,122	\$23	\$111	\$1,044	\$358	\$4,658
Total Allocated Indirect Depreciation Costs (Form 9)	\$30	\$0	\$1	\$11	\$3	\$45
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$7,267	\$74	\$343	\$2,724	\$1,061	\$11,869
Profit (insert Operating Ratio below)	90.5%	\$8	\$36	\$286	\$111	\$1,211
Total Operating Costs before Pass-Through Cost Allocation	\$8,140	\$82	\$379	\$3,010	\$1,172	\$12,784
Contractor Pass-Through Costs	\$166	\$2	\$9	\$73	\$17	\$267
Total Contractor Pass-Through Costs	\$166	\$2	\$9	\$73	\$17	\$267
TOTAL BASE CONTRACTOR'S COMPENSATION	\$8,306	\$84	\$388	\$3,083	\$1,189	\$13,051

Service Level Statistics Used for Future Service Level Cost Adjustments	2014	2015	2016	Rolling Three-Year Average
Lids	2,236	2,236	2,236	2,236
Lids	156	156	156	156
Lids	312	312	312	312
Lids	3	3	3	3
Lids	68	68	68	68
Lids	29	29	29	29

SBWMA COLLECTION AGREEMENT
 Dr. County of San Mateo, North Fair Oaks Allocated Costs - Agency Facilities

Proposed Compensation 2021

	204.17%	204.17%	204.17%	204.17%	204.17%
PV CFW-Wages (2017 Listed as Example)	204.17%	204.17%	204.17%	204.17%	204.17%
CV CFW-Wages (2017 Listed as Example)	204.17%	204.17%	204.17%	204.17%	204.17%
CFW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PV CFW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CV CFW-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815	477,815
CFW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PV CFW-Mater Fund (2017 Listed as Example)	249,252	249,252	249,252	249,252	249,252
CV CFW-Mater Fund (2017 Listed as Example)	249,252	249,252	249,252	249,252	249,252
CFW-Mater Fund Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%
PV CFW (2017 Listed as Example)	209,983	209,983	209,983	209,983	209,983
CV CFW (2017 Listed as Example)	209,983	209,983	209,983	209,983	209,983
CFW Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Step 1: Index Based Adjustments					Agency Facilities Total
	E	G	F	H	I	
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CBAs	\$1,877	\$18	\$84	\$668	\$199	\$2,776
Benefits for CBAs	\$445	\$8	\$39	\$312	\$93	\$1,298
Payroll Taxes	\$150	\$2	\$7	\$36	\$17	\$231
Workers' Compensation Insurance	\$129	\$1	\$6	\$48	\$14	\$198
Total Direct Labor Related Costs	\$2,931	\$29	\$136	\$1,064	\$323	\$4,500
Direct Fuel Costs	\$228	\$2	\$11	\$84	\$25	\$351
Other Direct Costs	\$431	\$4	\$20	\$159	\$48	\$662
Depreciation - Collection Vehicles	\$926	\$9	\$43	\$342	\$82	\$1,403
Depreciation - Containers	\$9	\$0	\$0	\$0	\$0	\$0
Depreciation for Collection Equipment	\$925	\$9	\$43	\$342	\$82	\$1,403
Lease	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Interest Costs excluding Depreciation and Interest (Form 9)						
General and Administrative (not for Agencies Costs)	\$1,263	\$14	\$63	\$504	\$392	\$2,339
Operations	\$434	\$4	\$20	\$160	\$44	\$663
Vehicle Maintenance	\$829	\$8	\$39	\$309	\$85	\$1,267
Contractor Maintenance (using IIRs for Agency Costs)	\$196	\$2	\$9	\$72	\$21	\$310
Total Allocated Interest Costs excluding Depreciation and Interest	\$2,427	\$28	\$131	\$1,043	\$340	\$4,069
Total Allocated Interest-Depreciation Costs (Form 9)	\$30	\$0	\$1	\$11	\$3	\$46
Annual Implementation Cost Allocation (Form V)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$7,467	\$74	\$343	\$2,724	\$1,061	\$11,669
Profit (Insert Operating Ratio below)	\$773	\$8	\$36	\$286	\$111	\$1,214
Total Operating Costs before Pass-Through Cost Allocation	\$8,240	\$82	\$379	\$3,010	\$1,172	\$12,784
Contractor Pass-Through Costs						
Interest Expense	\$196	\$2	\$9	\$73	\$17	\$297
Total Contractor Pass-Through Costs	\$196	\$2	\$9	\$73	\$17	\$297
TOTAL BASE CONTRACTOR'S COMPENSATION	\$8,437	\$84	\$388	\$3,083	\$1,189	\$13,081

	Step 2: Service Level Adjustments			
	Lifts	Lifts	Lifts	Lifts
2014	2,336	156	312	3
2015	2,336	156	312	17
2016	2,336	156	312	68
Prior Year Rolling Three-Year Average	2,336	156	312	29
2014	2,336	156	312	5
2015	2,336	156	312	17
2016	2,336	156	312	68
Current Year Rolling Three-Year Average	2,336	156	312	29
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%	100.0%

Agency Facilities	E		G		F		H		I		Agency Facilities Total
	Cart and Bin Solid Waste	Cart and Bin Organic Materials	Cart and Bin Recyclable Materials	Cart and Bin Recyclable Materials	Total Drop Box Services (All Materials)	Venues and Events					
Annual Cost of Operations											
Direct Labor-Related Costs	\$1,807	\$18	\$18	\$84	\$688	\$199					\$2,776
Wages for CB's	\$845	\$8	\$8	\$39	\$312	\$93					\$1,298
Benefits for CB's	\$150	\$10	\$10	\$7	\$59	\$17					\$231
Payroll Taxes	\$812	\$1	\$1	\$6	\$33	\$83					\$938
Workers' Compensation Insurance	\$291	\$29	\$29	\$13	\$139	\$32					\$450
Total Direct Labor Related Costs	\$228	\$52	\$52	\$11	\$84	\$53					\$351
Direct Fuel Costs	\$437	\$4	\$4	\$20	\$159	\$48					\$602
Other Direct Costs	\$928	\$0	\$0	\$43	\$342	\$82					\$1,403
Depreciation - Collection Vehicle	\$0	\$0	\$0	\$0	\$0	\$0					\$0
Depreciation - Containers	\$928	\$0	\$0	\$43	\$342	\$82					\$1,403
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0	\$0					\$0
Lease	\$1,362	\$14	\$14	\$63	\$504	\$145					\$2,098
Allocated Indirect Costs including Depreciation and Interest (Form 9)	\$433	\$4	\$4	\$21	\$167	\$48					\$637
Overhead and Administrative (using Bids for Agency Costs)	\$829	\$8	\$8	\$38	\$306	\$87					\$1,266
Operations	\$829	\$8	\$8	\$38	\$306	\$87					\$1,266
Vehicle Maintenance	\$196	\$2	\$2	\$9	\$72	\$21					\$230
Container Maintenance (using Bids for Agency Costs)	\$2,827	\$28	\$28	\$131	\$1,043	\$280					\$4,007
Total Allocated Indirect Costs including Depreciation and Interest	\$30	\$0	\$0	\$1	\$11	\$3					\$45
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0					\$0
Annual Implementation Cost (Amount/Year) (Form 3)	\$736	\$74	\$74	\$343	\$2,724	\$1,061					\$11,569
Total Annual Cost of Operations	\$773	\$8	\$8	\$36	\$286	\$111					\$1,214
Profit (insert Operating Ratio below)											
90.5%											
Total Operating Costs before Pass-Through Cost Allocation	\$4,140	\$82	\$82	\$379	\$3,010	\$1,171					\$12,794
Contractor Pass-Through Cost											
Interest Expense	\$196	\$2	\$2	\$9	\$73	\$17					\$297
Total Contractor Pass-Through Costs	\$196	\$2	\$2	\$9	\$73	\$17					\$297
TOTAL BASE CONTRACTOR'S COMPENSATION	\$4,336	\$84	\$84	\$388	\$3,083	\$1,188					\$13,091

SBWMA COLLECTION AGREEMENT

Proposed Compensation

2021

D. West Bay Sanitary District Allocated Costs - SFED

Step 3: Index Based Adjustments

PY CPWA-Wages 2017 Listed as Example)	264,176	264,176	264,176	264,176
CY CPWA-Wages 2017 Listed as Example)	264,176	264,176	264,176	264,176
CPWA-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPWA-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CY CPWA-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CPWA-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPWA-Motor Fuel (2017 Listed as Example)	209,983	209,983	209,983	209,983
CY CPWA-Motor Fuel (2017 Listed as Example)	209,983	209,983	209,983	209,983
CPWA-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPWA (2017 Listed as Example)	269,983	269,983	269,983	269,983
CY CPWA (2017 Listed as Example)	269,983	269,983	269,983	269,983
CPWA Adjustment	100.0%	100.0%	100.0%	100.0%

	Single Family Dwelling			
	A	B	C	D
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for CBAs	\$53,313	\$86,230	\$74,611	\$16,840
Benefits for CBAs	\$43,116	\$44,176	\$18,442	\$9,172
Payroll Taxes	\$7,784	\$7,174	\$6,138	\$1,409
Workers Compensation Insurance	\$8,623	\$6,123	\$5,223	\$1,227
Total Direct Labor-Related Costs	\$136,835	\$141,123	\$114,333	\$28,669
Direct Fuel Costs	\$9,317	\$11,342	\$9,682	\$800
Other Direct Costs	\$12,270	\$14,990	\$12,907	\$1,230
Depreciation - Collection Vehicle	\$13,806	\$14,696	\$14,831	\$718
Depreciation - Containers	\$6,264	\$6,599	\$4,522	\$5
Depreciation for Collection Equipment	\$20,169	\$22,108	\$21,155	\$734
Lease	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)				
General and Administrative Operations	\$41,241	\$43,242	\$42,877	\$1,373
Vehicle Maintenance	\$8,233	\$10,228	\$10,209	\$581
Customer Maintenance	\$15,731	\$19,449	\$19,509	\$537
Customer Maintenance	\$5,396	\$6,234	\$6,434	\$198
Total Allocated Indirect Costs excluding Depreciation and Interest	\$70,399	\$79,253	\$80,028	\$2,704
Total Allocated Indirect Depreciation Costs (Form 9)	\$497	\$619	\$533	\$17
Annual Implementation Cost (Introduction Form A)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$264,427	\$326,475	\$274,684	\$33,899
Profit (Inser Operating Ratio below)	90.5%	\$24,287	\$36,000	\$3,559
Total Proposed Costs before Pass-Through Cost Allocation	\$292,185	\$357,763	\$313,684	\$37,457
Contractor Pass-Through Costs				
Interest Expense	\$4,932	\$5,422	\$5,923	\$181
Total Contractor Pass-Through Costs	\$4,932	\$5,422	\$5,923	\$181
TOTAL BASE CONTRACTOR'S COMPENSATION	\$297,117	\$363,185	\$319,607	\$37,638
				\$16,458
				\$17,546
				\$91,088
				\$16,458
				\$16,458
				\$17,546

D. West Bay Sanitary District Allocated Costs - SFD

Step 2: Service Level Adjustments		Accounts	
2014	2,208	2,208	2,208
2015	2,215	2,215	2,215
2016	2,215	2,215	2,215
Prior Year Rolling Three-Year Average	2,213	2,213	2,213
Accounts			
2014	2,208	2,208	2,208
2015	2,215	2,215	2,215
2016	2,215	2,215	2,215
Current Year Rolling Three-Year Average	2,213	2,213	2,213
100% Service Level Adjustment Factor			
		100.0%	100.0%
65% Service Level Adjustment Factor			
		100.0%	100.0%

Single Family Dwelling	A		B		C		D	
	Solid Waste	Trash/Recyclable Materials	Organic Materials (including Holiday Trash)	Tree On-Call Collection Events	Single Family Dwelling Total			
Annual Cost of Operations								
Direct Labor-Related Costs								
Wages for CBAs	\$93,313	\$86,230	\$74,011	\$16,840	\$270,493			
Health for CBAs	\$43,110	\$41,576	\$34,842	\$9,112	\$138,639			
Period Taxes	\$7,764	\$7,724	\$6,158	\$1,469	\$23,054			
Workers Compensation Insurance	\$6,648	\$6,443	\$5,273	\$1,207	\$19,272			
Total Direct Labor Related-Costs	\$149,815	\$141,123	\$120,283	\$28,669	\$440,969			
Direct Fuel Costs	\$9,317	\$11,382	\$9,680	\$360	\$31,180			
Other Direct Costs	\$12,270	\$14,990	\$12,967	\$1,280	\$41,447			
Depreciation - Collection Vehicles	\$13,969	\$15,999	\$15,631	\$778	\$45,877			
Depreciation - Containers	\$6,204	\$6,209	\$6,422	\$0	\$12,235			
Depreciation for Collection Equipment	\$20,109	\$22,108	\$24,133	\$778	\$67,108			
Leases	\$0	\$0	\$0	\$0	\$0			
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$41,241	\$43,242	\$43,677	\$1,378	\$129,538			
General and Administrative	\$4,213	\$10,228	\$10,208	\$281	\$28,959			
Operations	\$13,735	\$19,549	\$19,569	\$537	\$53,331			
Vehicle Maintenance	\$1,890	\$6,234	\$6,634	\$198	\$18,258			
Container Maintenance	\$71,399	\$79,223	\$80,228	\$2,394	\$233,075			
Total Allocated Indirect Costs excluding Depreciation and Interest	\$49,707	\$69,199	\$69,633	\$17	\$176			
Total Allocated Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0			
Annual Implementation Cost - Uncollected (Form A)	\$364,417	\$369,475	\$371,884	\$33,899	\$815,485			
Total Annual Cost of Operations	\$77,758	\$78,287	\$76,000	\$3,458	\$88,603			
Profit (insert Operating Ratio below)	90.5%							
Total Proposed Costs before Pass-Through Cost Allocation	\$29,185	\$29,763	\$27,684	\$3,457	\$991,088			
Contractor Pass-Through Costs								
Interest Expense	\$4,932	\$5,422	\$5,923	\$181	\$18,438			
Total Contractor Pass-Through Costs	\$4,932	\$5,422	\$5,923	\$181	\$18,438			
TOTAL BASE CONTRACTOR'S COMPENSATION	\$29,112	\$29,341	\$27,607	\$3,638	\$912,650			

SBWMA COLLECTION AGREEMENT
 D. West Bay Sanitary District-Allocated Costs- MFD & Commercial

Proposed Compensation 2021

Statistics Used for Year 2021 Cost Allocation Only	2020	2021	% Change
City # of Accounts	32	36	1.7%
SBWMA # of Accounts	10,322	10,210	-1.1%
City # of Accounts %	0.3%	0.3%	0.0%
SBWMA # of Accounts %	99.7%	99.7%	0.0%
City Total Route Labor hours year	477,233	478,445	0.3%
SBWMA Total Route Labor hours year	477,825	477,111	-0.1%
City Total Route Labor hours %	100.0%	100.0%	0.0%
SBWMA # of route hours year	197.4	171.48	-12.6%
City # of route hours %	41.3%	35.8%	-11.1%
SBWMA # of route hours year*	3,327.08	25,241.12	667.2%
City # of route hours %*	0.6%	0.1%	-83.3%
City Total Compensation Service Units (for example)	62	85	37.1%
SBWMA Total Compensation in Service	17,258	15,703	-9.0%
City Total Compensation in Service %	0.3%	0.1%	-66.7%
SBWMA Total Compensation in Service %	99.7%	99.9%	0.2%
Total	557	25,326	4528.9%
Total	85	22,449	2640.0%
Total	574	87,508	15228.6%
Total	437	88,751	20307.3%
Total	656	38,383	5882.6%
Total	423	4,452	1052.7%

	E	F	G	H	J	K
	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday-Trees)	Total Drop Box Materials (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
Annual Cost of Operations						
Direct Labor-Related Costs						
Wages for CIBs	\$29,432	\$13,323	\$7,591	\$0	\$2,737	\$53,083
Benefits for CIBs	\$4,024	\$1,959	\$1,289	\$0	\$1,343	\$2,724
Payroll Taxes	\$2,449	\$1,107	\$632	\$0	\$227	\$4,414
Workers' Compensation Insurance	\$2,627	\$1,241	\$811	\$0	\$324	\$4,703
Total Direct Labor-Related Costs	\$38,532	\$18,630	\$11,523	\$0	\$4,631	\$68,986
Direct Fuel Costs	\$3,048	\$1,388	\$1,070	\$0	\$287	\$5,813
Other Direct Costs	\$4,203	\$2,235	\$1,298	\$0	\$459	\$8,195
Depreciation - Collection Vehicles	\$3,768	\$2,084	\$1,909	\$0	\$283	\$8,044
Depreciation - Equipment	\$3,845	\$2,093	\$790	\$0	\$71	\$1,638
Depreciation for Collection Equipment	\$4,153	\$2,477	\$2,700	\$0	\$352	\$9,682
Total	\$53,703	\$25,727	\$17,500	\$0	\$5,743	\$97,273
Allocated Interest Costs (excluding Depreciation and Interest (Form 9) Interest and Administrative Operations	\$3,602	\$3,610	\$10,868	\$0	\$847	\$18,927
Utilities	\$1,211	\$2,379	\$2,711	\$0	\$118	\$6,819
Vehicle Maintenance	\$2,312	\$2,036	\$1,144	\$0	\$117	\$5,609
Contractor Maintenance	\$252	\$211	\$1,238	\$0	\$31	\$2,732
Total Allocated Interest Costs excluding Depreciation and Interest	\$6,959	\$13,443	\$20,417	\$0	\$984	\$38,803
Total Allocated Interest (Form 9)	\$78	\$48	\$141	\$0	\$7	\$174
Annual Implementation Cost (Form A)	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$66,468	\$45,644	\$38,759	\$0	\$6,846	\$158,717
Profit (Insert Operating Ratio below)	\$6,977.01	\$3,742	\$3,861	\$0	\$687	\$15,267
90.5%						
Total Proposed Costs before Pass-Through Cost Allocation	\$73,445	\$49,386	\$42,620	\$0	\$7,533	\$174,004
Contractor Pass-Through Costs	\$1,337	\$792	\$865	\$0	\$113	\$3,107
Total Contractor Pass-Through Costs	\$1,337	\$792	\$865	\$0	\$113	\$3,107
TOTAL BASE CONTRACTOR'S COMPENSATION	\$74,782	\$50,178	\$43,485	\$0	\$7,646	\$177,111

Service Level Statistics Used for Future Service Level Cost Adjustments	2014	2015	2016	Rolling Three-Year Average
City Total Compensation in Service	3,848	3,702	3,790	3,780
SBWMA Total Compensation in Service	1,038	1,038	1,038	1,038
City Total Compensation in Service %	87.6%	87.6%	87.6%	87.6%
SBWMA Total Compensation in Service %	27.1%	27.1%	27.1%	27.1%
Rolling Three-Year Average	6,088	6,088	6,088	6,088

Step 1. Index Based Adjustments

PV CFA-Wages (2017 Listed as Example)	254,176	254,176	254,176	254,176
CV CFA-Wages (2017 Listed as Example)	254,176	254,176	254,176	254,176
CFA-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PV CFA-We-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CV CFA-We-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CFA-We-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PV CFA-L-Move Fuel (2017 Listed as Example)	259,252	259,252	259,252	259,252
CV CFA-L-Move Fuel (2017 Listed as Example)	259,252	259,252	259,252	259,252
CFA-L-Move Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PV CFA-I (2017 Listed as Example)	269,983	269,983	269,983	269,983
CV CFA-I (2017 Listed as Example)	269,983	269,983	269,983	269,983
CFA-I Adjustment	100.0%	100.0%	100.0%	100.0%

MFD & Commercial	Curt and Bin Solid Waste		Curt and Bin Organics		Total Drop Box Service (All Materials)		Time On-Call Collectors		MFD & Commercial Total
	F	G	F	G	F	G	F	G	
Annual Cost of Operations									
Direct Labor-Related Costs									
Wages for CDVs	\$59,412	\$13,103	\$7,481	\$0	\$0	\$0	\$3,731	\$0	\$63,626
Benefits for CDVs	\$14,634	\$3,659	\$3,345	\$0	\$0	\$0	\$1,743	\$0	\$23,724
Payroll Taxes	\$2,449	\$1,107	\$632	\$0	\$0	\$0	\$327	\$0	\$4,414
Workers Compensation Insurance	\$4,823	\$2,248	\$1,155	\$0	\$0	\$0	\$348	\$0	\$8,230
Total Direct Labor Related Costs	\$81,128	\$21,117	\$11,113	\$0	\$0	\$0	\$4,449	\$0	\$86,575
Diesel Fuel Costs	\$3,658	\$1,385	\$1,070	\$0	\$0	\$0	\$297	\$0	\$5,013
Other Direct Costs	\$4,208	\$3,235	\$1,239	\$0	\$0	\$0	\$409	\$0	\$8,150
Depreciation - Collection Vehicles	\$3,758	\$2,084	\$1,909	\$0	\$0	\$0	\$283	\$0	\$5,044
Depreciation - Containers	\$385	\$393	\$790	\$0	\$0	\$0	\$71	\$0	\$1,639
Depreciation for Collection Equipment	\$4,153	\$2,477	\$2,700	\$0	\$0	\$0	\$335	\$0	\$9,662
Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Interest Costs (including Depreciation and Interest Form 9)	\$3,018	\$3,810	\$10,868	\$0	\$0	\$0	\$497	\$0	\$18,493
General and Administrative	\$1,210	\$1,379	\$2,711	\$0	\$0	\$0	\$119	\$0	\$5,418
Operations	\$2,312	\$2,936	\$4,382	\$0	\$0	\$0	\$221	\$0	\$10,342
Vehicle Maintenance	\$431	\$817	\$1,516	\$0	\$0	\$0	\$81	\$0	\$2,859
Contractor Maintenance	\$6,959	\$8,143	\$20,417	\$0	\$0	\$0	\$984	\$0	\$36,564
Total Allocated Interest Costs excluding Depreciation and Interest	\$78	\$85	\$141	\$0	\$0	\$0	\$7	\$0	\$399
Total Allocated Interest Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form V)	\$66,465	\$35,644	\$36,779	\$0	\$0	\$0	\$6,546	\$0	\$145,434
Total Annual Cost of Operations	\$6,977	\$3,742	\$3,861	\$0	\$0	\$0	\$687	\$0	\$15,267
Profit (Insert Operating Ratio below)									
90.5%									
Total Proposed Costs before Pass-Through Cost Allocation	\$73,443	\$39,386	\$40,640	\$0	\$0	\$0	\$7,233	\$0	\$160,700
Contractor Pass-Through Costs									
Contract Expense	\$1,331	\$794	\$385	\$0	\$0	\$0	\$113	\$0	\$3,104
Total Contractor Pass-Through Costs	\$1,331	\$794	\$385	\$0	\$0	\$0	\$113	\$0	\$3,104
TOTAL BASE CONTRACTOR'S COMPENSATION	\$74,774	\$40,180	\$41,025	\$0	\$0	\$0	\$7,346	\$0	\$163,804

Step 2: Service Level Adjustments					
	Lifts	Lifts	Lifts	Hauls	Hauls
2014	3,848	5,876	741	0	0
2015	3,705	6,207	871	0	0
2016	3,795	6,188	1,248	0	0
Prior Year Rolling Three-Year Average	3,783	6,088	953		
2014	3,848	5,876	741	0	0
2015	3,705	6,207	871	0	0
2016	3,795	6,188	1,248	0	0
Current Year Rolling Three-Year Average	3,783	6,088	953		
100% Service Level Adjustment Factor	100.00%	100.00%	100.00%		
65% Service Level Adjustment Factor	100.00%	100.00%	100.00%		

	MFD & Commercial			Total Drop Box Services (All Materials)	Two On-Call Collection Events	MFD & Commercial Total
	E Cart and Bin Solid Waste	F Cart and Bin Recyclable Materials	G Cart and Bin Organic Materials (including Holiday Trees)			
Annual Cost of Operations						
Direct Labor-Related Costs	\$29,432	\$13,303	\$7,591	\$0	\$2,751	\$53,076
Wages for CB's	\$14,034	\$7,959	\$2,389	\$0	\$1,343	\$27,724
Benefits for CB's	\$2,459	\$1,107	\$632	\$0	\$327	\$4,524
Payroll Taxes	\$2,052	\$824	\$531	\$0	\$235	\$3,642
Workers' Compensation Insurance	\$48,011	\$21,316	\$11,159	\$0	\$4,953	\$84,439
Total Direct Labor Related Costs	\$1,028	\$1,388	\$1,070	\$0	\$297	\$3,883
Direct Fuel Costs	\$4,205	\$2,233	\$1,298	\$0	\$469	\$8,195
Other Direct Costs	\$3,788	\$2,084	\$1,909	\$0	\$283	\$8,064
Depreciation - Collection Vehicles	\$385	\$393	\$790	\$0	\$71	\$1,639
Depreciation - Containers	\$4,153	\$2,477	\$4,700	\$0	\$353	\$11,723
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Liabilities	\$3,065	\$3,410	\$10,988	\$0	\$587	\$18,050
Allocated Indirect Costs including Depreciation and Interest (Form 9)	\$1,210	\$1,379	\$2,711	\$0	\$114	\$5,414
General and Administrative Operations	\$2,312	\$2,638	\$5,182	\$0	\$223	\$10,355
Vehicle Maintenance	\$431	\$617	\$1,556	\$0	\$81	\$2,685
Container Maintenance	\$6,859	\$8,143	\$20,417	\$0	\$984	\$36,403
Total Allocated Indirect Costs excluding Depreciation and Interest	\$76	\$85	\$141	\$0	\$7	\$319
Total Annual Indirect Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0
Annual Implementation Cost Amortization (Form A)	\$66,465	\$35,644	\$36,779	\$0	\$6,546	\$145,434
Total Annual Cost of Operations	\$6,977	\$31,742	\$3,861	\$0	\$687	\$15,257
Profit (Insert Operating Ratio below)						90.45%
Total Proposed Costs before Pass-Through Cost Allocation	\$73,442	\$39,386	\$40,840	\$0	\$7,233	\$160,701
Contractor Pass-Through Costs	\$1,331	\$784	\$865	\$0	\$113	\$3,104
Total Contractor Pass-Through Costs	\$1,331	\$784	\$865	\$0	\$113	\$3,104
TOTAL BASE CONTRACTOR'S COMPENSATION	\$74,773	\$40,170	\$41,705	\$0	\$7,346	\$163,805

SBWMA COLLECTION AGREEMENT Proposed Compensation 2021
D. West Bay Sanitary District, Allocated Costs - Agency Facilities

City # of lifts per year	SBWMA # of routes per year	City # of lifts per year	SBWMA # of routes per year	City # of lifts per year	SBWMA # of routes per year	Totals
156	156	156	156	156	156	213.00
City Total Route Labor Hours Year	242,307	36,744	65,039	94,580	2,215	8.46
SBWMA Total Route Labor Hours Year	4,706.39	2,510.00	993.66	5,003.45	2.27	8.46
City # of route hours year	2.45	1.13	4.37	8.46	0.15	3.00
SBWMA # of route hours year	2,599.51	24.16	939.57	5,053.45	2.27	96.805
City # of route hours year %	0.1%	0.2%	0.1%	0.2%	0.2%	2.2%
SBWMA # of route hours year %	99.9%	99.8%	99.9%	99.8%	99.8%	97.8%

Agency Facilities	Cur and Bin Solid Waste		Cur and Bin Organic Materials		Cur and Bin Recyclable Materials		Total Drop Box Services (All Materials)		Agency Facilities		
	F	G	F	G	H	I	J	K	L	Total	
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CHs	\$119	\$56	\$227	\$108	\$0	\$19	\$0	\$0	\$0	\$441	
Benefits for CHs	\$83	\$26	\$108	\$49	\$0	\$9	\$0	\$0	\$0	\$326	
Payroll Taxes	\$12	\$4	\$19	\$8	\$0	\$2	\$0	\$0	\$0	\$37	
Workers Compensation Insurance	\$12	\$4	\$19	\$8	\$0	\$1	\$0	\$0	\$0	\$32	
Total Direct Labor Related Costs	\$223	\$92	\$359	\$165	\$0	\$20	\$0	\$0	\$0	\$776	
Direct Fuel Costs	\$20	\$8	\$33	\$13	\$0	\$2	\$0	\$0	\$0	\$64	
Other Direct Costs	\$73	\$16	\$63	\$23	\$0	\$4	\$0	\$0	\$0	\$121	
Depreciation - Collection Vehicles	\$42	\$33	\$134	\$58	\$0	\$8	\$0	\$0	\$0	\$266	
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Depreciation for Collection Equipment	\$42	\$33	\$134	\$58	\$0	\$8	\$0	\$0	\$0	\$266	
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Interest Costs including Depreciation and Interest (Form 9)											
General and Administrative being bills for Agency Costs	\$88	\$36	\$145	\$63	\$0	\$334	\$0	\$0	\$0	\$663	
Operations	\$13	\$16	\$63	\$23	\$0	\$4	\$0	\$0	\$0	\$121	
Vehicle Maintenance	\$73	\$30	\$120	\$43	\$0	\$8	\$0	\$0	\$0	\$231	
Contractor Maintenance (including bills for Agency Costs)	\$13	\$5	\$21	\$7	\$0	\$4	\$0	\$0	\$0	\$37	
Total Allocated Interest Costs including Depreciation and Interest	\$213	\$87	\$349	\$123	\$0	\$394	\$0	\$0	\$0	\$1,042	
Total Allocated Indirect Depreciation Costs (Form 9)	\$3	\$1	\$4	\$1	\$0	\$0	\$0	\$0	\$0	\$8	
Annual Implementation Cost, Amortization (Form 8)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$581	\$236	\$951	\$396	\$0	\$409	\$0	\$0	\$0	\$2,107	
Profit (insert Operating Ratio below)	90.5%										
Total Operating Costs before Pass-Through Cost Allocation	\$542	\$281	\$1,021	\$425	\$0	\$485	\$0	\$0	\$0	\$1,939	
Contractor Pass-Through Costs											
Other Expenses	\$17	\$7	\$24	\$8	\$0	\$2	\$0	\$0	\$0	\$34	
Total Contractor Pass-Through Costs	\$17	\$7	\$24	\$8	\$0	\$2	\$0	\$0	\$0	\$34	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$559	\$288	\$1,045	\$433	\$0	\$487	\$0	\$0	\$0	\$1,973	

Service Level Statistics Used for Future Service Level Cost Adjustments	
Year	Lifts
2014	156
2015	156
2016	156
Rolling Three-Year Average	156

SBWMA COLLECTION AGREEMENT
 D. Unincorporated County - SF

Proposed Compensation 2021

Statistics Used for Year 2021 Cost Allocation Only	A	B	C	D	Total
City # of accounts	5,071	5,053	5,044	1,399	5,072
SBWMA # of accounts	94,283	94,372	96,725	29,504	94,580
City # of households *	7,471	7,471	7,671	2,976	7,471
City Total Route Labor hours year	2,459,323	2,482,028	2,606,517	818,061	8,345
SBWMA Total Route Labor hours year	46,232,325	42,854,201	39,114,112	13,045,241	44,248
City Total Labor hours year *	7,471	7,471	7,671	2,976	7,471
City # of miles hours year	2,458,377	2,100,541	2,314,745	618,061	7,443
SBWMA # of miles hours year *	42,717,169	38,380,724	34,545,116	13,045,241	128,232
City Total Labor hours year *	5,071	5,053	5,066	1,399	5,066
SBWMA Total Contractors in Service	96,805	96,284	95,741	29,504	96,284
City Total Contractors in Service *	3,281	3,281	3,281	1,399	3,281

	Single Family Dwelling				Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for CHAs	\$221,459	\$184,812	\$18,126	\$42,440	\$629,982
Benefits for CHAs	\$102,296	\$89,110	\$88,315	\$12,881	\$299,596
Payroll Taxes	\$18,421	\$15,377	\$14,078	\$3,319	\$52,415
Workers' Compensation/Insurance	\$18,272	\$15,087	\$14,212	\$3,081	\$44,882
Total Direct Labor-Related Costs	\$337,858	\$302,470	\$294,531	\$71,991	\$1,026,887
Direct Fuel Costs	\$23,068	\$22,892	\$23,033	\$2,010	\$75,942
Other Direct Costs	\$30,302	\$30,147	\$30,711	\$3,215	\$94,374
Depreciation - Collection Vehicle	\$34,341	\$31,371	\$37,193	\$3,843	\$124,757
Depreciation - Collection Equipment	\$14,442	\$14,659	\$17,458	\$3	\$46,268
Depreciation for Collection Equipment	\$48,482	\$48,036	\$54,661	\$3,843	\$151,022
Interest	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$95,122	\$98,889	\$96,989	\$3,461	\$297,427
General and Administrative	\$20,231	\$20,171	\$22,288	\$726	\$65,596
Vehicle Maintenance	\$38,837	\$39,318	\$46,421	\$1,349	\$123,944
Collection Maintenance	\$13,427	\$11,278	\$13,199	\$997	\$44,150
Total Allocated Indirect Costs excluding Depreciation and Interest	\$187,717	\$174,811	\$184,297	\$6,013	\$552,828
Total Allocated Indirect Depreciation Costs (Form 9)	\$1,227	\$1,243	\$1,597	\$43	\$4,022
Annual Implementation Cost Amortization (Form X)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$628,648	\$575,595	\$588,711	\$85,126	\$1,878,079
Profit (Insert Operating Ratio below)	\$65,991	\$60,422	\$61,798	\$8,936	\$197,146
Total Proposed Costs before Pass-Through Cost Allocation	\$694,638	\$636,017	\$650,509	\$94,062	\$2,075,225
Contractor Pass-Through Costs					
Interest Expense	\$11,892	\$11,289	\$13,406	\$434	\$37,029
Total Contractor Pass-Through Costs	\$11,892	\$11,289	\$13,406	\$434	\$37,029
TOTAL BASE CONTRACTOR'S COMPENSATION	\$706,530	\$647,306	\$663,915	\$94,496	\$2,112,254

Service Level Statistics Used for Future Service Level Cost Adjustments	
Accounts	Accounts
2014	5,041
2015	5,056
2016	5,072
Rolling Three-Year Average	5,056

D. Unincorporated Counties - SFD

Step 3: Index Based Adjustments

	2017	2018	2019	2020	2021
RY CPFAW-2017 Listed as Example	264.17%	264.17%	264.17%	264.17%	264.17%
CY CPFAW-2017 Listed as Example	100.0%	100.0%	100.0%	100.0%	100.0%
CPFAW-2017 Adjustment					
PY CPFAW-Medical (2017 Listed as Example)	477.81%	477.81%	477.81%	477.81%	477.81%
CY CPFAW-Medical (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPFAW-Medical Adjustment					
PY CPFAW-Medical (2017 Listed as Example)	269.25%	269.25%	269.25%	269.25%	269.25%
CY CPFAW-Medical (2017 Listed as Example)	100.0%	100.0%	100.0%	100.0%	100.0%
CPFAW-Medical Adjustment					
RY CPFAW-2017 Listed as Example	269.98%	269.98%	269.98%	269.98%	269.98%
CY CPFAW-2017 Listed as Example	100.0%	100.0%	100.0%	100.0%	100.0%
CPFAW-2017 Adjustment					

Single Family Dwelling	Step 3: Index Based Adjustments				Single Family Dwelling Total
	A	B	C	D	
Annual Cost of Operations					
Direct Labor-Related Costs					
Wages for Crews	\$21,409	\$184,816	\$181,226	\$42,540	\$629,992
Benefits for Crews	\$102,290	\$89,110	\$85,312	\$22,881	\$299,396
Payroll Taxes	\$18,421	\$15,377	\$15,078	\$4,539	\$52,415
Workers' Compensation Insurance	\$13,225	\$11,022	\$10,822	\$3,001	\$42,882
Total Direct Labor-Related Costs	\$357,995	\$302,170	\$292,438	\$71,961	\$1,028,387
Direct Fuel Costs	\$31,028	\$22,892	\$23,033	\$5,010	\$70,943
Other Direct Costs	\$30,300	\$30,147	\$30,771	\$6,215	\$94,374
Depreciation - Collection Vehicles	\$34,340	\$31,371	\$37,193	\$1,853	\$104,757
Depreciation - Containers	\$14,440	\$14,659	\$17,488	\$0	\$46,268
Depreciation for Collection Equipment	\$48,480	\$46,030	\$44,661	\$,853	\$151,025
Lease	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs (excluding Depreciation and Interest) (Form 9)					
General and Administrative	\$95,122	\$98,685	\$99,959	\$1,261	\$377,427
Operations	\$20,821	\$20,871	\$20,248	\$766	\$85,866
Vehicle Maintenance	\$38,437	\$39,319	\$46,421	\$7,349	\$124,244
Building Maintenance	\$13,427	\$13,028	\$13,599	\$497	\$51,651
Total Allocated Indirect Costs (excluding Depreciation and Interest)	\$187,737	\$175,811	\$184,267	\$6,013	\$539,428
Total Annualized Direct Depreciation Costs (Form 9)	\$1,227	\$1,248	\$1,157	\$43	\$4,122
Annual Implementation Cost - Depreciation (Form 9)	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$628,648	\$575,595	\$588,711	\$88,126	\$1,878,079
Profit (Insert Operating Ratio below)	\$48,991	\$60,422	\$61,798	\$8,936	\$197,146
Total Proposed Costs before Pass-Through Cost Allocation	\$674,638	\$636,017	\$650,509	\$94,061	\$2,075,225
Contractor Pass-Through Costs					
Interest Expense	\$11,890	\$11,289	\$13,426	\$454	\$37,039
Total Contractor Pass-Through Costs	\$11,890	\$11,289	\$13,426	\$454	\$37,039
TOTAL BASE CONTRACTOR'S COMPENSATION	\$706,528	\$647,306	\$663,935	\$94,516	\$2,112,264

Step 2: Service Level Adjustments			
	Accounts	Accounts	Accounts
2014	\$,041	\$,041	\$,041
2015	\$,028	\$,028	\$,028
2016	\$,072	\$,072	\$,072
Prior Year Rolling Three-Year Average	\$,056	\$,056	\$,056
2014	\$,041	\$,041	\$,041
2015	\$,028	\$,028	\$,028
2016	\$,072	\$,072	\$,072
Current Year Rolling Three-Year Average	\$,056	\$,056	\$,056
100% Service Level Adjustment Factor			
100.0%			
100.0%			

	Single Family Dwelling			Single Family Dwelling Total
	A	B	C	
Annual Cost of Operations				
Direct Labor-Related Costs				
Wages for CHSs	\$21,469	\$18,816	\$18,126	\$62,992
Benefits for CHSs	\$10,296	\$9,110	\$8,773	\$29,181
Payroll Taxes	\$18,421	\$16,377	\$15,939	\$50,737
Workers' Compensation Insurance	\$15,273	\$13,482	\$12,825	\$41,580
Total Direct Labor-Related Costs	\$357,935	\$302,976	\$294,771	\$1,028,837
Direct Fuel Costs	\$21,008	\$22,892	\$20,033	\$74,943
Other Direct Costs	\$30,316	\$31,147	\$31,711	\$94,374
Depreciation - Vehicles	\$14,342	\$13,371	\$13,193	\$40,757
Depreciation - Containers	\$1,140	\$1,469	\$1,468	\$4,077
Depreciation for Collection Equipment	\$48,480	\$48,030	\$48,481	\$151,021
Lease	\$0	\$0	\$0	\$0
Allocated Indirect Costs including Depreciation and Interest (Item 9)				
General and Administrative	\$81,122	\$88,485	\$86,939	\$257,427
Operations	\$20,317	\$20,871	\$24,288	\$65,896
Vehicles Maintenance	\$18,817	\$19,316	\$46,421	\$74,944
Container Maintenance	\$13,427	\$14,038	\$13,599	\$41,064
Total Allocated Indirect Costs excluding Depreciation and Interest	\$167,737	\$172,821	\$174,287	\$515,324
Total Allocated Indirect Depreciation Costs (Item 9)	\$127	\$124	\$157	\$402
Annual Implementation Cost Amortization (Item 5)	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$628,648	\$575,695	\$588,711	\$1,878,079
Profit (insert Operating Ratio below)	\$65,991	\$60,422	\$61,798	\$197,146
Total Proposed Costs before Pass-Through Cost Allocation	\$694,639	\$636,017	\$650,509	\$2,075,225
Contractor Pass-Through Costs				
Interest Expense	\$11,890	\$11,289	\$13,496	\$37,039
Total Contractor Pass-Through Costs	\$11,890	\$11,289	\$13,496	\$37,039
TOTAL BASE CONTRACTOR'S COMPENSATION	\$706,529	\$647,306	\$663,915	\$2,112,264

SBWMA COLLECTION AGREEMENT
 D. Unincorporated Counties - MFD & Commercial

Proposed Compensation 2021

Statistics Used for Year 2021 Cost Allocation Only	2014	2015	2016	2017	2018	2019	2020	2021	Total
City # of Accounts	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	438
SBWMA Accounts	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	22,448
City # of Accounts %	10.15%	10.15%	10.15%	10.15%	10.15%	10.15%	10.15%	10.15%	5.1%
City Total Route Labor Hours Year	507,84	507,84	507,84	507,84	507,84	507,84	507,84	507,84	805
SBWMA Total Route Labor Hours Year	4,871,85	4,871,85	4,871,85	4,871,85	4,871,85	4,871,85	4,871,85	4,871,85	87,528
City Total Route Labor Hours Year %	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
City # of route hours year	507,84	507,84	507,84	507,84	507,84	507,84	507,84	507,84	729
SBWMA # of route hours year	31,207,38	31,207,38	31,207,38	31,207,38	31,207,38	31,207,38	31,207,38	31,207,38	88,781
City # of route hours year %	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.0%
City Total Volume of Service	248	248	248	248	248	248	248	248	526
SBWMA Total Collection Service	17,258	17,258	17,258	17,258	17,258	17,258	17,258	17,258	39,353
City Total Customers in Service %	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.5%

MFD & Commercial	Car and Bin Sold		Car and Bin Materials		Car and Bin Organic Materials (including Holiday Time)		Total Drop Box Services (All Materials)		Two On-Call Collection Events		MFD & Commercial Total
	E	F	G	H	I	J	K	L	M		
Annual Cost of Operations											
Direct Labor-Related Costs											
Wages for CBAs	\$53,914	\$23,794	\$5,859	\$0	\$5,859	\$0	\$0	\$6,857	\$0	\$6,857	\$93,154
Benefits for CBAs	\$25,707	\$10,658	\$2,702	\$0	\$2,702	\$0	\$0	\$3,372	\$0	\$3,372	\$42,441
Payroll Taxes	\$4,486	\$1,980	\$511	\$0	\$511	\$0	\$0	\$617	\$0	\$617	\$7,750
Workers Compensation Insurance	\$3,841	\$1,695	\$435	\$0	\$435	\$0	\$0	\$522	\$0	\$522	\$6,637
Total Direct Labor Related Costs	\$87,949	\$38,126	\$12,518	\$0	\$12,518	\$0	\$0	\$11,289	\$0	\$11,289	\$149,992
Direct Fuel Costs	\$5,690	\$2,332	\$594	\$0	\$594	\$0	\$0	\$746	\$0	\$746	\$9,933
Other Direct Costs	\$7,331	\$3,136	\$799	\$0	\$799	\$0	\$0	\$970	\$0	\$970	\$14,001
Depreciation - Collection Vehicles	\$7,011	\$3,001	\$764	\$0	\$764	\$0	\$0	\$940	\$0	\$940	\$13,269
Depreciation - Containers	\$1,738	\$703	\$177	\$0	\$177	\$0	\$0	\$215	\$0	\$215	\$3,138
Depreciation for Collection Equipment	\$8,747	\$3,603	\$917	\$0	\$917	\$0	\$0	\$1,107	\$0	\$1,107	\$18,403
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Interest Costs (including Depreciation and Interest (Form 9)											
General and Administrative	\$18,032	\$7,590	\$1,925	\$0	\$1,925	\$0	\$0	\$2,317	\$0	\$2,317	\$27,258
Operations	\$2,251	\$951	\$243	\$0	\$243	\$0	\$0	\$296	\$0	\$296	\$3,781
Vehicle Maintenance	\$4,303	\$1,829	\$467	\$0	\$467	\$0	\$0	\$573	\$0	\$573	\$7,154
Container Maintenance	\$1,853	\$784	\$200	\$0	\$200	\$0	\$0	\$243	\$0	\$243	\$3,038
Total Allocated Interest Costs (including Depreciation and Interest)	\$26,530	\$10,950	\$2,835	\$0	\$2,835	\$0	\$0	\$3,472	\$0	\$3,472	\$37,741
Total Allocated Indirect Depreciative Costs (Form 9)	\$142	\$59	\$15	\$0	\$15	\$0	\$0	\$18	\$0	\$18	\$453
Annual Implementation Cost Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$116,888	\$48,609	\$12,563	\$0	\$12,563	\$0	\$0	\$15,437	\$0	\$15,437	\$200,495
Profit (Insert Operating Ratio below)	\$14,569.45	\$6,252	\$1,599	\$0	\$1,599	\$0	\$0	\$1,975	\$0	\$1,975	\$29,444
Total Proposed Costs before Pass-Through Cost Allocation	\$131,457	\$54,861	\$14,162	\$0	\$14,162	\$0	\$0	\$17,412	\$0	\$17,412	\$230,940
Contractor Pass-Through Costs											
Interest Expense	\$5,804	\$1,423	\$363	\$0	\$363	\$0	\$0	\$447	\$0	\$447	\$6,901
Total Contractor Pass-Through Costs	\$5,804	\$1,423	\$363	\$0	\$363	\$0	\$0	\$447	\$0	\$447	\$8,801
TOTAL BASE CONTRACTOR'S COMPENSATION	\$137,261	\$56,284	\$14,525	\$0	\$14,525	\$0	\$0	\$17,859	\$0	\$17,859	\$239,741

Service Level Statistics Used for Future Service Level Cost Adjustments			
Year	Rolling Three-Year Average	Rolling Three-Year Average	Rolling Three-Year Average
2014	17,693	19,331	2,756
2015	18,369	18,746	3,842
2016	18,343	19,543	3,757
Rolling Three-Year Average	18,135	19,240	3,488

SBWMA COLLECTION AGREEMENT
 D:\Unincorporated County - MFD & Commercial

	2020	2021	2021 (%)	2020	2021	2021 (%)
PP CPW-Wages 2017 Listed as Example	2,441,174	2,441,174	100.0%	2,441,174	2,441,174	100.0%
CV CPW-Wages 2017 Listed as Example	2,441,174	2,441,174	100.0%	2,441,174	2,441,174	100.0%
CPW-Wages Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PP CPW-Medical 2017 Listed as Example	477,815	477,815	100.0%	477,815	477,815	100.0%
CV CPW-Medical 2017 Listed as Example	477,815	477,815	100.0%	477,815	477,815	100.0%
CPW-Medical Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PP CPW-Motor Fuel 2017 Listed as Example	2,092,252	2,092,252	100.0%	2,092,252	2,092,252	100.0%
CV CPW-Motor Fuel 2017 Listed as Example	2,092,252	2,092,252	100.0%	2,092,252	2,092,252	100.0%
CPW-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PP CPW 2017 Listed as Example	2,609,883	2,609,883	100.0%	2,609,883	2,609,883	100.0%
CV CPW 2017 Listed as Example	2,609,883	2,609,883	100.0%	2,609,883	2,609,883	100.0%
CPW Adjustment	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	E	F	G	H	I	J	K
	Cart and Bin Solid Waste	Cart and Bin Recyclable Materials	Cart and Bin Organic Materials (including Holiday Trees)	Total Drop Box Services (All Materials)	Two On-Call Collection Events		MFD & Commercial Total
Annual Cost of Operations							
Direct Labor-Related Costs							
Wages for CBs	\$52,914	\$23,799	\$1,459	\$0	\$6,457	\$89,124	
Benefit for CBs	\$2,707	\$1,038	\$703	\$0	\$1,772	\$6,244	
Payroll Taxes	\$4,486	\$1,982	\$122	\$0	\$571	\$7,161	
Workers' Compensation Insurance	\$3,824	\$1,624	\$106	\$0	\$452	\$5,006	
Total Direct Labor-Related Costs	\$64,931	\$28,443	\$1,680	\$0	\$8,752	\$105,806	
Direct Fuel Costs	\$1,896	\$2,332	\$1,149	\$0	\$748	\$6,125	
Other Direct Costs (including Depreciation and Interest) (Form 9)	\$7,331	\$3,753	\$1,346	\$0	\$1,028	\$14,468	
Depreciation - Collection Vehicles	\$7,211	\$3,551	\$2,044	\$0	\$1,110	\$13,266	
Depreciation - Containers	\$1,736	\$1,452	\$1,603	\$0	\$177	\$5,333	
Depreciation for Collection Equipment	\$1,747	\$1,063	\$3,707	\$0	\$487	\$18,402	
Interest	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs (including Depreciation and Interest) (Form 9)	\$13,132	\$19,969	\$7,323	\$0	\$1,423	\$41,227	
Operator's Fuel Allowance	\$2,291	\$2,317	\$2,893	\$0	\$290	\$7,791	
Vehicle Maintenance	\$4,953	\$4,259	\$4,475	\$0	\$518	\$14,805	
Container Maintenance	\$1,943	\$2,434	\$1,270	\$0	\$224	\$5,871	
Total Allocated Indirect Costs (including Depreciation and Interest)	\$24,139	\$29,196	\$12,461	\$0	\$2,455	\$68,251	
Total Annual Cost of Operations	\$112,206	\$110,838	\$110,838	\$0	\$110,838	\$234,064	
Profit (Insert Operating Ratio below)							
Total Proposed Costs before Pass-Through Cost Allocation	\$112,206	\$110,838	\$110,838	\$0	\$110,838	\$234,064	
Contractor Pass-Through Costs	\$2,804	\$1,623	\$1,188	\$0	\$384	\$5,999	
Total Contractor Pass-Through Costs	\$2,804	\$1,623	\$1,188	\$0	\$384	\$5,999	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$115,010	\$112,461	\$112,026	\$0	\$113,222	\$240,063	

Step 2: Service Level Adjustments			
	Units	Units	Units
2014	17,593	19,240	2,756
2015	18,269	18,746	3,952
2016	18,243	18,643	3,757
Prior Year Rolling Three-Year Average	18,135	19,240	3,488
2014	18,393	19,331	2,756
2015	18,259	18,746	3,952
2016	18,243	18,643	3,757
Current Year Rolling Three-Year Average	18,135	19,240	3,488
100% Service Level Adjustment Factor	100.0%	100.0%	100.0%
65% Service Level Adjustment Factor	100.0%	100.0%	100.0%

MFD & Commercial	E		F	G	H	I	J	MFD & Commercial Total
	Car and Bin Solid Waste	Car and Bin Reversible Materials	Car and Bin Materials (including Holiday, Troop)	Car and Bin Organic Materials	Total Drop Box Services (All Materials)	Two On-Call Collection Events		
Annual Cost of Operations								
Direct Labor-Related Costs	\$53,914	\$23,794	\$6,589	\$0	\$0	\$6,857	\$0	\$93,154
Wages for CBAs	\$25,707	\$10,248	\$2,703	\$0	\$0	\$3,372	\$0	\$42,441
Benefits for CBAs	\$4,446	\$1,840	\$515	\$0	\$0	\$671	\$0	\$7,750
Payroll Taxes	\$3,451	\$1,492	\$415	\$0	\$0	\$532	\$0	\$6,932
Workers Compensation Insurance	\$8,799	\$3,816	\$1,268	\$0	\$0	\$1,289	\$0	\$14,982
Total Direct Labor Related-Costs	\$58,999	\$25,392	\$7,901	\$0	\$0	\$7,281	\$0	\$99,573
Other Direct Costs	\$7,431	\$3,753	\$1,390	\$0	\$1,026	\$0	\$0	\$14,001
Depreciation - Collection Vehicles	\$7,011	\$3,421	\$2,044	\$0	\$0	\$710	\$0	\$13,206
Depreciation - Containers	\$1,716	\$1,192	\$1,603	\$0	\$0	\$177	\$0	\$5,188
Depreciation for Collection Equipment	\$8,747	\$5,093	\$1,707	\$0	\$0	\$487	\$0	\$18,405
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Allocated Indirect Costs excluding Depreciation and Interest (Form 9)	\$18,022	\$18,990	\$17,423	\$0	\$0	\$1,423	\$0	\$57,258
General and Administrative Operations	\$2,251	\$2,317	\$2,903	\$0	\$0	\$290	\$0	\$7,761
Vehicle Maintenance	\$4,103	\$4,429	\$1,447	\$0	\$0	\$151	\$0	\$14,834
Container Maintenance	\$1,493	\$1,454	\$1,276	\$0	\$0	\$204	\$0	\$5,823
Total Allocated Indirect Costs excluding Depreciation and Interest	\$26,950	\$28,190	\$29,449	\$0	\$0	\$2,472	\$0	\$87,741
Total Allocated Indirect Depreciation Costs (Form 9)	\$142	\$142	\$131	\$0	\$0	\$18	\$0	\$433
Annual Implementation Cost - Amortization (Form A)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Annual Cost of Operations	\$136,888	\$78,609	\$48,861	\$0	\$0	\$16,437	\$0	\$280,495
Profit (insert Operating Ratio below)	90.5%	\$8,152	\$5,098	\$0	\$0	\$1,725	\$0	\$29,444
Total Proposed Costs before Pass-Through Cost Allocation	\$151,257	\$86,861	\$53,859	\$0	\$0	\$18,163	\$0	\$309,940
Contractor Pass-Through Costs								
Interest Expense	\$2,804	\$1,423	\$1,189	\$0	\$0	\$24	\$0	\$5,901
Total Contractor Pass-Through Costs	\$2,804	\$1,423	\$1,189	\$0	\$0	\$24	\$0	\$8,901
TOTAL BASE CONTRACTOR'S COMPENSATION	\$154,062	\$88,434	\$55,047	\$0	\$0	\$18,447	\$0	\$318,841

Statistic Used for Year 2021 Cost Allocation Only		C	D	E	F	G	H	I	J	K
City # of HHs per year		342,307	16,744	312	45,039	5,072	54,981	7,471	17,30	17,30
SBWMA Title Per Year Accounts for Venues Events		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
City Total Route Labor Hours Year		12,19	511	0.00	17,30	17,30	17,30	17,30	17,30	17,30
SBWMA Total Route Labor Hours Year		243,00	993,06	0.0%	1,933,45	1,933,45	1,933,45	1,933,45	1,933,45	1,933,45
City # of route hours year		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SBWMA # of route hours year		2,395,51	232,16	6	5,099	5,099	5,099	5,099	5,099	5,099
City # of Collections		1	1	1	1	1	1	1	1	1
SBWMA # of Collections		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
City # of Collections per Year		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SBWMA # of Collections per Year		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Agency Facilities	Cart and Bin Solid Waste		Cart and Bin Drumatic Materials		Cart and Bin Recyclable Materials		Total Dump Box Services (All Materials)		Agency Facilities		
	E	F	G	H	I	J	K	L	M	N	
Annual Cost of Operations:											
Direct Labor-Related Costs	\$0	\$1,142	\$479	\$0	\$38	\$1,629	\$0	\$0	\$1,629	\$0	
Wages for CHA	\$0	\$534	\$224	\$0	\$18	\$776	\$0	\$0	\$776	\$0	
Benefits for CHA	\$0	\$608	\$255	\$0	\$20	\$833	\$0	\$0	\$833	\$0	
Payroll Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Workers' Compensation Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Direct Labor-Related Costs	\$0	\$1,142	\$479	\$0	\$38	\$1,629	\$0	\$0	\$1,629	\$0	
Direct Fuel Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Direct Costs	\$0	\$287	\$20	\$0	\$9	\$316	\$0	\$0	\$316	\$0	
Depreciation - Collection Vehicles	\$0	\$700	\$293	\$0	\$19	\$1,009	\$0	\$0	\$1,009	\$0	
Depreciation - Containers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Indirect Costs including Depreciation and Interest (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Overhead and Administrative (using rates of Agency Costs)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Vehicle Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Container Maintenance (using rates of Agency Costs)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Allocated Indirect Costs including Depreciation and Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Annual Cost of Operations	\$0	\$4,441	\$1,862	\$0	\$991	\$7,293	\$0	\$0	\$7,293	\$0	
Profit (insert Operating Ratio below)	90.5%	\$0	\$188	\$0	\$104	\$766	\$0	\$0	\$766	\$0	
Total Operating Cost before Pass-Through Cost Allocation	\$0	\$4,800	\$2,057	\$0	\$1,095	\$8,059	\$0	\$0	\$8,059	\$0	
Contractor Pass-Through Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Contractor Pass-Through Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL BASE CONTRACTOR'S COMPENSATION											

Service Level Statistics Used for Future Service Level Cost Adjustments	
2014	1,000
2015	1,000
2016	1,000
Rolling Three-Year Average	1,000

D. Unincorporated County - Agency Facilities

	Step 1: Index Based Adjustments			
	2017	2018	2019	2020
PY CPWA-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176
CY CPWA-Wages (2017 Listed as Example)	264,176	264,176	264,176	264,176
CPWA-Wages Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPWA-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CY CPWA-Medical (2017 Listed as Example)	477,815	477,815	477,815	477,815
CPWA-Medical Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPFA-Motor Fuel (2017 Listed as Example)	269,983	269,983	269,983	269,983
CY CPFA-Motor Fuel (2017 Listed as Example)	269,983	269,983	269,983	269,983
CPFA-Motor Fuel Adjustment	100.0%	100.0%	100.0%	100.0%
PY CPFA-Fuel (2017 Listed as Example)	269,983	269,983	269,983	269,983
CY CPFA-Fuel (2017 Listed as Example)	269,983	269,983	269,983	269,983
CPFA-Fuel Adjustment	100.0%	100.0%	100.0%	100.0%

Agency Facilities	Current Year Solid Waste		Current Year Operational Materials		Current Year Repairable Materials		Total Drop Piece Materials		Agency Facilities		
	E	F	G	H	I	J	K	L	M	Total	
Annual Cost of Operations											
Direct Labor Costs	\$0	\$1,142	\$0	\$0	\$479	\$0	\$0	\$0	\$38	\$1,659	
Wages for CBAs	\$0	\$534	\$0	\$0	\$224	\$0	\$0	\$0	\$18	\$776	
Benefits for CBAs	\$0	\$95	\$0	\$0	\$40	\$0	\$0	\$0	\$3	\$138	
Payroll Taxes	\$0	\$31	\$0	\$0	\$13	\$0	\$0	\$0	\$1	\$45	
Workers Compensation Insurance	\$0	\$1,833	\$0	\$0	\$777	\$0	\$0	\$0	\$62	\$2,691	
Total Direct Labor Related Costs	\$0	\$3,805	\$0	\$0	\$1,247	\$0	\$0	\$0	\$82	\$5,134	
Direct Fuel Costs	\$0	\$122	\$0	\$0	\$64	\$0	\$0	\$0	\$5	\$191	
Other Direct Costs	\$0	\$267	\$0	\$0	\$120	\$0	\$0	\$0	\$9	\$416	
Depreciation - Collection Vehicles	\$0	\$700	\$0	\$0	\$289	\$0	\$0	\$0	\$19	\$1,009	
Depreciation - Containers	\$0	\$700	\$0	\$0	\$289	\$0	\$0	\$0	\$15	\$1,009	
Depreciation for Collection Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Allocated Interest Costs excluding Depreciation and Interest (Form 9)	\$0	\$477	\$0	\$0	\$200	\$0	\$0	\$0	\$76	\$753	
General and Administrative (Including Bills for Agency Costs)	\$0	\$303	\$0	\$0	\$127	\$0	\$0	\$0	\$8	\$438	
Operations	\$0	\$579	\$0	\$0	\$243	\$0	\$0	\$0	\$19	\$837	
Vehicle Maintenance	\$0	\$69	\$0	\$0	\$29	\$0	\$0	\$0	\$110	\$207	
Contractor Maintenance (Using Bills for Agency Costs)	\$0	\$1,427	\$0	\$0	\$568	\$0	\$0	\$0	\$399	\$2,424	
Total Allocated Interest Costs excluding Depreciation and Interest	\$0	\$523	\$0	\$0	\$110	\$0	\$0	\$0	\$1	\$634	
Total Allocated Interest-Depreciation Costs (Form 9)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Annual Implementation Cost Amortization (Form V)	\$0	\$4,441	\$0	\$0	\$1,862	\$0	\$0	\$0	\$991	\$7,293	
Total Annual Cost of Operations	\$0	\$4,666	\$0	\$0	\$1,985	\$0	\$0	\$0	\$1,014	\$7,665	
Profit (insert Operating Ratio below)		90.5%									
Total Operating Costs before Pass-Through Cost Allocation	\$0	\$4,907	\$0	\$0	\$2,057	\$0	\$0	\$0	\$1,295	\$8,059	
Contractor Pass-Through Costs											
Interest Expense	\$0	\$143	\$0	\$0	\$62	\$0	\$0	\$0	\$3	\$211	
Total Contractor Pass-Through Costs	\$0	\$148	\$0	\$0	\$68	\$0	\$0	\$0	\$3	\$219	
TOTAL BASE CONTRACTOR'S COMPENSATION	\$0	\$5,055	\$0	\$0	\$2,125	\$0	\$0	\$0	\$1,328	\$8,378	

Attachment N - Form H - CPI indexes

CPI-W-Wages

Series Id: CWURA422SA0

Not Seasonally Adjusted

Series All items in San Francisco-Oakland-San Jose, CA,
 Title: urban wage earners and clerical workers, not
 Area: San Francisco-Oakland-San Jose, CA
 Item: All items
 Base: 1982-84=100
 Period:
 Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	May to April Average	% Change
2011		228.838		231.800		230.805		231.445		232.371		231.109	232.801	
2012		234.848		236.826		238.890		238.445		240.864		236.454	239.113	2.71%
2013		240.262		241.764		243.052		242.903		243.711		242.602	244.225	2.14%
2014		245.148		247.932		250.085		249.877		250.508		247.680	250.139	2.42%
2015		249.809		252.875		264.738		265.060		256.107		255.492	258.487	2.54%
2016		257.141		259.388		261.017		262.328		264.020		263.222	264.178	3.00%
2017		265.889		268.886										

CPI-W-Medical

Series Id: CWURA422SAM

Not Seasonally Adjusted

Series Medical care in San Francisco-Oakland-San Jose, CA,
 Title: urban wage earners and clerical workers, not
 Area: San Francisco-Oakland-San Jose, CA
 Item: Medical care
 Base: 1982-84=100
 Period:
 Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1
2011		390.850		391.828		391.703		392.348		393.473		395.217	394.012	
2012		395.165		396.175		395.735		401.147		400.453		399.467	401.535	1.91%
2013		400.184		404.244		417.242		418.887		418.882		423.806	424.483	5.71%
2014		430.884		439.317										
2015														
2016								478.519		476.977		478.488	477.815	
2017		475.258		481.836										

CPI-U-Motor Fuel

Series Id: CUURA422SET3

Not Seasonally Adjusted

Series Motor fuel in San Francisco-Oakland-San Jose, CA, all
 Title: urban consumers, not seasonally adjusted
 Area: San Francisco-Oakland-San Jose, CA
 Item: Motor fuel
 Base: 1982-84=100
 Period:
 Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	May to April Average	% Change
2011	254.643	264.552	277.753	317.886	314.626	295.113	288.352	285.106	295.484	290.739	286.068	271.288	288.328	
2012	280.517	302.724	327.982	317.982	325.378	301.192	285.891	310.778	316.03	338.090	288.389	288.569	302.004	1.92%
2013	274.605	306.882	309.846	300.882	306.812	303.270	301.401	291.568	299.831	284.084	273.022	270.890	281.204	-3.68%
2014	273.919	279.844	297.341	313.081	315.401	312.578	308.499	297.488	287.115	288.189	242.194	216.165	281.711	-10.13%
2015	193.209	209.050	250.324	240.323	269.479	263.019	257.434	247.561	223.945	208.973	202.552	198.642	218.868	-16.37%
2016	195.010	179.288	191.074	202.420	208.849	213.139	209.663	187.818	204.532	207.138	200.994	200.161	209.252	-4.39%
2017	206.378	212.552	223.591	224.210										

CPI-U

Series Id: CUURA422SA0

Not Seasonally Adjusted

Series All items in San Francisco-Oakland-San Jose, CA, all
 Title: urban consumers, not seasonally adjusted
 Area: San Francisco-Oakland-San Jose, CA
 Item: All items
 Base: 1982-84=100
 Period:
 Years: 2011 to 2017

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	May to April Average	% Change
2011		229.861		234.121		233.648		234.608		235.331		234.227	235.630	
2012		238.880		238.995		239.806		241.170		242.834		239.533	241.783	2.81%
2013		242.877		244.675		245.935		246.072		246.617		245.711	247.408	2.33%
2014		248.815		251.496		253.317		253.354		254.503		252.273	254.330	2.00%
2015		254.910		257.622		258.117		259.917		261.019		260.289	261.251	2.72%
2016		262.800		264.685		266.041		267.853		270.306		269.483	269.963	3.34%
2017		271.828		274.589										

**ATTACHMENT O
LIST OF CONTRACTOR'S PERSONNEL**

Non-CBA Employees

General Manager -----	1
Administrative Manager -----	1
Operations Manager -----	1
Customer Service Manager -----	1
Waste Zero Manager -----	1
Public Relations Manager -----	1
Maintenance Manager -----	1
Accounting Manager -----	0.5
Operations District Manager -----	1
Operation Supervisors -----	6
Operations Dispatcher -----	1
Waste Zero Specialists -----	6
Customer Service Supervisor -----	1
Subtotal -----	22.5

CBA Employees

Drivers -----	165
Customer Service Representatives -----	15
Maintenance Clerks -----	2
Accounting Staff -----	3
Dispatch Clerks -----	2
Mechanics/Shop Personnel -----	20
Subtotal -----	207

Total ----- 229.5

List of Contractor's Personnel reflects employees on Recology San Mateo County direct payroll.

Attachment P
Vehicle Specifications

(Note: The current Attachment P will be removed in its entirety and replaced with this new Attachment P.)

Specifications are for vehicles to be purchased pursuant to Section 8.04 of Agreement.

Vehicle Type	General Information				Color		Cab and Chassis						Body						
	Type of Vehicle	Material to be collected	Age of Vehicle	Manufacturer and Model	Options or Issues	Cab	Body	Cab Height (Inches)	Number of Axles	Overall length w/ Body Mounted (Inches)	Collection Method	Rated Capacity	Practical Net Capacity	No. of Collection Compartments	Net Capacity of each Compartment	Overall Body Length (Inches)	Body Height (Inches)	Body Width (Inches)	Lined Oil Container and Filter Pack
1	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl DP Pylon Body	Dwires	White	White	102	4	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	36	Yes
2	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl DP Pylon Body	Dwires	White	White	102	3	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	36	Yes
3	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl Rapid Roll Body	Dwires	White	White	102	3	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	36	Yes
4	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl Rapid Roll Body	Dwires	White	White	102	4	415	Automated	28 cu yd	28 cu yd	1	28 cu yd	284	103	36	Yes
5	See Trucks SASI (VHTS)	MSW, R, D	New	Freightliner 210E/78 Receiver Body	Dwires	White	White	94	2	288	Semi-Automated	10 cu yd	10 cu yd	1	10 cu yd	158	92	32	Yes
6	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl Freezer Body	Dwires	White	White	102	2	415	Automated	40 cu yd	40 cu yd	1	40 cu yd	292	110	36	No
7	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl Durasteel 5000 Body	Dwires	White	White	102	4	364	Semi-Automated	18 cu yd	18 cu yd	1	18 cu yd	270	114	36	No
8	See Loader	MSW, R, D	New	China Garret Chassis/Infl F4000 Body	Dwires	White	White	102	3	288	Semi-Automated	16 cu yd	16 cu yd	1	16 cu yd	230	110	36	No
9	See Loader	MSW, R, D	New	China Garret Chassis/Infl F4000 Body	Dwires	White	White	102	2	288	Semi-Automated	16 cu yd	16 cu yd	1	16 cu yd	230	110	36	No
10	See Loader	C	New	Alubar AOX B4 Chassis/Infl Rapid Roll Loader Body	Dwires	White	White	102	3	415	Semi-Automated	30 cu yd	30 cu yd	1	30 cu yd	284	103	36	No
11	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl Waste Equipment 22 Body	Dwires	White	White	102	3	384	Semi-Automated	50 cu yd	50 cu yd	N/A	N/A	250	58	36	No
12	See Loader	MSW, R, D	New	Alubar AOX B4 Chassis/Infl Waste Equipment 22 Body	Dwires	White	White	102	4	384	Semi-Automated	50 cu yd	50 cu yd	N/A	N/A	250	58	36	No
13	See Trucks	MSW, R, B, C Container	New	Freightliner M2-105 24" w/ 48" axle beam	Dwires	White	White	94	2	399	Manual	8000 lbs	8000 lbs	1	8000 lbs	288	50	36	No
14	See Trucks	MSW, R, B, C Container	New	Freightliner M2-105 24" w/ 48" axle beam	Dwires	White	White	94	2	399	Manual	8000 lbs	8000 lbs	1	8000 lbs	288	50	36	No
15	See Trucks (Lease Bully)	MSW, R, B, C Container	New	Freightliner M2-105 24" Bully w/ 48" axle beam	Dwires	White	White	94	2	399	Manual	8000 lbs	8000 lbs	1	8000 lbs	288	50	36	No
16	See Truck GMC 3500	N/A	New	GMC 3500 HD 3.7L w/ 48" axle beam	Dwires	White	White	76	2	265	N/A	11400 lbs	7600 lbs	N/A	N/A	132	44	36	N/A
17	See Truck GMC 4500	N/A	New	GMC 4500 HD 3.7L w/ 48" axle beam	Dwires	White	White	76	2	265	N/A	11400 lbs	7600 lbs	N/A	N/A	132	44	36	N/A
18	See Truck GMC 1/2 Ton Pick Ups	N/A	New	GMC 1500	Dwires	White	White	74	2	219	N/A	1000 lbs	1810 lbs	N/A	N/A	96	50	51.5	Yes

(Note: The current Attachment P will be removed in its entirety and replaced with this new Attachment P.)

Attachment P
Vehicle Specifications

Specifications are for vehicles to be purchased pursuant to Section 8.04 of Agreement.

Vehicle Type	Weight		Fuel		Emissions Rating			Other Specifications			
	Gross Vehicle Weight (lbs)	Tare Weight (lbs)	Fuel Type	Fuel Usage (mpg)	CO	HC	NOx	Particulate Matter	Safety Features	Spill Containment Kit	GPS/On Board Computer System
1. 4-Axle ASL Coil Vehicle	58000	35000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
2. 3-Axle ASL Coil Vehicle	58000	35000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
3. 3-Axle ASL Coil Vehicle	51000	34600	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
4. 4-Axle ASL Coil Vehicle	55500	35500	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
5. Pup Trucks SASL (VHTS)	28000	17200	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
6. 4-Axle FEL Coil Vehicle	57500	36000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View with Alley Cameras	Included	Yes
7. 4-Axle REL Coil Vehicle	54000	36000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
8. 3-Axle REL (135" Wheel Base)	31000	25000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
9. 2-Axle REL (138" Wheel Base)	38000	25000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
10. 3-Axle SASL (Comm Organics)	51500	32000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar, Rear View and Street Side Cameras	Included	Yes
11. 3-Axle Roll Offs	55500	28000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
12. 4-Axle Roll Offs	55500	28000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
13. Cart Delivery Trucks	42000	20000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
14. Container Delivery Trucks	28000	16000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
15. Box Trucks (Loose Bulky)	28000	16000	Diesel	4	0.05	0.01	0.19	0.00	Fire extinguisher, Triangle Kit, Back-Up radar	Included	Yes
16. Shop Truck GMC 3500	11400	5723	Diesel	18	N/A	N/A	N/A	N/A	Fire extinguisher, Triangle Kit	Included	No
17. Shop Truck GMC 4500	11400	5723	Diesel	18	N/A	N/A	N/A	N/A	Fire extinguisher, Triangle Kit	Included	No
18. GMC Hvb 1/2 Ton Pick Ups	7100	5227	Gas	32	N/A	N/A	N/A	N/A	Fire extinguisher, Triangle Kit	Included	No

ATTACHMENT Q ADDITIONAL SERVICES

{Note: The current Attachment Q will be removed in its entirety and replaced with this new Attachment Q. The charges shown herein are the same with the addition of new charges noted in the table below. The charges herein have been reorganized and further explained compared to the current Attachment Q.}

For Rate Years Eleven (2021) through the remaining Rate Years in the Term, the Charges for additional services specified in Attachment Q shall be adjusted annually in accordance with Attachment K.

The Charges for additional services for Rate Year Ten (2020) shall be the Charges for Rate Year Ten (2020) as determined under the 2009 Franchise Agreement. These are the Charges that will be adjusted as provided in Attachment K of this Agreement to determine the Charges for Rate Year Eleven (2021). For this reason, the dollar values of the Charges are listed herein as "\$[TBD]" where TBD is an abbreviation for "to be determined".

Two additional services are included in this Attachment Q there were not in Attachment Q of the 2009 Franchise Agreement. The two new services are Container Relocation Service and Agency-Specific Reporting for Abandoned Waste Collections. Charges for these services are presented in the table below.

	Service	Reference	Agency-Approved Charge	Description
Additional Services for Customers				
1	Single-Family Dwelling Backyard Collection Service	Section 5.02.A	See Charges in the table at the end of this Attachment	See Charges in the table at the end of this Attachment
2	Long Distance Service for MFD, Mixed Use, and Commercial Accounts (Note: only applicable to Containers with wheels)	Sections 5.02.B, 5.02.C; and 8.02.B	<p>A – 10% of base monthly Rate of the Collection Rate for each Container requiring Long Distance Service</p> <p>B – 25% of base monthly Rate of the Collection Rate for each Container requiring Long Distance Service</p>	<p>A – Distance greater than 50 feet and less than or equal to 100 feet</p> <p>B – Distance greater than 100 feet</p> <p>Distance shall be measured from the face of the curb, or from the edge of the roadway nearest the closest edge of the Container, if there is no curb.</p>

**ATTACHMENT Q
ADDITIONAL SERVICES**

	Service	Reference	Agency-Approved Charge	Description
3	Container Relocation Service	Sections 5.02B and 8.02B	A – 12% of base monthly Rate of the Collection Rate for each Container requiring Container Relocation Service B – 27% of base monthly Rate of the Collection Rate for each Container requiring Container Relocation Service	A – Distance greater than 50 feet and less than or equal to 100 feet B – Distance greater than 100 feet Distance shall be measured from the face of the curb, or from the edge of the roadway nearest the closest edge of the Container, if there is no curb.
4	On-Call Pick-up for SFD, MFD, Mixed Use, and Commercial Customers	Sections 5.02.A, 5.02.B, and 5.02.C	25% of the base monthly Rate for the size of Container Collected once per week	Per Collection event per Container for Collection requested by Customer
5	Return Trip (SFD, MFD, Mixed Use, or Commercial)	Sections 5.02.A, B, C; 5.03.A, B, C; 5.04.A, B, C	[\$TBD] for SFD [\$TBD] for Commercial, Mixed Use, and MFD	Per Collection event (i.e., request to return and provide Collection service after the Customer failed to properly set out their Container(s) for regularly scheduled Collection)
6	Additional Targeted Recyclable Materials or Organic Materials Cart Service for SFD {New Charge that replaces cart rental and cart ownership charges.}	Sections 5.03.A and 5.04.A	[\$TBD] per Recycling Cart [\$TBD] per Organic Materials Cart	Per Cart per month (any Cart size). Six month minimum charge required. Includes one-time Cart delivery upon start of service and removal of Cart when service is discontinued by Customer.
7	Additional On-Call Bulky Item Collection	Sections 5.05, 5.06	[\$TBD]	Per Bulky Item Collection event (in addition to the events provided at no charge to Customer pursuant to Section 5.12)

**ATTACHMENT Q
ADDITIONAL SERVICES**

8	Collect Contaminated Targeted Recyclable Materials or Organic Materials Container	Section 6.03.A and 8.02.F	25% of the base monthly Solid Waste Rate for the size of Container Collected once per week plus Return Trip Fee if applicable	Per Collection event for Container with Contamination Level greater than the maximum level pursuant to Table 1 in Section 6.02.B
9	Lock Service (Key Service)	Section 8.02.B	A – \$[TBD] per usage B – \$[TBD] per usage	Monthly cost: A – Residential Customers B – Commercial Customers
10	Lock Purchase	Section 8.02.B	\$[TBD] per lock	Per lock
11	Overage Service	Section 8.02.G	100% of the base monthly Solid Waste Collection Rate	Per Collection event (after the first two events)
12	Overage Bags Cost	Section 8.02.G	50% of the base monthly Solid Waste Collection Rate or \$[TBD] minimum	Per bag
13	Container Cleaning Service	Section 8.05.D	A – \$[TBD] B – \$[TBD]	A – per Cart B – per Bin or Drop-Box Charge only applies to cleaning or Container exchange in addition to the service to be provided at no charge to the Customer pursuant to Section 8.05.D

ATTACHMENT Q ADDITIONAL SERVICES

	Service	Reference	Agency-Approved Charge	Description
14	Dirty Cart Replacement (Exchange) Service	Section 8.05.D	A – \$[TBD] B – \$[TBD] C – \$[TBD]	A – per 32 gallon Cart B – per 64 gallon Cart C – per 96 gallon Cart Charge only applies to cleaning or Container exchange in addition to the service to be provided at no charge to the Customer pursuant to Section 8.05.D
Additional Services for Agency				
15	Additional Confidential Document Destruction Service Event	Section 5.07	\$[TBD]	Per event
16	Additional Compost Material Delivery	Section 5.11	A – \$[TBD] per delivery B – \$[TBD] per delivery	A – “one-way” only delivery by Contractor where Contractor delivers to and unloads compost at an Agency-approved location B – “Round-trip” delivery by Contractor where Contractor delivers compost in a Drop Box to an Agency-approved location and returns at a later time or date to pick up the Drop Box and any remaining compost (charge includes the delivery of and later pick-up of the Drop Box)
17	Community Drop-Off Events	Section 5.13	\$[TBD] per event or day	Per event or day targeting 5,000 households. Does not include disposal or public education expenses.
18	Collection for Agency-Sponsored and Non-Agency sponsored Community Events	Section 5.08	A – \$[TBD] B – \$[TBD] C – \$[TBD]	A – One day event with a projected 2,500 or fewer attendees B – One (1) or two (2) day events with a projected 2,501 to 7,500 attendees per day C – One (1) or two (2) day events with a projected 7,501 to 10,000 attendees per day

ATTACHMENT Q ADDITIONAL SERVICES

Backyard Collection Service Charge for Single-Family Dwellings* (Section 5.02.A)				
Distance from Curb**	Backyard Charge for Customers with One (1) Solid Waste Cart	Backyard Charge for Customers with Two (2) Solid Waste Carts	Backyard Charge for Customers with Three (3) Solid Waste Carts	Backyard Charge for Customers with Four (4) Solid Waste Carts
Distance <= 50 feet	\$[TBD]	\$[TBD]	\$[TBD]	\$[TBD]
50 < Distance <= 100 feet	\$[TBD]	\$[TBD]	\$[TBD]	\$[TBD]
100 < Distance <= 150 feet	\$[TBD]	\$[TBD]	\$[TBD]	\$[TBD]
150 < Distance <= 200 feet	\$[TBD]	\$[TBD]	\$[TBD]	\$[TBD]
200 < Distance <= 250 feet	\$[TBD]	\$[TBD]	\$[TBD]	\$[TBD]
250 < Distance <= 300 feet	\$[TBD]	\$[TBD]	\$[TBD]	\$[TBD]
300 < Distance <= 350 feet	\$[TBD]	\$[TBD]	\$[TBD]	\$[TBD]
Each additional 50 foot increment over 350 feet	Amount equals the difference between the Charge for 250 to 300 feet and 300 to 350 feet			

* Backyard Collection Service Charges are charges added to the base monthly Rate for Single-Family Collection service, and cover the provision of Backyard Collection Service for all of Customer's Solid Waste, Recyclable Materials, and Organic Materials Carts.

** Distance shall be measured from the face of the curb, or from the edge of the roadway nearest the closest edge of the Cart, if there is no curb.

Attachment R Secretary's Certificate

The undersigned, being the Secretary of **Recology San Mateo County**, a California corporation (the "Contractor"), does hereby certify that the following resolution was adopted by the Board of Directors of the Contractor and that such resolution has not been amended, modified or rescinded and is in full force and effect as of the date hereof:

"RESOLVED, that any officer of the Contractor or Mario Puccinelli be, and hereby is, authorized to execute by and on behalf of the Company, the Amended and Restated Franchise Agreement between the West Bay Sanitary District and Contractor for Recyclable Materials, Organic Materials, and Solid Waste Collection Services, and any and all other agreements, instruments, documents or papers, as he/she may deem appropriate or necessary, pertaining to or relating to such Agreement, and that any such action taken to date is hereby ratified and approved."

10/9/18

Date



Signature

Cary Chen
Secretary

Attachment S
(Note: This is a new Attachment to the Model Agreement.)

MEMORANDUM OF UNDERSTANDING

This is a Memorandum of Understanding by and between Recology San Mateo County (Recology) and the South Bayside Waste Management Authority, a California JPA (SBWMA).

A. Recology is the Franchisee for each of the twelve (12) JPA Member Agencies of the SBWMA for the collection of solid waste and recyclables pursuant to Franchise Agreements (the Franchise Agreements) entered into with each respective Member Agency.

B. Article 11 of the Franchise Agreements all provide that the SBWMA shall annually review the Recology Application for an Adjustment to Contractor's Compensation and provide a report to the SBWMA Board of Directors for consideration of a binding vote to approve the recommended Recology compensation for the subsequent rate year.

C. Article 11 of the Franchise Agreements also provides for an Annual Revenue Reconciliation that reconciles the amount owed to Recology compared to the amount retained by Recology for the prior year which generates a surplus or shortfall by agency. It also calculates interest owed to Recology for a shortfall.

D. In 2012 and 2013, the SBWMA Board approved Recology compensation for rate years 2013 and 2014, respectively, that included a reconciliation of:

1. Any surplus paid to Recology and any shortfall owed to Recology by a Member Agency for 2011 and 2012 were included in setting Recology's total compensation for 2013 and 2014, respectively.

2. Recology submitted to the SBWMA an interest calculation for both years which was charged to Member Agencies on any shortfall and credited interest to Member Agencies on any surplus. The SBWMA reports to the Board included this interest charge or credit by Member Agency in both years.

E. Recology and the SBWMA Board have reviewed their prior understanding regarding the payment of interest and reviewed the language and intent of the Franchise Agreements. Commencing with the Recology Application, due in June 2014, for an Adjustment to Contractor's Compensation for 2015, they desire to clarify the process to calculate interest and conform to the intent of the Agreements as follows:

Attachment S

(Note: This is a new Attachment to the Model Agreement.)

1. Any Member Agency that has generated a surplus balance with Recology for 2013 can receive a refund from Recology provided it requests the refund in writing on or before July 31, 2014, provided the surplus balance was generated due to the Member Agency setting rates higher than those recommended by the SBWMA. If it does not request a refund by July 31, 2014, any such surplus will be accounted for in the Recology Application for an Adjustment in Contactor's Compensation for 2015 and applied to the rate setting recommended for 2015.

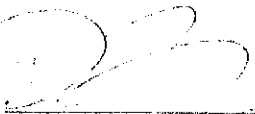
2. Any Member Agency that generated a shortfall balance with Recology for 2013 will have the shortfall accounted for in the 2013 Revenue Reconciliation and recommended 2015 rates. However, if the shortfall was the result of the Member Agency setting rates lower in 2013 than had been recommended in the SBWMA Report approved by the SBWMA Board, it shall be charged the prevailing interest rate (prime plus 1%) on the shortfall balance delineated in the 2013 Revenue Reconciliation.

3. No interest will be credited to a Member Agency on any surplus balance for 2013 and in all future years. Member Agencies may request by July 31 of each year and Recology will comply with the request for a refund in a reasonable time frame. Any surplus not requested to be refunded will be credited in the next Revenue Reconciliation and applied to the next Recology Application for an Adjustment to Contractor's Compensation.

4. Recology shall not receive any interest on shortfalls in 2014 and in future years unless the Member Agency adjusts its rates below the rate adjustment recommended in the SBWMA Report and approved by the SBWMA Board.

5. Recology shall not receive any interest on shortfalls in 2014 and in future years if the Member Agency notifies Recology of their intent to pay the shortfall balance by July 31 and makes the payment to Recology by September 30.

SBWMA

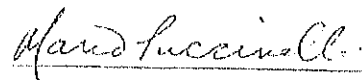

_____ 7-8-15

Kevin McCarthy

Date

Executive Director

RECOLOGY


_____ 7-8-15

Mario Puccinelli

Date

General Manager

