

**AMENDED AND RESTATED
FRANCHISE AGREEMENT**

BETWEEN

THE CITY OF UNION CITY

AND

ALLIED WASTE SERVICES OF NORTH AMERICA, LLC

FOR

SOLID WASTE, RECYCLABLE MATERIALS, AND

ORGANIC MATERIALS COLLECTION SERVICES

July 1, 2025 through June 30, 2035

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41
42 **WHEREAS;** on September 8, 2004, BFI Waste Systems of North America (“BFI”) submitted a proposal in
43 response to the City’s May 2004 Request for Proposals for Collection and Disposal Services; and
44

45 **WHEREAS;** on January 11, 2005, after a competitive procurement process for such Collection Services, the
46 City Council approved Resolution No. 2808-05, which awarded an exclusive franchise agreement to BFI
47 for Solid Waste, Recyclable Materials, and Organic Materials Collection Services dated January 6, 2005,
48 for the period from July 1, 2005 through June 30, 2015 (“2005 Franchise Agreement”) (“2005 Franchise
49 Agreement”); and
50

51 **WHEREAS;** in 2005, BFI subsequently assigned its interests in the 2005 Franchise Agreement to Allied
52 Waste Services of North America, LLC (“Allied”), who is the Contractor under this Agreement; and
53

54 **WHEREAS;** on July 14, 2009, the 2005 Franchise Agreement was amended to implement Commercial Food
55 Scraps Collection and Processing services; and
56

57 **WHEREAS;** pursuant to Section 3.4 of the Franchise Agreement, as amended, the City may renegotiate
58 the terms and conditions of said Franchise Agreement with the Contractor at the end of the Franchise
59 Agreement’s term, or select another means to procure or provide Collection services; and
60

61 **WHEREAS;** the City Council has found and determined that the Contractor, by demonstrated experience,
62 reputation, and capacity, is qualified to provide Solid Waste, Recyclable Materials, and Organic Materials
63 Collection Services within the corporate limits of the City, and desires that the Contractor continue to
64 provide such services for the City; and
65

66 **WHEREAS;** on November 25, 2014, in Resolution 4665-14, the City Council directed City staff to
67 renegotiate with the Contractor an extension of the 2005 Franchise Agreement through June 30, 2025,
68 and without competitive bidding; and
69

70 **WHEREAS;** in January 2015, City staff and the Contractor entered negotiations as directed by the City
71 Council; and
72

73 **WHEREAS;** the 2005 Franchise Agreement was extended for two years ending June 30, 2017 pursuant to
74 Section 3.4 of the 2005 Franchise Agreement; and
75

76 **WHEREAS;** the Parties submitted an Amended and Restated Franchise Agreement for the City Council’s
77 consideration; and
78

79 **WHEREAS;** the City Council authorized the City to execute this Amended and Restated Franchise
80 Agreement with a term ending June 30, 2025 (“Agreement”); and
81

82 **WHEREAS;** in June 2023, City staff and the Contractor entered negotiations as directed by the City Council;
83 and
84

85 **WHEREAS;** the Parties submitted an Amended and Restated Franchise Agreement for the City Council’s
86 consideration; and
87

88 **WHEREAS;** the City Council authorized the City to execute this Amended and Restated Franchise
89 Agreement with a term ending June 30, 2035 (“Agreement”); and

90
91 **WHEREAS;** this Agreement supersedes any and all prior agreements and understandings between the
92 Parties, including the 2005 Franchise Agreement and the 2017 Franchise Agreement; and

93
94 **WHEREAS;** the City further declares its intent to approve Contractor’s Compensation and the associated
95 Maximum Rates established by Contractor that may be charged to Customers for the Collection,
96 Transportation, Processing, Recycling, Composting, and/or Disposal of Solid Waste, Recyclable Materials,
97 and Organic Materials; and

98
99 **WHEREAS;** the Maximum Rates that Contractor may charge are competitive for the industry based on the
100 substantial array of services provided and are reasonably related to the cost of providing such services;
101 and

102
103 **WHEREAS,** this Agreement has been developed by and is satisfactory to the Parties; and

104
105 **WHEREAS,** the City Council of City duly approved this Agreement per Resolution No. _____, together
106 with the Franchise Fee, Contractor payments to City, and other City-imposed fees provided for in the
107 Agreement (collectively “City Fees”), and found and determined that such City Fees were both necessary
108 and reasonably reflect, or are less than, the actual costs City that will incur in the administration of the
109 contracted services, compliance with mandatory state laws and regulations related to the contracted
110 services, and to mitigate the impacts contracted services will have on City infrastructure.

111
112 **Now, THEREFORE,** in consideration of the mutual promises, covenants, and conditions contained in this
113 Agreement and for other good and valuable consideration, the Parties agree as follows:

114 **ARTICLE 1.**
115 **DEFINITIONS**

116
117 For purposes of this Agreement, unless a different meaning is clearly required, the following words and
118 phrases shall have the following meanings respectively ascribed to them by this Article and shall be
119 capitalized throughout this Agreement:

120
121 **“2005 Franchise Agreement”** means the exclusive franchise agreement to BFI Waste Systems of North
122 America for Solid Waste, Recyclable Materials, and Organic Materials Collection Services dated January 6,
123 2005, for the period from July 1, 2005 through June 30, 2015, which was extended by the City for up to
124 one year or for a period that expires the day prior to the Commencement Date of this Agreement,
125 whichever date shall occur earlier.

126
127 **“AB 32”** means the California Global Solutions Act of 2006 (Division 25.5 of the California Health and Safety
128 Code), also commonly referred to as “AB 32,” as amended, supplemented, superseded, and replaced from
129 time to time.

130

131 **“AB 341”** means the California Jobs and Recycling Act of 2011 (Chapter 476, Statutes of 2011 [Chesbro, AB
132 341]), also commonly referred to as **“AB 341”**, as amended, supplemented, superseded, and replaced
133 from time to time. AB 341 requires businesses, defined to include commercial or public entities that
134 generate more than 4 cubic yards of commercial Solid Waste per week or multifamily residential dwellings
135 of 5 units or more, to arrange for Recycling services and requires jurisdictions to implement a commercial
136 Solid Waste Recycling program.

137
138 **“AB 827”** means State of California Assembly Bill No. 827 approved October 02, 2019. AB 827 requires
139 businesses that are mandated to recycle under AB 341 (**“MCR”**) and/or mandated to recycle Organic
140 Waste under AB 1826 (**“MORe”**) or SB 1383 and that provide customers access to the business, to provide
141 customers with a Recyclable Materials bin and/or Organic Waste Collection bin for those waste streams
142 that is visible, easily accessible, and adjacent to each Bin or Container for trash.

143
144 **“AB 939”** means the California Integrated Waste Management Act of 1989 codified in part in Public
145 Resources Code Sections 40000 et seq., and such regulations adopted by California Department of
146 Resources Recycling and Recovery (CalRecycle) for implementation of the Act, or its successor agency,
147 including but not limited to, the Jobs and Recycling Act of 2011 (AB 341), SB 1016 (Chapter 343, Statutes
148 of 2008 [Wiggins, SB 1016]), and the Mandatory Commercial Organics Recycling Act (AB 1826).

149
150 **“AB 1594”** means the 2014 act to amend Sections 40507 and 41781.3 of the Public Resources Code,
151 relating to solid waste (Chapter 719, Statutes of 2014 [Williams, AB 1594]), also commonly referred to as
152 **“AB 1594”**, as amended, supplemented, superseded, and replaced from time to time.

153
154 **“AB 1826”** means the Organic Waste Recycling Act of 2014 (Chapter 727, Statutes of 2014 [Chesbro, AB
155 1826]), also commonly referred to as **“AB 1826”**, as amended, supplemented, superseded, and replaced
156 from time to time. AB 1826 requires each jurisdiction, on and after January 1, 2016, to implement an
157 Organic Waste Recycling program to Divert from the landfill Organic Waste from businesses. Each
158 business meeting specific Organic Waste or Solid Waste generation thresholds phased in from April 1,
159 2016, to January 1, 2020, is required to arrange for Organic Waste Recycling services.

160
161 **“Adequate Commercial Recycling Program”** means the definition and process used by the Alameda
162 County Waste Management Authority/Alameda County Source Reduction and Recycling Board to assess
163 the existence of an **“adequate commercial recycling program”** for the purpose of determining municipal
164 eligibility to receive per capita Recycling Fund monies beginning July 1, 2013. The policy adopted by the
165 Alameda County Source Reduction and Recycling Board on November 8, 2012 is included as Exhibit 1.

166
167 **“Affiliate”** means all businesses (including corporations, limited and general partnerships and sole
168 proprietorships) which are directly or indirectly related to Contractor by virtue of any percentage of direct
169 or indirect Ownership interest or common management. An Affiliate shall include a business in which
170 Contractor has a direct or indirect Ownership interest; a business which has a direct or indirect Ownership
171 interest in Contractor; and/or a business which is also Owned, controlled or managed by any business or
172 individual which has a direct or indirect Ownership interest in Contractor. For the purposes of this
173 definition, **“Ownership”** means ownership as defined in the constructive ownership provisions of Section
174 318(a) of the Internal Revenue Code of 1986, as in effect on the date here, provided that 10 percent shall
175 be substituted for 50 percent in Section 318(a)(2)(C) and in Section 318(a)(3)(C) thereof; and Section
176 318(a)(5)(C) shall be disregarded.

177

178 **“Agreement”** means this Agreement between the City and Allied Waste Services of North America, LLC
179 for Collection of Solid Waste and Transportation of Solid Waste to the Designated Transfer Station, and
180 Collection, Transportation, and Processing of Recyclable Materials and Organic Materials, including all
181 exhibits, and any future amendments hereto.

182
183 **“Alternative Daily Cover (ADC)”** means cover material used to cover compacted Solid Wastes in a Disposal
184 Site, other than Organic Materials and other than at least six (6) inches of earthen material, placed on the
185 surface of the active face of the refuse fill area at the end of each operating day to control vectors, fires,
186 odors, blowing litter, and scavenging, as defined in Section 20164 of the California Code of Regulations as
187 may be amended from time to time.

188
189 **“Alternative Intermediate Cover (AIC)”** means CalRecycle-approved materials other than soil used at a
190 landfill on all surfaces of the fill where no additional Solid Waste will be deposited within one hundred
191 eighty (180) days. Generally, these materials must be processed so that they do not allow gaps in the face
192 surface, which would provide breeding grounds for insects and vermin.

193
194 **“Applicable Law”** means all Federal, State, and local laws, regulations, rules, orders, judgments, decrees,
195 permits, approvals, or other requirements of any governmental agency having jurisdiction over an aspect
196 of this Agreement that are in force on the Effective Date, and as may be enacted, issued, or amended
197 thereafter, including, without limitation, the City’s Municipal Code, the California Integrated Waste
198 Management Act of 1989 (Public Resources Code Sections 40000 et seq.) as amended as of the Effective
199 Date, inclusive (without exclusion to other amendments not referenced here) of AB 939, AB 341, AB 1826,
200 AB 1594, SB 1383, and inclusive of all regulations implementing the same. It shall also include SB 54, the
201 Plastic Pollution Prevention and Packaging Producer Responsibility Act, and the California Air Resources
202 Board Advanced Clean Fleets regulations (2023).

203
204 **“Approved Composting Site”** means the Newby Island Composting site on Dixon Landing Road in San Jose,
205 California, which was selected by Contractor, and approved by the City Manager, and which is approved
206 for Composting of Organic Materials.

207
208 **“Approved Recyclable Materials Processing Site”** means the Newby Island Recyclery on Dixon Landing
209 Road in San Jose, California, which was selected by Contractor, and approved by the City Manager, which
210 is approved for Processing Recyclable Materials.

211
212 **“Beneficial Reuse Purposes”** means use of material for beneficial reuse at a Disposal Site, which shall
213 include, but not be limited to, the following: Alternative Daily Cover, Alternative Intermediate Cover, final
214 cover foundation layer, liner operations layer, leachate and landfill gas collection system, construction fill,
215 road base, wet weather operations pads and access roads, and soil amendments for erosion control and
216 landscaping.

217
218 **“Billings”** means any and all statements of charges for services rendered, howsoever made, described or
219 designated by Contractor, or made by other for City or Contractor, presented to Customers served by
220 Contractor for the Collection of Solid Waste, Recyclable Materials, and Organic Materials in the City.

221
222 **“Bin”** means a Container with capacity of approximately one to eight cubic yards, with a hinged lid, and
223 with wheels, typically serviced by a front-loading Collection vehicle.

224

225 **“Bulky Items”** means large discarded items including, but not limited to, Major Appliances, furniture, tires,
226 carpets, mattresses, and other oversize materials whose large size precludes or complicates their handling
227 by normal Collection, Processing, or Disposal methods. Bulky Items do not include abandoned
228 automobiles, or large auto parts or Construction and Demolition Debris or Electronic Waste, the latter of
229 which is regarded as Universal Waste and the Disposal of which is governed by the Department of Toxic
230 Substances Control.

231
232 **“Business Days”** mean Mondays through Fridays, excluding Holidays.

233
234 **“Cart”** means a plastic Container with a hinged lid and wheels that is serviced by an automated or semi-
235 automated Collection vehicle. A Cart has capacity of 20, 35, 64, or 96 gallons.

236
237 **“Change in Law”** means any of the following events or conditions which has a material and adverse effect
238 on the performance by the Parties of their respective obligations under this Agreement (except for
239 payment obligations):

- 240
- 241 a. The enactment, adoption, promulgation, issuance, modification, or written change in
242 administrative or judicial interpretation on or after the Effective Date of any Applicable Law;
243 or
 - 244 b. The order or judgment of any governmental body, on or after the Effective Date, to the
245 extent such order or judgment is not the result of willful or negligent action, error or omission
246 or lack of reasonable diligence of the City or of the Contractor, whichever is asserting the
247 occurrence of a Change in Law; provided, however, that the contesting in good faith or the
248 failure in good faith to contest any such order or judgment shall not constitute or be
249 construed as such a willful or negligent action, error or omission or lack of reasonable
250 diligence.
251

252
253
254 **“Characterization”** means a process of manually and/or mechanically sorting by material type samples of
255 Source Separated Recyclable Materials, Source Separated Organic Materials, or Source Separate Food
256 Scraps to determine the types and amounts of various material types in the sample and the Contamination
257 Level of the sample.

258
259 **“City”** means the City of Union City, a municipal corporation, and all the territory lying within the
260 municipal boundaries of the City as presently existing or as such boundaries may be modified during the
261 Term. Unless otherwise specified in this Agreement, any action authorized or required by the City may
262 be taken by the City Council or by an agent designated by the City Council.

263
264 **“City’s Municipal Code”** means the City of Union City Municipal Code.

265
266 **“Clean-Up Event”** or **“Clean-Up”** means an activity, in addition to its regularly scheduled Collection
267 services, in which an Owner or Occupant of a Single-Family, Parcelized Multi-Family Premises, and Non-
268 Parcelized Multi-Family Premises can present for Collection non-putrescible Solid Waste, Yard Trimmings,
269 Traditional Recyclable Materials, Salvageable Materials, and Bulky Items for Collection, Processing, and
270 Disposal.

271

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

274
275 **“Commencement Date”** means the date specified in Section 3.1 when Collection, Transportation,
276 Processing, Composting, and Disposal services required by this Agreement shall be provided.

277
278 **“Commercial”** shall mean of, from or pertaining to non-Residential Premises where business activity is
279 conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing and
280 industrial operations, but excluding businesses conducted upon Residential property which are permitted
281 under applicable zoning regulations and are not the primary use of the property.

282
283 **“Compactor”** means a mechanical apparatus that compresses materials and/or the Container that holds
284 the compressed materials. Compactors include Bin compactors of any size serviced by front-loading
285 Collection vehicles and Drop Box Compactors of any size serviced by Drop-Box Collection vehicles.

286
287 **“Complaint”** means written or orally communicated statements made by members of the public,
288 Customers, Owners, or Occupants of properties served by Contractor, or officers, employees or agents of
289 City alleging non-performance or deficiencies in Contractor’s performance, or otherwise alleging a
290 violation by Contractor of the provisions of this Agreement.

291
292 **“Composting (or Compost)”** includes a controlled biological decomposition of organic materials yielding
293 a safe and nuisance free Compost Product.

294
295 **“Compost Product”** means the product resulting from the controlled biological decomposition of Organic
296 Materials that are Source Separated from the municipal Solid Waste stream, or which are separated at a
297 centralized facility.

298
299 **“Composting Site”** means any plant, facility, or site used for the Processing and Composting of Organic
300 Materials for the purpose of making Compost, mulch, or other marketable material.

301
302 **“Construction and Demolition Debris”** includes discarded materials removed from Premises, resulting
303 from construction, renovation, remodeling, repair, deconstruction, or demolition operations on any
304 pavement, house, commercial building, or other structure or from landscaping. Such materials include,
305 but are not limited to: “inert wastes” as defined in Public Resources Code Section 41821.3(a)(1) (rock,
306 concrete, brick, sand, soil, ceramics and cured asphalt); gravel; plaster; gypsum wallboard; aluminum;
307 glass; plastic pipe; roofing material; carpeting; wood; masonry; trees; remnants of new materials,
308 including paper, plastic, carpet scraps, wood scraps, scrap metal, building materials, and packaging; and
309 rubble resulting from construction, remodeling, renovation, repair and demolition operations on
310 pavements, houses, commercial buildings, and other structures.

311
312 **“Contaminant”** means any material or substance in a Container that is not included in the definition of
313 the material targeted for collection in said Container.

314
315 **“Contamination”** means any of the following, but does not include Organic Material specifically allowed
316 for Collection in a Container that is required to be transported to a high Diversion Organic Material
317 processing facility if the waste is specifically identified as acceptable for Collection in that Container in a
318 manner that complies with the requirements of 14 CCR Section 18984.1, 18984.2, or 18984.3: (A) Non-
319 Organic Waste placed in a Container designated for Organic Waste provided pursuant to 14 CCR Sections

320 18984.1 or 18984.2; (B) Organic Wastes that are carpet, hazardous wood waste, or non-compostable
321 paper placed in the Container that is part of an Organic Waste Collection Service provided pursuant to 14
322 CCR Section 18984.1 or 18984.2; (C) Organic Wastes placed in a Container designated for Garbage, that
323 pursuant to 14 CCR Section 18984.1 or 18984.2 were intended to be Collected separately in a Container
324 designated for Organic Waste or Recyclable Materials; (D) Organic Wastes placed in the Container
325 designated for Recyclable Materials shall be considered Prohibited Container Contaminants when those
326 wastes were specifically identified in this Agreement, or through local ordinance for Collection in the
327 Container designated for Organic Waste, or mutually agreed to and promulgated by the City and
328 Contractor. Paper products, printing and writing paper, wood, and dry lumber may be considered
329 acceptable and not considered Prohibited Container Contaminants if they are placed in Container
330 designated for Recyclable Materials; and (E) exempt waste placed in any Container.

331
332 **“Contamination Level”** means the percentage equal to the weight of the materials categorized as
333 Contamination in the sample tested divided by weight of the sample tested. The Contamination Level shall
334 be calculated separately for various material streams and Customer subsets pursuant to Exhibit 6.4.

335

336 **“Container”** means a Bin, Cart, Compactor, and/or Drop Box.

337

338 **“Contractor”** means Allied Waste Services of North America, LLC, a corporation organized and operating
339 under the laws of the State of Delaware and its officers, directors, employees, agents, companies, and
340 Subcontractors to whom the City by virtue of this Agreement has been granted a Franchise for the services
341 described in Section 4.1. Contractor is a wholly-owned subsidiary of Republic Services, Inc., the Guarantor.

342

343 **“Contractor’s Compensation”** means the monetary compensation received by Contractor in return for
344 providing services in accordance with this Agreement as described in Article 11.

345

346 **“Contractor Party(ies)”** shall mean Contractor, officers, directors, or management or fiscal employees
347 (where “management employee” means any employee with direct or indirect responsibility for direction
348 and control over the Contractor’s activities under this Agreement and “fiscal” employee means an
349 employee with direct or indirect responsibility and control duties relating to financial matters under this
350 Agreement).

351

352 **“Contractor’s Proposal”** means the proposal submitted by Contractor and received on September 8, 2004
353 by the City in response to the City’s May 2004 Request for Proposals for Collection and Disposal Services
354 and certain supplemental written materials incorporated by reference, and the proposal documents and
355 supplemental information submitted by Contractor to the City commencing in November 2023 through
356 April 2024.

357

358 **“CPI”** means the consumer price index and shall be the series CUSR0000SEHG, Water and Sewer and
359 Trash Collection Services in U.S. City Average, all urban consumers, seasonally adjusted. compiled and
360 published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor agency.

361 **“Criminal Activity”** means those activities described in Section 14.11.1.

362

363 **“Curb (or Curbside)”** means the location of a Container for pick-up, where such Container is placed on the
364 street or alley against the face of the curb, or where no curb exists, the Container is placed not more than
365 five feet from the outside edge of the street or alley nearest the property’s entrance.

366

367 **“Customer”** means the Person who voluntarily orders, receives, and pays for services from Contractor.

368
369 **“Delivery”** means placement of Solid Waste, Recyclable Materials, or Organic Materials by a Generator in
370 a receptacle and/or at a location that is designated for Collection pursuant to the City's Municipal Code.
371

372 **“Designated Transfer Station”** means the Fremont Recycling and Transfer Station at 41149 Boyce Road,
373 Fremont, California unless the City Manager designates in writing a different transfer station or Disposal
374 Site in accordance with Section 4.5. At a minimum, the Designated Transfer Station shall serve as a location
375 for the receipt and transfer of Solid Waste, Bulky Items, and Major Appliances.
376

377 **“Designated Waste”** means non-Hazardous Waste which may pose special Disposal problems because of
378 its potential to contaminate the environment and which may be Disposed of only in Class II Disposal Sites
379 or Class III Disposal Sites pursuant to a variance issued by the California Department of Health Services.
380 Designated Waste consists of those substances classified as Designated Waste by the State of California,
381 in California Code of Regulations Title 23, Section 2522 as may be amended from time to time.
382

383 **“Discarded Materials”** means Solid Waste, Recyclable Materials, Organic Materials, Bulky Items, or
384 Construction and Demolition Debris placed by a Generator in a receptacle and/or at a location that is
385 designated for Collection pursuant to the City's Municipal Code.
386

387 **“Disposal or Dispose (or variation thereof)”** means the final disposition of Solid Waste at a Disposal Site.
388

389 **“Disposal Site”** means a facility for ultimate Disposal of Solid Waste.
390

391 **“Diversion”** means activities that reduce or eliminate the amount of Solid Waste or Discarded Materials
392 from Disposal including, but not limited to, Recycling and Composting.
393

394 **“Diversion Level”** means the percentage equal to the Tonnage Diverted by Contractor divided by the
395 Tonnage Collected by Contractor, which reflects the accomplishments of the Contractor's Diversion
396 programs.
397

398 **“Drop Box”** means an open-top or covered Container with a typical capacity of 6 to 50 cubic yards that is
399 serviced by a roll-off Collection vehicle.
400

401 **“Edible Food”** has the same meaning as found in Chapter 7.24.020 of the Union City Municipal Code.
402 Edible Food means food intended for human consumption. For purposes of this Agreement, Edible Food
403 is not Solid Waste if it is recovered and not discarded. Nothing in this Agreement requires or authorizes
404 the recovery of food that does not meet the food safety requirements of the California Retail Food Code.
405

406 **“Edible Food Recovery”** means the actions to Collect and distribute Edible Food and distributing it to local
407 food recovery organizations from places where it would otherwise go to waste, such as, but not limited
408 to, restaurants, grocery stores, produce markets, school cafeterias, or dining facilities.
409

410 **“Effective Date”** means the date on which the latter of the two Parties signs the Agreement and the date
411 on which Contractor may begin to take actions and incur costs in preparation to provide Collection,
412 Transportation, Processing, and Disposal services required by this Agreement.
413

414 **“Equivalent Residue”** means Residue that is produced at the Approved Recyclable Materials Processing
415 Site and Approved Composting Site from the Processing of Recyclable Materials, Organic Materials, and

416 Food Scraps Collected under the terms of this Agreement. Where the actual Residue from Processing
417 materials Collected in the City at these Approved Processing Site(s) cannot be specifically segregated from
418 Residue from Processing materials generated by parties, an equivalent amount of Residue Tonnage will
419 be segregated in its place and thereafter handled in accordance with the terms of this Agreement.
420

421 **“E-Scrap Items”** means discarded electronic equipment such as, but not limited to, television sets,
422 computer monitors, central processing units (CPUs), laptop computers, external computer hard drives,
423 computer keyboards, computer mice, computer printers, DVDs, and VCRs.
424

425 **“Federal”** means belonging to or pertaining to the national government of the United States; or founded
426 on or organized under the constitution of the United States.
427

428 **“Food Scraps”** means pre- and/or post-consumer Organic Material consisting primarily of food scraps such
429 as those Discarded Organic Materials that will decompose and/or putrefy including (i) all kitchen and table
430 food waste, and animal or vegetable waste that attends or results from the storage, preparation, cooking
431 or handling of food stuffs, and (ii) food-soiled paper. Food Scraps is a subset of Organic Materials.
432

433 **“Franchise”** is the exclusive right and privilege of Contractor to Collect, Transport, and Process Solid
434 Waste, Recyclable Materials, and Organic Materials in accordance with the terms and conditions of this
435 Agreement.
436

437 **“Franchise Fee”** or **“City Fee”** means a payment that the Contractor has voluntarily agreed to pay to City
438 in consideration of the exclusive rights granted by the City under this Agreement. City and Contractor
439 acknowledge and agree that the amount of the Franchise Fee is the result of bona fide, arms-length
440 negotiations between City and Contractor. Contractor further acknowledges and agrees that the amount
441 of the Franchise Fee represents Contractor’s independent determination of the market value of the
442 exclusive rights granted by City under this Agreement. Contractor is not required by this Agreement or
443 any City ordinance, resolution, or regulation to charge the Franchise Fee to Customers. Because the
444 Franchise Fee represents a cost to Contractor in performing services pursuant to this Agreement,
445 Contractor may, in its sole discretion, include an amount equal to the Franchise Fee in Contractor’s
446 compensation.
447

448 **“Generator”** means any Person as defined by the Public Resources Code, whose act or process produces
449 Solid Waste, Recyclable Materials, or Organic Materials as defined in the Public Resources Code, or whose
450 act first causes Solid Waste to become subject to regulation.
451

452 **“Gross Rate Revenue”** means the actual monies remitted to Contractor by Customers and actual property
453 tax roll revenues distributed to Contractor by City, and shall be determined in accordance with Generally
454 Accepted Accounting Principles.
455

456 **“Guarantor”** means Republic Services, Inc.
457

458 **“Guaranty Agreement”** is the agreement attached as Exhibit 12.4 that is executed by the Guarantor
459 guaranteeing the timely and full performance of Contractor’s obligations.
460

461 **“Hazardous Substance”** means any of the following: (a) any substances defined, regulated or listed
462 (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic
463 waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the

464 environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and
465 Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation
466 Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv)
467 the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8,
468 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and (vii) California Water Code §13050; (b)
469 any amendments, rules or regulations promulgated there under to such enumerated statutes or acts
470 currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material,
471 chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law
472 currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated
473 biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

474
475 **"Hazardous Waste"** means all substances defined as Hazardous Waste, acutely Hazardous Waste, or
476 extremely Hazardous Waste by the State of California in Health and Safety Code §25110.02, §25115, and
477 §25117 or in the future amendments to or recodifications of such statutes or identified and listed as
478 Hazardous Waste by the U.S. Environmental Protection Agency (EPA), pursuant to the Federal Resource
479 Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and
480 regulations promulgated thereunder.

481
482 **"Holidays"** are defined as New Year's Day, Thanksgiving Day, and Christmas Day.

483
484 **"Household Hazardous Waste"** means that waste resulting from products purchased by the general
485 public for household use which, because of its quantity, concentration, or physical, chemical or infectious
486 characteristics, may pose a substantial known or potential hazard to human health or the environment
487 when improperly treated, Disposed, or otherwise managed, or, in combination with other Solid Waste,
488 may be infectious, explosive, poisonous, caustic, or toxic, or exhibit any of the characteristics of
489 ignitability, corrosivity, reactivity, or toxicity as per California Code of Regulations Title 22, Division 4.5,
490 Chapter 11, Section 66261.3 .

491
492 **"Infectious Waste"** means biomedical waste generated by a Person or at hospitals, public or private
493 medical clinics, dental offices, research laboratories, pharmaceutical industries, blood banks, mortuaries,
494 veterinary facilities, and other similar establishments that are identified in Health and Safety Code Section
495 25117.5 as may be amended from time to time.

496
497 **"Kitchen Pail"** means the Container provided to Residential and Multi-Family Customers to consolidate
498 and transfer food scraps and other Organic Materials generated by the Premises to Contractor's Organic
499 Materials cart for Collection. The "Kitchen Pail" is not intended to be used by Customer to set-out Organic
500 Materials for Collection by Contractor.

501
502 **"Liquidated Damages"** means the amounts owed by Contractor to City for failure to meet specific
503 quantifiable standards of performance as described in Section 13.5 and Exhibit 13.5.

504
505 **"Major Appliances"** means any discarded Residential device, including, but not limited to, washing
506 machines, clothes dryer, hot water heaters, dehumidifiers, conventional ovens, microwave ovens, stoves,
507 refrigerators, freezers, air conditioners, trash compactors, and residential furnaces discarded by
508 Residential Generators.

509

510 **“Maximum Rates”** means those rates or charges established by Contractor and approved from time-to-
511 time by the City Council, which set forth the maximum amount that Contractor may charge Customer for
512 services provided pursuant to this Agreement.

513
514 **“Mixed Materials”** or **“Mixed Waste”** means materials placed in Solid Waste Containers for Collection
515 that may include a combination of Recyclable Materials and non-Recyclable Materials.

516
517 **“Non-Parcelized Multi-Family”** means, notwithstanding any contrary definition in the City’s Municipal
518 Code, any Residential Premises with more than one unit used for Residential purposes regardless of
519 whether residence therein is transient, temporary or permanent, which receive centralized, communal
520 Collection service for all units on the Premises which are billed to one Customer at one address, excluding
521 hotels (which shall be considered Commercial Premises), Single-Family Premises, and Parcelized Multi-
522 Family Premises; however, those Parcelized Multi-Family Premises that receive centralized, communal
523 Collection service shall be considered Non-Parcelized Multi-Family Premises.

524
525 **“Occupant”** means the Person who occupies a Premises.

526
527 **“Organic Materials”** (or **“Organic Waste”** as defined in Chapter 7.24.020 of the Union City Municipal
528 Code) means those materials that will decompose and/or putrefy and include Yard Trimmings and Food
529 Scrap such as, but are not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead
530 plants, brush, tree trimmings, dead trees, small wood pieces, other types of organic yard waste, vegetable
531 waste, fruit waste, grain waste, dairy waste, meat waste, fish waste, waxed cardboard, paper
532 contaminated with Food Scraps or otherwise not accepted in the Recyclable Materials Collection program,
533 pieces of unpainted and untreated wood, and pieces of unpainted and untreated wallboard.

534
535 **“Overage”** events shall mean the following: (i) Solid Waste, Recyclable Materials or Organic Materials
536 included for collection by Customer exceed the intended capacity of the Container such that the
537 Container’s lid is lifted by at least six (6) inches; or, (ii) Solid Waste, Recyclable Materials or Organic
538 Materials are placed on top of or in the immediate vicinity of the Container by Customer and result in
539 precluding collection service of said Container without the intervention of the collection service vehicle
540 operator to remove the excessive materials in order to provide safe and litter free collection service.

541
542 **“Owner”** means the Person holding legal title to the land or building.

543
544 **“Parcelized Multi-Family”** means any attached home, townhouse, condo or residence designated or used
545 for occupancy by one family, , excluding those Premises that receive centralized, communal Collection
546 (which shall be considered Non-Parcelized Multi-Family Premises).

547
548 **“Parent Company”** refers to a company owning more than 50% of the shares of another company
549 (subsidiary) or a company that has management control over such subsidiary.

550
551 **“Party or Parties”** refers to the City and Contractor, individually or together.

552
553 **“Pass-Through Cost(s)”** means Disposal costs, interest expense, and other costs that are included as part
554 of Contractor’s Compensation but for which Contractor does not receive profit or any additional mark-up,
555 expense, or administrative charge.

556

557 **“Permanent Drop Boxes”** means Drop Boxes that are used by Customers subscribing to weekly (or more
558 frequent) Collection services.

559
560 **“Person(s)”** means any individual, firm, association, organization, partnership, corporation, business trust,
561 joint venture, the United States, the State of California, the County of Alameda, and special purpose
562 districts.

563
564 **“Premises”** means any land or building in the City where Solid Waste, Recyclable Materials, or Organic
565 Materials are generated or accumulated.

566
567 **“Processing”** means to prepare, treat, or convert through some special method.

568
569 **“Processing Site”** means any plant or site used for the purpose of sorting, cleansing, treating or
570 reconstituting Recyclable Materials for the purpose of making such material available for reuse.

571
572 **“Rate”** means the dollar unit to be charged a Customer by Contractor for providing Solid Waste Collection
573 and Disposal, Recyclable Materials Collection and Processing services, Organic Materials Collection and
574 Processing services, and other services provided by Contractor pursuant to this Agreement.

575
576 **“Rate Year”** means a 12-month period, commencing July 1 and concluding June 30 for which Contractor’s
577 Compensation is calculated. Rate Years are numbered consecutively starting with Rate Year Twenty-One
578 (July 1, 2025 to June 30, 2026), thus reflecting a continuation from the 2005 and 2017 Franchise
579 Agreement “Rate Periods,” Rate Years or rate years.

580
581 **“Recyclable Materials”** means those Discarded Materials, by-products, or components of such materials
582 that are set aside, handled, or packaged for the purpose of being Recycled.

583
584 **“Recyclable Materials Cart Contractor”** means Tri-City Economic Development Corporation (Tri-CED),
585 located at 33377 Western Avenue, Union City, California that entered into an exclusive franchise
586 agreement with the City for the Collection and Processing of Recyclable Materials from Residential
587 Customers and from Commercial Customers subscribing to Recyclable Materials Collection services in the
588 City using Carts.

589
590 **“Recycle”** or **“Recycling”** means the process of sorting, cleansing, treating and reconstituting, at a
591 Recyclable Materials Processing Site, materials that would otherwise be Disposed of at a landfill for the
592 purpose of returning such materials to the economy in the form of raw materials for new, reused or
593 reconstituted products. **“Recycling”** does not include transformation as defined in Public Resources Code
594 Section 40201. Paper products and printing and writing paper, each as defined in SB 1383, may be placed
595 in either the Recyclable Materials Container or the Organic Waste Container. Carpet and textiles, as well
596 as compostable plastic materials, may not be placed in either the Recyclable Materials Container or the
597 Organic Waste Container.

598
599 **“Related-Party Entity”** means any Affiliate that has financial transactions with Contractor pertaining to
600 this Agreement.

601
602 **“Residential”** shall mean of, from, or pertaining to a Single-Family Premises, Parcelized Multi-Family
603 Premises, or Non-Parcelized Multi-Family Premises including single-family homes, apartments,

604 condominiums, townhouse complexes, mobile home parks, cooperative apartments, and yacht harbors
605 and marinas where residents live aboard boats.

606
607 **“Residue”** or **“Residual”** (or a variation thereof) means material remaining, if any, after Processing of
608 Recyclable Materials or Organic Materials that require Disposal.

609
610 **“Residue Level”** means the percentage equal to the Tonnage of Residue Disposed by Contractor divided
611 by Tonnage Collected by Contractor, which reflects the amount of Residue. The Residue Level shall be
612 calculated separately for Recyclable Materials, Residential Organic Materials, and Commercial Organic
613 Materials.

614
615 **“Re-use Vendor”** means a vendor (e.g., St. Vincent DePaul, Goodwill Industries, or other non-profit or for-
616 profit organizations) that will collect used furniture and other re-usable items for purposes of reuse rather
617 than Disposal.

618
619 **“Revenue Requirement”** means the total amount of Contractor’s Compensation, City Fees, and
620 compensation for the Recyclable Materials Cart Contractor that the City directs Contractor to include in
621 the Maximum Rates it establishes and bills to Customers.

622
623 **“Salvageable Material”** means those Discarded Materials that may be reused in their existing form or may
624 be reused after some form of Processing including, but not limited to, Organic Materials and Recyclable
625 Materials.

626
627 **“SB 54”** means the Packaging Pollution Prevention and Packaging Producer Responsibility Act of 2022
628 (Chapter 75, Statutes of 2022 [Allen, et al., SB 54]), also commonly referred to as “SB 54”, as amended,
629 supplemented, superseded, and replaced from time to time.

630
631 **“SB 1383”** means the Short-lived Climate Pollutants: Methane Emissions: Dairy And Livestock: Organic
632 Waste: Landfills Act of 2016 (Chapter 395, Statues of 2016 [Lara, SB 1383]), also commonly referred to as
633 “SB 1383”, as amended, supplemented, superseded, and replaced from time to time. Of particular
634 significance to the Collection services provided under the terms of this Agreement, SB 1383 establishes
635 State-wide targets for the reduction of Organic Materials Disposal.

636
637 **“Service Type”** refers separately to the following types of Solid Waste, Recyclable Materials and Organic
638 Materials Collection services for each of the following types of services: Single-Family, Parcelized Multi-
639 Family, Non-Parcelized Multi-Family, Commercial, Drop Box, Single-Family and Parcelized Multi-Family
640 Clean-Up Event services, and Non-Parcelized Multi-Family Clean-Up Event service.

641
642 **“Single-Family”** means, notwithstanding any contrary definition in the City’s Municipal Code, any
643 detached house or residence designed or used for occupancy by one family, provided that Collection
644 service feasibly can be, and is, provided to such Premises as an independent unit.

645
646 **“Solid Waste”** means solid waste as defined in California Public Resources Code, Division 30, Part 1,
647 Chapter 2, §40191 and regulations promulgated thereunder that the City Code requires Generators within
648 the City to set out for Collection. Excluded from the definition of Solid Waste are Construction and
649 Demolition Debris, Hazardous Waste, Infectious Waste, Designated Waste, Source Separated Recyclable
650 Materials, Source Separated Organic Materials, and radioactive waste. Notwithstanding any provision to
651 the contrary, “Solid Waste” may include de minimis volumes or concentrations of waste of a type and

652 amount normally found in Residential Solid Waste after implementation of programs for the safe
653 collection, recycling, treatment and disposal of Household Hazardous Waste in compliance with Section
654 41500 and 41802 of the California Public Resources Code as may be amended from time to time.

655
656 Solid Waste includes Salvageable Materials, Mixed Materials, Recyclable Materials, and Organic Materials
657 only when such materials are not Source Separated and are included for Collection in a Solid Waste
658 Container.

659
660 **“Source Separated”** means the segregation, by the Generator, of materials designated for separate
661 Collection for some form of Recycling, Composting, recovery, or reuse.

662
663 **“Specialty Recyclable Material”** means Recyclable Materials that are not specified as Traditional
664 Recyclable Materials that can be Collected for purposes of Recycling by any Person operating under a valid
665 permit issued by the City. Such Specialty Recyclable Material includes, but is not limited, to scrap metal
666 weighing more than 10 pounds, mattresses, Construction and Demolition Debris, pallets, and plastic film.
667 Specialty Recyclable Materials do not include Source Separated Organic Materials or Source Separated
668 Recyclable Materials set out for Collection by Single-Family, Parcelized Multi-Family, Non-Parcelized
669 Multi-Family, Commercial, and Drop Box Customers.

670
671 **“State”** means the State of California.

672
673 **“Subcontractor”** means a party who has entered into a contract, express or implied, with the Contractor
674 for the performance of an act that is necessary for the Contractor’s fulfillment of its obligations under this
675 Agreement and approved by the City in accordance with Section 4.3 of this Agreement for services such
676 as, but not limited to, Collection, Transportation, Processing, Diversion, sales or marketing of Recyclable
677 Materials or Organic Materials, staffing, public education, customer service, and billing, or other service
678 whose cost is a substantial portion of the Contractor’s total annual cost.

679
680 **“Term”** means the Term of this Agreement, including extension periods if granted, as provided for in
681 Article 3.

682
683 **“Ton (or Tonnage)”** means a unit of measure for weight equivalent to 2,000 standard pounds where each
684 pound contains 16 ounces.

685
686 **“Traditional Recyclable Materials”** shall include, but not be limited to: newspaper (including inserts,
687 coupons, and store advertisements); mixed paper (including office paper, computer paper, magazines,
688 junk mail, catalogs, brown paper bags, brown paper, paperboard, paper egg cartons, telephone books,
689 grocery bags, colored paper, construction paper, envelopes, legal pad backings, shoe boxes, cereal and
690 other similar food boxes); shredded paper (placed by Generator in clear plastic bags); chipboard;
691 corrugated cardboard; paper milk cartons; glass containers of any color (including brown, clear, and green
692 glass bottles and jars); aluminum (including beverage containers, foil, food containers, small pieces of
693 scrap metal); small pieces of scrap metal weighing less than 10 pounds and fitting into the Recyclable
694 Materials Container; steel, tin or bi-metal cans; plastic containers (no. 1 to 7); plastic bags and shrink wrap
695 (placed by Generator in plastic bags); and aseptic beverage boxes.

696
697 **“Transportation”** means the act of transporting or state of being transported.
698

699 **“Unacceptable Spillage”** means any Solid Waste, Bulky Items, Recyclable Materials or Organic Materials
700 spilled or left at established Collection sites by Contractor after Collection, except that small particles of
701 grass clippings and leaves of the size and volume (that can be collected by regular street sweeping
702 operations) may be left behind.

703
704 **“Vehicle Impact Fee”** means the fee paid by Contractor to reimburse the City for street maintenance costs
705 incurred because of Collection Vehicles traveling on City streets.

706
707 **“Yard Trimmings”** means those Discarded Materials that will decompose and/or putrefy, including, but
708 not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree
709 trimmings, dead trees, small pieces of unpainted and untreated wood, and other types of organic waste.
710 Yard Trimmings are a subset of Organic Materials. Yard Trimmings placed for Collection may not exceed
711 six inches in diameter and five feet in length.

712 **ARTICLE 2.**
713 **REPRESENTATIONS AND**
714 **WARRANTIES OF THE**
715 **CONTRACTOR**

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

718
719 **2.1 CORPORATE STATUS**

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

723
724 **2.2 CORPORATE AUTHORIZATION**

725 Contractor has the authority to enter this Agreement and perform its obligations under this Agreement.
726 The Board of Directors of Contractor (or the shareholders, if necessary) has taken all actions required by
727 law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Agreement.
728 The Person signing this Agreement on behalf of Contractor represents and warrants that they have
729 authority to do so and the Corporate Secretary’s Certificate in Exhibit 2.2 confirms this. This Agreement
730 constitutes the legal, valid, and binding obligation of the Contractor.

731
732 **2.3 AGREEMENT WILL NOT CAUSE BREACH**

733 To the best of Contractor's knowledge after reasonable investigation, the execution or delivery of this
734 Agreement or the performance by Contractor of its obligations hereunder does not conflict with, violate,
735 or result in a breach (i) of any law or governmental regulation applicable to Contractor; or (ii) any term or
736 condition of any judgment, order, or decree of any court, administrative agency or other governmental
737 authority, or any Agreement or instrument to which Contractor is a party or by which Contractor or any
738 of its properties or assets are bound, or constitutes a default thereunder.

739

740 **2.4 NO LITIGATION**

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

- 745
- 746 **A.** Materially adversely affect the performance by Contractor of its obligations hereunder;
- 747
- 748 **B.** Adversely affect the validity or enforceability of this Agreement; or
- 749
- 750 **C.** Have a material adverse effect on the financial condition of Contractor, or any surety or entity
- 751 guaranteeing Contractor's performance under this Agreement.
- 752

753 **2.5 NO ADVERSE JUDICIAL DECISIONS**

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

756

757 **2.6 NO LEGAL PROHIBITION**

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

761

762 **2.7 CONTRACTOR'S STATEMENTS**

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

767

768 **2.8 CONTRACTOR'S INVESTIGATION**

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

773

774 **2.9 ABILITY TO PERFORM**

775 Contractor possesses the business, professional, and technical expertise to Collect, Transport, and Process
776 the Solid Waste, Recyclable Materials, and Organic Materials generated in the City. Contractor possesses
777 the equipment, facility(ies), and employee resources required to perform its obligations under this
778 Agreement.

779

780 **2.10 VOLUNTARY USE OF DESIGNATED TRANSFER STATION**

781 Except as provided in Section 6.5, Contractor, without constraint and as a free-market business decision
782 in accepting this Agreement, agrees to use the Designated Transfer Station for the purposes of
783 transferring and Disposing of all Solid Waste, Bulky Items, and Major Appliances Collected in the City.

784 Such decision by Contractor in no way constitutes a restraint of trade notwithstanding any Change in Law
785 regarding flow control limitations or any definition thereof.
786

787 **2.11 OBLIGATION TO PROVIDE SERVICE**

788 The City and Contractor agree, as more fully set forth in the Recitals to this Agreement, that proper
789 Collection, transfer, Transport, Processing, Diversion, and Disposal of materials Collected by Contractor is
790 fundamental to the protection of the public health, safety and the well-being of the City's residents and
791 businesses. The City's responsibility for ensuring the adequacy of these services in part provides the
792 justification for the granting of a Franchise to Contractor. This Franchise creates an obligation that such
793 services continue to be provided even under difficult, adverse, or unforeseeable circumstances, such as
794 but not limited to, natural disaster, labor unrest, and any period where legal actions, future judicial
795 interpretations of current law, or new laws or regulations impact the effectiveness of portions of this
796 Agreement. In such an event, it shall be the responsibility of Contractor to mitigate any potential damages
797 to other services being provided as much as possible. For example:
798

799 **A.** Should a court of competent jurisdiction or other regulatory agency set aside, invalidate or stay
800 all or a portion of the Maximum Rates approved by the City, Contractor agrees to continue to
801 perform its obligations as otherwise set forth herein, and the City and/or Contractor shall take
802 such urgency actions necessary to facilitate Contractor's continuation of service.
803

804 **B.** Should there be a Change in Law or a new judicial interpretation of Applicable Law, including, but
805 not limited to, Articles XIII C and D of the California Constitution which impacts the Maximum
806 Rates for the Collection services established in accordance with this Agreement, Contractor
807 agrees to meet and confer with the City to discuss the impact of such Change in Law on either
808 Party's ability to perform under this Agreement. Should a court of competent jurisdiction
809 determine that the Contractor cannot charge and/or increase its Rates for charges related to
810 Franchise Fees and governmental fees and charges, Contractor shall reduce the Rates it charges
811 Customers a corresponding amount, providing said fees, Rates and/or charges disallowed by the
812 court are not related to the cost of providing service hereunder and had been incorporated in the
813 Rates charged by Contractor to its Customers. Nothing herein is intended to imply that California
814 Constitution, Articles XIIC or XIID, apply to the Maximum Rates established for services provided
815 under this Agreement; rather this Section is provided merely to allocate risk of an adverse judicial
816 interpretation between the Parties. This provision will survive the expiration or earlier
817 termination of this Agreement and shall not be construed as a waiver of rights by City to
818 contribution or indemnity from third parties.
819

820 **C.** If, as a result of a legal action, Contractor is unable to include Franchise Fees, other City fees or
821 expenses, governmental fees or charges in the Rates it charges Customers for its services, then
822 Contractor agrees, upon direction from the City, to reduce its Rates in an amount corresponding
823 to the disallowed fee or charge, and shall thereafter not be required to remit the amount of the
824 disallowed fee or charge, provided it is not collected from Customers.
825

826 1. Nothing herein is intended to imply that California Constitution Articles XIII(C) or (D) apply to
827 the Maximum Rates established for services provided under this Agreement. The foregoing
828 paragraphs are merely intended as a contractual allocation of risks between the Parties.
829

- 830 2. This Section shall survive the expiration or earlier termination of this Agreement and shall
831 not be construed as a waiver of rights by the City to contribution or indemnity from third
832 parties.
833
- 834 3. This provision is intended to be consistent with and limited by California Public Resources
835 Code Section 40059.2.
836
- 837 **D. Allocation of Risk.** Neither the City nor Contractor shall have the right to obtain payment from
838 the other Party for losses either may sustain due to a court of competent jurisdiction or other
839 regulatory agency invalidating, setting aside, or staying the collection of all or a portion of the
840 Maximum Rates authorized hereunder. Contractor shall bear the risk of any lost profits or losses
841 associated with the cost of providing continued service as a result of such a legal action or ruling,
842 and similarly the City shall bear the loss of payments to the City during any period where
843 Contractor cannot lawfully collect those payment amounts from Customers.

844 **ARTICLE 3.**
845 **TERM OF AGREEMENT**

846

847 **3.1 EFFECTIVE DATE AND COMMENCEMENT DATE**

848 The Effective Date of this Agreement shall be the date the latter of the two Parties signs the Agreement.
849

850 The Commencement Date shall be July 1, 2025 and shall be the date on which Contractor initiates
851 provision of Collection, Transportation, and Processing services required by this Agreement.
852

853 Between the Effective Date and Commencement Date, Contractor shall perform all activities necessary to
854 prepare itself to start Collection, Transportation, and Processing services required by this Agreement on
855 the Commencement Date. Such activities shall allow Contractor to transition Customers and services from
856 the collection contractor providing services prior to the Commencement Date to Contractor.
857

858 **3.2 CONDITIONS TO EFFECTIVENESS OF AGREEMENT**

859 The obligation of City to permit this Agreement to become effective and to perform its undertakings
860 provided for in this Agreement is subject to the satisfaction of all the conditions below, each of which may
861 be waived, in written form, in whole or in part by the City.
862

863 **A. Accuracy of Representations.** The representations and warranties made in Article 2 of this
864 Agreement are true and correct on and as of the Effective Date.
865

866 **B. Absence of Litigation.** There is no litigation pending on the Effective Date in any court challenging
867 the award or execution of this Agreement or seeking to restrain or enjoin its performance.
868

869 **C. Furnishings of Insurance, Performance Bond, and Guaranty Agreement.** Contractor has
870 furnished evidence of the insurance and executed Guaranty Agreement required by Article 12

871 that is satisfactory to the City and provided evidence of its ability to secure the performance bond
872 required by Article 12 that will be effective on the Commencement Date of the Agreement

873
874 **D. Effectiveness of City Council Action.** The City Council shall have taken action approving this
875 Agreement and all Parties shall have signed the Agreement pursuant to Applicable Law prior to or
876 on the Effective Date, provided that no restraining order of any kind has been issued.
877

878 **3.3 TERM**

879 The initial Term of this Agreement shall continue in full force from 12:01 a.m. on July 1, 2025
880 (Commencement Date) to midnight June 30, 2035, unless the Agreement is extended by City pursuant to
881 Section 3.4 or terminated in accordance with Section 13.2.
882

883 **3.4 OPTION TO EXTEND TERM**

884 At the City's sole discretion, the City shall have the option to extend this Agreement on one or more
885 occasions provided that the combined extension period does not exceed five (5) years or extend beyond
886 June 30, 2040. If the City extends the Agreement, it shall give written notice to Contractor one hundred
887 eighty (180) calendar days prior to the initial expiration date or extended expiration date of this
888 Agreement. The City's written notice shall specify the number of months by which it elects to extend the
889 Term of this Agreement and the revised expiration date of the Agreement. At the end of the Term, the
890 City may renegotiate the terms and conditions of the Agreement with the Contractor or select another
891 means to procure or provide collection services. The City has no obligation to renegotiate, renew or
892 extend the rights granted to Contractor beyond the initial Term of the Agreement defined in Section 3.3.
893

894 It is the City's intent to conduct a detailed review of the Contractor's performance and Contractor's cost
895 of operations during Rate Year 27 (July 1, 2031 through June 30, 2032) to determine Contractor's
896 Compensation and Maximum Rates for Rate Year 28 (July 1, 2032 through June 30, 2033) and to determine
897 if the City is interested in extending the Agreement an additional period of time beyond the initial Term
898 defined in Section 3.3. During this detailed review, the City would consider the capital requirements such
899 as replacement of Collection vehicles and Containers that may be necessary to continue service through
900 the extension period.

901 **ARTICLE 4.**
902 **SCOPE OF AGREEMENT**

903
904 **4.1 SCOPE OF AGREEMENT**

905 This Franchise granted to Contractor shall be exclusive with regard to Collection, Transporting, and
906 Processing of Solid Waste and Organic Materials generated in the City by Residential Premises, Parcelized
907 and Non-Parcelized Multi-Family Premises and Commercial Premises and Recyclable Materials generated
908 in the City by Parcelized Multi-Family Premises, Non-Parcelized Multi-Family Premises, and Commercial
909 Premises that use Bins or Drop Boxes for Recyclable Materials Collection, except as described in Section
910 4.2 or except where otherwise precluded by Applicable Law.
911

912 The Contractor, or its Subcontractor(s), shall be responsible for the following, as responsibilities may be
913 limited by Section 4.2 or precluded by Applicable Law:

- 914
- 915 **A.** Collecting all Solid Waste and Organic Materials generated in the City and placed by Generator
916 for Collection.
- 917
- 918 **B.** Collecting all Source Separated Recyclable Materials Generated by Parcelized Multi-Family
919 Premises, Non-Parcelized Multi-Family Premises, and Commercial Premises that subscribe to Bin
920 or Drop Box Recyclable Materials Collection services.
- 921
- 922 **C.** Collecting Solid Waste, Recyclable Materials (limited to Recyclable Materials placed in Bins), and
923 Organic Materials from City facilities (as identified in Section 5.9 and Exhibit 5.9 of this Agreement)
924 and at special events (as defined in Section 5.10 of this Agreement) and Collecting Solid Waste
925 from public litter Containers (as identified in Exhibit 5.9 of this Agreement).
- 926
- 927 **D.** Transporting Collected materials to the Designated Transfer Station, Approved Composting Site,
928 or Approved Recyclable Materials Processing Site as specified in Article 6.
- 929
- 930 **E.** Processing and marketing, or arranging for Processing and marketing of Recyclable Materials and
931 Organic Materials Collected in the City by Contractor.
- 932
- 933 **F.** Providing public education to residents, businesses, and schools located in the City.
- 934
- 935 **G.** Providing customer service and billing service as necessary to fulfill its obligations under this
936 Agreement.
- 937
- 938 **H.** Implementing all services in accordance with requirements and timeframes specified in the
939 Agreement.
- 940
- 941 **I.** Furnishing all labor, supervision, vehicles, Containers, other equipment, materials, supplies, and
942 all other items and services necessary to perform its obligations under this Agreement.
- 943
- 944 **J.** Paying all expenses related to provision of services required by this Agreement including, but not
945 limited to, taxes, regulatory fees, Pass-Through Costs, utilities, etc.
- 946
- 947 **K.** Performing or providing all other services necessary to fulfill its obligations under this Agreement.
- 948
- 949 **L.** Providing all services required by this Agreement in a thorough and professional manner so that
950 residents, businesses, and the City are provided timely, reliable, courteous and high-quality
951 service at all times.
- 952
- 953 **M.** Performing all services in substantial accordance with the Contractor's Proposal and in full
954 accordance with this Agreement at all times using best industry practice for comparable
955 operations. If the Contractor's Proposal and Agreement conflict, the Agreement shall prevail.
- 956
- 957 **N.** Complying with Applicable Law.
- 958

959 O. Performing all invoicing, billing and revenue collection services from Customers provided services
960 pursuant to this Agreement and the City’s agreement with the Recyclable Materials Cart
961 Contractor.
962

963 The enumeration and specification of particular aspects of service, labor, or equipment requirements shall
964 not relieve Contractor of the duty of accomplishing all other aspects necessary to fulfill its obligations
965 under this Agreement whether such requirements are enumerated elsewhere in the Agreement or not,
966 unless excused in accordance with Section 13.6.
967

968 **4.2 LIMITATIONS TO SCOPE**

969 The materials listed in this Section may be collected and transported by Persons other than the Contractor
970 provided that such Persons do so in accordance with the City’s Municipal Code.
971

972 A. **Construction and Demolition Debris.** Construction and Demolition Debris generated in the City
973 and hauled by a Person operating under a permit or franchise for the collection and processing of
974 Construction and Demolition Debris issued by the City pursuant to the Chapter 7.04.150 of the
975 City’s Municipal Code.
976

977 B. **Specialty Recyclable Materials Hauled by City-Permitted Companies.** Specialty Recyclable
978 Materials generated at Residential or Commercial Premises, including City facilities, hauled by a
979 Person operating under a permit or franchise for the collection and processing of Recyclable
980 Materials issued by the City pursuant to the Chapter 7.04 of the City’s Municipal Code.
981

982 C. **Materials for which Generator is Compensated.** Recyclable Materials and Organic Materials
983 generated by Commercial businesses, including City facilities, which are Collected by a Person
984 (operating under a permit or franchise for the collection and processing of Recyclable Materials
985 issued by the City pursuant to the Chapter 7.04 of the City’s Municipal Code) through a private
986 arrangement with the Generator, and the Generator is compensated by such Person for the
987 materials Collected such that there is no net cost to the Generator for removal or delivery of
988 material to an alternative location. (Net cost shall be the amount resulting from the calculation of
989 the sum of the Generator’s payments for the cost of hauling, collection, or other services less any
990 rebates or payments received by the Generator for or related to those the services.)
991

992 D. **Source Separated Recyclable Materials Generated at Residential Premises and City Facilities in
993 Carts.** Source Separated Recyclable Materials generated at Residential Premises and City facilities
994 placed for Collection in Carts.
995

996 E. **Source Separated Recyclable Materials Generated by Commercial Premises and Collected in
997 Carts.** Source Separated Recyclable Materials generated at Commercial Premises and placed for
998 Collection in Carts.
999

1000 F. **Source Separated E-Scrap Items.** Source Separated E-Scrap Items Generated in the City and
1001 hauled by a Person operating under a permit or franchise for the collection and processing of such
1002 material issued by the City pursuant to the Chapter 7.04 of the City’s Municipal Code.
1003

1004 G. **Materials Hauled by Owner or Occupant, or its Contractor.** Solid Waste, Recyclable Materials,
1005 Organic Materials, Construction and Demolition Debris, E-Scrap Items, and Specialty Recyclable

1006 Materials that are removed from any Premises and are Transported to a transfer station, materials
1007 recovery facility, Disposal Site, or Processing Site by (i) the Owner or Occupant of such Premises,
1008 (ii) the full-time employee of Owner or Occupant of such Premises that uses the Owner’s or
1009 Occupant’s equipment to transport materials; or (iii) by a contractor whose removal of the Solid
1010 Waste, Recyclable Materials, Organic Materials and/or Construction and Demolition Debris are
1011 incidental to the service being performed and such contractor removes materials at no additional
1012 or separate fee. The determination of whether removal of material is incidental to the services
1013 being performed may, for example, be based on whether fees are charged on a volume or hourly
1014 basis, and the reasonableness of those fees relative to those charged by third parties for
1015 comparable services.
1016

1017 **H. Donated Materials.** Recyclable Materials, Organic Materials, and Specialty Recyclable Materials
1018 Generated in the City that are donated by the Generator to youth, civic, charitable, or other not-
1019 for-profit organizations.
1020

1021 **I. Beverage Containers.** Containers delivered for Recycling under the California Container Recycling
1022 Litter Reduction Act, Section 14500, et. seq. California Public Resources Code as may be amended
1023 from time to time.
1024

1025 **J. Organic Materials Composted On-Site.** Organic Materials Composted on a Residential Premises.
1026

1027 **K. Animal, Grease Waste, and Used Cooking Oil.** Animal waste and remains from slaughterhouse
1028 or butcher shops, grease waste, or used cooking oil.
1029

1030 **L. Sewage Treatment By-Product.** By-products of sewage treatment including sludge, sludge ash,
1031 grit, and screenings.
1032

1033 **M. Hazardous Wastes and Infectious Waste.** Household Hazardous Waste, Hazardous Waste,
1034 Infectious Waste, and Designated Waste regardless of its source.
1035

1036 **N. Materials Generated by Public School, County, and Federal Facilities.** Materials generated by
1037 public schools, county, and Federal facilities located in the City provided that the generator has
1038 arranged services with other Persons or has arranged services with the Contractor through a
1039 separate agreement.
1040

1041 **O. Edible Food for Human Consumption.** Edible food that is Collected by a Person through a private
1042 arrangement with the Generator for the purpose of providing to other Persons for human
1043 consumption (which may involve some type of preparation, cooking, or processing). Contractor
1044 will, at no additional cost to the City, support the City’s Edible Food Recovery program as required
1045 under SB 1383 pursuant to Contractor’s obligations prescribed in Article 7.1 and Exhibit 7.1 of this
1046 Agreement. Contractor support may include educating commercial Edible Food generators,
1047 providing records of site visits, conducting education efforts, providing lists of food recovery
1048 organizations, and coordinating with the City. Contractor will assist the City in conducting Food
1049 Scraps and Organic Materials surveys and Diversion programs by providing accurate and timely
1050 service data, conducting site visits, and distributing materials.
1051

1052 **P. Byproducts of Food and Beverage Processing.** Under AB 3036 (2018), certain byproducts from
1053 the processing of food or beverages from agricultural or industrial sources, provided they do not

1054 include animal, including fish, processing byproducts, they are Source-Separated, they are not
1055 discarded (meaning the generator may not pay the recipient any consideration, or accept a
1056 discount or reduction in price for Collecting, processing, or transporting such material), and they
1057 are used as animal feed, are exempted from this Exclusive Franchise Agreement. Entities
1058 requesting exemption must apply to the City and be any of the following: registered pursuant to
1059 Section 110460 of the Health and Safety Code or be exempted from registration pursuant to
1060 Section 110480 of the Health and Safety Code or be a beer manufacturer as defined in Section
1061 23012 of the Business and Professions Code, or be a distilled spirits manufacturer, as defined in
1062 Section 23015 of the Business and Professions Code.
1063

1064 **Q. Materials Generated or Accumulated During an Emergency or Disaster.** During a declared State
1065 or Federal emergency or disaster, City may enlist additional contractors or other entities in the
1066 Collection, transportation, and/or Disposal of any and all types of materials that are generated or
1067 accumulated. In particular, the City may choose to pursue reimbursement of disaster services
1068 through the Federal Emergency Management Agency (FEMA), which would require that the
1069 associated disaster services be secured via a competitive bidding process. Contractor shall not be
1070 prohibited by any part of this Agreement from participating in this competitive bidding process,
1071 but City shall be free to put services associated with declared disasters out to bid in accordance
1072 with FEMA requirements and enlist additional contractors based on the results of that process.
1073

1074 Contractor acknowledges and agrees that the City may permit other Persons besides the Contractor to
1075 Collect any and all types of materials excluded from the scope of this Franchise, as set forth above, without
1076 seeking or obtaining approval of Contractor. If Contractor can produce evidence that other Persons are
1077 servicing Containers or are Collecting and Transporting Solid Waste, Recyclable Materials, and/or Organic
1078 Materials in a manner that is not consistent with the City's Municipal Code, it shall report the location,
1079 the name and phone number of the Person or company to the City along with Contractor's evidence of
1080 the violation of the exclusiveness of this Franchise.
1081

1082 The scope of this Franchise shall be interpreted to be consistent with Applicable Law, now and during the
1083 Term of the Agreement. If future judicial interpretations of current law or new laws, regulations, or
1084 judicial interpretations limit the ability of the City to lawfully provide for the scope of services as
1085 specifically set forth herein, Contractor agrees that the scope of the Agreement will be limited to those
1086 services and materials which may be lawfully provided and that the City shall not be responsible for any
1087 lost profits or losses claimed by Contractor to arise out of limitations of the scope of the Agreement set
1088 forth herein. In such an event, it shall be the responsibility of Contractor to minimize the financial impact
1089 of such future judicial interpretations or new laws.
1090

1091 **4.3 SUBCONTRACTING**

1092
1093 **A. Approval by City.** Contractor shall not engage any Subcontractors for Collection, Transportation,
1094 Processing, or Disposal of Solid Waste, Recyclable Materials, or Organic Materials services without
1095 the prior written consent of the City.
1096

1097 **B. Approval of Recyclable Materials Cart Contractor as a Subcontractor.** As of the Effective Date of
1098 this Agreement, the City has approved Contractor's use of the Recyclable Materials Cart
1099 Contractor, for the performance of the services listed below.
1100

- 1101 1. Collection of Organic Materials from Single-Family and Parcelized Multi-Family Premises in
1102 Carts described in Section 5.3.2 and 5.3.3;
1103 2. Collection of Organic Materials from Non-Parcelized Multi-Family and Commercial Premises
1104 described in Sections 5.3.4 and 5.3.5, with the limitation that Recyclable Materials Cart
1105 Contractor Organic Collection services are limited to those Customers using Carts for Organic
1106 Materials Collection;
1107 3. Distribution of kitchen pails described in Section 5.3.2; and,
1108 4. Collection of holiday trees described in Section 5.8.
1109

1110 Contractor's obligation to Subcontract these services to Recyclable Materials Cart Contractor shall
1111 be limited to the Collection of Organic Materials from Single-Family and Parcelized Multi-Family
1112 Premises using Carts unless Recyclable Materials Cart Contractor chooses not to provide these
1113 services. At its option, Contractor may Subcontract the Organic Materials services listed in Section
1114 4.3.B.2 through 4.3.B.5.
1115

1116 **C. Approval of Subcontractor for Sharps Mail-In Program.** As of the Effective Date of this
1117 Agreement, the City grants the Contractor the right to provide the Sharps mail-back program
1118 required by Section 7.7 using a Subcontractor selected by Contractor, Guarantor, or other
1119 Affiliate. City acknowledges that such Subcontractor may change from time-to-time and does not
1120 require Contractor to seek City's approval thereof.
1121

1122 **D. Subcontracting Agreement.** For Subcontractor arrangements, Contractor shall enter into an
1123 agreement with its Subcontractor to define the terms and conditions between it and its
1124 Subcontractor related to the provision of services approved under this Section. The Contractor
1125 shall prepare and negotiate a comprehensive subcontracting agreement, which includes
1126 provisions such as, but not limited to: duration of the agreement, description of services and
1127 performance obligations, insurance and indemnification requirements, Billing arrangements, and
1128 compensation and compensation adjustment procedures. The City's expectation is that the
1129 Subcontractor's compensation will be adjusted annually in accordance with the procedures
1130 described in Article 11 and that City approved changes in Contractor's Compensation and
1131 Maximum Rates shall be passed onto the Subcontractor in the form of increased compensation.
1132 Prior to execution of any Subcontract agreement by the Contractor and its Subcontractor(s),
1133 Contractor shall provide the City with the subcontract agreement for review, and the City may
1134 provide comments to the Contractor for consideration.
1135

1136 **4.4 OWNERSHIP OF MATERIALS**

1137 Once Solid Waste, Recyclable Materials, and Organic Materials are placed in Containers and at the
1138 Collection location, ownership and the right to possession of such materials shall transfer directly from
1139 the Generator to Contractor. Once Solid Waste, Recyclable Materials, or Organic Materials are deposited
1140 by Contractor at a Disposal Site, transformation site, transfer station, Composting Site, or Processing Site,
1141 such materials shall become the property of the owner or operator of the facility.
1142

1143 City may obtain ownership or possession of Solid Waste, Recyclable Materials, or Organic Materials placed
1144 for Collection upon written notice to Contractor of its intent to do so. However, nothing in this Agreement
1145 shall be construed as giving rise to any inference that City has such ownership or possession unless such
1146 written notice has been given to Contractor.
1147

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4.5 CITY-DIRECTED CHANGES TO SCOPE

A. Types of Changes. City may, by written notice, direct Contractor to perform additional services or modify existing services. For example, and without limitation, the City may request the following:

1. Collection of certain materials, which were originally Solid Waste, but during the Term can, in the reasonable opinion of the City, be economically Recycled or Composted;
2. Inclusion of new Diversion programs;
3. Expansion of public education activities;
4. Elimination of programs;
5. Modification of the manner in which Contractor performs existing services;
6. Performance of pilot programs;
7. Implementation of innovative services, which may entail new Collection methods, targeted routing, different kinds of services, different types of Collection vehicles or Containers, and/or new requirements for Generators;
8. Transportation of materials to a Designated Transfer Station, Approved Composting Site, or Approved Recyclable Materials Processing Site other than that specified on the Effective Date;
9. Collection of C&D in the event the City desires that C&D Collection becomes part of the exclusive scope of the Contractor’s service;
10. Capital requirements related to an extension of the initial Term of the Agreement as defined in Section 3.3; and,
11. Implementation of one or more programs to support the waste reduction goals of City’s Climate Action Plan and Diversion, program, and reporting requirements of Applicable Law.

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

1. Collection methodology to be employed (equipment, manpower, etc.).
2. Equipment to be used (vehicle number, types, capacity, age, etc.).
3. Labor requirements (number of employees by classification).
4. Type of materials to be Collected and Containers to be used.
5. Provision for program publicity/education/marketing.
6. Five-year projection of the financial results of the program's operations in a balance sheet and operating statement format including documentation of the key assumptions underlying the projections and the support for those assumptions, giving full effect to the savings or costs to existing services.
7. Plans and schedule for implementing the service change.

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

1195
1196 If the City chooses to negotiate with the Contractor and the Contractor and City cannot agree on
1197 terms and conditions of such services in one hundred twenty (120) calendar days from the date
1198 when City first requests a proposal from Contractor to perform such services, Contractor
1199 acknowledges and agrees that City may permit other Persons besides Contractor to provide
1200 additional Solid Waste, Recyclable Materials, and Organic Materials Collection and Diversion
1201 services not otherwise contemplated.

1202
1203 **C. Adjustment to Contractor's Compensation.** If the City directs a change in scope or Designated
1204 Transfer Station, Approved Recyclables Processing Site, or Approved Composting Site, Contractor
1205 may be entitled to an adjustment in its compensation in accordance with Sections 4.5 and 11.4.
1206 Contractor shall not be compensated for the proposal preparation costs or costs incurred during
1207 the negotiation of its proposal for the change in scope of such services.

1208
1209 **D. Implementation of New Services.** The Contractor's implementation of the new services,
1210 modification to existing service, or change in the Designated Transfer Station, Approved
1211 Recyclable Materials Processing Site, or Approved Composting Site shall occur in a timely, smooth,
1212 and seamless manner such that Customers and/or Generators do not experience disruption in
1213 Collection services. Contactor shall be responsible for managing the implementation of new or
1214 modified Collection services or change in the Designated Transfer Station, Approved Recyclable
1215 Materials Processing Site, or Approved Composting Site and other related services and shall do so
1216 in accordance with an implementation plan that has been approved by the City.

1217
1218 **E. Monitoring and Evaluation of Changes in Scope.** At the City's request, the Contractor shall meet
1219 with the City to describe the progress of implementing the change in scope. If applicable, the
1220 Contractor shall document the results of the new or modified services on a monthly basis,
1221 including, at a minimum, the Tonnage Diverted by material type, the end use or processor of the
1222 Diverted materials, the cost per Ton for Transporting and Processing each type of material, and
1223 other such information requested by the City that is necessary to evaluate the performance of
1224 each program change.

1225
1226 At each status meeting, the City and Contractor shall have the opportunity to revise the program
1227 or services based on mutually agreed upon terms in accordance with provisions of this Section.
1228 The City shall have the right to terminate a program if, in its sole discretion, the Contractor is not
1229 cost effectively achieving the program's goals and objectives. Before such termination, the City
1230 shall meet and confer with the Contractor for a period not to exceed ninety (90) calendar days to
1231 resolve the City's concerns. Thereafter, the City may utilize a third party to perform these services
1232 if the City reasonably believes the third party can improve on Contractor's performance and/or
1233 cost. Notwithstanding these changes, Contractor shall continue the program during the meet and
1234 confer period and, thereafter, until the third party takes over the program.

1235

1236 **4.6 CITY'S RIGHT TO PERFORM SERVICES AND POSSESS EQUIPMENT**

1237
1238 **4.6.1 General**

1239 The City, in its sole discretion, may determine a period of emergency if both of the following conditions
1240 occur: (i) Contractor, for any reason whatsoever, fails, refuses, or is unable to perform its Collection,
1241 Processing, and Disposal obligations, at the time and in the manner provided in this Agreement, for a

1242 period of more than 48 hours, and (ii) the City finds that such failure, refusal, or inability endangers or
1243 menaces the public health, safety, or welfare. If the City determines a period of emergency, then the City
1244 shall have the right during the period of such emergency to (i) perform, or cause to be performed, such
1245 services with its own or other personnel without liability to Contractor; and/or (ii) take possession of and
1246 use any or all of Contractor's land, equipment, and other property used or useful in providing the
1247 Collection, Transportation, Processing, and Disposal services under this Agreement. If the City chooses to
1248 exercise such rights, the City shall provide written notice to the Contractor 24 hours prior to its plans to
1249 exercise its rights. The City agrees that it assumes responsibility for the proper and normal use of such
1250 equipment and facilities while in its possession and that it shall attempt to avoid interrupting the
1251 Contractor's services to other parties.

1252
1253 The City shall provide oral notice (by telephone or in Person) to Contractor of the Contractor's failure,
1254 refusal, or inability to perform its Collection obligations and of the City's intent to perform Collection
1255 services and/or possess Contractor's equipment. The City shall send written confirmation of such oral
1256 notification to Contractor, by certified mail, within 24 hours of the oral notification, unless the 24-hour
1257 deadline ends on a Sunday, City holiday, or U.S. Postal Service holiday, then confirmation of such notice
1258 shall be sent on the day following such day.

1259
1260 Contractor agrees that in such event:

- 1261
- 1262 **A.** It will take direction from the City to effect the transfer of possession of property to the City for
1263 City's use.
 - 1264
 - 1265 **B.** It will, if City so requests, keep in good repair and condition all of such property, provide all motor
1266 vehicles with fuel, oil and other service, and provide such other service as may be necessary to
1267 maintain said property in satisfactory operational condition.
 - 1268
 - 1269 **C.** Subject to provisions of any labor agreements then in effect, Contractor shall provide the services
1270 of all or any personnel necessary or useful for the Collection, Transportation, Processing, and
1271 Disposal operations including, if City so desires, employees then employed by Contractor.
1272 Contractor further agrees, if City so requests, to furnish City the services of any or all management
1273 or office personnel employed by Contractor whose services are necessary or useful for Collection,
1274 Transportation, Processing, and Disposal operations and for the Billing and collection of fees for
1275 these services subject to the provisions of Section 14.1.
 - 1276

1277 If the interruption or discontinuance of service is caused by any of the reasons listed in Section 13.6, the
1278 City shall pay to Contractor \$100 per day for use of each Collection vehicle and the reasonable rental value
1279 of other equipment and facilities, possession of which is taken by the City, for the period of the City's
1280 possession, if any, which extends beyond the period of time for which Contractor has rendered bills to
1281 Customers in advance of service.

1282
1283 Except as otherwise expressly provided in the previous paragraph, the City's exercise of its rights under
1284 this Article: (i) does not constitute a taking of private property for which compensation must be paid; (ii)
1285 will not create any liability on the part of City to Contractor; and (iii) does not exempt Contractor from the
1286 indemnity provisions of Article 12, which are meant to extend to circumstances arising under this Section,
1287 provided that Contractor is not required to indemnify City against claims and damages arising from the
1288 sole negligence of City officers, employees, and agents in the operation of Collection vehicles during the
1289 time the City has taken possession of such vehicles.

1290
1291 **4.6.2 Duration of City's Possession**
1292 City has no obligation to maintain possession of Contractor's property and/or continue its use in
1293 Collection, Transportation, Processing, and Disposal operations for any period of time and may, at any
1294 time, in its sole discretion, relinquish possession to the Contractor.

1295
1296 The City's right to retain temporary possession of Contractor's property, and to provide Collection
1297 services, shall continue until Contractor can demonstrate to the City's satisfaction that it is ready, willing,
1298 and able to resume such services or for one hundred eighty (180) calendar days, whichever occurs first.

1299
1300 **4.6.3 Condemnation**

1301 The City fully reserves the rights to acquire the Contractor's property utilized in the performance of this
1302 Agreement, by purchase or through the exercise of the right of eminent domain.

1303
1304 **4.7 TRANSITION TO NEXT CONTRACTOR AT END OF AGREEMENT**

1305 If applicable, before expiration or earlier termination of this Agreement, Contractor will take direction
1306 from the City and subsequent contractor to assist in a timely and orderly transition of services from
1307 Contractor to subsequent contractor. In response to the City's direction, Contractor shall provide then-
1308 current route maps and route lists, which identify each Customer on the route, each Customer's service
1309 level (number of Containers, Container sizes, frequency of Collection, scheduled Collection day), and any
1310 special Collection notes, and detailed then-current Customer account and Billing information. Contractor
1311 may, but shall not be obliged to, sell Collection vehicles, equipment, or facilities to the next contractor.

1312
1313 **4.8 CITY FREE TO NEGOTIATE WITH THIRD PARTIES**

1314 The City may investigate all options for Collection, Transportation, Processing, and Disposal services that
1315 will be scheduled to commence after the expiration of the Term or earlier termination of this Agreement.
1316 Without limiting the generality of the foregoing, the City may solicit proposals from Contractor and from
1317 third parties for the provision of Collection, Transportation, Processing, or Disposal of Solid Waste,
1318 Recyclable Materials, and Organic Materials services, and any combination thereof. The City may
1319 negotiate and execute agreements for such services that will take effect upon the expiration or earlier
1320 termination of this Agreement.

1321 **ARTICLE 5.**
1322 **COLLECTION SERVICES**

1323
1324 **5.1 SOLID WASTE COLLECTION**

1325
1326 **5.1.1 General**

1327 Contractor shall Collect Solid Waste from Residential and Commercial Premises as described in this Section
1328 5.1 and from City facilities as described in Section 5.9. Contractor acknowledges that the City is committed
1329 to Diverting materials from Disposal through the implementation of source reduction, reuse, Recycling,
1330 and Composting programs, and that the City may at some time in the future implement, in accordance

1331 with Section 4.5, new programs that may impact the overall quantity or composition of Solid Waste to be
1332 Collected by Contractor.

1333

1334 **5.1.2 Single-Family Premises**

1335 Contractor shall Collect Solid Waste from Single-Family Premises once per week from Contractor-provided
1336 Carts. Contractor shall provide each Customer with a new gray colored Solid Waste Cart with a capacity
1337 of- 20-, 35-, 64-, or 96-gallons that is the same size as the Cart currently used by Customer. The new Solid
1338 Waste Carts shall be provided to all Customers during Rate Year 21 and the Carts currently in service shall
1339 be removed from all Single-Family Premises when the new Carts are delivered. Contractor shall deploy
1340 the replacement Solid Waste Carts during the spring of 2025, and Contractor shall schedule said
1341 deployment of new Carts for March and April 2025. The new Carts shall be delivered to all Single-Family
1342 Premises in no longer than a six (6) consecutive week duration, and Contractor shall make reasonable
1343 efforts to conclude delivery of new Carts to all Customers within four (4) weeks.

1344

1345 Contractor shall Collect Carts from the Curb unless the Occupant is physically unable to place the
1346 Container Curbside. In such case, Contractor shall Collect Carts from an alternative service location (such
1347 as the side yard or backyard).

1348

1349 Contractor shall offer three-day rentals of six-cubic-yard Bins to Single-Family Customers for Solid Waste
1350 Collection when Customers are remodeling, cleaning their property, or performing other home projects.
1351 Contractor shall charge Customers for this service at Rates not to exceed City-approved Maximum Rates.

1352

1353 **5.1.3 Parcelized Multi-Family Premises**

1354 Contractor shall provide Solid Waste Collection services to Parcelized Multi-Family Premises in the same
1355 manner it provides Solid Waste Collection services to Single-Family Premises with the additional
1356 requirement that Carts shall be Collected from the Curb, at a location adjacent to each premises, or at
1357 another location agreed to by the Contractor and Customer. In the event, the property manager or home
1358 owners' association representing a group of Parcelized Multi-Family Premises chooses to receive
1359 Collection services in the same manner as Non-Parcelized Multi-Family Premises, Contractor shall provide
1360 such services in the manner requested.

1361

1362 Contractor shall provide each Customer with a new gray colored Solid Waste Cart with a capacity of- 20-,
1363 35-, 64-, or 96-gallons that is the same size as the Cart currently used by Customer. The new Solid Waste
1364 Carts shall be provided to all Customers during Rate Year 21 and the Carts currently in service shall be
1365 removed from all Parcelized Multi-Family Premises when the new Carts are delivered. Contractor shall
1366 deploy the replacement Solid Waste Carts during the spring of 2025, and Contractor shall schedule said
1367 deployment of new Carts for March and April 2025. The new Carts shall be delivered to all Single-Family
1368 Premises in no longer than a six (6) consecutive week duration, and Contractor shall make reasonable
1369 efforts to conclude delivery of new Carts to all Customers within four (4) weeks.

1370

1371 **5.1.4 Non-Parcelized Multi-Family Premises**

1372 Contractor shall Collect Solid Waste from Non-Parcelized Multi-Family Premises as frequently as
1373 scheduled by Customer up to five (5) days per week (Monday through Friday), but not less than once per
1374 week with the exception that Contractor shall continue to provide any Customer that subscribes to
1375 Saturday Collection service as of the Commencement Date with Saturday Collection until Customer
1376 voluntarily adjusts service. Contractor shall allow Non-Parcelized Multi-Family Premises to use Carts or
1377 Bins for Solid Waste Collection that are shared by the Occupants of the Premises. Contractor shall provide
1378 one or more Carts or Bins to such Premises as requested by Customer provided that no less than 96 gallons

1379 of Container capacity are provided for every four dwelling units in the Premises. Contractor shall provide
1380 each Customer with a choice of one or more Carts with capacities ranging from 20 to 96 gallons or Bins
1381 with capacity ranging from 1 to 8 cubic yards. Contractor shall Collect Solid Waste from Carts and Bins at
1382 a location selected by Customer and approved by the City.
1383

1384 Contractor shall provide each Customer with a new gray colored Solid Waste Cart with a capacity of- 35-
1385 gallons that is the same size as the Cart currently used by Customer. The Solid Waste Carts shall be gray
1386 in color, with the specific color and layout of hot stamp content and signs approved by the City in advance
1387 in writing. Contractor shall provide a new Cart that is the same size as the Customer’s current Cart in
1388 service. The new Solid Waste Carts shall be provided to all Customers during Rate Year 21 and the Carts
1389 currently in service shall be removed from all Non-Parcelized Multi-Family Premises when the new Carts
1390 are delivered. Contractor shall deploy the replacement Solid Waste Carts during the spring of 2025, and
1391 Contractor shall schedule said deployment of new Carts for March and April 2025. The new Carts shall be
1392 delivered to all Single-Family Premises in no longer than a six (6) consecutive week duration, , and
1393 Contractor shall make reasonable efforts to conclude delivery of new Carts to all Customers within four
1394 (4) weeks. Contractor shall ensure that Customers subscribed to level of collection service remains
1395 uninterrupted during the recovery and deployment of refurbished Bins.
1396

1397 **5.1.5 Commercial Premises**

1398 Contractor shall Collect Solid Waste from Commercial Premises as frequently as scheduled by the
1399 Customer up to six (6) days per week (Monday through Saturday), but not less than once per week.
1400 Contractor shall only be obligated to provide Customer(s) with Saturday Collection service if the
1401 Customer(s) cannot be accommodated through service level changes (mutually agreed to by the
1402 Customer(s)) to schedule Collections on Mondays through Fridays. Contractor shall Collect Solid Waste
1403 from Carts, Bins, and Drop Boxes at a location selected by the Customer and approved by the City.
1404 Contractor shall allow each Commercial Customer to select a Collection service methodology that best
1405 suits the needs of its Premises. Specifically, the Contractor shall offer the following Collection service
1406 methodologies to Commercial Customers:
1407

1408 **A. Individual Cart or Bin Service.** Contractor shall allow each Commercial Premises to use Carts or
1409 Bins for Solid Waste Collection. Contractor shall provide each Customer with a choice of one or
1410 more Carts with capacities of 35-, 64-, or 96-gallons or Bins with capacity ranging from 1 to 8 cubic
1411 yards.
1412

1413 **B. Centralized Bin or Cart Service.** Contractor shall allow each Commercial Premises to use Carts or
1414 Bins for Solid Waste Collection that are shared by the Occupants of two or more adjacent
1415 Commercial Premises. In such case, Contractor shall provide one or more Carts or Bins as
1416 requested by Customer(s) provided that no less than 96 gallons of Container capacity is provided
1417 for every four Commercial Premises. Contractor shall provide each Customer with a choice of one
1418 or more Carts with capacities ranging from 35 to 96 gallons or Bins with capacity ranging from 1
1419 to 8 cubic yards.
1420

1421 **C. Permanent Drop Boxes and Compactors.** Contractor shall allow a Customer to use a Drop Box or
1422 Compactor for Solid Waste Collection to meet the Customer’s permanent Disposal needs. In such
1423 case, Contractor shall provide Customer with a choice of Container capacities ranging from 10 to
1424 50 cubic yards. Contractor shall offer Customers the option to purchase or lease Compactors
1425 through either the Contractor or an outside vendor.
1426

1427 **D. New Carts and Refurbished Bins** Contractor shall provide each Customer that subscribes to Cart
1428 collection service with a new 20-, 35-, 64-, or 96-gallon Cart as requested by the Customer. The
1429 Solid Waste Carts shall be gray in color, with the specific color and layout of hot stamp content
1430 and signs approved by the City in advance in writing. Contractor shall provide a new Cart that is
1431 the same size as the Customer’s current Cart in service at the time of delivery. The new Solid
1432 Waste Carts shall be provided to all Customers commencing in April 2025 and shall be completed
1433 by November 14, 2025, and the Carts currently in service shall be removed from all Commercial
1434 Premises when the new Carts are delivered. Contractor shall refurbish (new paint, new signs, etc.)
1435 all Bins. The refurbished Bins shall be gray in color, with the specific color and layout of stenciling
1436 and signs approved by the City in advance in writing. Contractor shall ensure that Customers
1437 subscribed to level of collection service remains uninterrupted during the recovery and
1438 deployment of the refurbished Bins.

1439
1440 **5.1.6 Discounted Rates**

1441
1442 **E. Low Income (Life-Line) Rates.** Contractor shall provide Residential Collection of Solid Waste at a
1443 Rate that is fifteen percent (15.0%) less than the Rate it charges other Single-Family Customers
1444 for comparable level of service for eligible, low income subscribers demonstrating that they
1445 receive assistance under PG&E’s California Alternate Rates for Energy (“CARE”) ratepayer
1446 assistance program. Contractor shall determine who is eligible for this Rate. Contractor shall
1447 require that life-line Customers submit applications annually to Contractor, and Contractor shall
1448 verify continued eligibility each year by review of applications. The Contractor’s Life-Line Rate
1449 shall not exceed the Maximum Rate approved by the City.

1450
1451 **F. Senior Rates.** Contractor shall bill Customers whose heads of household qualify as Seniors
1452 (meaning that they are 65 or more years of age) at a Rate that is fifteen percent (15%) less than
1453 the Rate it charges other Single-Family Customers for comparable level of service. Contractor
1454 shall verify Customer’s eligibility for the Senior discount using driver’s license or birth certificate.
1455 Contractor shall require that Customers with Senior

1456
1457 Discounted rates eligibility requirements are only intended to apply to current residents of the
1458 Dwelling.

1459
1460
1461 **5.2 RECYCLABLE MATERIALS COLLECTION**

1462 Collection of Recyclable Materials will be performed by the Recyclable Materials Cart Contractor for (i) all
1463 Single-Family Premises, and (ii) Parcelized Multi-Family Premises, Non-Parcelized Multi-Family Premises,
1464 Commercial Premises, and City facilities that subscribe to Cart Recyclable Materials Collection service.
1465 Parcelized Multi-Family Premises, Non-Parcelized Multi-Family Premises, and Commercial Customers shall
1466 have the option of subscribing to Recyclable Materials Bin or Drop Box Collection services, and Contractor
1467 shall charge the Customers for such service at Rates not to exceed City-approved Maximum Rates.
1468 Contractor shall Collect Traditional Recyclable Materials Generated at Parcelized Multi-Family Premises,
1469 Non-Parcelized Multi-Family Premises, and Commercial Premises provided that the Customer has Source
1470 Separated the Recyclable Materials from Solid Waste and subscribed to Bin or Drop Box Recyclable
1471 Materials Collection service.

1472

1473 In accordance with Section 4.5, the City may request Contractor to modify its scope of service to include
1474 Collection of additional types of Recyclable Materials beyond those materials specified in the definition
1475 of Traditional Recyclable Materials in Article 1. If the City requests Collection of additional Recyclable
1476 Materials, the Contractor shall not receive additional compensation for Collection service if the Recyclable
1477 Materials are placed by Generator in the Recyclable Materials Container, unless Contractor can
1478 demonstrate that Collection of the additional material(s) requires modifications to Collection routes to
1479 accommodate the additional volume of the material(s). An adjustment to Contractor's Compensation
1480 may be made for changes in such Collection and Processing costs in accordance with Sections 4.5 and
1481 11.4.

1482
1483 Contractor shall Collect Recyclable Materials from Parcelized Multi-Family Premises, Non-Parcelized
1484 Multi-Family Premises, and Commercial Premises (that subscribe to Bin or Drop Box service) as frequently
1485 as scheduled by Customer up to six (6) days per week (Monday through Saturday), but not less than once
1486 per week. Contractor shall only be obligated to provide Customer(s) Saturday Collection service if the
1487 Customer(s) cannot be accommodated through service level changes (mutually agreed to by the
1488 Customer(s)) to schedule Collections on Mondays through Fridays. Contractor shall allow Parcelized
1489 Multi-Family Premises, Non-Parcelized Multi-Family Premises, and Commercial Customers to select a
1490 Collection service method that best suits the needs of its Premises. Specifically, the Contractor shall offer
1491 the following choices to Parcelized Multi-Family Premises, Non-Parcelized Multi-Family Premises, and
1492 Commercial Customers:

- 1493
1494 **A. Bin service.** Contractor shall allow Customers to use Bin(s) for Recyclable Materials Collection.
1495 Contractor shall provide each Customer with a choice of one or more Bins with capacity ranging
1496 from 1 to 8 cubic yards.
1497
1498 **B. Centralized Bin service.** Contractor shall allow Customers to use Bin(s) for Recyclable Materials
1499 Collection that are shared by the Occupants of two or more Commercial Premises. In such case,
1500 Contractor shall provide one or more Bins to such Premises as requested by Customer(s).
1501
1502 **C. Drop Boxes and Compactors.** Contractor shall allow Customers to use Drop Boxes or Compactors
1503 for Recyclable Materials. In such case, Contractor shall provide Customers with a choice of
1504 Container capacities ranging from 6 to 40 cubic yards. Contractor shall offer Customers the option
1505 to purchase or lease Compactors through Contractor or an outside vendor.
1506
1507 **D. Refurbished Bins.** Contractor shall refurbish (new paint, new signs, etc.) all Bins in service for
1508 Recyclable Materials collection The refurbished Recyclable Materials Bins shall be blue in color,
1509 with the specific color and layout of stenciling and signs approved by the City in advance in writing.
1510 Contractor shall ensure that Customers subscribed to level of collection service remains
1511 uninterrupted during the recovery and deployment of refurbished Bins. The Recyclable Materials
1512 Bins shall be blue in color, with the specific color and layout of stenciling and signs approved by
1513 the City in advance in writing.

1514
1515 Contractor shall commence the Bins refurbishment in April 2025 and shall ensure that all Bins in
1516 service and in inventory shall be refurbished no later than November 14, 2025.
1517

1518 **5.3 ORGANIC MATERIALS COLLECTION**

1519

1520 **5.3.1 General**

1521 Contractor shall Collect Organic Materials generated by Residential and Commercial Premises and placed
1522 in the Customer’s Organic Materials Container provided that the Customer has Source Separated the
1523 Organic Materials from Solid Waste. The Organic Materials Collection services shall include Collection of
1524 Yard Trimmings and Food Scraps from Residential and Commercial Premises on the Commencement Date
1525 of the Agreement. At a minimum, Contractor shall accept the following materials as Food Scraps:

- 1526
- 1527 • All kitchen and table food waste, and animal or vegetable waste that attends or results from
 - 1528 the storage, preparation, cooking or handling of food stuffs;
 - 1529 • All vegetables and fruit materials;
 - 1530 • All meat, poultry, fish and shellfish scraps (including bones);
 - 1531 • All organic bakery, pasta, beans, rice, egg shells, and cheese products and by-products;
 - 1532 • Coffee filters and grounds;
 - 1533 • Napkins;
 - 1534 • Paper towels;
 - 1535 • Paper plates and paper cups;
 - 1536 • Pizza boxes;
 - 1537 • All waxed cardboard; and,
 - 1538 • All wooden crates used in the foodservice industry.
- 1539

1540 In addition to Food Scraps and Yard Trimmings, Contractor shall Collect wood pallets and sawdust
1541 (untreated/unpainted) as part of the Organic Materials Collection program.

1542

1543 **5.3.2 Single-Family Premises**

1544

1545 Contractor shall Collect Source Separated Organic Materials from Single-Family Premises once every
1546 week. The Organic Materials shall include both Yard Trimmings and Food Scraps.

1547

1548 Contractor shall provide each Customer with one Cart to be used for storage and Collection of Yard
1549 Trimmings and Food Scraps. The Contractor shall provide each Customer a 96-gallon Cart unless the
1550 Customer requests a smaller Cart size, in which case, the Contractor shall provide a 20-, 35-, or 64-gallon
1551 Cart. Customers shall have the option of subscribing to additional Organic Materials Cart(s), and
1552 Contractor shall charge the Customers for such service at Rates not to exceed City-approved Maximum
1553 Rates. Contractor shall Collect Carts from the Curb unless Occupant is physically unable to place the
1554 Container at the Curb. In such event, Contractor shall Collect Carts from an alternative service location
1555 (such as the side yard or backyard).

1556

1557 Contractor shall provide each new Single-Family Customer with a Kitchen Pail for use in the kitchen
1558 suitable for the collection and storage of Food Scraps. In addition, Contractor shall provide a replacement
1559 Kitchen Pail upon Customer’s request for a lost or broken pail, provided that Customers are only entitled
1560 to one replacement every two years. The Kitchen Pail shall have a capacity of 1.5 to 2.5 gallons, a plastic
1561 swing handle and hinged lid, Contractor must submit Kitchen Pail order (including material and design
1562 specifications, colors and identification marks) to City for City’s written approval prior to submitting the
1563 order to the manufacturer.

1564

1565 **5.3.3 Parcelized Multi-Family Premises**

1566

1567 Contractor shall provide the Collection services described in this Section 5.3.3 no later than July 1, 2025
1568 to all Parcelized Multi-Family Premises. Contractor shall Collect Source Separated Organic Materials from
1569 Parcelized Multi-Family Premises once every week on the same Collection day as Solid Waste Collection.
1570

1571 Contractor shall provide each Customer with one (1) Cart to be used for storage and Collection of Source
1572 Separated Organic Materials. Contractor shall provide each Customer a 35-gallon Cart unless the
1573 Customer requests a smaller or larger Cart size, in which case, the Contractor shall provide a 20-, 64- or -
1574 96 gallon Cart. Customers shall have the option of subscribing to additional Organic Materials Cart(s), and
1575 Contractor shall charge the Customers for such service at Rates not to exceed City-approved Maximum
1576 Rates. Contractor shall Collect Carts from the Curb unless Occupant is physically unable to place the
1577 Container at the Curb. In such event, Contractor shall Collect Carts from an alternative service location
1578 (such as the side yard or backyard). Contractor shall Collect Source Separated Organic Materials from
1579 Parcelized Multi-Family Premises weekly on the same collection day as Solid Waste Collection. Contractor
1580 shall Collect Organic Materials at the designated location agreed upon by Contractor and Customer.
1581

1582 Contractor shall provide each new Parcelized Multi-Family Customer with a Kitchen Pail when new Carts
1583 are delivered to commence Collection services. City shall be responsible for purchasing the Kitchen Pails
1584 that will be provided to each Parcelized Multi-Family Premise by Contractor when new Carts are delivered.
1585

1586 Contractor shall be responsible for purchasing replacement Kitchen Pails and Contractor shall provide a
1587 replacement Kitchen Pail upon Customer's request for a lost or broken pail, once every two (2) years,
1588 unless City authorizes distribution of additional replacements. The Kitchen Pails procured and distributed
1589 by Contractor shall be approved in advance by the City in writing.
1590

1591 **5.3.4 Non-Parcelized Multi-Family Premises**
1592

1593 **A. General.** Contractor acknowledges that it shall provide Organic Materials Collection services for
1594 all Non-Parcelized Multi-Family Customers.
1595

1596 **B. Minimum Collection Requirements.** Contractor shall provide the Collection services described in
1597 this **Section 5.3.3.C** no later than January 1, 2026. Non-Parcelized Multi-Family Customers shall
1598 have the option of subscribing to Organic Materials Collection services, and Contractor shall
1599 charge Customers for such service at Rates not to exceed City-approved Maximum Rates.
1600 Contractor shall Collect Source Separated Organic Materials from Non-Parcelized Multi-Family
1601 Premises that have subscribed to Organic Materials Collection service as frequently as scheduled
1602 by Customer up to five (5) days per week (Monday through Friday), but not less than once every
1603 week. The Organic Materials shall include both Yard Trimmings and Food Scraps. Contractor shall
1604 provide each Customer with a choice of a 20-, 35- or 64-gallon Cart, or Bins with capacities ranging
1605 from 1 to 3 cubic yards, as requested by Customer (where the 20-gallon Cart is only available for
1606 Parcelized Multi-Family Premises in which each unit has individual service). Contractor shall
1607 Collect Organic Materials at the designated location agreed upon by Contractor and Customer.
1608

1609 **5.3.5 Commercial Premises**
1610

1611 **A. General.** Contractor acknowledges that it shall comply with requirements of SB 1383 and the
1612 Alameda County Waste Management Authority Ordinance 2021-01 (StopWaste Organics
1613 Reduction and Recycling - ORRO), and City of Union City Municipal Code Section 7.24 (Organics
1614 Reduction and Recycling Ordinance - ORRO). Contractor shall be prepared to provide Organic

1615 Materials Collection services for Commercial Customers that must comply with SB 1383,
1616 StopWaste ORRO, and City ORRO.

1617
1618 **B. Requirements.** Commercial Customers shall have the option of subscribing to Organic Materials
1619 Collection services, and Contractor shall charge Customers for such service at Rates not to exceed
1620 City-approved Maximum Rates. Contractor shall Collect Organic Materials from Commercial
1621 Premises that have subscribed to Organic Materials Collection service as frequently as scheduled
1622 by Customer, but not less than once per week. As of the Commencement Date, Contractor shall
1623 offer to Customers and provide Food Scraps Collection services up to six (6) days per week
1624 Mondays through Saturday. Contractor may require that Customers must subscribe to a
1625 minimum service level of five (5) times per week Collection in order to be eligible for Collection
1626 on Saturday. Upon City request, Parties shall meet and confer to discuss Customer service levels
1627 and potential need to expand Collection service to six (6) days per week.

1628
1629 The Contractor shall provide Organic Materials Collection services to any Commercial Premises
1630 that requests services. Contractor shall allow Commercial Customers to select a Collection service
1631 method that best suits the needs of its Premises. Specifically, the Contractor shall offer the
1632 following choices to Commercial Customers:

- 1633
- 1634 **1. Cart or Bin service.** Contractor shall allow Commercial Premises to use Cart(s) or Bin(s) for
1635 Organic Materials Collection. Contractor shall provide each Customer with a choice of one
1636 or more 64-gallon Carts or Bins with capacity ranging from 1 to 3 cubic yards.
 - 1637
1638 **2. Centralized Cart or Bin service.** Contractor shall allow Commercial Premises to use Cart(s)
1639 or Bin(s) for Organic Materials Collection, which are shared by the Occupants of two or more
1640 Commercial Premises. In such case, Contractor shall provide one or more Carts or Bins to
1641 such Premises as requested by Customer(s) provided that no less than 96 gallons of Container
1642 capacity for Organic Materials is provided for every four Commercial Premises.
 - 1643
1644 **3. Permanent Drop Boxes and Compactors.** Contractor shall allow Premises to use Drop Boxes
1645 or Compactors for Organic Materials Collection to meet Customer's permanent needs. In
1646 such case, Contractor shall provide Premises with a choice of Container capacities ranging
1647 from 6 to 40 cubic yards. Contractor shall offer Customers the option to purchase or lease
1648 Compactors through Contractor or an outside vendor.
 - 1649
1650 **4. New Carts and Refurbished Bins.** Contractor shall provide each Customer that subscribes to
1651 Cart collection service with a new 20-, 35-, 64-, or 96-gallon Cart as requested by the
1652 Customer. The Organic Materials Carts shall be green in color, with the specific color and
1653 layout of hot stamp content and signs approved by the City in advance in writing Contractor
1654 shall provide a new Cart that is the same size as the Customer's current Cart in service, unless
1655 the Customer requests a different Cart size. The new Organic Materials Carts shall be
1656 provided to all Customers commencing April 2025 and be completed by November 14, 2025,
1657 and the Carts currently in service shall be removed from all Commercial Premises when the
1658 new Carts are delivered. Contractor shall refurbish (new paint, new signs, etc.) all Bins. The
1659 refurbished Organic Materials Bins shall be green in color, with the specific color and layout
1660 of stenciling and signs approved by the City in advance in writing. Contractor shall ensure
1661 that Customers subscribed to level of collection service remains uninterrupted during the
1662 recovery and deployment of the refurbished Bins.

1663
1664 **C. Program Promotion/Sales.** Contractor agrees to use its Commercial sales staff to make initial
1665 Customer contacts to promote the Commercial Organic Materials Collection service to new
1666 participants. If the City, Recyclable Materials Cart Contractor or a third-party acting as an agent
1667 of the City recruits new participants in accordance with the terms of this Agreement, Contractor
1668 agrees to use its best efforts to start new services or to implement service level adjustments
1669 within five (5) business days of receipt of the request.

1670
1671 **D. Program Marketing and Outreach to Customers.** Contractor shall promote the Commercial
1672 Organics Materials program with the objective of subscribing all Customers as required by SB
1673 1383. Contractor’s recycling coordinator shall seek to identify new Customers to commence
1674 Organics collection service through constant account profiling, driver referrals, business referrals,
1675 new Solid Waste service start referrals, review of Commercial Solid Waste service volumes, and
1676 StopWaste and City referrals.

1677
1678
1679 Shortly before and following the start of Organic Materials Collection service for a new Customer,
1680 Contractor shall provide an average of three training appointments per Customer, including one
1681 initial program orientation and two follow-up appointments. Contractor plans an average of four
1682 hours per Customer for new participants. The recycling coordinator shall follow through during
1683 all facets of the program promotion/sales, education, and on-going service of the participating
1684 Customers.

1685
1686 Contractor shall plan and implement an aggressive, multi-faceted outreach program to educate
1687 Commercial Customers and encourage Customer participation in the Organic Materials Collection
1688 program. **Exhibit 7.1**, Public Education and Technical Assistance, provides additional information
1689 on Contractor’s outreach and education program.

1690
1691 **5.4 REPORTING AND ASSISTANCE WITH SURVEYS AND STUDIES**

1692
1693 **A. Reporting.** In addition to the monthly reporting requirements specified in **Sections 9.4.C and**
1694 **9.4.G**, the City may request the following information from the Contractor and Contractor agrees
1695 to provide such information within thirty (30) days of City request:

- 1696
1697
- Types and weight of Contamination in the Organic Materials;
 - Notes reasonably discussing other issues and relevant features of the Parcelized Multi-Family, Non-Parcelized Multi-Family, and Commercial Organics Materials Collection program; and,
 - Recommendations to the City for additions or changes to the Parcelized Multi-Family, Non-Parcelized Multi-Family, and/or Commercial Organic Materials Collection program.
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1704 **B. Surveys and Studies.** The City may request, and the Contractor shall reasonably facilitate
1705 arrangement for surveys of incoming Organic Materials to determine the Contamination Levels
1706 and percentages of material bagged by Customers, and perform waste composition analysis
1707 relevant to the program.

1708

1709 **5.5 SINGLE-FAMILY AND PARCELIZED MULTI-FAMILY CLEAN-UP EVENT SERVICES**

1710 Contractor shall provide each Single-Family and Parcelized Multi-Family Customer with two on-call Clean-
1711 Up Events per year. Each Customer shall place all Yard Trimmings, Traditional Recyclable Materials,
1712 Salvageable Materials, and Bulky Items to be Collected by Contractor Curbside, and each Customer shall
1713 be limited to placing no more than four cubic yards of materials per event Curbside for Collection.
1714 Contractor will schedule a Clean-Up Event for a given Customer on that Customer’s regularly scheduled
1715 Collection day, no more than twenty-one (21) calendar days from the Customer’s request for a Clean-Up
1716 Event. Contractor may provide additional Clean-Up or Bulky Item Pick-Up Events for a Customer beyond
1717 two per year, and in such event shall be entitled to charge the Customer for such service at a Rate not to
1718 exceed City-approved Maximum Rate. In the event Contractor fails to comply with the Bulky Item Pick-
1719 Up scheduling requirements in this Section, the City may assess Liquidated Damages in accordance with
1720 **Section 13.5.**

1721
1722 **A. General Requirements.** Contractor shall provide each Single-Family Premises and Parcelized
1723 Multi-Family Premises with two on-call Clean-Up Events per year. The Contractor shall promote,
1724 manage, staff, and operate the Clean-Up Events.

1725
1726 The City shall approve all advertisements or public announcements related to the Clean-Up
1727 Events. Contractor shall promote the events through the following methods: (i) mailing outreach
1728 materials to the Customers and/or promoting the events through the quarterly Residential
1729 newsletters required in **Exhibit 7.1**; (ii) advertising in a minimum of two local area newspapers;
1730 and (iii) advertising or promoting through social media and electronic publications.

1731
1732 **B. Accepted Materials.** During each Clean-Up Event, Single-Family and Parcelized Multi-Family
1733 Customers may deliver and Contractor shall accept the items listed below:

- 1734
1735 1. Major Appliances limited to no more than one of each type per event;
1736 2. Bulky Items provided that tires shall be limited to four tires per event;
1737 3. Yard Trimmings including branches and clean unfinished wood that are bagged or boxed;
1738 4. Traditional Recyclable Materials that are bagged or boxed;
1739 5. Salvageable Materials for donation, which are clean and in good condition, including: wood
1740 furniture, dishes, pots and pans, toys, books, cell phones, and small appliances and
1741 electronics that work;
1742 6. E-Scrap; and,
1743 7. Non-putrescible Solid Waste.

1744
1745 Contractor may reject: Liquids or sludges, materials which exceed five feet in length; painted or
1746 stained wood; Construction and Demolition Debris; Hazardous Waste; or Infectious Waste.
1747 Contractor may reject a single item that weights more than 150 pounds (excluding Major
1748 Appliances) unless Customer has paid an additional fee for service (at a Rate not to exceed City-
1749 approved Maximum Rates), and may reject un-containerized Discarded Materials.

1750
1751 **C. Participants.** Contractor shall verify that the Person requesting the service is the Customer or
1752 Customer’s tenant at a Single-Family and Parcelized Multi-Family Premises in the City.

1753
1754 **D. Recycling and Reuse.** Contractor shall separate E-Scrap, Salvageable Materials, Traditional
1755 Recyclable Materials, and Yard Trimmings during Collection to allow for reuse, Recycling, or
1756 Processing. Customers may designate materials as donation items, which when appropriate and

1757 feasible shall be brought by Contractor to Contractor's corporation yard. Contractor will work
1758 with Goodwill Industries or another non-profit organization to select and sort out Recyclable and
1759 Salvageable Materials from items brought to Contractor's corporation yard. Marketing of
1760 Salvageable Materials that are designated for reuse by the non-profit organization will include
1761 clothing, toys, housewares, linens, wood furniture, tables, chairs, and books. Contractor shall
1762 transport materials that are not desired by the non-profit organization to the Designated Transfer
1763 Station for transfer, recovery, Processing, and/or Disposal. Due to the unknown quantities of E-
1764 Scrap, Salvageable Materials, Traditional Recyclable Materials, and Yard Trimmings Collected as
1765 well as the types of items community organizations and others will take for reuse or Recycling at
1766 any point in time, the Contractor shall use reasonable business efforts to maximize Diversion of
1767 material Collected during the Clean-Up Events.
1768

1769 **E. Handling Major Appliances.** Major Appliances shall be delivered to the Designated Transfer
1770 Station. Major Appliances shall be handled in accordance with Applicable Law. Any changes to
1771 such regulations made after the Effective Date shall be addressed as though they are a Change in
1772 Law in accordance with **Section 11.4**.
1773

1774 **F. Collection Method.** Contractor shall use two Collection vehicles to Collect materials during Clean-
1775 Up Events with the purpose of providing one flat-bed Collection vehicle for Collection of Major
1776 Appliances, E-Scrap, Salvageable Materials, Recyclable Materials, Yard Trimmings, and hard-to-
1777 handle materials, and one rear-loading packer Collection vehicle for Collection of Solid Waste.
1778

1779 **G. Facilities.** Except as provided in **Sections 5.5.D and 6.5**, Contractor shall deliver all Solid Waste,
1780 Bulky Items, E-Scrap, and Major Appliances Collected during the Clean-Up Events to the
1781 Designated Transfer Station. Contractor shall deliver Recyclable Materials and Yard Trimmings to
1782 the Approved Recyclable Materials Processing Site and to the Approved Composting Site,
1783 respectively. Contractor shall deliver Salvageable Materials to a Re-Use Vendor or other party
1784 approved by the City.
1785

1786 **5.6 NON-PARCELIZED MULTI-FAMILY CLEAN-UP EVENT SERVICES**

1787
1788 **A. General.** Contractor shall provide Non-Parcelized Multi-Family Premises, upon Customer request,
1789 with Clean-Up Event services including Collection of Bulky Items. Contractor shall focus on
1790 educating the property manager about strategies for Diverting Salvageable Materials through
1791 services of Re-Use Vendors, offer Bins and Drop Boxes for Collection of Recyclable Materials (such
1792 as cardboard and E-Scrap), and offer Drop Boxes for Solid Waste and Bulky Item Collection.
1793 Contractor shall charge Customers for the Clean-Up Events at Rates not to exceed City-approved
1794 Maximum Rates for temporary Bin and/or Drop Box service.
1795

1796 **B. Promotion of Re-use Opportunities.** When Contractor receives a request for Clean-Up Services
1797 from a Non-Parcelized Customer, Contractor's Customer service representative shall educate the
1798 Customer about options available for Diverting Salvageable Materials and strategies for working
1799 with tenants and Re-use Vendors. Contractor shall provide Customer with contact information
1800 for local Re-Use Vendors so that Customer can arrange for the Re-Use Vendor to Collect
1801 Salvageable Material.
1802

- 1803 C. **Collection of Recyclable Materials.** Contractor’s Customer service representative shall work with
1804 the Customer to structure a Clean-Up Event that allows for tenants to Source Separate Recyclable
1805 Materials for separate Collection in a Bin or Drop Box. Contractor shall Collect the Recyclable
1806 Materials and transport the materials to the Approved Recyclable Materials Processing Site.
1807
- 1808 D. **Collection of Solid Waste, Bulky Items, Major Appliances.** Contractor shall provide a Drop Box
1809 at the Multi-Family Premises for Solid Waste and Bulky Items. Contractor shall Collect the Solid
1810 Waste and Bulky Items and Transport all Collected materials to the Designated Transfer Station,
1811 except as provided in Section 6.5. Customer may place Major Appliances adjacent to the Drop
1812 Box and Contractor shall Collect the appliances with a flat-bed truck and deliver the appliances to
1813 the Designated Transfer Station, except as provided in Section 6.5.
1814
- 1815 E. **Containers.** Within seven (7) Business Days of Customer request, Contractor shall provide one
1816 20- or 30-cubic yard capacity Drop Box for Solid Waste and Bulky Item Collection to each Non-
1817 Parcelized Multi-Family Customer and one Drop Box or Bin for Recyclable Materials Collection.
1818 Contractor shall place the Containers on Customer’s property at a Customer-selected location,
1819 which is accessible by Contractor’s vehicle, or, Contractor shall place Containers Curbside if the
1820 property manager has secured a permit from the City approving such placement for special
1821 circumstances. The Container placement location shall be mutually agreed upon by Non-
1822 Parcelized Multi-Family Customer and Contractor. The Containers provided for the purpose of
1823 the Clean-Up Event shall be covered and locking when Container inventory permits and when
1824 Customer requests this type of Container. Contractor shall remove Containers from the premises
1825 within three (3) Business Days of delivery or less subject to mutual agreement by Contractor and
1826 the Customer. In the event Contractor fails to comply with the Bulky Item Pick-Up Container
1827 delivery and pick-up requirements in this Section, the City may assess Liquidated Damages in
1828 accordance with Section 13.5.
1829
- 1830 F. **Service Frequency.** Contractor shall provide the Clean-Up Event services as frequently as
1831 requested by Customer.
1832
- 1833 G. **Costs.** Contractor shall bill the Non-Parcelized Multi-Family Customers for each Drop Box
1834 delivered to the Customer for the Drop Box Clean-Up service at Rates not to exceed City-approved
1835 Maximum Rates, which include a Maximum Rate for open-top Drop Boxes and for covered, locking
1836 Drop Boxes.
1837
- 1838 H. **Accepted Materials.** Customers shall be permitted to place the following material types in the
1839 Drop Boxes: non-putrescible Solid Waste, Source Separated Recyclable Materials, Source
1840 Separated Organic Materials, and Bulky Items. Contractor may reject: E-Scrap Items, liquids or
1841 sludges, materials of any length provided they fit inside the Container; painted or stained wood;
1842 Construction and Demolition Debris; Hazardous Waste; or Infectious Waste. Contractor may
1843 reject Major Appliances unless Customer has paid an additional fee for service at a Rate not to
1844 exceed City-approved Maximum Rates.
1845
- 1846 I. **Other Requirements.**
1847 1. Contractor shall provide the service to the Customer within seven (7) Business Days of
1848 Customer request. Actual date of service shall be mutually agreed upon by Customer and
1849 Contractor.

- 1850 2. Contractor shall provide Customers with brochures listing accepted and prohibited materials
1851 in sufficient quantity for distribution to each tenant unit on the premises. The brochure shall
1852 be made available by Contractor by mail, email, or via Contractor’s website.
1853 3. Contractor shall promote the availability of Clean-Up Collection service on its website, twice
1854 per year in quarterly newsletters and in Multi-Family manager informational packets.
1855 4. On a monthly basis, Contractor shall report the number of Non-Parcelized Multi-Family
1856 Clean-Up Events and Tons Collected at each event.
1857

1858 **J. Tenant Notification.** Non-Parcelized Multi-Family Customers will be responsible for
1859 communicating clean-up dates, location, and distributing brochures with a list of accepted and
1860 prohibited items to tenants.
1861

1862 **5.7 CITY COMMUNITY COMPOST HUB**

1863 Contractor shall annually deliver to the City’s Community Compost a minimum of four-hundred (400) tons
1864 of SB 1383 compliant compost at no additional cost to the City per Rate Year upon request by City.
1865 Contractor’s annual four-hundred (400) ton compost delivery obligation shall accrue annually if the City
1866 orders less than four-hundred (400) tons in any year. City shall provide Contractor notice of the volume
1867 of compost required for each delivery and the date of delivery. City shall provide Contractor two (2)
1868 business days notice for each requested delivery of compost. At the City’s sole discretion, it may direct
1869 Contractor to deliver compost to a location different than the Community Compost Hub within Union City
1870 for the purpose of the City’s Public Works Department to spread the compost at that location. The City
1871 may purchase additional tons of compost exceeding the four-hundred (400) tons each rate year at an
1872 initial cost of forty-eight dollars (\$48.00) per ton which includes delivery. The cost of the supplemental
1873 compost purchased will be increased or decreased annually as necessary to reflect a reasonable market
1874 rate for the compost material and transportation based on a survey of three (3) compost producers agreed
1875 to by City and Contractor.
1876

1877 Contractor shall directly invoice City for compost exceeding the annual four-hundred (400) tons allocation,
1878 unless the City’s accrual of past compost that was not requested is used. Contractor shall be responsible
1879 for all aspects of coordinating the delivery of compost and shall provide to the City within two (2) business
1880 days after the delivery of compost the SB 1383 required documentation of said compost delivery,
1881 including but not limited to, a document certifying that the compost delivered was SB 1383 compliant,
1882 the specific compost product specifications, and the volume and weight of the compost delivered.
1883

1884 **5.8 HOLIDAY TREE COLLECTION**

1885 Annually, for a three (3) week duration commencing on the next regular service day after December 25,
1886 Contractor shall provide Curbside Collection of holiday trees for all Residential Premises as part of the
1887 Organic Materials Collection services required under Section 5.3. This obligation shall extend to holiday
1888 trees, which are flocked or heavily tinsel which shall be treated as Solid Waste. Contractor shall also
1889 accept holiday trees delivered by City Residents and Multi-Family property owners to a drop-off location
1890 at the Recyclable Materials Cart Contractor’s facility, 33377 Western Avenue, Union City, California, or
1891 another location approved by the City.
1892

1893 Contractor shall Transport Holiday trees to, and Process trees at, the Approved Composting Site, with the
1894 exception of flocked or heavily tinsel trees that Contractor shall Transport to the Designated Transfer

1895 Station for Disposal. All holiday trees shall be processed for use as Compost, mulch, or soil amendment
1896 and none shall be deposited for Disposal or used for Beneficial Reuse Purposes.
1897

1898 **5.9 COLLECTION FROM CITY FACILITIES**

1899
1900 **A. General.** Contractor shall Collect Solid Waste and Organic Materials from City locations and at
1901 the service levels identified in Exhibit 5.9 and shall Collect Traditional Recyclable Materials from
1902 City locations using Bins at the service levels identified in Exhibit 5.97. In addition, Contractor
1903 shall Collect Solid Waste from public litter cans along City streets as identified in Exhibit 5.9.
1904 Contractor shall also Collect bagged Solid Waste pulled from public litter cans from collection
1905 points in City parks Mondays, Wednesdays, and Fridays as identified in Exhibit 5.9. Prior to
1906 Contractor’s Collection of the bagged Solid Waste in City parks, the City shall be responsible for
1907 removing the bagged solid waste from each public litter can on Mondays, Wednesdays, and
1908 Fridays, inserting an empty plastic bag into each public litter can, and placing the bagged Solid
1909 Waste at one collection point in the park for the Contractor’s removal. Contractor shall provide
1910 and maintain Containers for the City’s use with the exception of the public litter cans that shall be
1911 provided and maintained by the City. Note that the City may choose to use Carts for Recyclable
1912 Materials Collection service, and, in such case, the Recyclable Materials will be Collected by the
1913 Recyclables Materials Cart Contractor.

1914
1915 **B. City Right to Modify Service Levels.** During the Term of the Agreement, the City reserves the
1916 right to add or remove City facilities in Exhibit 5.9 and to change the service level requirements
1917 identified in Exhibit 5.9. In addition, the City reserves the right to require that Contractor Collects
1918 Traditional Recyclable Materials from public recycling cans if the City locates public Recycling cans
1919 along City streets or in City parks during the Term of the Agreement.

1920
1921 **C. Tonnage Allocation.** Contractor may integrate Collection of Solid Waste and Organic Materials
1922 from City facilities with other Collection services, provided that Contractor attributes Tonnage
1923 Collected from City facilities separately from other Customers.

1924
1925 **D. Cost of Service.** Contractor shall provide the services required by this Section at no additional
1926 cost to the City.
1927

1928 **5.10 COLLECTION FROM SPECIAL EVENTS**

1929 Contractor provide to the City at no additional cost 30-cubic-yard (or other size Drop Boxes as requested
1930 by the City) Drop Boxes for special events and Collect Solid Waste, Recyclable Materials, and/or Organic
1931 Materials deposited in such Drop Boxes. The special events shall be as selected by the City, and the
1932 Contractor’s annual service obligation for the delivery and collection of the Drop Boxes for special events
1933 does not exceed thirty (30) Drop Box pulls per year. Contractor shall have employee(s) at each event to
1934 keep all Collection points tidy, to empty or exchange Containers as the need arises, and to respond to
1935 overages or spills. Contractor shall prepare and distribute information to the public during such events
1936 describing the Collection options available and promoting Recycling. The Contractor shall document the
1937 Tonnage of material Collected during each event and report it to the City upon the City’s written request.

1938
1939 Contractor shall use reasonable business efforts to provide covered, locking Drop Boxes to fulfill the
1940 special event requirements in this Section 5.10.

1941
1942 Contractor shall provide the services required by this Section at no additional cost to the City.
1943

1944 **5.11 MULTI-FAMILY ORGANICS COLLECTION PROGRAM**

1945 All Multi-Family Premises receiving Solid Waste collection service must receive weekly collection of the
1946 equivalent volume of at least one (1) thirty-two (32) gallon Organic Materials Cart per Customer included
1947 in the service rate. The actual configuration of Organic Materials container sizes to be provided will be
1948 based on the total equivalent volume and configured in a manner determined by the Customer in
1949 consultation with Contractor. Contractor may charge for Organic Materials Collection as set forth in Rates
1950 approved by the City for Multi Family Organic Materials service greater than the base thirty-two (32)
1951 gallon Organic Materials Cart.

1952
1953 This service will be provided as deemed necessary and determined between Contractor and the Customer,
1954 but such service must be received no less than one (1) time per week with no exception for Holiday(s) as
1955 set forth herein, except that collection service scheduled to fall on a Holiday may be rescheduled within
1956 forty eight (48) hours as long as the minimum frequency requirement is met. Service may be provided by
1957 Bin or Cart at the option of the Customer. The size of the Container and the frequency (above the
1958 minimum) of Collection will be determined between the customer and Contractor. However, size and
1959 frequency must be sufficient to provide that no Organic Material needs to be placed outside the
1960 Container. Customers may own and provide their own Compactor provided that the Customer is
1961 completely responsible for its proper maintenance, and such Compactor is of a type that is compatible
1962 with Contractor's equipment. All other Containers used by Customers must be owned and supplied by
1963 Contractor.
1964

1965 **5.12 ABANDONED WASTE NOTIFICATION AND COLLECTION**

1966 Contractor shall direct its Collection vehicle drivers to note (i) the addresses of any Premises at which the
1967 driver observes that Solid Waste, Recyclable Material, and/or Organic Material is accumulating; and (ii)
1968 the address, or other location description, at which Solid Waste, Recyclable Material, and/or Organic
1969 Material has been dumped in an apparently unauthorized manner. Contractor shall deliver the address
1970 or description to City within five (5) Business Days of such observation.

1971
1972 In response to the City's request, Contractor shall Collect abandoned Solid Waste, Recyclable Materials,
1973 and/or Organic Materials at locations specified by the City. Such service shall be provided by Contractor
1974 at no charge to the City for up to twenty-four (24) instances per Rate Year, where an instance involves
1975 Collection of an average of ten (10) cubic yards per pick-up location. If the City wants more than twenty-
1976 four (24) instances to be serviced per Rate Year, the City and Contractor shall meet and confer to discuss
1977 the additional service needs. In the event the City requests that Contractor provide collection service for
1978 fewer than twenty-four (24) abandoned waste collection events in a calendar year, the remaining balance
1979 shall accrue to the following year and this balance shall continue to accrue up to a maximum of forty-eight
1980 (48) collections services.

1981
1982 Contractor shall provide the services required by this Section at no additional cost to the City..

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ARTICLE 6.

PROCESSING AND DISPOSAL

6.1 RECYCLABLE MATERIALS PROCESSING

A. Approved Recyclable Materials Processing Site. Contractor shall Transport and deliver all Recyclable Materials it Collects in the City to the Approved Recyclable Materials Processing Site, except as otherwise provided in Section 6.1.B. Contractor shall pay all costs associated with Transporting to and Processing Recyclable Materials at the Approved Recyclable Materials Processing Site. Below is information about the Approved Recyclable Materials Processing Site selected by the Contractor:

- Facility Name: Newby Island Recyclery
- Owner: Browning-Ferris Industries of California, Inc.
- Operator: Browning-Ferris Industries of California, Inc.
- Address: 1601 Dixon Landing Road, Milpitas, CA 95035
- Contact Person and contact information:
 Enrique Perez, General Manager
 408-586-2281
 pperez@republicservices.com

B. Alternative Recyclable Materials Transfer or Processing Location. Contractor shall Transport Recyclable Materials it Collects in the City to the Designated Transfer Station or an alternative Processing location under the following circumstances:

1. Contractor-Requested Change. Contractor may request to use a Recyclable Materials Processing location that is different from the Approved Recyclable Materials Processing Site. If Contractor requests such a change, it shall seek written approval from the City Manager sixty (60) calendar days prior to use of the alternative location and obtain the City’s written approval no later than ten (10) calendar days prior to use of the location. Upon obtaining the City’s written approval and subsequent use of the different Processing location, Contractor’s Compensation will not be adjusted and Contractor shall bear any increased Transportation and Processing costs associated with a Contractor-initiated change in the Approved Recyclable Materials Processing Site. Further, Contractor shall guarantee the net per-Ton Processing Cost specified in Exhibit 11.1.B or shall provide a net per-Ton revenue (i.e., reduce the net per Ton costs below zero dollars, resulting in a net per-Ton revenue for Processing services) specified in Exhibit 11.1.B for the use of Processing location(s) different from the Approved Recyclable Materials Processing Site.
2. City-Directed Change. The City reserves the right to direct Contractor to Transport some or all Recyclable Materials to the Designated Transfer Station or an alternative Processing location. The change shall be handled as a City-directed change in scope in accordance with Section 4.5 and the Parties shall agree on an adjustment to Contractor’s Compensation to address incremental impacts in Transportation and per-Ton Processing costs and lost operating profit to the Approved Recyclable Materials Processing Site of Processing the material at a non-Affiliated facility. If, however, the Designated Transfer Station or alternative Processing location is owned and/or operated by the Contractor or an Affiliate,

2028 then the adjustment to Contractor’s Compensation shall not include an adjustment for the
2029 Approved Recyclable Materials Processing Site’s lost operating profit.

2030
2031 3. Emergency Change. If Contractor is unable to use the Approved Recyclable Materials
2032 Processing Site due to an emergency or sudden unforeseen closure of the Approved
2033 Recyclable Materials Processing Site, Contractor may use an alternative Processing location
2034 provided that the Contractor provides verbal and written notice to the City and receives
2035 written approval from the City at least twenty-four (24) hours prior to the use of an
2036 alternative Processing location. The Contractor’s written notice shall include a description
2037 of the reasons the Approved Recyclable Materials Processing Site is not feasible and the
2038 period of time Contractor proposes to use the alternative Processing location. Contractor
2039 shall not be compensated for any increased Transportation and Processing costs and shall
2040 guarantee the net per-Ton Processing Cost specified in Exhibit 11.1.B or shall provide a net
2041 per-Ton revenue (i.e., reduce the net per-Ton costs below zero dollars, resulting in a net per-
2042 Ton revenue for Processing services) for the use of Processing location(s) different from the
2043 Approved Recyclable Materials Processing Site.

2044
2045 4. Court-Ordered Change. If a court of competent jurisdiction directs City to cause Contractor
2046 to Transport some or all of the Recyclable Materials to the Designated Transfer Station or an
2047 alternative Processing location, the change would be handled as a City-directed change in
2048 scope in accordance with Section 4.5 and the Parties would agree on an adjustment to
2049 Contractor’s Compensation to address incremental impacts in Transportation and per-Ton
2050 Processing costs and lost operating profit to the Approved Recyclable Materials Processing
2051 Site of Processing the material at a non-Affiliated facility. If, however, the Designated
2052 Transfer Station or alternative Processing location is owned and/or operated by the
2053 Contractor or an Affiliate, then the adjustment to Contractor’s Compensation shall not
2054 include an adjustment for the Approved Recyclable Materials Processing Site’s lost operating
2055 profit.

2056
2057 5. Adjustment to Contractor’s Compensation. If a change in Contractor’s Compensation is
2058 warranted pursuant to Sections 6.1.B.2, 6.1.B.3, or 6.1.B.4, the following conditions shall
2059 apply. The adjustment to Contractor’s Compensation for changes in Transportation costs
2060 shall reflect the cost difference associated with the Collection vehicles delivering Recyclable
2061 Materials to the Designated Transfer Station or alternative Processing location rather than
2062 to the Approved Recyclable Materials Processing Site. The adjustment to Contractor’s
2063 Compensation for Processing cost changes shall be calculated as the difference between the
2064 net per-Ton Processing cost at the Approved Recyclable Materials Process Site specified in
2065 Exhibit 11.1.B and the net per-Ton Processing cost at the Designated Transfer Station or
2066 alternative Processing location.

2067
2068 **C. Processing Arrangements.** For Recyclable Materials Processing service at the Approved
2069 Recyclable Materials Processing Site specified in Exhibit 11.1.B or at alternative facility(ies)
2070 approved pursuant to Sections 6.1.B.1 or 6.1.B.2, Contractor shall secure sufficient capacity to
2071 Process Recyclable Materials Collected under this Agreement and shall cause the Approved
2072 Recyclable Materials Processing Site or alternative facility(ies) to Process and market the
2073 Recyclable Materials. Contractor shall provide the City, upon request, with: 1) documentation
2074 demonstrating the availability of such capacity; and, 2) the name, address and owner/operator of
2075 any transfer station used to deliver materials to such site.

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Contractor shall keep all existing permits and approvals necessary for use of the Recyclable Materials Processing Site(s) or alternative facility(ies) owned by Contractor or an Affiliate in full regulatory compliance or confirm that the owner or operator of such facility does so.

D. Transport. The Contractor is responsible for Transporting Collected Recyclable Materials to the Approved Recyclable Materials Processing Site by directly hauling the materials in the vehicles that Collect the materials from Customers. If the Contractor plans to change its Transport method, Contractor shall obtain written approval from the City prior to making the change; pay all costs; and shall not be reimbursed for any additional costs. The City’s approval shall approve the Transport method, and the duration the Transport method is approved to occur.

E. Marketing. The Contractor shall be responsible for marketing Recyclable Materials Contractor Collects in the City, including materials Collected from Commercial Premises and from Single-Family and Parcelized Multi-Family during Clean-Up Events. Contractor shall be compensated by the end users/market place for such Recyclable Materials at not less than fair market value.

Contractor shall prepare and maintain a City-approved marketing plan for all Recyclable Materials Collected in the City. The plan shall be in place on or before the Commencement Date of this Agreement. The marketing plan shall fully describe the Contractor’s marketing methods and approach, targeted primary and contingent markets, pricing policy and assumed salvage value for each Collected type of Recyclable Material products, and contingency plans if market conditions are severe.

Upon request, Contractor shall provide proof to the City that all Recyclable Materials Contractor Collects in the City are marketed for Recycling or reuse in such a manner that materials shall be considered as Diverted in accordance with the State regulations established by AB 32, AB 939, AB 341, AB 1826, SB 1383, and AB 1594 and in a manner consistent with Alameda County Waste Management Authority Ordinance 2012-1 requiring multi-family and Commercial Premises to reduce Disposal of Recyclable Materials and Organic Materials. All Residue from the Processing activities that is not marketed for use shall be accounted for as Disposal Tonnage at a permitted Disposal Site. No Recyclable Materials shall be transported to a domestic or foreign location if Solid Waste Disposal of such material is its intended use.

Annually, Contractor shall provide City with a list of broker/buyers it has used during the preceding 12 months, if requested by City. If Contractor becomes aware that a broker or buyer has illegally handled or Disposed of material generated by the City or elsewhere, Contractor shall immediately inform the City and terminate its contract or working relationship with such party immediately.

F. Disposal of Recyclable Materials Prohibited. Recyclable Materials may not be Disposed of in lieu of Recycling the material, without the expressed written approval of the City. If for reasons beyond its reasonable control, Contractor believes that it cannot Divert the Recyclable Material from Disposal, then it shall prepare a written request for approval to Dispose of such material. Such request shall contain the basis for its belief (including, but not limited, to supporting documentation), describe the Contractor’s efforts to arrange for the Diversion from Disposal of such material, the period required for such Disposal, the incremental net cost increases or net cost savings (giving account to the value from the sale of the Recyclable Materials) resulting from

2124 such Disposal, and any additional information supporting the Contractor's request. The City shall
2125 consider the Contractor's request and inform Contractor in writing of its decision within thirty
2126 (30) calendar days. If the City approves such request, any difference in the net cost/revenue of
2127 such Disposal compared to Diversion shall be adjusted in accordance with Section 11.4.
2128

2129 **G. Insurance, Indemnifications and Performance Standards.** Contractor shall provide, through the
2130 terms and conditions of any contract, agreement, or other understanding with the Approved
2131 Recyclable Materials Processing Site, that provisions of this Agreement (such as insurance
2132 requirements, indemnifications, and processing, marketing performance, and Residue and
2133 Contamination guarantees), can be enforced by the City as an additional insured or third party
2134 beneficiary thereof, in the same manner provided in Article 12, in a manner reasonably
2135 satisfactory to City. If Contractor or an Affiliate owns or operates the Approved Recyclable
2136 Materials Processing Site, Contractor shall include City as an additional insured on liability policies
2137 and defend and indemnify City in a manner satisfactory to City, and provide that any materials
2138 recovery and marketing performance standards or guarantees made to any other facility
2139 customers are made to City as well, including obligations to limit the Residue and Contamination.
2140 Contractor shall demonstrate compliance with the requirements of this paragraph on or before
2141 the Commencement Date of this Agreement.
2142

2143 **H. Compliance with Applicable Law.** Contractor warrants throughout the Term that the Approved
2144 Recyclable Materials Processing Site selected by Contractor is authorized and permitted to accept
2145 Recyclable Materials in accordance with Applicable Law and is in full compliance with Applicable
2146 Law. Contractor shall: (1) verify compliance for the Approved Recyclable Materials Processing Site
2147 (that neither it nor its Affiliates own) by contacting the local enforcement agency and other
2148 regulatory agencies having jurisdiction over the Approved Recyclable Materials Processing Site at
2149 least quarterly; and (2) upon City direction, shall promptly provide City with copies of the
2150 Approved Recyclable Materials Processing Site's permits or notice of violations to City.
2151

2152 **I. Compliance with Facility Rules.** Contractor shall observe and comply with all regulations in effect
2153 at the Approved Recyclable Materials Processing Site and cooperate with the operator thereof
2154 with respect to delivery of Recyclable Materials, including directions to unload Collection vehicles
2155 in designated areas, accommodating operations and maintenance activities, and complying with
2156 Hazardous Waste exclusion programs.
2157

2158 **J. Weighing and Record Requirements.** Contractor shall ensure that all Recyclable Materials are
2159 weighed upon delivery to the Approved Recyclable Materials Processing Site, and all weight and
2160 related delivery information (including date, time, material type, route and truck number)
2161 ("Delivery Data") is recorded. Contractor shall provide City the name of any driver of any
2162 identified delivery promptly upon request by City. If vehicle receiving and unloading operations
2163 are recorded on video cameras at any Approved Recyclable Materials Processing Site, Contractor
2164 shall make, or shall use its best efforts to arrange with the facility operator other than Contractor
2165 to make, those videos available for City review during the facility's operating hours, upon request
2166 of the City.
2167

2168 **6.2 ORGANIC MATERIALS PROCESSING**
2169

2170 **A. Approved Composting Site.** Contractor shall Transport and deliver all Organic Materials Collected
2171 in the City to the Approved Composting Site, except as otherwise provided in Section 6.2.B.
2172 Contractor shall pay all costs associated with transfer (if applicable), Transporting, Processing,
2173 Composting, and marketing Organic Materials. All Organic Materials shall be processed for use
2174 as Compost, mulch, or soil amendment and none shall be deposited for Disposal or used for
2175 Beneficial Reuse Purposes. Below is information about the Approved Composting Site selected
2176 by the Contractor:

- 2177
- 2178 • Facility Name: Newby Island Composting Facility
- 2179 • Owner: Browning-Ferris Industries of California, Inc.
- 2180 • Operator: Browning-Ferris Industries of California, Inc.
- 2181 • Address: 1601 Dixon Landing Road, Milpitas, CA 95035
- 2182 • Contact Person and contact information:
2183 Enrique Perez, General Manager
2184 408-586-2281
2185 pperez@republicservices.com
2186

2187 **B. Alternative Organic Materials Transfer or Processing Location.** Contractor shall Transport
2188 Organic Materials it Collects in the City to the Designated Transfer Station or an alternative
2189 Processing location under the following circumstances:

- 2190
- 2191 1. Contractor-Requested Change. Contractor may request to use an Organic Materials
2192 Processing location that is different from the Approved Composting Site. If Contractor
2193 requests such a change, it shall seek written approval from the City Manager sixty (60)
2194 calendar days prior to use of the alternative location and obtain the City's written approval
2195 no later than ten (10) calendar days prior to use of the location. Upon obtaining the City's
2196 written approval and subsequent use of the different Processing location, Contractor's
2197 Compensation will not be adjusted and Contractor will bear any increased Transportation
2198 and Processing costs associated with a Contractor-initiated change in the Approved
2199 Composting Site. Further, Contractor shall guarantee the net per-Ton Processing Cost
2200 specified in Exhibit 11.1.B or shall reduce the net per-Ton Processing Cost specified in Exhibit
2201 11.1.B for the use of Processing location(s) different from the Approved Composting Site.
2202
- 2203 2. City-Directed Change. The City reserves the right to direct Contractor to Transport some or
2204 all Organic Materials to the Designated Transfer Station or an alternative Processing location.
2205 The change would be handled as a City-directed change in scope in accordance with Section
2206 4.5 and the Parties would agree on an adjustment to Contractor's Compensation to address
2207 incremental impacts in Transportation, Processing, and Composting costs and lost operating
2208 profit to the Approved Composting Site of Processing the material at a non-Affiliated facility.
2209 If, however, the Designated Transfer Station or alternative Processing location is owned
2210 and/or operated by the Contractor or an Affiliate, then the adjustment to Contractor's
2211 Compensation shall not include an adjustment for the Approved Composting Site's lost
2212 operating profit.
2213
- 2214 3. Emergency Change. If Contractor is unable to use the Approved Composting Site due to an
2215 emergency or sudden unforeseen closure of the Approved Composting Site, Contractor may
2216 use an alternative Processing location provided that the Contractor provides verbal and
2217 written notice to the City and receives written approval from the City at least 24 hours prior

2218 to the use of an alternative Processing location. The Contractor's written notice shall include
2219 a description of the reasons the Approved Recyclable Materials Processing Site is not feasible
2220 and the period of time Contractor proposes to use the alternative Processing location.
2221 Contractor shall not be compensated for any increased Transportation and Processing costs
2222 and shall guarantee the net per-Ton Processing Cost specified in Exhibit 11.1.B or shall reduce
2223 the net per-Ton Processing Costs specified in Exhibit 11.1.B for the use of Processing
2224 location(s) different from the Approved Composting Site.
2225

2226 4. Court-Ordered Change. If a court of competent jurisdiction directs Contractor to Transport
2227 some or all of the Organic Materials to the Designated Transfer Station or an alternative
2228 Processing location, the change would be handled as a City-directed change in scope in
2229 accordance with Section 4.5 and the Parties would agree on an adjustment to Contractor's
2230 Compensation to address incremental impacts in Transportation, per-Ton Processing costs,
2231 and per-Ton Composting costs and lost operating profit to the Approved Composting Site of
2232 Processing the material at a non-Affiliated facility. If, however, the Designated Transfer
2233 Station or alternative Processing location is owned and/or operated by the Contractor or an
2234 Affiliate, then the adjustment to Contractor's Compensation shall not include an adjustment
2235 for the Approved Composting Site's lost operating profit.
2236

2237 5. Adjustment to Contractor's Compensation. If a change in Contractor's Compensation is
2238 warranted pursuant to Sections 6.2.B.2, 6.2.B.3, or 6.2.B.4, the conditions described in
2239 Section 6.1.B.4 shall be applicable, but shall reflect differences related to the change in the
2240 Organic Materials Processing location.
2241

2242 **C. Processing Arrangements.** For Organic Materials Processing service at the Approved Composting
2243 Site specified in Exhibit 11.1.B or at alternative facility(ies) approved pursuant to Section 6.2.B.1
2244 or 6.2.B.2, Contractor will cause the Approved Composting Site or alternative facility(ies) to
2245 Process, Compost, and market Organic Materials. Promptly upon direction of City, Contractor
2246 shall provide City with documentation satisfactory to City demonstrating availability of Organic
2247 Materials Processing and Composting capacity at the Approved Composting Site. Contractor shall
2248 keep all existing permits and approvals necessary for use of the Approved Composting Site or
2249 alternative facility(ies) owned by Contractor or an Affiliate in full regulatory compliance or confirm
2250 that the owner or operator of such facility does so.
2251

2252 **D. Transport.** The Contractor is responsible for Transporting Collected Organic Materials to the
2253 Approved Composting Processing Site by directly hauling the materials in the vehicles that
2254 Collected the materials from Customers. If the Contractor plans to change its Transport method,
2255 Contractor shall obtain written approval from the City prior to making the change; pay all costs;
2256 and shall not be reimbursed for any additional costs. The City's approval shall approve the
2257 Transport method and the duration the Transport method is approved to occur.
2258

2259 **E. Disposal of Organic Materials Prohibited.** Organic Materials may not be Disposed of in lieu of
2260 Composting the material, without the expressed written approval of the City. If for reasons
2261 beyond its reasonable control, Contractor believes that it cannot Divert the Organic Materials
2262 from Disposal, then it shall prepare a written request for approval to Dispose of such material.
2263 Such request shall contain the basis for its belief (including, but not limited to, supporting
2264 documentation), describe the Contractor's efforts to arrange for the Diversion from Disposal of
2265 such material, the period required for such Disposal, the incremental net cost increases or net

2266 cost savings (giving account to the value from the sale of the Organic Materials) resulting from
2267 such Disposal, and any additional information supporting the Contractor's request. The City shall
2268 consider the Contractor's request and inform Contractor in writing of its decision within thirty
2269 (30) calendar days. If the City approves such request, any difference in the net cost of such
2270 Disposal compared to Diversion shall be adjustment in accordance with Section 11.4.
2271

2272 **F. Insurance, Indemnifications and Performance Standards.** Contractor shall provide, through the
2273 terms and conditions of any contract, agreement, or other understanding with the Approved
2274 Composting Site, that provisions of this Agreement such as insurance requirements,
2275 indemnifications, and processing, composting, marketing performance, and Residue and
2276 Contamination guarantees, can be enforced by the City as an additional insured or third party
2277 beneficiary thereof, in the same manner provided in Article 12, in a manner reasonably
2278 satisfactory to City. If Contractor or an Affiliate owns or operates the Approved Compost Site,
2279 Contractor shall include City as an additional insured on liability policies and defend and indemnify
2280 City in a manner satisfactory to City, and provide that any materials recovery and marketing
2281 performance standards or guarantees made to any other facility customers are made to City as
2282 well, including obligations to limit the Residue and Contamination. Contractor shall demonstrate
2283 compliance with the requirements of this paragraph on or before the Commencement Date of
2284 this Agreement.
2285

2286 **G. Compliance with Applicable Law.** Contractor warrants throughout the Term that the Approved
2287 Composting Site selected by Contractor is respectively authorized and permitted to accept
2288 Organic Materials in accordance with Applicable Law and is in full compliance with Applicable Law.
2289 Contractor shall: (1) verify compliance for the Approved Composting Site that neither it nor its
2290 Affiliates own by contacting the local enforcement agency and other regulatory agencies having
2291 jurisdiction over those Approved Composting Site at least quarterly; and (2) upon City direction,
2292 shall promptly provide City with copies of the Approved Composting Site's permits or notice of
2293 violations to City.
2294

2295 **H. Compliance with Facility Rules.** Contractor shall observe and comply with all regulations in effect
2296 at the Approved Composting Site and cooperate with the operators thereof with respect to
2297 delivery of Organic Materials, including directions to unload Collection vehicles in designated
2298 areas, accommodating operations and maintenance activities, and complying with Hazardous
2299 Waste exclusion programs.
2300

2301 **I. Weighing and Record Requirements.** Contractor shall ensure that all Organic Materials are
2302 weighed upon delivery to the Approved Composting Site, and all weight and related delivery
2303 information (including date, time, material type, route and truck number) ("Delivery Data") is
2304 recorded. Contractor shall provide City the name of any driver of any identified delivery promptly
2305 upon request by City. If vehicle receiving and unloading operations are recorded on video
2306 cameras at any Approved Composting Site, Contractor shall make, or shall use its best efforts to
2307 arrange with the facility operator other than Contractor to make, those videos available for City
2308 review during the facility's operating hours, upon request of the City.
2309

2310 **J. Marketing.** The Contractor shall be responsible for marketing Organic Materials that Contractor
2311 Collects in the City and Processes. Upon request, Contractor shall provide proof to the City that
2312 all Organic Materials Contractor Collects in the City are marketed for compost or use in such a
2313 manner that materials shall be considered as Diverted in accordance with the State regulations

2314 established by AB 32, AB 939, AB 341, AB 1826, AB 1383, AB 1594, SB 1383 and in a manner
2315 consistent with Alameda County Waste Management Authority Ordinance 2021-01 requiring
2316 multi-family and Commercial Premises to reduce Disposal of Recyclable Materials and Organic
2317 Materials. All Residue from the Processing activities that is not marketed for use shall be
2318 accounted for as Disposal Tonnage at a permitted Disposal Site. No Organic Materials shall be
2319 transported to a domestic or foreign location if Solid Waste Disposal of such material is its
2320 intended use.

2321
2322 Annually, Contractor shall provide City with a list of broker/buyers it has used during the
2323 preceding twelve (12) months, if requested by City. If Contractor becomes aware that a broker
2324 or buyer has illegally handled or Disposed of Organic Material generated by the City, Contractor
2325 shall immediately inform the City and terminate its contract or working relationship with such
2326 party immediately.
2327

2328 **6.3 SOLID WASTE, BULKY ITEM, MAJOR APPLIANCE TRANSFER AND DISPOSAL**

2329 Contractor shall Transport all Solid Waste, Bulky Items, and Major Appliances Collected in the City to the
2330 Designated Transfer Station selected by the City.

2331
2332 Except as provided in Section 6.5, the following terms shall apply to Contractor's Transport of Solid Waste,
2333 Bulky Items, and Major Appliances to the Designated Transfer Station. Contractor shall cooperate with
2334 the operator of the Designated Transfer Station and comply with the operator's requirements such as
2335 how and where to unload Collection vehicles, respecting operations and construction of new facilities,
2336 cooperating with the operator's Hazardous Waste Exclusion Program, and so forth. Contractor shall plan
2337 its Collection routes to be compatible with the Designated Transfer Station's operating hours, which shall
2338 be, at a minimum, Monday through Friday from 5:00 a.m. to 6:00 p.m. and Saturday and Sunday from
2339 8:00 a.m. to 5:00 p.m. All costs associated with Transporting and delivering Solid Waste, Bulky Items, and
2340 Major Appliances to the Designated Transfer Station shall be paid by Contractor. Contractor shall receive
2341 compensation for Solid Waste, Bulky Item, and Major Appliance transfer costs in accordance with Article
2342 11.

2343
2344 The operator of the Designated Transfer Station shall be responsible for transporting Solid Waste, Bulky
2345 Items, and Major Appliances to a Disposal Site approved by the City and arranging for reuse, Recycling, or
2346 Disposal of Bulky Items and Major Appliances.
2347

2348 **6.4 RESIDUE AND CONTAMINATION RELATED TO PROCESSING ACTIVITIES**

2349
2350 **A. General.** Residue from the Recyclable Materials and Organic Materials shall be Disposed of by
2351 Contractor at a Disposal Site selected by the operator of the Approved Recyclable Materials
2352 Processing Site and Approved Composting Site unless otherwise directed by the City. As of the
2353 Commencement Date, the Contractor plans to use the Newby Island Landfill for Disposal of
2354 Residue from the Approved Recyclable Materials Processing Site and Approved Composting Site.

2355
2356 **B. Residue Level and Contamination Level**

2357
2358 1. Contractor shall use commercially reasonable efforts to achieve a Residue Level of less than
2359 ten percent (10%) by weight for Source Separated Recyclable Materials, Source Separated

2360 Organic Materials, and Source Separated Food Waste Collected in the City. Contractor shall
2361 determine the Residue Level resulting from the Processing of Recyclable Materials, Organic
2362 Materials, and Food Scraps Collected in the City and Processed at the Approved Recyclable
2363 Materials Processing Site and Approved Composting Site using protocols and frequency
2364 mutually agreed upon by the Parties.
2365

2366 2. Notwithstanding the foregoing, the Parties agree that conducting routine testing of the
2367 Residue Level for the materials Processed at the Approved Recyclable Materials Processing
2368 Site and the Approved Composting Site can be a costly effort. For this reason, Parties agree
2369 to monitor Contamination through periodic characterization of materials to manage the
2370 quality of materials Collected and Processed. Exhibit 6.4 describes the Contamination
2371 Characterization process and reporting requirements, and corrective actions, and
2372 consequences if the Contamination Level equals or exceeds twenty percent (20%) by weight
2373 for Recyclable Materials and ten percent (10%) by weight for Organic Materials.
2374

2375 **C. Contractor Obligation to Defend Residue Level and Contamination Level.** To the maximum
2376 extent permitted by law, Contractor agrees to defend, with counsel and consultants of City's
2377 choosing, at Contractor's sole cost and expense, and indemnify, save, and hold harmless, the City,
2378 its respective agents, officers, officials, employees and volunteers, from and against any and all
2379 claims, actions, demands, etc. arising out of or related to, in whole or in part, allegations that Solid
2380 Waste (Residue or Contamination) in the Recyclable Materials and/or Organic Materials Collected
2381 by Contractor is not in compliance with performance standards in Section 6.4.B.
2382

2383 **D. City Right to Direct Equivalent Residue to Designated Transfer Station**
2384

2385 1. General. Upon execution of this Agreement, the City reserves the option to direct Contractor
2386 to Transport Equivalent Residue from the Processing of Recyclable Materials, Organic
2387 Materials, and/or Food Scraps, or any subset thereof such as Parcelized Multi-Family, Non-
2388 Parcelized Multi-Family, Single-Family, or Commercial to the Designated Transfer Station as
2389 Solid Waste as further described in this Section 6.4.D. Such a change shall be handled as a
2390 City-directed change in scope in accordance with Section 4.5.
2391

2392 2. Compliance Timeframe. The Contractor shall comply within one (1) week of receipt of the
2393 City's direction to transport Equivalent Residue to the Designated Transfer Station. The
2394 Equivalent Residue shall be hauled on a monthly basis and shall be calculated on a monthly
2395 basis.
2396

2397 1. Calculation of Equivalent Residue. The Equivalent Residue shall be equal to the Residue
2398 Level for each material stream Processed by Contractor (i.e., Source Separated
2399 Recyclable Materials, Source Separated Organic Materials, and Source Separated Food
2400 Scraps, or any subset thereof as directed by the City) multiplied by the monthly Tonnage
2401 of material Processed. For example, if the Residue Level for Single-Family Source
2402 Separated Recyclable Materials is 6.5% and 80 Tons of Single-Family Source Separated
2403 Recyclable Materials were Processed in a particular month, the amount of Equivalent
2404 Residue to be transported to the Designated Transfer Station would equal 5.2 Tons (e.g.,
2405 6.5% x 80 Tons).
2406

2407 2. Compensation. The City and Contractor agree that the Contractor’s compensation for
 2408 Equivalent Residue Transportation and Disposal fees at the Designated Transfer Station
 2409 shall equal the per-Ton amount specified in the table below subject to an annual
 2410 adjustment(s) reflecting the Annual Percentage Change in the CPI as described in Exhibit
 2411 11.2.B. Any request for compensation for Equivalent Residue transfer, Transportation,
 2412 and Disposal fees shall be processed in a timely manner by the City.

2413 **Residue Transport and Disposal Cost (Valid for Rate Year Twenty-One)**

	\$ per Ton
Transport cost	\$24.62
Disposal cost at the Designated Transfer Station (e.g., Fremont Recycling and Transfer Station)	\$109.95
Avoided Residue Disposal cost at Contractor’s Disposal Facility (e.g., at Newby Island landfill)	<u>(\$39.47)</u>
Total	\$95.10

2416 * Per-Ton costs are inclusive of all Contractor’s costs for transfer, Transportation, and Disposal
 2417 of Equivalent Residue including, but not limited to, labor costs, vehicle owning and operating
 2418 costs, fuel, depreciation and interest, general and administrative costs, profit, etc.

2419
 2420 3. Notice by City. City may exercise this option for Contractor to transport Equivalent
 2421 Residue to the Designated Transfer Station at any time during the Term of this
 2422 Agreement, provided Contractor receives thirty (30) days written notice. City also
 2423 reserves the right to rescind this option at any time, provided Contractor receives seven
 2424 (7) days written notice. If at any time City exercises this option, but then subsequently
 2425 rescinds said option, this rescission shall not be construed as a waiver of any future right
 2426 by the City to re-exercise said option at which point the costs described above shall be
 2427 reinstated pursuant to the above terms.
 2428

2429 **6.5 CONTRACTOR OWNERSHIP AND/OR OPERATION OF DESIGNATED TRANSFER STATION**

2430
 2431 **A. Right to Negotiate Amendments.** If, during the Term of this Agreement, the ownership and/or
 2432 operation of the Designated Transfer Station is assigned, subcontracted, or otherwise transferred
 2433 to Contractor, then the City and Contractor shall meet and confer to determine which provisions
 2434 of this Agreement should be modified or amended as provided under Section 16.5. At a minimum,
 2435 Contractor agrees that the City has the right to request the following modifications or
 2436 amendments to this Agreement.
 2437

2438 1. Bulky Items and Major Appliances. The City shall have the right to waive the requirement to
 2439 deliver Bulky Items and Major Appliances to the Designated Transfer Station pursuant to
 2440 Sections 2.10, 5.5, and 5.6, and, in such case, the City shall have the right to direct these
 2441 materials to alternative Processing or Disposal Sites. Contractor may request, for City
 2442 consideration, that these materials be delivered to a facility owned and operated by
 2443 Contractor or an Affiliate.
 2444

2445 2. Residue Level. The City reserves the right to negotiate modifications to Section 6.4, Residue
2446 and Contamination related to Processing Activities, and Exhibit 6.4, Characterization and
2447 Management of Contamination.
2448

2449 **B. Designated Transfer Station Agreements.** The Parties acknowledge that operations of the
2450 Designated Transfer Station and acceptance, transfer, and Disposal of materials Delivered to the
2451 Designated Transfer Station, including the terms related to compensation of Contractor for
2452 operating the Designated Transfer Station, are governed by the Agreement Between the Cities of
2453 Newark and Union City and BLT Enterprises of Fremont, LLC for Transfer Services, dated
2454 September 27, 2007 (“Transfer Station Agreement”) and the Cooperation Agreement Between
2455 the City of Fremont and the Cities of Union City and Newark for the use of the Transfer Station
2456 and Recycling Facility located in the City of Fremont, dated October 5, 2007 (“Cooperation
2457 Agreement”). Therefore, if the Parties agree to modify or amend the provisions specified in this
2458 Section 6.5, any such modification or amendment of this Agreement shall not affect, replace, or
2459 supersede the terms of the Transfer Station Agreement or the Cooperation Agreement.
2460

2461 **C. Amendments by Mutual Agreement.** No provision of this Agreement shall be modified or
2462 amended under this Section 6.5 unless agreed to in writing by the Parties. Any disputes arising
2463 hereunder shall be governed by Article 15 of this Agreement.
2464

2465 **6.6 MATERIALS CHARACTERIZATION STUDIES**

2466
2467 **A. General.** The City understands that the Contractor will combine and Process Recyclable Materials
2468 Collected in the City with Recyclable Materials generated in other jurisdictions and will combine
2469 and Process Organic Materials Collected in the City with Organic Materials generated in other
2470 jurisdictions. As a result, the Contractor shall develop and consistently follow a method of
2471 determining the City’s Tonnage of Recyclables Materials and Organic Materials recovered by
2472 material type and the average Residue Level that reflects the unique characterization of the City’s
2473 Recyclable Materials and Organic Materials and the Tonnage of Recyclable Materials and Organic
2474 Collected in the City.
2475

2476 **B. Contamination Characterization Methodology and Frequency.** The Characterization method for
2477 determination of the Contamination Level of various material streams, which shall be conducted
2478 by Contractor at least semi-annually, is presented in Exhibit 6.4. The Characterization report,
2479 including procedures, calculations, and results, shall be certified by an authorized person or officer
2480 of the owner or operator of the Approved Recyclable Materials Processing Site and Approved
2481 Composting Site.
2482

2483 **C. Location.** The Characterization studies shall be conducted by Contractor at the Approved
2484 Recyclable Materials Processing Site and Approved Composting Site at no cost to the City.
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ARTICLE 7.
OTHER SERVICES

7.1 PUBLIC EDUCATION AND TECHNICAL ASSISTANCE

A. General. Contractor’s public education and technical assistance program shall focus on providing information to Customers in accordance with the specific requirements described in this Section and Exhibit 7.1. Generally information shall be provided to Customers throughout the Term of the Agreement to educate Customers about the Collection services provided by Contractor and to provide information on source reduction, reuse, and Recycling opportunities. In addition, Contractor’s education program shall focus on performing all education, outreach, monitoring, noticing, and reporting for all Commercial and Multi-Family properties as required by AB 32, AB 939, AB 341, AB 1826, and AB 1594, the Alameda County Waste Management Authority Mandatory Commercial Recycling Ordinance (Phases 1 and 2), and Alameda County Measure D adequate Commercial Recycling standards (provided in Exhibit 1).

B. Staffing Plan and Staff Roles. To best achieve the highest possible level of public education and awareness, the Contractor shall retain on its staff one Recycling Specialist/Public Education Coordinator who shall dedicate forty (40) hours per week, 52 weeks per year less applicable vacation and holiday time, exclusively to the coordination and implementation of public education and outreach activities provided under this Agreement. Duties include, but are not limited to, business site visits, waste audits, technical assistance, presentations to civic groups, school assemblies, visits with homeowners associations, and visits to Multi-Family complexes and other tasks required to promote and explain Recycling, Organics, and other programs offered by the Contractor. The Recycling Specialist/Public Education Coordinator shall remain receptive to any additions, modifications or enhancements to the activities and obligations described in this Section and in Exhibit 7.1 that City staff believes would further progress in promoting Recycling education

In accordance with Section 8.5.F, failure to provide required full-time Recycling Specialist/Coordinator shall result in the City's authorization to retain consulting services for an equivalent number of work hours to provide necessary services at Contractor's sole expense. The Contractor shall train employees in various classifications to perform the responsibilities for delivering public education. The training program shall include, but not be limited to, the activities described Exhibit 7.1.

C. Annual Public Education Plan. Contractor shall prepare, submit, and implement an annual Public Education Plan that is consistent with the specific requirements described in this Section and Exhibit 7.1. Contractor shall submit the plan with its Annual Report. The City shall review, discuss, modify if necessary and approve the plan in a timely manner. The annual outreach plan must include specific steps designed to increase Diversion and Customer participation in the Residential and Commercial Organic Materials Collection services and Commercial Recyclable Materials Collection services, and measure the effectiveness of these efforts. The plan shall outline the Contractor's public education efforts for the coming Rate Year. The plan shall include a list of commercial outreach goals (site visits, audits, trainings, etc.). It shall list all events the Contractor plans to attend and/or organize and the public education it intends to provide at such events (e.g.

2532 exhibit/information table at Earth Day event, Recycling presentation to homeowner's association,
2533 distribution of educational materials at annual Compost Giveaway Day, etc.). In addition, the plan
2534 shall list each public education piece (e.g., newsletters, brochures, news releases, banners, flyers,
2535 advertisements, etc.) to be prepared, the purpose of the piece, the key subjects(s) to be covered,
2536 and the anticipated date of issuance.

2537
2538 **D. Educational Media Requirements.** Contractor will design, print, and distribute educational media
2539 that shall include, but not be limited to, brochures, newsletters, targeted direct mailings, door
2540 hangers, notification tags, posters, stickers, advertisements, stickers, and direct contact.

2541
2542 Prior to preparing public education materials, Contractor shall discuss with the City its general
2543 approach to preparing the materials and shall determine if the City has any City-specific guidelines
2544 to be followed and if the City wants the Contractor to work with templates prepared by
2545 StopWaste (also known as the Alameda County Waste Management Authority and the Alameda
2546 County Source Reduction and Recycling Board) and others. Materials shall be printed on paper
2547 containing the highest levels of recycled content material reasonably practical with a minimum
2548 requirement of 30% post-consumer content based on Federal standards. Contractor shall post all
2549 public education materials on its website in a manner that provides Customers easy access to the
2550 materials and the ability to download electronic copies of the documents in a format that is widely
2551 accessible (e.g., Adobe PDF format).

2552
2553 **E. School Outreach.** Contractor shall visit each of the City's 13 public schools at least once each year
2554 to teach students about source reduction, reuse, recycling, and composting.

2555
2556 **F. Multi-Lingual Education Requirements.** To address the multi-lingual diversity of the City, public
2557 education materials shall emphasize the use of visual images and English descriptions
2558 supplemented with text in Spanish and/or other languages as determined by the City. Contractor
2559 shall arrange for review of the multi-lingual materials by a third party to verify the accuracy and
2560 appropriateness of the translations. Upon the request of the City, the Contractor shall provide
2561 information directing the non-English speaking Customer to telephone a Contractor-provided
2562 hotline for help in their native language.

2563
2564 **G. City Review and Approval.** Contractor shall allow the City to review and approve all public
2565 education materials prior to distribution.

2566
2567 **H. Coordination with Other Efforts.** Contractor, and its Subcontractors, shall cooperate and
2568 coordinate with the City and the StopWaste (also known as the Alameda County Waste
2569 Management Authority and Alameda Source Reduction and Recycling Board) staff on public
2570 education activities to minimize duplicative, inconsistent, or inappropriately timed education
2571 campaigns. Contractor is aware that StopWaste conducts regional public education and outreach
2572 for schools, self-hauled waste, home composting, Food Scraps programs, etc.

2573
2574 **I. Failure to Perform Public Education Obligations.** In the event Contractor fails to perform some
2575 or all of the requirements of the public education plan described in this Section and in Exhibit 7.1,
2576 the Contractor shall pay the City Liquidated Damages in accordance with Section 13.5.

2577

2578 **7.2 BILLING**

2579

2580 **A. Responsibility for Collection Service Billing and Collection of Customer Payment.** Contractor
2581 shall be solely responsible for the billing and collecting of payments for the Maximum Rates
2582 established by Contractor and approved by City that Contractor charges for Solid Waste Collection
2583 Services it provides within the Service Area, including the billing of the rates charged for collection
2584 services provided by the Recyclable Materials Cart Contractor.

2585

2586 Commencing Rate Year 21 (FY 2025-2026) Contractor shall commence all billing activity that is
2587 currently performed by the City through the property tax bill. Contractor shall bill all Single-Family
2588 and Parcelized Multi-Family Customers for Collection service provided by Contractor and for the
2589 rates for Recyclable Materials collection service performed by the Recyclable Materials Cart
2590 Contractor. Contractor shall remit to the City each month the percentage of all City Fees revenue
2591 included in Contractor’s Compensation and Maximum Rates for Residential Billings and all of
2592 Recyclable Materials Cart Contractor’s revenues included in Contractor’s bills for recycling
2593 collection service provided by Recyclable Materials Cart Contractor.

2594

2595 Contractor’s monthly remittance of City Fees included in Contractor’s Maximum Rates charged to
2596 Commercial, Multi-Family and Drop-Box Customers shall continue uninterrupted in accordance
2597 with past practice prescribed in the preceding Agreement. The City shall continue to receive one-
2598 twelfth (1/12) of the calculated City Fees included in said Contractor Billings each month from
2599 Contractor and one-twelfth (1/12) of the Rate Application Review Costs included in Contractor’s
2600 Compensation.

2601

2602 **B. Contractor Invoices**

2603

2604 1. **General.** Contractor shall prepare and send out invoices, by either U.S. mail or email, to each
2605 Customer in advance of all services provided by Contractor under this Agreement. Contractor
2606 shall include an online payment option for all Customers regardless of invoice format. If sent
2607 by mail, invoices for each billing period shall be placed in a separate envelope accompanied
2608 by a self-addressed return envelope. All invoices shall include Contractor’s email address,
2609 include directions for payment by check, credit card, or Automated Clearing House (ACH)
2610 debit, and shall include or be accompanied by a complete billing statement showing all
2611 charges and all services provided. Contractor’s online billing portal shall include clear
2612 instructions for how to contact the Contractor if the Customer has questions about an
2613 invoice. City shall have the right to direct Contractor to include messages in invoices and
2614 billing statements upon reasonable notice to Contractor.

2615

2616 2. **Single-Family and Parcelized Multi-Family Billing.** The Contractor shall be responsible for
2617 billing Single-Family and Parcelized Multi-Family Customers for Collection services
2618 commencing July 1, 2025. Said billing shall include the cost for Recyclable Materials collection
2619 service provided by the Recyclable Materials Cart Contractor.

2620

2621 3. **Timing; Frequency.** Contractor shall not initiate billing to any Customer sooner than the first
2622 day of the service period of Collection Services covered by the invoice. Contractor shall
2623 invoice Customers once every month for Commercial and Multi-Family Customers and once
2624 every quarter for Single-Family Customers. No invoice shall be due and payable sooner than
2625 the last day of the respective month or quarter for which Solid Waste Collection is provided.

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4. **Partial Month Service.** If, during a month, a Customer is added to or removed from Contractor’s Customer list, Contractor shall pro-rate billing to the Customer on a weekly basis, meaning one-fourth of the applicable Contractor’s Compensation found in Exhibit 1 multiplied by the number of weeks of service provided by Contractor.

5. **Overpayments.** Contractor shall refund or issue a service credit for overpayments by Customers no later than 30 days after Contractor discovers or is notified of the overpayment. Contractor shall refund every overpayment that: (1) exceeds two hundred dollars (\$200) or the amount of Customer’s typical invoice, whichever is less; or (2) is due to the Customer closing the account prior to the end of the billing period.

5. **Parcelized Multi-Family Billing Exception.** In the event, the property manager or home owners’ association representing a group of Parcelized Multi-Family Premises chooses to receive Collection services in the same manner as Non-Parcelized Multi-Family Premises, Contractor shall provide such services in the manner requested. Parcelized Multi-Family Premises may opt out of individual account billing and receive shared Collection services. In such case, Contractor shall bill and collect payments from Parcelized Multi-Family Customers in the manner it bills and collects payments from Non-Parcelized Multi-Family Premises.

6. **Non-Parcelized Multi-Family Billing.** Contractor shall be responsible for billing Non-Parcelized Multi-Family a per-unit monthly Recycling Rate and per-unit monthly Organics Rate (if such Rates are included in Contractor’s Maximum Rates) whether the Collection is performed by Contractor or the Recyclable Materials Cart Contractor. All Gross Rate Revenues received by Contractor from Contractor’s billing of the per-unit monthly Recycling Rate and per-unit monthly Organics Rate (if applicable) shall be remitted to the City on a monthly basis in accordance with the payment requirements **Section 10.10**. In addition, Contractor shall bill all Non-Parcelized Customers for Solid Waste and Organic Materials Collection services and, if applicable, for Recyclable Materials Collection service in excess of the Recyclables Collection service covered by the per-unit Recycling Rate. Contractor agrees to cooperate with the City to develop appropriate property tax roll and/or Contractor billing procedures for unusual billing situations associated with a few Non-Parcelized Multi-Family Customers. Contractor shall be responsible for collection of payments from billed Customers.

7. **Commercial Billing.** Contractor shall be responsible for billing all Commercial Customers for Solid Waste, Recyclable Materials, and Organic Materials Collection services including billing for Recyclable Materials Cart Collection services provided by the Recyclable Materials Cart Contractor. Contractor shall be responsible for collection of payments from billed Customers. As described in Section 8.9, Contractor shall remit monies collected for the Collection and Processing of Recyclable Materials from Commercial Customers using a Recyclable Materials Cart to the City on a monthly basis with its payment of fees due to the City pursuant to Article 10.

8. **Mobile Home Billing.** Contractor shall work with each mobile home property manager or home owners’ association (HOA) to develop an approach to providing Collection services and billing for those services. At the option of the mobile home park, Contractor may be required to bill each individual mobile home as an individual Customer or bill the property manager

2674 or HOA. Note that the City’s preference is for one bill to be provided to the property manager
2675 or HOA. Contractor shall be responsible for collection of payments from billed Customers. If
2676 each mobile home is treated as an individual Customer, the Customer shall be exempt from
2677 provision of the Organic Materials Cart service and Contractor shall bill the Customer at a
2678 reduced not-to-exceed the City-approved Maximum Rate.
2679

2680 **C. Delinquent Service Accounts.** Contractor shall report all Customers whose accounts are
2681 delinquent by more than thirty (30 days) to the City on a monthly basis.
2682

2683 **D. Contractor’s Reservation of Legal Rights and Remedies.** Notwithstanding any other provision of
2684 this Article, Contractor reserves its right to, and may take such action as is legally available to
2685 Contractor, to collect or cause collection of past due invoice amounts. Contractor may discontinue
2686 Solid Waste, Recyclable, and Organic Material Collection Services to Customers whose accounts
2687 are past-due one-hundred and twenty (120) days where Contractor has fulfilled the requirements
2688 prescribed in the Bad Debt Escalation Plan (Exhibit 15) to the City’s satisfaction.
2689

2690 **E. Billing Guidelines.** The Contractor shall prepare, mail, and collect bills (or shall issue written
2691 receipts for cash payments) for Collection services provided by Contractor and the Recyclable
2692 Materials Cart Contractor. The City shall have the right to review, and approve the Billing format.
2693

2694 Contractor shall make arrangements to allow its Customers to pay bills through the following
2695 means: check, cash, credit card, internet payment service, or automatic withdrawal from banking
2696 account. Contractor shall provide at least one drop-off location in the City or at the Contractor’s
2697 office in the city of Fremont where Customers may deposit their payments.
2698

2699 Contractor shall maintain copies of all Billings and receipts, each in chronological order, for five
2700 years for inspection and verification by City during normal office hours upon request of the City.
2701 The Contractor may, at its option, maintain those records in computer form, on microfiche, or in
2702 any other manner, provided that the records can be preserved and retrieved for inspection and
2703 verification in a timely manner.
2704

2705 Contractor shall be responsible for collection of payment from Customers with past due accounts
2706 (“bad debt”).

2707 Contractor shall implement the Bad Debt Recovery Escalation Plan (Exhibit 15) for all Customers.
2708 The timing and circumstances defining Contractor’s opportunity to discontinue providing of the
2709 Collection services until the Customer has reconciled any unpaid invoices or made arrangements
2710 with Contractor to pay said invoices is prescribed in Exhibit 15, and Contractor has received
2711 written approval from the City to discontinue providing Collection service to said Customer(s).
2712

2713 **F. Customer-Specific Billing Instructions**
2714

2715 1. **Single-Family and Parcelized Multi-Family Billing.** Bills for Single-Family and Parcelized
2716 Multi-Family service shall be mailed to Customers quarterly in advance of the provision of
2717 service.

2718 2. **Non-Parcelized Multi-Family Billing.** Bills for Non-Parcelized Multi-Family service shall be
2719 mailed to Customers monthly in advance of the provision of service. Contractor shall bill
2720 Customer, which shall be the Owner or property manager of the Non-Parcelized Multi-Family
2721 Premises.

2722 3. **Commercial Billing.** Bills for Commercial service (including permanent Drop Box and
2723 Compactor services) shall be mailed to Customers monthly in advance of the provision of
2724 service. If Commercial Customers have centralized service (in which Containers are shared
2725 by more than one Commercial Premises), Contractor shall bill one Customer for centralized
2726 services or, at the request of the Commercial Customers sharing the Containers, Contractor
2727 shall treat each Commercial Premises as a separate Customer and shall bill each Customer
2728 for service costs equal to the service Rate divided by the number of Commercial Premises
2729 sharing the service.
2730

2731 **G. Bill Inserts.** City may direct Contractor to insert mailers (which shall be a single sheet of paper no
2732 larger than 8.5 inches by 11 inches) relating to service with the bills. The mailers shall be printed
2733 on double-sided, post-consumer content paper and shall fit in standard envelopes. Contractor
2734 also agrees to insert, with the Billings, mailers describing activities of the City government. City
2735 shall provide not less than thirty (30) calendar days' notice to Contractor before the mailing date
2736 of any proposed mailing to permit Contractor to make appropriate arrangements for inclusion of
2737 the City's materials. City shall provide Contractor the mailers at least fifteen (15) calendar days
2738 before the mailing date. The cost of such inserts and any additional postage shall either be paid
2739 for by the City or included in the costs upon which Maximum Rates are based.
2740

2741 **H Collection of Past Due Accounts.** Contractor shall be responsible for collection of payment from
2742 Customers with past-due accounts ("bad debt"). Contractor shall make reasonable efforts to
2743 obtain payment from delinquent accounts through issuance of late payment notices, making at
2744 least 3 telephone requests for payments to Customer and property owner (if the owner is a
2745 different Person or entity than the Customer), offering a Customer payment plan, and suspension
2746 of service in accordance with the following. Contractor's efforts to collect bad-debt shall at a
2747 minimum be in alignment with the Bad Debt Recovery Escalation Plan (Exhibit 15).
2748

2749 1. If a Customer's payment becomes more than one hundred twenty (120) days past
2750 due, Contractor may request approval from the City, which will not be unreasonably denied, to
2751 reduce service to that account until payment is received, providing written evidence for each
2752 account that the required collection steps have been taken. If the City approves such request, the
2753 Contractor shall provide the Customer and property owner (if the owner is different from the
2754 Customer) written notice of service reduction which includes a description of potential penalties
2755 from the City for nuisance, should it occur. All notifications and correspondence issued by
2756 Contractor shall be directed to the Customer and the owner of the property if the owner is a
2757 different Person or entity than the Customer.
2758

2759 2 At its option, Contractor may charge Customers a late payment fee for accounts that
2760 are over ninety (90) days past due provided that Contractor provides each Customer thirty (30)
2761 days written notice of its intent to assess the late fee. The maximum late fee is subject to the City
2762 approval and shall be included in Contractor's established Maximum Rates subject to City
2763 approval.
2764

2765 **I. Review of Billings.** Contractor shall review its Billings to Customers to determine (i) if the amount
2766 the Contractor is Billing each Customer is correct in terms of the level of service (i.e., frequency
2767 of Collection, size of Container, location of Container) Contractor is providing such Customer, and
2768 (ii) that all parties receiving service are invoiced for service. Contractor shall review Residential
2769

2770 Customer accounts at least annually and Commercial Customer accounts at least every other year,
2771 unless City directs Contractor to do otherwise. Contractor shall submit to City every year, a
2772 written report of the Billing review forty-five (45) calendar days after the end of each Rate Year.
2773 The scope of the review, the Contractor's work plan, and the format of the report (including
2774 supporting exhibits) shall be submitted to the City for approval no later than sixty (60) calendar
2775 days prior to commencement of the Billing review process. The City may perform this review
2776 itself or through use of an agent.
2777

2778 **7.3 ADMINISTRATION OF SERVICE LOCATION EXEMPTION PROGRAM**

2779 Contractor shall allow for Persons that have a disability as defined by the American with Disabilities Act
2780 (which means Public Law 101-336, 104 Stat. 327, 42 U.S.C. 12101-12213 and 27 U.S.C. 225 and 611, and
2781 all Federal rules and regulations relating thereto) that are Occupants of Single-Family Premises to receive
2782 Collection services at a location other than Curbside at no extra charge to the Customer. Contractor shall
2783 review all applications (which shall include statements from physicians) made by Customers to determine
2784 conformance with this exemption provision and shall grant exemptions if applicable. With regard to all
2785 requirements of this Section, the Contractor shall make reasonable accommodations with regard to
2786 provision of and servicing of Containers (e.g., Container size and type, placement of Containers for
2787 Collection, etc.) at no additional cost to the Customer.
2788

2789 **7.4 CUSTOMER SERVICE PROGRAM**

2790
2791 **7.4.1 Program Requirements**
2792

2793 **A. Office Location.** Contractor shall maintain a business office in a location approved by the City.
2794 The office shall be staffed with one or more customer service representatives capable of accepting
2795 payments from Customers, answering service questions, changing Customer service levels, and
2796 resolving other Customer service issues. If the office is located outside of the City, Contractor
2797 must ensure that telephone calls to its office made from within the City are toll free calls or are
2798 billed to Customer as "local calls" by all telephone companies.
2799

2800 **B. Office Hours.** Contractor's Customer service office shall be open to the public from 8:00 a.m. to
2801 5:00 p.m. Monday through Friday. The office may be closed on Saturdays, Sundays and Holidays.
2802

2803 **C. Telephone.** Contractor shall maintain a telephone system in operation at its office from 8:00 a.m.
2804 to 5:30 p.m. and shall have staff available to answer calls. Contractor shall install telephone
2805 equipment sufficient to handle the volume of calls typically experienced on the busiest days and
2806 such telephone equipment shall be capable of recording the responsiveness to call. If Persons are
2807 unable with reasonable effort to reach Contractor's office by phone, or are subject to waiting time
2808 of more than three (3) minutes prior to reaching a Customer service representative, City may
2809 require that Contractor install additional telephone lines, hire additional Customer service
2810 representatives, and/or pay the City Liquidated Damages in accordance with Section 13.5. An
2811 answering machine shall record Customer calls and voice messages between 5:30 p.m. and 8:00
2812 a.m. Contractor shall return calls received during non-business hours no later than 5:00 p.m. of
2813 the following Business Day. If Contractor fails to meet the requirements described in this Section,
2814 the Contractor shall pay the City Liquidated Damages in accordance with Section 13.5.
2815

- 2816 **D. Website.** Contractor shall develop and maintain a website describing services provided in the
2817 City. Such website shall be accessible by the public. The site shall include answers to frequently
2818 asked questions, Rates for Residential, Commercial, and Drop Box service, Recyclable Materials
2819 and Organic Materials set-out specifications, guidelines for on-call Clean-Up Events, Collection
2820 service schedule and map (or ability for residential Customer to query Collection schedule and
2821 map by service address), and other related topics. (Note that Residential Customers, which are
2822 billed by City through the property tax billing process, will not be able to query their Collection
2823 schedule because they will not have an account in Contractor's billing system.) Contractor shall
2824 arrange for the City's website to include an e-mail link to Contractor and a link to Contractor's
2825 website. The Contractor's website shall provide the public the ability to e-mail Complaints and
2826 questions to Contractor. As required by Section 7.1.D, public education materials shall be made
2827 available to Customers via the Contractor's website.
2828
- 2829 **E. Customer Satisfaction Survey.** The City may conduct a Customer satisfaction survey every year.
2830
- 2831 **F. Training.** Customer service representatives shall receive training during each quarter of the
2832 calendar year on City-specific service requirements. During the training, a City-specific Collection
2833 service and Rate information sheet, training agenda, and associated documentation shall be
2834 provided to employees.
2835
- 2836 **G. City's Web-Based Access to Customer Information.** Contractor shall establish a web-based
2837 system that enables the City to have twenty-four (24) hour access to Contractor's Customer
2838 service and billing system to view Customer records including service information, Rate, call
2839 history, etc. Contractor shall comply with this requirement by the Commencement Date.
2840 Example web-based reports that the City will be able to access are provided in Exhibit 5.16.
2841
- 2842 **H. Independent Assessment of Call Center Performance.** The City may from time to time during the
2843 Term of the Agreement conduct its own independent assessment of Contractor's call center
2844 performance to assess whether or not Contractor is in compliance with the performance
2845 standards set forth in Section 7.4.1.C. The City also has the right to request that the Contractor
2846 arranges for an independent assessment of its call center performance and provides a report to
2847 the City of Contractor's performance as it relates to the performance standards. In such case, the
2848 City shall have the right to approve the third party selected by Contractor, and the Contractor
2849 shall pay the cost of the third-party assessment.
2850
- 2851 **I. Customer Service Improvement Plan.** Contractor shall develop and submit to the City a detailed
2852 "Customer Service Improvement Plan" no later than two (2) months after the Commencement
2853 Date. The purpose of the plan is to describe how the Contractor will improve the call center
2854 responsiveness for the City's Customers with the goal of ensuring that all calls from Persons are
2855 answered within three (3) minutes. The following conditions apply to the plan:
2856
- 2857 1. It must describe Contractor's approach to improving the call center operations to reduce
2858 hold times of calls to meet the three- (3-) minute standard in this Section;
 - 2859 2. It shall present a plan that will be implemented within two (2) months of the City's approval
2860 of the plan;
 - 2861 3. It shall be prepared by Contractor at no cost to the City and with no additional compensation
2862 to Contractor; and,

2863 4. It shall propose changes to the Customer service and call center operations at no cost to the
2864 City and with no additional compensation to the Contractor.

2865
2866 **7.4.2 Service Complaints**

2867 Contractor shall be responsible for the prompt and courteous attention to, and prompt and reasonable
2868 resolution of, all Complaints. Contractor shall record in a separate log all Complaints, noting the name
2869 and address of complainant, date and time of Complaint, nature of Complaint, and nature and date of
2870 resolution. The Contractor shall retain this Complaint log for the Term. In addition, Contractor shall
2871 compile a summary statistical table of the Complaint log, satisfactory to the City, and submit the table to
2872 City each month.

2873
2874 Contractor shall respond to all Complaints received within 24 hours, weekends and Holidays excluded by
2875 informing the Customer of the action Contractor will take to remedy the Complaint or respond to the
2876 service request. Contractor shall resolve or remedy a Complaint or service request within five (5) Business
2877 Days of receipt of the Complaint or service request with the exception of missed pick-ups that shall be
2878 remedied as described below. If a Complaint involves a failure to Collect Solid Waste, Recyclable Materials
2879 or Organic Materials from a Premises in the City, Contractor shall Collect the material in question within
2880 24 hours of receipt of the Complaint, provided that Generator has properly placed materials for Collection
2881 in accordance with the City's Municipal Code. If Contractor fails to meet the requirements described in
2882 this Section, the Contractor shall pay the City Liquidated Damages in accordance with Section 13.5.
2883 Contractor shall have e-mail capabilities (accessible through the Contractor's website) to enable Persons
2884 to communicate Complaints and inquiries to Contractor via e-mail.

2885
2886 **7.5 PROVISION OF EMERGENCY SERVICES**

2887 Contractor shall provide emergency services at the City's request in the event of major accidents,
2888 disruptions, or natural calamities. Emergency services may include, but are not limited to, assistance
2889 handling salvaged materials, Processing, Composting, or Recycling materials, or Disposing of Solid Waste
2890 following a major accident, disruption, or natural calamity. Contractor shall be capable of providing
2891 emergency services within 24 hours of notification by the City or as soon thereafter as is reasonably
2892 practical in light of the circumstances. Contractor shall be compensated for emergency services, which
2893 exceed the Contractor's obligations, in accordance with Section 11.4. If Contractor cannot provide the
2894 requested emergency services, the City shall have the right to take possession of the Contractor's
2895 equipment for the purposes of providing emergency services in accordance with Section 4.6.

2896
2897 **7.6 CRIME PREVENTION**

2898 Contractor shall train its Collection vehicle drivers to be alert to and report emergency situations.
2899 Contractor shall equip its Collection vehicles with two-way radios or telephones so that its drivers can
2900 report emergencies to the Contractor's dispatcher who will contact the police department, fire
2901 department, or other appropriate authority.

2902
2903 **7.7 SHARPS MAIL-BACK PROGRAM**

2904
2905 **A. General.** On or before the Commencement Date, Contractor shall offer a Sharps Mail-Back
2906 program to Residential Customers for collection, transportation, and Disposal of Sharps. The
2907 Contractor's mail-back Sharps program shall be available to Residential Customers at all times

2908 through the Term. The mail-back Sharps program shall be tested for safety and approved by the
2909 United States Postal Service for use in all 50 States.

2910
2911 **B. Cost of Service and Rates.** Contractor shall not be required to offer this service for free or at a
2912 discounted rate to City residents. The Customer shall pay for this service and such payment shall
2913 be a direct transaction between Customer and Contractor and shall not appear on regular
2914 Customer Billing statements. The costs for this program are not included in Contractor's Proposal
2915 or in Contractor's Compensation, and are not reflected in Maximum Rates. Contractor shall set
2916 rates for the mail-back Sharps program, and such rates are not subject to City approval.

2917
2918 **C. Program Requirements.** Contractor shall provide a service in which Residents may mail their
2919 Sharps to an entity that Disposes of the Sharps in accordance with Applicable Law. At a minimum
2920 of twice annually, Contractor shall publicize the mail-back Sharps Disposal program in its quarterly
2921 Residential newsletters required by Exhibit 7.1. Upon Customer request, Contractor shall provide
2922 mail-back Sharps kits to Customers. At a minimum, each kit shall contain the following
2923 components:

- 2924
- 2925 • Step-by-step instructions
- 2926 • Pre-paid and pre-addresses return shipping labels and postage box (where pre-payment
2927 includes payment for Processing and Disposal of Sharps)
- 2928 • Medical waste container
- 2929 • Protective plastic liner

2930
2931 **D. Sharps Definition.** For the purposes of this mail-back Sharps program, "Sharps" shall be defined
2932 to include the following items, which are generated at Residential Premises:

- 2933
- 2934 • Needles and syringes
- 2935 • Razor blades
- 2936 • Orthodontic wires
- 2937 • Scalpel blades and lancets
- 2938 • Glass pipettes, slides and tubes
- 2939 • Broken, contaminated glass
- 2940 • Staples and wires (cardio-catheter wires)
- 2941 • Disposable suture sets and biopsy forceps
- 2942 • Electrocautery tips

2943
2944 **7.8 COMMUNITY ENGAGEMENT**

2945
2946 On an on-going basis, Contractor shall provide cash sponsorships and complimentary Collection service to
2947 charitable organizations and community events within the City, including, but not limited to events
2948 determined by the City, and other community events as appropriate. At a minimum, the Contractor's
2949 cash sponsorship shall amount to \$15,000 annually in total, and cash sponsorships in excess of the \$15,000
2950 annually shall be at Contractor's sole discretion

2951
2952 Contractor shall maintain involvement with community organizations by holding membership in the Lions
2953 Club, Chamber of Commerce, and other organizations as it deems appropriate.

2954

2955 **7.9 CONSTRUCTION AND DEMOLITION DEBRIS**

2956 Pursuant to Section 4.2, Collection of Construction and Demolition Debris (C&D) is not an exclusive right
2957 of the Contractor. It may be Collected by the Contractor and by Persons other than the Contractor.
2958 Contractor’s Collection and Processing activities related to C&D are not addressed by this Agreement.
2959 Contractor shall have the right to set rates it charges Customers for such service. The City agrees to waive
2960 the Franchise Fees and other City fees defined in Article 10 on Gross Rate Revenues generated by the
2961 Contractor’s provision of C&D Collection services. The City shall periodically audit the C&D Collection and
2962 Processing program to ensure compliance with applicable rules and regulations and take enforcement
2963 action against Persons illegally Collecting C&D.

2964
2965 During the Term of the Agreement, the City reserves the right to include C&D Collection as an exclusive
2966 right for Contractor and to require that Contractor Collect such materials. The City shall also have the
2967 right to direct the Contractor to deliver the C&D materials to the Designated Transfer Station or other
2968 Processing facility selected by the City and to set diversion and performance standards. If the City
2969 exercises its right, the inclusion of C&D Collection services shall be treated as a City-directed change in
2970 scope pursuant to Section 4.5.

2971

2972 **7.10 PROGRAMS TO SUPPORT CITY’S HIGH DIVERSION GOALS**

2973

2974 A. **General.** The “Union City Climate Action Plan” (CAP) focuses on setting goals and strategies for
2975 reducing greenhouse gases (GHGs) through waste reduction efforts. It identifies Contractor’s
2976 services prescribed herein and the associated Customer activities as a significant source of GHG
2977 emissions. Specifically, “Waste-related GHG emissions result from personal consumption and
2978 waste disposal patterns, as well as from pre-consumer commercial and industrial processes. In
2979 Union City, 8.8 percent of GHG emissions are associated with solid waste generation and disposal
2980 in landfills (31,873 MT CO2e/year in 2020).”

2981

2982 The City views achievement of the CAP’s Waste Reduction goals and State and County Applicable
2983 Laws described above as a top priority, and the Contractor has agreed to assist the City in
2984 achieving its current and future CAP goals and supporting the City and its Customers in complying
2985 with Applicable Laws.

2986

2987 **7.10 AB 939, AB 341, AV 1826, SB 1383, SB 54, ALAMEDA COUNTY MANDATORY RECYCLING**
2988 **COMPLIANCE AND CITY RECYCLING COMPLIANCE**

2989

2990 A. **General.** Contractor shall perform all education, outreach, monitoring, and reporting for all
2991 Commercial and Multi-Family properties as required by AB 939, AB 341, AB 1826, SB 1383, SB 54,
2992 the Alameda County Waste Management Authority Organics Reduction and Recycling Ordinance
2993 2021-01, and Union City Municipal Code Chapter 7.24, Organics Reduction and Recycling,
2994 requiring residential, multi-family and Commercial Premises to reduce Disposal of Recyclable
2995 Materials and Organic Materials. These activities shall include educating Parcelized and Non-
2996 Parcelized Multi-Family and Commercial Customers regarding the mandatory Recyclable
2997 Materials and Organic Materials Diversion requirements of AB 341, AB 1826, SB 1383 and the
2998 County ordinance; notifying non-compliant Parcelized and Non-Parcelized Multi-Family and
2999 Commercial Customers at least semi-annually. Contractor shall develop and implement a plan
3000 that supports and educates Multi-Family and Commercial Customers on both the State and

3001 County requirements. The plan shall include updating Contractor’s website and print materials
3002 with information pertaining to both mandatory requirements. On a monthly basis, the Contractor
3003 shall provide all necessary reporting data requested by the City relating to the City’s compliance
3004 requirements pertaining to AB 939, AB 32, AB 341, AB 1826, SB 1383, SB 54 and pertaining to the
3005 Alameda County Waste Management Authority Ordinance 2021-01, and Union City Municipal
3006 Code Chapter 7.24, Organics Reduction and Recycling, requiring residential, multi-family and
3007 Commercial Premises to reduce Disposal of Recyclable Materials and Organic Materials.
3008

3009 **B. Cooperation.** The Contractor shall cooperate in activities requested by the City to measure
3010 Diversion of Solid Waste from landfills including, but not limited to, providing a location for
3011 conducting waste sorting at the Contractor’s facility, and re-routing trucks on a temporary basis
3012 to facilitate composition analysis. Such reports shall include, but not necessarily be limited to,
3013 throughput, recovery rates per material type, Contamination Level and/or Residue Level by
3014 material type, costs, Recyclable Material commodity values, and final disposition of Source
3015 Separated Recyclable Materials and Source Separated Organic Materials. The Contractor shall also
3016 supply any other information reasonably requested by the City to meet City, State, Federal, or
3017 Alameda County regulatory requirements as those requirements may be amended from time to
3018 time.
3019

3020 **C. Failure to Meet Franchised Diversion Rate.** If CalRecycle determines that City has failed to meet
3021 the Diversion Compliance due to Contractor’s failure to undertake the actions described in this
3022 Agreement, Contractor must prepare, at Contractor’s cost and expense, and submit a corrective
3023 action plan to City sufficient to demonstrate good faith efforts by City to comply with Diversion
3024 Compliance and that is otherwise acceptable to CalRecycle. Contractor must also submit a written
3025 corrective action plan to the City before March 15 of the year following the missed minimum
3026 Diversion requirement. Contractor’s corrective action plan must specify all actions Contractor will
3027 take to ensure it will meet Diversion Compliance Rates in the future and shall be subject to the
3028 review and approval by the City. Contractor must implement all measures identified in the
3029 corrective action plan at its sole cost and expense, unless the failure to meet Diversion Compliance
3030 was due to a Change in Law or due to the negligent acts or omissions of the City. If Contractor fails
3031 to submit an adequate corrective action plan or to fully implement a City-approved corrective
3032 action plan, it shall subject Contractor to Administrative Charges and Penalties as allowed under
3033 this Agreement, in addition to any other remedies available to the City.
3034

3035 **7.12 COOPERATION WITH CITY AND STOPWASTE**

3036 The Contractor shall cooperate with the City, its agent, and/or StopWaste (also known as the Alameda
3037 County Waste Management Authority and Alameda Source Reduction and Recycling Board) and its agent
3038 if the City or StopWaste want to collect data, perform field work, and/or evaluate and monitor program
3039 results related to Collection, Processing, and Disposal services performed under the terms of this
3040 Agreement. Contractor shall provide requested data, allow site visits, etc. to support the efforts of the
3041 City and StopWaste.

3042 **ARTICLE 8.**
3043 **STANDARDS AND REQUIREMENTS**

**FOR SERVICES, EQUIPMENT, AND
PERSONNEL**

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8.1 OPERATING HOURS AND SCHEDULES

A. Hours of Collection

1. **Residential Premises.** Collection from Residential Premises shall only occur between the hours of 6:00 a.m. and 6:00 p.m., Monday through Friday.
2. **Commercial Premises.** Collection from Commercial Premises that are 100 feet or less from Residential Premises shall only occur between the hours of 5:00 a.m. and 6:00 p.m., Monday through Saturday with the exception that Collection from Commercial Premises shall occur between 6:00 a.m. and 6:00 p.m. in areas where the Contractor and/or the City has received one or more Complaints from Residential Customer(s) about Collection noise prior to 6:00 a.m. Collection from Commercial Premises more than 100 feet from Residential Premises shall only occur between the hours of 3:00 a.m. and 6:00 p.m., Monday through Saturday. The City Manager may require modifications to hours for Collection from Commercial Premises to resolve noise Complaints, and, in such case, the City Manager may change the allowable operating hours.
3. **Exceptions.** In the event of an unforeseen circumstance, the Contractor may Collect from Residential Premises or Commercial Premises that are 100 feet or less from Residential Premises between the hours of 5:00 a.m. and 10:00 p.m., Monday through Friday, upon prior written approval from the City Manager.

B. Route Schedules. Contractor shall provide City with route maps and daily schedules for each type of Collection service within thirty (30) calendar days of the first day of each Rate Year. Route maps shall be provided in Adobe Acrobat PDF format or other format agreed upon by the City. The City shall review and approve such maps and schedules. In addition, Contractor shall provide the City access to a web-based searchable database that allows for the City to query service days by entering an address into the system.

Contractor may not change its regularly scheduled Residential Collection days without prior written approval from the City. Contractor shall obtain such written approval from the City thirty (30) calendar days before the effective date of the schedule change. Once approved, Contractor shall notify any Residential Customer four weeks before any Collection schedule changes. Contractor shall not permit any Customer to go more than seven (7) calendar days without service during a Collection schedule change.

Contractor may not change any Commercial Customer’s regularly scheduled Collection days without providing Customer with prior notice.

C. Holiday Collection Schedule. Contractor shall not provide Collection services on a Holiday. Contractor shall provide Collection services on the day following the Holiday. The Contractor shall provide Customers notice of Holiday-related changes in Collection schedules at least two weeks prior to the change; but in no case, shall Contractor notice Customers three weeks prior to the change. Contractor shall coordinate its Collection schedule adjustments with the Recyclable

3090 Materials Cart Contractor so that both parties operate with the same modified Collection
3091 schedule.
3092

3093 **D. Contingency Plan.** Contractor shall submit to City, on or before the Commencement Date, a
3094 written contingency plan demonstrating Contractor's arrangements to provide vehicles and
3095 personnel and to maintain uninterrupted service during mechanical breakdowns, and in case of
3096 natural disaster or other emergencies.
3097

3098 **8.2 COLLECTION STANDARDS**

3099
3100 **8.2.1 Implementation of Services**

3101 The Contractor's implementation of the services required under this Agreement shall occur in a smooth
3102 and seamless manner so that Customers and/or Generators do not experience disruption in Collection
3103 services. Contactor shall be responsible for managing implementation of new Collection services and
3104 other related services and shall do so in accordance with the requirements and timeframes specified in
3105 this Agreement.
3106

3107 **8.2.2 Servicing Containers**

3108 Contractor shall Collect Solid Waste and Organic Materials from individual Single-Family and Parcelized
3109 Multi-Family Customers on the same day. Contractor shall pick up and return each Container to the
3110 location where the Occupant properly placed the Container for Collection. Contractor shall place the
3111 Containers upright with lids properly secured. The City may assess Liquidated Damages for excessive
3112 occurrences of Container misplacement in accordance with Section 13.5 of this Agreement.
3113

3114 Contractor shall use due care when handling Containers. Contractor shall not throw, roughly handle,
3115 damage, or break Containers.
3116

3117 Contractor, at the request of Customers, shall provide special services including: unlocking Containers;
3118 accessing Container enclosures with a key; or pulling or pushing Containers to the Collection vehicle.
3119 Contractor shall charge Customers for extra services at Rates not to exceed City-approved Maximum
3120 Rates.
3121

3122 **8.2.3 Collection with Materials from Other Jurisdictions**

3123 Contractor may combine Solid Waste, Recyclable Materials, and Organic Materials Collected in the City
3124 with materials Collected from other jurisdictions. In such case, Contractor shall allocate the materials to
3125 the City's Collection program based on Customer subscription service volumes or Tonnage using a method
3126 approved by the City.
3127

3128 **8.2.4 Instructions to Customer**

3129 Contractor shall instruct Customers as to any preparation of Solid Waste, Recyclable Materials, or Organic
3130 Materials and the proper placement of Containers. If Customers are not adhering to Contractor's
3131 instructions, Contractor shall notify such Customers in writing. In cases of extreme or repeated failure to
3132 comply with the instructions, Contractor may decline to pick-up the Recyclable Materials or Organic
3133 Materials provided that Contractor leaves a tag at least two inches by six inches (2" x 6") in size on the
3134 Container indicating the reason for refusing to Collect the material. Such tag shall also identify the steps
3135 Generator must take to recommence Collection service. If Recyclable Materials or Organic Materials set

3136 out for Collection contain 10% or greater by volume of Solid Waste, Contractor shall Collect materials as
3137 Solid Waste and leave a warning notice for the Customer.

3138
3139 **8.2.5 Overages**

3140 Contractor shall direct its employees not to Collect Solid Waste beyond each Customer’s subscription level
3141 of service, unless the Customer has purchased a 32-gallon overage bag from the Contractor. The overage
3142 bag shall have markings identifying it as the Contractor’s overage bag. If the City and/or Contractor
3143 receive numerous Complaints (as determined by the City) from Customers’ regarding Customer
3144 dissatisfaction with the requirement to purchase overage bags, the City reserves the right to require the
3145 Contractor to modify its overage program to better serve its Customers. Contractor and City have agreed
3146 on the following procedure for identifying Customers that repeatedly set out overages and corrective
3147 actions to be taken to control the overages by imposing an Overage fee or changing the Customer’s service
3148 level.

- 3149 1. Contractor shall continue to remove all spillage occurring during Collection from all
3150 overloaded and non-overloaded Containers.
3151
- 3152 2. Contractor shall document Customer-caused Overage events with still pictures and shall
3153 notify the Customer of the Overage event by issuing written email or by phone contact to
3154 Customer no later than the Business Day immediately following the Overage event.
3155 Contractor’s standard Non-collection Notice completed properly shall suffice as the written
3156 communication used to post on the Property.
3157
- 3158 3. The correspondence shall include all details associated with the Overage event, including,
3159 but not limited to the still pictures taken documenting the Overage event, and the date and
3160 time the Overage event was observed. The notification requirement shall not apply to
3161 Overage events after a Customer has received six (6) Overage event notices in a calendar
3162 year.
3163
- 3164 4. Contractor shall make reasonable efforts to directly contact the Customer via phone or site
3165 visit and email within three (3) Business Days immediately following the first six (6) Overage
3166 events each calendar year to discuss corrective actions, including, but not limited to
3167 increasing service levels, and reiterate the details of the event warning that the next
3168 Overage event will trigger a monetary violation imposing the currently adopted Overage
3169 rate per incident observed. After Contractor provides Customer a notice for six (6) Overage
3170 events in any calendar year, Contractor may request that the City direct an increase in the
3171 capacity, or collection frequency of the Collection to match documented service needs. The
3172 increased capacity or collection frequency will remain in effect until Contractor and City
3173 determine that it is no longer needed to prevent the frequent occurrence of Overage
3174 events.
3175
- 3176 5. Each Customer shall receive one courtesy waiver notice of the Overage fee annually, unless
3177 the Customer has received six (6) or more Overage event notices in the prior Rate Year.
3178
- 3179 6. Contractor may, at its discretion, Collect a Container containing an Overage event as
3180 Recyclable Materials, Organic Materials, or as Solid Waste. Contractor shall immediately
3181 charge the Customer the City-approved Overage Rate if the Contractor previously provided
3182 the required courtesy notice to Customer documenting the prior Overage event.
3183

3184 7. Contractor shall maintain a list of all Overage events that have occurred during the Rate
3185 Year and provide updates to said list to the City with its Monthly, Quarterly and Annual
3186 Report.

3187
3188 8. Contractor shall not be entitled to collect or charge any Overage Fees if said Overage Fees
3189 are not first included in the next Billing cycle immediately following the Overage event.
3190

3191 **8.2.6 Care of Private Property**

3192 Contractor shall not damage private property. Contractor shall ensure that its employees: (i) close all
3193 gates opened in making Collections, unless otherwise directed by the Customer, (ii) do not cross
3194 landscaped areas, and (iii) do not climb or jump over hedges and fences.

3195
3196 City shall refer Complaints about damage to private property to Contractor. Contractor shall repair, to its
3197 previous condition, all damage to private or public property caused by its employees.
3198

3199 **8.2.7 Litter Abatement**

3200
3201 **A. Minimization of Spills.** Contractor shall use due care to prevent vehicle oil, vehicle fuel, or other
3202 liquids from being spilled during Collection or Transportation operations. If any Solid Waste,
3203 Recyclable, or Organic Materials are spilled or scattered during Collection or Transportation
3204 operations, the Contractor shall promptly clean up all spilled and scattered materials.
3205

3206 Contractor shall not transfer loads from one vehicle to another on any public street, unless it is
3207 necessary to do so because of mechanical failure, emergency (e.g., combustion of material in the
3208 truck), accidental damage to a vehicle, or unless approved by the City.
3209

3210 If Contractor fails to perform some or all of the requirements described in this Section, the
3211 Contractor shall pay the City Liquidated Damages as described in Section 13.5.
3212

3213 **B. Clean-Up.** During Collection, the Contractor shall clean-up litter in the immediate vicinity of any
3214 Container storage area (including the areas where Containers are delivered for Collection)
3215 whether or not Contractor has caused the litter. Each Collection vehicle shall carry protective
3216 gloves, a broom, and shovel at all times for cleaning up litter. Cat-litter or similar absorbent
3217 material shall be used by Contractor for cleaning up liquid spills. The Contractor shall discuss
3218 instances of repeated spillage not caused by it with the Customer of the Premise where spillage
3219 occurs, and Contractor shall report such instances to City. If the Contractor has attempted to have
3220 a Customer stop creating spillage but is unsuccessful, the City will attempt to rectify such situation
3221 with the Customer. Equipment oil, hydraulic fluids, spilled paint, or any other liquid or debris
3222 caused by Contractor's operations or equipment repair must be covered immediately upon
3223 discovery with an absorptive material and removed from the street surface. Contractor must
3224 document spillage and notify City's stormwater compliance coordinator within ninety (90)
3225 minutes of the discovery of any spills caused by Contractor's operations or equipment.
3226 Additionally, when necessary, Contractor must apply a suitable cleaning agent and cleaning
3227 technique to the street surface to provide adequate cleaning as approved by the City's
3228 stormwater compliance coordinator to be compliant with the City's stormwater permit.
3229

3230 **C. Covering of Loads.** Contractor shall cover all open Drop Boxes, with a City-approved cover, at the
3231 pickup location before Transporting materials to the Designated Transfer Station or Processing
3232 Sites.
3233

3234 **8.2.8 Noise**

3235 All Collection operations shall be conducted as quietly as possible and shall conform to applicable Federal,
3236 State, county, and City noise level regulations. Contractor shall promptly resolve any Complaints of noise
3237 during the morning or evening hours of the day to the satisfaction of the City.
3238

3239 **8.3 VEHICLE REQUIREMENTS**

3240
3241 **8.3.1 General**

3242 Contractor shall provide a fleet of Collection vehicles sufficient in number and capacity to efficiently
3243 perform the work required by the Agreement in strict accordance with its terms. Contractor shall have
3244 available sufficient back-up vehicles for each type of Collection vehicle used (e.g., side loader, front loader,
3245 and roll-off vehicles) to respond to Complaints and emergencies. Vehicles shall have a useful life of at
3246 least ten (10) years. For the purposes of Contractor's accounting, Contractor may use an eight- (8-) year
3247 life for side-loading Collection vehicles; however, the depreciation and interest amounts shall be
3248 annualized over ten (10) years for the purposes of determining Total Contractor's Compensation when
3249 setting Maximum Rates. In such case, the Contractor shall not be entitled to an adjustment for purchase
3250 of new side-loading Collection vehicles in Rate Years 13 through 20.
3251

3252 **8.3.2 Specifications**

3253 Contractor shall register all vehicles with the California Department of Motor Vehicles. All Collection
3254 vehicles shall have watertight bodies designed so that Solid Waste, Recyclable Materials, and Organic
3255 Materials are not visible from the street and to prevent leakage, spillage, overflow, or depositing of
3256 materials along the streets. All such vehicles shall comply with California Environmental Protection
3257 Agency (EPA) noise emission and the California Air Resources Board air quality regulations and other
3258 applicable pollution control regulations.
3259

3260 Commencing no later than twelve (12) months following the Commencement Date, the Contractor shall
3261 use compressed natural gas (CNG) fuel for 100% of the all Collection vehicles performing Collection
3262 services required by this Agreement.
3263

3264 All diesel-fueled Collection vehicles in service on the Commencement Date shall be replaced with new
3265 CNG Collection vehicles no later than twelve (12) months following the Commencement Date of the
3266 Agreement. CNG vehicles in service on the Commencement Date shall be replaced during the Term at the
3267 end of their useful life as determined by Contractor. Contractor shall supply support vehicles and replace
3268 the vehicles at the end of their useful life. Contractor has planned for the Vehicle replacements and shall
3269 not be entitled to additional compensation for Vehicle replacement over the Term of the Agreement.
3270

3271 At its option, Contractor may purchase CNG fuel at the City's Public Works Maintenance facility, 34650
3272 Seventh Street, Union City, California. The City prohibits use of vehicles that use biodiesel fuel.
3273

3274 **8.3.3 Vehicle Identification**

3275 Contractor's name, local telephone number, and a unique vehicle identification number for each vehicle
3276 shall be prominently displayed on all vehicles, in letters and numbers that are a minimum of 4 inches high.

3277 Contractor shall not place the City's logo on its vehicles. With the exception of vehicle use in the event of
3278 occasional mechanical breakdowns and occasional use to cover driver shortages, Contractor shall not use
3279 vehicles identified for use in the City in any other jurisdiction without prior written approval from the City.
3280

3281 **8.3.4 Inventory**

3282 Contractor shall furnish sufficient equipment to provide all service required by this Agreement.
3283 Contractor shall furnish the City a written inventory of all vehicles used in providing service, and shall
3284 update the inventory annually. The inventory shall list all vehicles by manufacturer, ID number, date of
3285 acquisition, type, capacity, decibel rating, average weight of load, and average loaded axle weights.
3286

3287 **8.3.5 Cleaning and Maintenance**

3288
3289 **A. General.** Contractor shall maintain all of its properties, facilities, and equipment in a safe, neat,
3290 clean and operable condition at all times.
3291

3292 **B. Cleaning.** Collection vehicles shall be thoroughly washed and thoroughly steam cleaned regularly,
3293 to present a clean appearance of the exterior and interior compartment of the vehicle. City may
3294 inspect vehicles at any time to determine compliance with sanitation requirements. Contractor
3295 shall make vehicles available to the Alameda County Health Department for inspection, at any
3296 frequency it requests.
3297

3298 **C. Maintenance.** Contractor shall inspect each vehicle daily to ensure that all equipment is operating
3299 properly. Vehicles that are not operating properly shall be taken out of service until they are
3300 repaired and operate properly. Contractor shall perform all scheduled maintenance functions in
3301 accordance with the manufacturer's specifications and schedule or in accordance with California
3302 Highway Patrol standards whichever are more stringent. All vehicles shall be painted in a uniform
3303 manner that does not create a resemblance between Contractor's vehicles and City utility
3304 vehicles. Contractor shall keep accurate records of all vehicle maintenance, recorded according
3305 to date and mileage, and shall make such records available to the City upon request to the extent
3306 necessary to perform the inspections described in **Sections 8.8 and 9.1.3**.
3307

3308 **D. Repairs.** Contractor shall repair, or arrange for the repair of, all of its vehicles and equipment for
3309 which repairs are needed because of accident, breakdown or any other cause so as to maintain
3310 all equipment in a safe and operable condition. If an item of repair is covered by a warranty,
3311 Contractor shall obtain warranty performance. Contractor shall maintain accurate records of
3312 repair, which shall include the date/mileage, nature of repair and the signature of a maintenance
3313 supervisor that the repair has been properly performed.
3314

3315 **E. Storage.** Contractor shall arrange to store all vehicles and other equipment in safe and secure
3316 location(s) in accordance with City's applicable zoning regulations.
3317

3318 **F. RNG.** Contractor agrees to coordinate and cooperate with the City to meet its Recovered Organic
3319 Waste Product procurement target, as defined in, and required by Applicable Law. In support of
3320 that objective and contingent on availability, the City may request any applicable SB 1383
3321 Recovered Organic Waste Product procurement credits for all RNG used by the Contractor to
3322 power Contractor's Collection vehicles within the City as allowed by the Applicable Law and within
3323 the time provided therein.
3324

3325 G. **Zero Emission Vehicles.** City and Contractor shall proactively take such steps as are necessary to
3326 plan for, and upon City direction execute, transition of the Contractor’s Collection Vehicles to
3327 reliance on electricity or other zero emission technologies as a fuel source. Contractor shall report
3328 to the City no less than annually on the status of the transition. The City and Contractor shall, no
3329 less than annually, confer on the degree to which it is technologically and economically feasible
3330 to transition some or all Collection Vehicles to electricity or other zero emission technology. Upon
3331 a determination by the City that it is technologically and economically feasible to transition some
3332 or all Collection Vehicles to electricity or other zero emissions technology, Contractor shall
3333 proceed to purchase and operate such vehicles on a schedule mutually agreed to by Contractor
3334 and City, and subject to agreement regarding changes in Contractor’s Compensation that are
3335 reasonable and necessary for the transition. Contractor shall be entitled to a change in
3336 Contractor’s Compensation for construction of an electric charging or other fueling station,
3337 subject to the mutual agreement of the City and Contractor and approval of the City Council.
3338 Contractor will coordinate with the City in finding or constructing a suitable charging or other
3339 fueling station for Contractor’s electric or other zero emission Collection Vehicles.
3340

3341 Contractor must use Collection Vehicles fitted with GPS tracking devices that can be used to record start
3342 and stop times, vehicle locations, and maximum speed. Collection Vehicles may also be fitted with
3343 cameras that are programmed to take photos, date and location stamped, to document violations,
3344 including contamination and overfilling. Should Contractor commence the use of such technology on their
3345 collection vehicles, GPS and camera data must be made available to City upon request.
3346

3347 **8.3.6 Operation**

3348 Vehicles shall be operated in compliance with the California Vehicle Code, and all applicable safety and
3349 local ordinances. Contractor shall not load vehicles in excess of the manufacturer’s recommendations or
3350 limitations imposed by State or local weight restrictions for vehicles and roads. Annually, Contractor shall
3351 have each Collection vehicle weighed at the Designated Transfer Station or Processing Sites to determine
3352 the unloaded weight (“tare weight”) of the vehicle, and the total loaded weight of each load delivered to
3353 the Designated Transfer Station or Processing Sites. Upon a major repair that could affect the Collection
3354 vehicle tare weight, Contractor shall have the Collection vehicle re-weighed to establish a new tare weight.
3355

3356 Contractor may not use any Collection Vehicle in violation of weight limitations in Applicable Law. The
3357 Contractor may exceed the Collection Vehicle size limitation for a limited time due to extraordinary
3358 circumstances or conditions with the prior written consent of the Agreement Administrator. The limited
3359 time may not exceed one hundred and twenty (120) calendar days. Contractor must report all instances
3360 of overweight vehicles to City as part of its quarterly reporting, and as part of its Annual Reports to the
3361 City. Contractor may be assessed Administrative Charges and Penalties as a result of exceeding an
3362 overweight vehicle rate of ten percent (10.00%) in any Calendar Year during the Term of the Agreement.
3363 The overweight vehicle rate will be calculated as the total number of overweight Collection Vehicle
3364 instances during the Calendar Year divided by the total number of Collection Vehicle loads transported
3365 during the Calendar Year. Prior to collecting Administrative Charges and Penalties for overweight vehicles,
3366 the City shall afford Contractor a reasonable opportunity to provide the City with documentation of the
3367 extraordinary circumstance that caused the overweight vehicles. Extraordinary circumstances in this case
3368 may include, but are not limited to, heavy rains or high winds that caused excess Green Waste to be
3369 generated, rain to accumulate in open Containers, or normal Collection routes to be delayed or shortened
3370 due to extreme weather conditions. The City shall have authority to consider Contractor’s documentation
3371 and uphold and collect the assessed charge, to reduce the charge, or to waive and dismiss the charge. The

3372 City shall also have the authority to waive charges in advance of an anticipated, or in response to an actual,
 3373 emergency event.
 3374

3375 **8.4 CONTAINER REQUIREMENTS**

3376
 3377 **A. General.** Contractor shall provide all Carts, Bins, and Drop Boxes, as appropriate, to all Customers
 3378 as part of its services. Contractor-provided Containers shall be designed and constructed to be
 3379 watertight and prevent the leakage of liquids. All Containers with a capacity of one cubic yard or
 3380 more shall meet applicable federal, State, and local regulations for Bin safety and be covered with
 3381 attached lids. All Carts shall be manufactured by injection or rotational molding methods and
 3382 shall meet the Cart design and performance requirements provided in Exhibit 8.4. Contractor
 3383 shall obtain City’s written approval of Cart specifications before acquisition. All Containers shall
 3384 prominently display the Contractor’s name and phone number. Carts provided to Customers shall
 3385 have a useful life of at least 10 years as evidenced by manufacturer’s warranty or other
 3386 documentation acceptable to the City.
 3387

3388 **B. Container Sizes.** Sections 5.1, 5.2, and 5.3 describe the Container sizes to be provided to Single-
 3389 Family, Parcelized and Non-Parcelized Multi-Family, and Commercial Customers. Below is a table
 3390 that summarizes the size specifications. In the event of conflicts between this Section 8.4.B and
 3391 Sections 5.1, 5.2, and/or 5.3, the requirements in Article 5 shall govern.
 3392

Service Type	Single-Family Customers	Parcelized Multi-Family Customers	Non-Parcelized Multi-Family Customers	Commercial Customers
Solid Waste	<ul style="list-style-type: none"> 35-gallon Carts shall be the standard service 20-, 35-, 64-, or 96-gallon Carts 	<ul style="list-style-type: none"> 20-, 35-, 64-, or 96-gallon Carts 	<ul style="list-style-type: none"> 20-, 35-, 64-, or 96-gallon Carts 1 to 8 cubic yard Bins 	<ul style="list-style-type: none"> 35-, 64-, or 96-gallon Carts 1 to 8 cubic yard Bins 10 to 50 cubic yard Drop Boxes
Recyclable Materials	None	None	<ul style="list-style-type: none"> 1 to 8 cubic yard Bins 1 to 8 cubic yard Bins 	<ul style="list-style-type: none"> 1 to 8 cubic yard Bins 1 to 8 cubic yard Bins
Organic Materials	<ul style="list-style-type: none"> 96-gallon Carts shall be the standard service Provide Customers 20-, 35-, and 64-gallon Carts upon request 1.5- to 2.5-gallon Kitchen Pail 	<ul style="list-style-type: none"> 20-, 35-, 64-, or 96-gallon Carts 	<ul style="list-style-type: none"> 35-, 64-, or 96-gallon Carts 1 to 3 cubic yard Bins 	<ul style="list-style-type: none"> 35-, 64-, or 96-gallon Carts 1 to 3 cubic yard Bins

3393
 3394
 3395 **C. Cleaning, Painting, and Maintenance.** All Containers shall be maintained in a safe, serviceable,
 3396 and functional condition. Contractor shall steam clean and repaint all Containers, except Carts,
 3397 to present a clean appearance. Customers using Carts shall be responsible for cleaning such Carts.
 3398 If any Container is impacted by graffiti, Contractor shall remedy the situation within 48 hours.

3399
3400 **D. Repair and Replacement.** Contractor shall repair or replace all Containers damaged by Collection
3401 operations within a one-week period. If the repair or replacement cannot be completed within
3402 one week, the Contractor shall notify Customer and a Container of the same size or larger shall
3403 be made available until the proper Container can be replaced.

3404
3405 At no additional cost, Contractor shall replace Customer Carts that have been stolen or damaged,
3406 once per year. Contractor shall allow Customer to exchange Containers for a Container of a
3407 different size at no additional cost, once per year. Contractor shall charge Customers for
3408 additional Cart replacements at Rates not to exceed City-approved Maximum Rates.

3409
3410 The Contractor recognizes that some Containers in service on the Commencement Date have
3411 reached the end of their useful life or will reach the end of the useful life during the Term of the
3412 Agreement. Contractor has planned for Container replacements and will not be entitled to
3413 additional compensation for Container replacements over the Term of the Agreement.

3414
3415 **E. City's Rights to Containers.** Upon expiration or early termination of this Agreement, all Carts,
3416 Bins, Compactors and Permanent Drop Boxes acquired by or leased by Contractor and put into
3417 service at Customer's Premises, which are fully depreciated, shall become property of the City, at
3418 the City's option. All Carts, Bins, Containers, and Permanent Drop Boxes purchased or leased and
3419 put into service at Customers' Premises that have not been fully depreciated shall be available to
3420 the City, at the City's option, at their net book value.

3421
3422 At its sole discretion, the City may elect not to exercise its rights with regards to this Section 8.4.E
3423 and, in such case, the Containers shall become the property of the Contractor upon the expiration
3424 date of this Agreement or date of its earlier termination of this Agreement. In such case,
3425 Contractor shall be responsible for removing all Containers in service from Premises and reusing
3426 or Recycling such Containers.

3427
3428 **8.5 PERSONNEL**

3429
3430 **A. General.** Contractor shall furnish such qualified drivers, mechanical, supervisory, Customer
3431 service, clerical and other personnel as may be necessary to provide the services required by this
3432 Agreement in a safe and efficient manner and shall provide, at a minimum, the number and type
3433 of personnel listed in Exhibit 11.1.B. All personnel furnished by Contractor shall be subject to the
3434 provisions of Section 14.1.

3435
3436 **C. Wages and Benefits.** Wages and benefits applicable to employees performing work under the
3437 Agreement shall not be less than those general prevailing rates in Alameda County for comparable
3438 work. Either the City or the Contractor may apply to the Director of the California Department of
3439 Industrial Relations for a determination of such prevailing wages and benefits, if the Parties do
3440 not reach agreement on the amounts involved.

3441
3442 **C. Approval of Management.** Contractor recognizes the importance of establishing a successful
3443 relationship between its management and City staff. If the City is dissatisfied with the
3444 performance of the customer service manager, and/or operations manager, the City shall contact
3445 the general manager to discuss the employee's performance. If the City is dissatisfied with the

3446 general manager, the City shall contact Republic Services, Inc.'s Northern California Area
3447 President to discuss the general manager's performance. Contact information is as follows:

3448
3449 Yasser Brenes, Area President
3450 Republic Services, Inc.
3451 2125 Oak Grove Rd, Ste 110
3452 Walnut Creek, CA 94598
3453 (510) 262-7153
3454 ybrenes@republicservices.com
3455

3456 Contractor shall advise the affected management employee of any complaints made by the City
3457 regarding the employee's performance. The Parties shall meet and confer in good faith to address
3458 the City's concerns, and shall agree on a corrective course of action to be implemented
3459 immediately. Contractor agrees to consider in good faith, but shall not be bound by, any requests
3460 by the City to transfer or re-assign an employee should the City maintain in good faith that it can
3461 no longer work constructively with said management employee.
3462

3463 **D. Provision of Field Supervision.** Contractor shall designate at least one qualified employee as
3464 supervisor of field operations. The field supervisor shall devote his or her time in the field
3465 checking on Collection operations, including responding to Complaints.
3466

3467 **E. Driver Qualifications.** All drivers shall be trained and qualified in the operation of Collection
3468 vehicles, and must have in effect a valid license, of the appropriate class, issued by the California
3469 Department of Motor Vehicles. Contractor shall use the Class II California Department of Motor
3470 Vehicles employer "Pull Notice Program" to monitor its drivers for safety.
3471

3472 **F. Recycling Coordinator.** Contractor shall assign one full-time person to the City as its Recycling
3473 Coordinator. The Recycling Coordinator shall work closely with City staff to ensure maximum
3474 effectiveness of all City and Contractor Diversion Programs operating in the City including, but not
3475 limited to Collection programs described in Article 5 and public education and technical assistance
3476 programs described in Section 7.1. In the event Contractor fails to provide the required full-time
3477 Recycling Coordinator (where failure shall be defined as providing less than a 0.9 full-time
3478 equivalent person during each Rate Year or having the position be vacant for thirty (30)
3479 consecutive calendar days), the City shall have the right to retain consulting services for an
3480 equivalent number of work hours (i.e., two-thousand and eighty (2,080) hours per Rate Year) to
3481 provide the services that were to be performed by the Recycling Coordinator. If the City exercises
3482 such right, the City shall arrange for services from any party it deems suitable, at the Contractor's
3483 sole expense. Contractor shall pay the City's costs for such consulting services within thirty (30)
3484 days of receipt of an invoice from the City. Upon request, Contractor shall provide documentation
3485 of its Recycling Coordinator's first and last date of employment to verify compliance with this
3486 provision.
3487

3488 **G. Customer Service Representative Training.** Customer service representatives shall be trained on
3489 specific City service requirements, a minimum of once per quarter. A City information sheet shall
3490 be provided to each Customer service representative for easy reference of City requirements and
3491 general Customer needs. Upon the City's request, the information sheet, training agenda, and
3492 associated documentation shall be provided for City review.
3493

3494 **H. Safety Training.** Contractor shall provide suitable operational and safety training for all of its
3495 employees who operate Collection vehicles or equipment or who are otherwise directly involved
3496 in such Collection, transfer, Disposal, or Processing. Contractor shall train its employees involved
3497 in Collection to identify, and not to collect, Hazardous Waste or Infectious Waste. Upon the City's
3498 request, Contractor shall provide a copy of its safety policy and safety training program, the name
3499 of its safety officer, and the frequency of its trainings.
3500

3501 **I. No Gratuities.** Contractor shall not permit its employees to demand or solicit, directly or
3502 indirectly, any additional compensation, or gratuity from members of the public for Collection
3503 services.
3504

3505 **J. Employee Conduct and Courtesy.** Contractor shall employ only competent, qualified, sober, and
3506 drug-free personnel who serve the public in a courteous, helpful, and impartial manner.
3507 Contractor shall use its best efforts to assure that all employees present a neat appearance and
3508 conduct themselves in a courteous manner. Contractor shall regularly train its employees in
3509 Customer courtesy, shall prohibit the use of loud or profane language, and shall instruct Collection
3510 employees to perform the work as quietly as possible. If any employee is found not to be
3511 courteous or not to be performing services in the manner required by this Agreement, Contractor
3512 shall take all appropriate corrective measures. The City may require Contractor to reassign an
3513 employee, if the employee has conducted himself or herself inconsistently with the terms of this
3514 Agreement.
3515

3516 **K. Uniforms.** While performing services under this Agreement, all of the Contractor's employees
3517 performing field service shall be dressed in clean uniforms and shall wear identification that
3518 include the employee's name and/or employee number, and Contractor's name.
3519

3520 **L. ROUTE AUDITS/ROUTE REVIEWS**
3521

3522 General Requirement. At least once annually, beginning in 2026, Contractor or its approved
3523 designee shall conduct a Route Review for each Route. The number of Containers to review per
3524 Route shall be calculated on the basis of the number of accounts provided service by a specific
3525 Route for one week. For example, "Route A" collects from two-hundred and fifty (250) accounts,
3526 four (4) days per week, for a total of one-thousand (1,000) accounts per week; include a minimum
3527 of twenty-five (25) accounts for Route Review of "Route A". For each Route Review of a Route,
3528 Contractor shall inspect at least the following minimum number of Containers but may inspect
3529 more if Contractor deems necessary; and shall inspect all Containers placed for Collection. Each
3530 inspection shall involve lifting the Container lid and observing the contents but shall not require
3531 Contractor to disturb the contents or open any bags. Contractor may select the Containers to be
3532 inspected at random, or (if mutually agreed with City) by any other method not prohibited under
3533 the SB 1383 Regulations. For the avoidance of doubt, Contractor shall not be required to annually
3534 inspect every Container on a Route. Contractor shall include the results of each Route Review in
3535 its next regularly scheduled report to City.
3536

Route Size (# garbage accounts / week)	Minimum Number of Accounts:	
Fewer than 1,500	25	
1,500-3,999	30	
4,000-6,999	35	
7,000 or more	40	

3542

3543 **8.6 HAZARDOUS WASTE INSPECTION AND HANDLING**

3544

3545 **A. Inspection Program and Training.** Contractor shall develop a load inspection program that
3546 includes the following components: (i) Personnel and training; (ii) Load checking activities; (iii)
3547 Management of wastes; and (iv) Record keeping and emergency procedures.

3548

3549 Contractor’s load checking personnel, including its Collection vehicle drivers, shall be trained in (i)
3550 the effects of Hazardous Substances on human health and the environment; (ii) identification of
3551 prohibited materials; and (iii) emergency notification and response procedures. Collection vehicle
3552 drivers shall inspect Containers before Collection when practical.

3553

3554 **B. Response to Hazardous Waste Identified during Collection.** Under no circumstances shall
3555 Contractor’s employees knowingly Collect Hazardous Waste or remove unsafe or poorly
3556 containerized Hazardous Waste from a Container. If Contractor determines that material placed
3557 in any Container for Collection is Hazardous Waste, Designated Waste, or other material that may
3558 not legally be Disposed of at the Designated Transfer Station or handled at the Processing Sites,
3559 or presents a hazard to Contractor's employees, the Contractor shall have the right to refuse to
3560 accept such material. The Generator shall be contacted by the Contractor and requested to
3561 arrange proper Disposal. If the Generator cannot be reached immediately, the Contractor shall,
3562 before leaving the Premises, leave a tag at least two inches by six inches (2" x 6") in size, which
3563 indicates the reason for refusing to Collect the material and lists the phone number for the
3564 Alameda County Household Hazardous Waste Facility. The Contractor’s general manager shall be
3565 notified by the Contractor and shall guide the Generator to safely containerizing the Hazardous
3566 Waste and shall explain the Generator’s options for proper disposition of such material.

3567

3568 Contractor’s general manager is:

3569

Joe Chu, General Manager
Republic Services, Inc.
42600 Boyce Road
Fremont, CA 94538
(510) 354-2451
jchu@republicservices.com

3570

3571

3572

3573

3574

3575

3576

3577 If Hazardous Waste is found in a Container or Collection area that could possibly result in
3578 imminent danger to people or property, the Contractor shall immediately notify the City’s Fire
3579 Department using the 911 emergency number. The Contractor shall notify the City of any
3580 Hazardous Waste identified in Containers or left at any Premises within 24 hours of identification
3581 of such material.

3582

3583 **C. Response to Hazardous Waste Identified at Disposal Site or Processing Site.** If materials
3584 Collected by Contractor are delivered to a facility owned by Contractor for purposes of transfer,
3585 Processing, or Disposal, load checkers and equipment operators at such facility shall conduct
3586 inspections in areas where Collection vehicles unload Solid Waste, Recyclable Materials, or
3587 Organic Materials to identify Hazardous Wastes. Facility personnel shall remove these materials
3588 for storage in approved, on-site, hazardous materials storage Container(s). Contractor shall make

3589 reasonable efforts to identify and notify the Generator. Contractor shall arrange for removal of
3590 the Hazardous Wastes by permitted haulers in accordance with Applicable Laws and regulatory
3591 requirements.
3592

3593 If the unacceptable material is delivered to the Designated Transfer Station or Processing Sites by
3594 Contractor before its presence is detected, and the Generator cannot be identified or fails to
3595 remove the material after being requested to do so, the Contractor shall arrange for its proper
3596 Disposal. The Contractor shall make a good faith effort to recover the cost of Disposal from the
3597 Generator, and the cost of this effort, as well as the cost of Disposal shall be chargeable to the
3598 Generator.
3599

3600 **D. Regulations and Record Keeping.** Contractor shall comply with emergency notification
3601 procedures required by Applicable Laws and regulatory requirements. All records required by
3602 regulations shall be maintained at the Contractor’s facility. These records shall include: waste
3603 manifests, material inventories, material Characterization records, inspection records, incident
3604 reports, and training records.
3605

3606 **8.7 NON-DISCRIMINATION**

3607 Contractor shall not discriminate in the provision of service or the employment of Persons engaged in
3608 performance of this Agreement on account of race, color, natural origin, ancestry, religion, gender, marital
3609 status, sexual orientation, age, physical or mental disability in violation of any Applicable Law.
3610

3611 **8.8 COMMUNICATION AND COOPERATION WITH CITY**

3612 **A. Communications.** The Contractor shall meet with the City or its agent at least once a month or
3613 upon request to discuss service issues and/or public education outreach activities. The
3614 Contractor’s general manager shall have e-mail capabilities to enable the City and the Contractor’s
3615 general manager to communicate via e-mail.
3616

3617 **D. Inspection by City.** The City or its designated representatives shall have the right to observe and
3618 review Contractor operations and Processing Sites and enter Premises for the purposes of such
3619 observation and review during reasonable hours without advance notice.
3620

3621 **C. Cooperate with City-Initiated Studies.** Contractor shall cooperate with and assist the City or its
3622 agent with performance of City-initiated studies of Solid Waste, Recyclable Materials, and Organic
3623 Materials such as, but not limited to, material Characterization and composition studies.
3624
3625

3626 **8.9 COMMUNICATION AND COORDINATION WITH CITY’S RECYCLABLE MATERIALS CART**
3627 **CONTRACTOR**

3628 **A. Communications.** If requested, the Contractor shall meet with the Recyclable Materials Cart
3629 Contractor at least once each month to discuss service, route, and billing issues. The Contractor’s
3630 general manager shall have e-mail capabilities to enable the Recyclable Materials Cart Contractor
3631 and the Contractor’s general manager to communicate via e-mail.
3632
3633

3634 **B. Coordination of Routes.** Contractor shall coordinate its Collection routes with the Recyclable
3635 Materials Cart Contractor to ensure Residential Customers’ Solid Waste, Recyclable Materials, and
3636 Organic Materials are Collected on the same day of the week.

3637
3638 **C. Coordination of Billings.** Contractor shall coordinate with the Recyclable Materials Cart
3639 Contractor, to receive on or before the fifteenth (15th) day of each month, a list of the Commercial
3640 and Non-Parcelized Multi-Family Customers receiving Recyclable Materials Collection services
3641 using a Cart and Residential Customers subscribing to extra Recyclable Materials and Organics
3642 Materials Carts for additional Collection services. Contractor shall bill such Customers for
3643 Recyclable Materials Collection services at Rates included in Maximum Rates established by
3644 Contractor and approved by City. Contractor shall remit to the City, on a monthly basis, that
3645 portion of the actual Gross Rate Revenues collected from Commercial Customers for Recyclable
3646 Materials Cart service for the previous month which corresponds to the Recyclable Materials
3647 Collection Rate included in Maximum Rates. The remittance of such revenues shall be made in a
3648 manner consistent with Section 10.10.

3649 **ARTICLE 9.**
3650 **RECORD KEEPING AND**
3651 **REPORTING**

3652
3653 **9.1 GENERAL RECORD KEEPING PROVISIONS**

3654
3655 **9.1.1 Maintenance of Records**

3656 Contractor shall maintain accounting, statistical, and other records related to its performance as shall be
3657 necessary to develop the financial statements and other reports required by this Agreement. Also,
3658 Contractor agrees to conduct data collection, information and record keeping, and reporting activities
3659 needed to comply with and to meet the reporting and Solid Waste, Recyclable Materials, and Organic
3660 Materials program management needs of City, and other Applicable Laws (such as, but not limited to, AB
3661 939, AB 32, AB 341, AB 1826, AB 1594, SB 1383, Alameda County Waste Management Authority
3662 Ordinance 2021-01, and City of Union City Municipal Code Chapter 7.24 requiring multi-family and
3663 Commercial Premises to reduce Disposal of Recyclable Materials and Organic Materials), and the
3664 requirements of this Agreement.

3665
3666 To the extent, such requirements are set out in this and other Articles of this Agreement, they shall not
3667 be considered limiting or necessarily complete. In particular, this Article is intended to only highlight the
3668 general nature of records and reports and their minimum content and is not meant to comprehensively
3669 define what the records and reports are to be and their content. Further, with the written direction by or
3670 approval of City, the records, and reports to be maintained and provided by Contractor in accordance with
3671 this and other Articles of the Agreement may be adjusted in number, format, or frequency. Records and
3672 reporting may be revised to reflect current record keeping and reporting requirements.

3673
3674 In order to set Contractor’s Compensation pursuant to Article 11, it is necessary for Contractor to maintain
3675 accurate, detailed financial and operational information in a consistent format and to make such

3676 information available to the City in a timely fashion, and in accordance with reporting requirements
3677 specified in this Article.

3678
3679 **9.1.2 Retention of Records**
3680 Unless otherwise required in this Article, Contractor shall retain all records and data required to be
3681 maintained by this Agreement for the Term of this Agreement plus five years after its expiration or earlier
3682 termination. Records and data shall be in chronological and organized form and readily and easily
3683 interpreted. At the City’s request, records and data required to be retained shall be retrieved in a timely
3684 manner (which shall not exceed more than two weeks unless Contractor obtains prior written approval
3685 from the City) by Contractor and made available to the City.

3686
3687 In such a case and when records and data are not retained by the Contractor, the City may make
3688 reasonable assumptions regarding what information is contained in such records and data, and such
3689 assumption(s) shall be conclusive in whatever action the City takes.

3690
3691 **9.1.3 Inspection of Records**
3692 Contractor agrees to provide or make available its records of any and all companies conducting operations
3693 addressed in this Agreement to the City and its official representatives for review during normal business
3694 hours. During the Term of this Agreement, the City, its auditors, and other agents, shall have the right,
3695 during normal business hours, to conduct unannounced on-site inspections of the records and accounting
3696 systems of Contractor and to make copies of any documents it deems relevant to this Agreement. In the
3697 event the custodian of such records and systems is not on the premises at the time of inspection,
3698 Contractor shall not be in breach of this Agreement, the City shall then give notice to Contractor
3699 requesting access to the records, and Contractor shall make arrangements to allow for inspection within
3700 twenty-four (24) hours of such notice. The City’s right to inspection of records under this paragraph shall
3701 continue for five (5) years after the expiration or early termination of this Agreement. However, after
3702 expiration or early termination of this Agreement, the City shall provide Contractor with a written request
3703 to inspect records and Contractor shall make records available for inspection within two (2) weeks of such
3704 request.

3705
3706 **9.1.4 Record Security**
3707 Contractor shall maintain adequate record security to preserve records from events that can be
3708 reasonably anticipated such as a fire, theft, and an earthquake. Electronically maintained data and
3709 records shall be protected and backed-up.

3710
3711 **9.1.5 California Public Records Act.** Contractor acknowledges that City is legally obligated to comply
3712 with the California Public Records Act (“CPRA”). City acknowledges that Contractor may consider certain
3713 records, reports, or information contained therein (“Records”) which Contractor is required to provide to
3714 City under this Agreement to be of a proprietary or confidential nature. In such instances, Contractor will
3715 inform City in writing of which records are considered propriety or confidential and shall identify the
3716 statutory exceptions to disclosure provided under the CPRA that legally permit non-disclosure of the
3717 Records. At such time as City receives a request for records under the CPRA or Federal Freedom of
3718 Information Act (“FOIA”), or a subpoena or other court order requesting disclosure of the Records, City
3719 will notify Contractor of the request, subpoena, or order and of City’s obligation and intent to provide a
3720 response within ten (10) calendar days. Contractor shall within five (5) calendar days either: (i) consent in
3721 writing to the disclosure of the Records; or (ii) seek and obtain, at Contractor’s sole cost and expense, the
3722 order of a court of competent jurisdiction staying or enjoining the disclosure of the Records. If Contractor
3723 fails to respond within the timeframe stipulated, then City may proceed to disclosure the Records, in

3724 which event Contractor agrees, waives, and releases City of any liability for the disclosure of the Records.
3725 In the event Contractor seeks a court order to stay or enjoin the disclosure of the Records, Contractor
3726 agrees to indemnify, defend, and hold harmless the City, its Council, elected and appointed board or
3727 commission members, officers, employees, volunteers, and agents (collectively, "Indemnitees") from and
3728 against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding, or suit in law or
3729 equity of any and every kind and description, whether judicial, quasi-judicial, or administrative in nature,
3730 arising or resulting from or in any way connected with the subject CPRA, FOIA request, or subpoena for
3731 the Records so long as Indemnities do not release the Records in contradiction to the court order or
3732 injunction. This indemnity obligation shall survive the expiration or termination of this Agreement.
3733

3734 **9.2 RECORD KEEPING REQUIREMENTS**

3735
3736 **9.2.1 Financial and Operational Records**

3737 Contractor shall maintain and retain accurate and complete accounting records containing the underlying
3738 financial and operating data relating to and showing the basis for computation of all costs associated with
3739 providing services. The accounting records shall be prepared in accordance with Generally Accepted
3740 Accounting Principles (GAAP) consistently applied.
3741

3742 **9.2.2 Collection Service Records**

3743 Records shall be maintained and retained by Contractor for City relating to:

- 3744 **A.** Customer services and Billing including service exemption information;
 - 3745 **B.** Weight and volume of material Collected by type (e.g., Solid Waste, Recyclable Materials, and
3746 Organic Materials). Where possible, information is to be separated by Service Type;
 - 3747 **C.** Routes;
 - 3748 **D.** Facilities, equipment and personnel used;
 - 3749 **E.** Facilities and equipment operations, maintenance and repair;
 - 3750 **F.** Tonnage of Solid Waste, Recyclable Materials, and Organic Materials listed by Processing Site or
3751 Disposal Site where such materials were delivered;
 - 3752 **G.** Recyclable Materials and Organic Materials Collection participation and setout rates;
 - 3753 **H.** Tonnage of Recyclable Materials and Organic Materials Collected and Diverted from Disposal by
3754 Contractor;
 - 3755 **I.** Diversion Level;
 - 3756 **J.** Recyclable Materials sales revenue;
 - 3757 **K.** End use and markets for recovered materials.
- 3758
3759
3760
3761
3762
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3769

3770 **9.2.3 Transfer, Processing, Diversion, and Disposal Records**
3771 Contractor shall maintain and retain records of transfer, Processing, Diversion, and Disposal of all Solid
3772 Waste, Recyclable Materials, and Organic Materials Collected by Contractor.
3773

3774 **9.2.4 Other Programs Records**

3775 Records for other programs shall be tailored to specific needs. In general, Contractor shall maintain and
3776 retain the following records:
3777

3778 **A.** Plans, tasks, and milestones; and
3779

3780 **B.** Accomplishments in terms such as dates, activities conducted, quantities of products used,
3781 produced or distributed, and numbers of participants and responses.
3782

3783 **9.2.5 Customer Service Records**

3784 Records shall be maintained and retained by Contractor for City related to:
3785

3786 **A.** Number of calls handled by the Customer service department;
3787

3788 **B.** Detailed call log including, but not limited to data for each call received, date and time of call, call
3789 hold time, queue name;
3790

3791 **C.** Weekly average speed to answer (where speed to answer is the time commencing when a caller
3792 is placed in a queue (immediately after a caller hears Contractor's recorded message and makes
3793 a choice from the phone tree) and ending when a live Customer service agent picks up the call);
3794

3795 **D.** Percentage of calls answered in 30 seconds; percentage of calls answered in 3 minutes;
3796

3797 **E.** Number of calls for specific call categories (such as, but not limited to, missed pickups, property
3798 damage, noise Complaints, requests for Recycling information, scheduling extra pick-ups, etc.);
3799

3800 **F.** Training materials and records;
3801

3802 **G.** Complaint log noting the name and address of Complainant, date and time of Complaint, nature
3803 of Complaint, and nature and date of resolution;
3804

3805 **9.2.6 CERCLA Defense Records**

3806 City views its ability to defend itself against Comprehensive Environmental Response, Compensation and
3807 Liability Act (CERCLA), and related litigation as a matter of great importance. For this reason, the City
3808 regards its ability to prove where Solid Waste Collected is taken for transfer or Disposal, as well as where
3809 they are not taken, to be matters of concern. Contractor shall maintain, retain, and preserve records that
3810 can establish where Solid Waste Collected was Disposed (and therefore establish where they were not).
3811 This provision shall survive the expiration or earlier termination of this Agreement. Contractor shall
3812 maintain these records for a minimum of 10 years beyond expiration or earlier termination of the
3813 Agreement. Contractor shall provide these records to City (upon request or at the end of the record
3814 retention period) in an organized and indexed manner rather than destroying or disposing of them.
3815

3816 **9.3 GENERAL REPORTING REQUIREMENTS**

3817
3818 **A. Purpose.** Records shall be maintained and retained in forms and by methods that facilitate
3819 flexible use of data contained in them to structure reports, as needed. Reports are intended to
3820 compile recorded data into useful forms of information that can be used to, among other things:

- 3821
3822 1. Set Maximum Rates
3823 2. Evaluate the financial efficacy of operations
3824 3. Determine needs for adjustment to programs
3825 4. Evaluate Customer service and Complaints
3826 5. Prepare reports on programs for the City, State, Alameda County, and other agencies
3827 6. Evaluate Contractor’s compliance with the terms of the Agreement

3828
3829 **B. Report Format.** Contractor may propose report formats that are responsive to the objectives and
3830 audiences for each report. The format of each report shall be approved by City. The City may
3831 review and request changes to Contractor’s report formats and content and Contractor shall make
3832 not unreasonably deny such requests. Contractor agrees to submit all reports by e-mail (or submit
3833 reports in another digital format via the internet or in the event e-mail communications are
3834 unsuccessful) in a format compatible with City’s software and computers and, upon City’s request,
3835 mail a copy of all reports at no additional charge. At City’s request, Contractor shall use
3836 standardized reporting forms provided by City or an electronic reporting system specified by the
3837 City and paid for by the Contractor. For reporting information that pertains to services provided
3838 by Subcontractor(s), Contractor shall be responsible for obtaining the necessary information from
3839 Subcontractor(s) and including Subcontractor(s)’ reported information in Contractor’s report
3840 submittals. Contractor shall provide a certification statement, under penalty of perjury, by the
3841 responsible Contractor official, that the report being submitted is true and correct to the best
3842 knowledge of such official after their reasonable inquiry.

3843
3844 **C. Submittal Schedule and Instructions.** Contractor shall submit monthly reports within twenty (20)
3845 calendar days after the end of the reporting month. Contractor shall submit quarterly reports
3846 within forty-five (45) calendar days after the end of the report quarter. Contractor shall submit
3847 annual reports no later than forty-five (45) calendar days after the end of the each Rate Year.

3848
3849 Contractor shall submit (via mail and e-mail) all reports to:

3850
3851 City Manager
3852 City of Union City
3853 34009 Alvarado-Niles Road
3854 Union City, CA 94587-4497
3855

3856 **9.4 MONTHLY REPORTS**

3857 Monthly reports shall present the information described in this Section.

3858
3859 **A. Solid Waste Services.** Total Tonnage Collected, Diverted, and Disposed by Service Type.

3860
3861 **B. Recyclable Materials Services.** Tonnage Collected and Recycled by Service Type listed separately
3862 by material type and Tonnage of Residue Disposed by Service Type. This data shall include

3863 Tonnage information for used motor oil, used motor oil filters, Single-Family and Parcelized Multi-
3864 Family Clean-Up Events, and Non-Parcelized Clean-Up Events.

3865
3866 **C. Organic Materials Services**

- 3867
- 3868 1. Tonnage Collected and Composted by Service Type. If the Processing Site handles Organic
3869 Materials Collected in the City and from other parties, Contractor shall or Processing Site
3870 operator shall provide a description of how the quantities of Organic Materials are accurately
3871 tracked and allocated to the City;
 - 3872 2. List of participating Multi-Family and Commercial Food Scraps Customers (with names and
3873 addresses) and each Customer's service level for Multi-Family and Commercial Organic
3874 Materials Collection, and,
 - 3875 3. Identification of new Multi-Family and Commercial Organic Materials Customers reporting
3876 each new Customer's name and address and the Solid Waste, Organic Materials, and
3877 Recyclable Materials service level prior to and after commencement of the new Organic
3878 Materials Collection Service.
 - 3879 4. To prepare the Organic Materials report, Contractor shall obtain information from its
3880 Subcontractor, as needed to comply with the reporting requirements herein.

3881

3882 **D. Diversion Level.** Tonnage Diverted by Contractor divided by the Tonnage Collected by Contractor,
3883 expressed as a percentage. The report shall state the Tonnage Diverted and Tonnage Collected
3884 as well as the calculated Diversion Level.

3885

3886 **E. Gross Revenues and Fee Reports.** Pursuant to Section 10.10, a statement itemizing each fee paid;
3887 detailing calculation of each fee; and stating actual gross revenues, by Service Type, for the
3888 monthly period collected from all operations conducted or permitted by this Agreement.

3889

3890 **F. Customer Service.** Number of calls received from Customers, Generators, or other Person by
3891 category (e.g., missed pickups, scheduled Clean-Up Events, Billing concerns, damage claims,
3892 requests for information, etc.) and detailed call log showing each call received, date and time of
3893 call, call hold time, queue name;

3894

3895 **G. Education Activities**

- 3896
- 3897 1. Public education materials produced and total number of each distributed.
 - 3898 2. Dates, times, and group names of meetings attended.
 - 3899 3. Dates, times, and names of school where presentations were performed.
 - 3900 4. Marketing, outreach, training, and technical assistance provided to Multi-Family and
3901 Commercial Customers for Commercial Recyclable Materials and/or Organic Materials
3902 Collection including list of accounts, activity performed, date of activity, etc.
 - 3903 5. Public education outreach and/or notifications produced and distributed, which support or
3904 are required by AB 1826 and/or Alameda County Waste Management Authority Mandatory
3905 Commercial Recycling Ordinance (Phases 1 and 2).

3906

3907 **H. Clean-Up Events**

- 3908
- 3909 1. Number of Clean-Up Events listed separately for Single-Family, Parcelized Multi-Family, and
3910 Non-Parcelized Multi-Family Customers.

- 3911 2. Tonnage of Solid Waste, Bulky Items, Major Appliances, Salvageable Materials, Recyclable
3912 Materials, and Organic Materials Collected listed separately by material type.
3913 3. Diversion level and calculation thereof.
3914

3915 **I. Commercial Recyclable Materials Cart Collection.** Present report from Recyclable Materials Cart
3916 Contractor documenting the Commercial Customers receiving Recyclable Materials Cart
3917 Contractor’s collection service and a report reconciling this data to Contractor’s billing of
3918 Commercial Recyclable Materials Cart Customers.

3919 **J. Overweight Vehicle Reporting.** The monthly report must include a summary total of all instances
3920 of overweight Collection vehicles in accordance with the requirements set forth in this
3921 Agreement. This summary must include the number of overweight vehicle instances expressed as
3922 a percentage of the total number of Collection vehicle loads transported during the reported
3923 quarter.
3924

3925 **K. Billing Information.** The monthly report must include details related to Contractor’s Customer
3926 Billing activities, including but not limited to, amount of billing, amount collected, Bad Debt
3927 accruals, overage fees, contamination fees, and other related details as determined by the City.
3928

3929 **9.5 QUARTERLY REPORTS**

3930 Quarterly reports shall present the information described in this Section.
3931

3932 **A. Monthly Report Data.** Present all the monthly report information required by Section 9.4 and
3933 include quarterly averages for all Tonnage-related data and the Diversion Level.
3934

3935 **B. Historical Quarterly Data.** Show the quarterly average for the past four-quarter average for all
3936 Tonnage data required as part of the monthly reporting requirements (the first three quarters of
3937 the Agreement shall only include the available quarterly information).
3938

3939 **C. Account Summary.** In table format, the number of Customers for each Rate category.
3940

3941 **D. Special Events (if applicable).** Name of special event(s), date of event(s), Tonnage of Solid Waste,
3942 Recyclable Materials, and Organic Materials Collected (if applicable), and any suggestions
3943 Contractor proposes for the next event.
3944

3945 **E. Holiday Tree Services.** In the first quarterly report of the calendar year, Tonnage of Holiday trees
3946 collected at the Drop-Box sites or at drop-off sites.
3947

3948 **F. Mail-Sharps Program.** Number of Customers that participated in the program each month with
3949 the number of mailings received and the quantity of Sharps received.
3950

3951 **G. Summary Assessment.** Highlight significant accomplishments and problems. Identify
3952 recommendations and/or plans to improve services.
3953

3954 **H. Community Engagement Program.** Names of charitable organizations and community events
3955 within the City that Contractor has provided cash sponsorships and complimentary services and
3956 identification of the amount of cash and service provided.

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9.6 ANNUAL REPORTS

Annual reports shall present the information described in this Section.

9.6.1 Quarterly Report Data

Provide all quarterly report data required pursuant to Section 9.5.

9.6.2 Contractor Officers and Board Members

Provide a list of Contractor’s officers and members of its board of directors.

9.6.3 Financial Information

The financial information in this Section 9.6.3 shall be provided by Contractor upon request by City annually. At such time, Contractor shall deliver to the City Contractor’s financial statements and profit and loss statements for the most-recently completed Rate Year. Financial statements shall show Contractor’s results of operations, including the specific revenues and expenses in connection with the operations provided for in this Agreement. The financial statements shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied and fairly reflecting the results of operation and Contractor’s financial condition. City shall use its best efforts to maintain the confidentiality of Contractor’s financial information.

If Contractor engages any Subcontractor(s) as set forth in Section 4.3, Contractor shall require and arrange for its Subcontractor(s) to provide to the City the financial information requested in this Section 9.6.3 for the services provided by the Subcontractor(s).

9.6.4 Related-Party Entities

The financial information in this Section 9.6.4 shall be provided by Contractor upon Request by City annually. At such time, Contractor shall deliver to the City a copy of each Related-Party Entity’s financial statements (including the balance sheet and profit and loss statements) for the most-recently completed Rate Year with the exception that such financial information is not required if the cost of services provided by the Related-Party Entity are specified by this Agreement or regulated by other government contract. The financial statements of each Related-Party Entity shall show Related Party-Entities’ results of operations, including the specific revenues and expenses in connection with transactions related to services provided for in this Agreement. The financial statements shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) consistently applied and fairly reflecting the results of operation and Contractor’s financial condition and shall be certified as accurate by an officer of the Contractor. Should such certification prove to be inaccurate, Contractor shall be found in material breach of this Agreement. Contractor shall then be required to provide City with audited annual financial statements for the Related-Party Entity(ies) prepared in accordance with GAAP and audited in accordance with GAAS, by a CPA licensed in the State. Contractor shall pay for the audit and such cost shall not be a reimbursable expense under this Agreement.

If Related-Party Entity transactions are for health and welfare costs or insurance costs, the Contractor’s obligation to provide financial statements described in the preceding paragraph shall be waived by the City. Contractor shall provide documentation of costs in the form of invoices for services, industry indices, or other supporting data that allows the City, in its opinion, to reasonably verify the actual costs for such services.

4004 Contractor agrees that all financial transactions with all Related-Party Entities shall be approved in
4005 advance by City in writing and disclosed annually (coinciding with Contractor's annual submittal of
4006 financial statements referred to in **Section 9.6.3**) to the City in a separate disclosure letter to the City. This
4007 letter shall include, but not be limited to, a general description of the nature of each Related-Party Entity
4008 transaction, or type of (for many similar) transaction, as applicable. Such description shall include for each
4009 (or similar) transaction, amounts, specific Related-Party Entity, basis of amount (how amount was
4010 determined), description of the allocation methodology used to allocate any common costs, and profit
4011 amount. Amounts shall be reconciled to the Related-Party Entity disclosures made in Contractor's annual
4012 financial statements referred to in **Section 9.6.3**.

4013
4014 At the City's request, Contractor shall provide the City with copies of working papers or other
4015 documentation deemed relevant by the City relating to information shown in the annual disclosure letter.
4016 The annual disclosure letter shall be provided to the City within one hundred twenty (120) calendar days
4017 after the end of the Contractor's fiscal year.

4018
4019 If the Contractor and City agree on unit prices, fees, rates, or charges for services or transactions between
4020 the Contractor and Related-Party Entity, the Contractor may request written approval from the City to
4021 waive the requirements of this Section.

4022
4023 On the Effective Date of this Agreement, the City and Contractor agree to per-Ton unit prices for the
4024 Processing of Recyclable Materials and Organic Materials by the Contractor's Related-Party Entity,
4025 Browning-Ferris Industries of California, Inc. (dba BFI Newby Island Recyclery) in accordance with **Exhibit**
4026 **11.1.B**; therefore, financial information and disclosures required by this **Section 9.6.4** are not required for
4027 Browning-Ferris Industries of California, Inc. unless other transactions occur between Contractor and
4028 Browning-Ferris Industries of California, Inc., which have not been approved by the City.

4029
4030 **9.6.5 Operational Information**

4031
4032 **A. Routes by Service Type**

- 4033
4034 1. Number of routes per day
4035 2. Types of vehicles
4036 3. Crew size per route
4037 4. Number of full-time equivalent routes
4038 5. Number of accounts per route
4039 6. Total hours per Service Type per day and per year
4040 7. Average cost per route
4041 8. Route maps

4042
4043 **B. Personnel**

- 4044
4045 1. Organizational chart
4046 2. Job classifications and number of employees (e.g. administrative, Customer service
4047 representatives, drivers, supervisors, educational staff)
4048 3. Annual wages by job classification including benefits
4049 4. Number of full-time equivalent positions for each job classification
4050 5. Number of hours per job classification per day and per year

4051

- 4052 **C. Productivity Statistics**
 4053
 4054 1. Number of accounts per Service Type
 4055 2. Number of setouts per Service Type
 4056 3. Tons per route per day
 4057
 4058 **D. Operational Changes**
 4059
 4060 1. Number of routes
 4061 2. Staffing
 4062 3. Supervision
 4063 4. Collection services
 4064
 4065 **F. Equipment.** An inventory of equipment in accordance with Section 8.3.4.
 4066
 4067 **G. Billing.** Billing review report in accordance with Section 7.2.H.
 4068
 4069 **H. Subcontractor Information.** Contractor’s operating information required by this Section 9.6.5,
 4070 shall include information from its Subcontractor(s)’ operations.
 4071
 4072 **I. Collection Route Audits.** City reserves the right to conduct audits of Contractor’s Collection
 4073 routes. Contractor must cooperate with City in connection therewith, including permitting City
 4074 employees or agents designated by the City Manager to ride in the Collection Vehicles to conduct
 4075 the audits upon advance notice and during normal business hours. Contractor has no
 4076 responsibility or liability for the salary, wages, benefits, or worker compensation claims of any
 4077 person designated by the City Manager to conduct such audits.
 4078
 4079 **9.6.6 Customer Account Information**
 4080 As part of the annual reporting requirement, Contractor shall provide the City with detail Customer
 4081 account information in tabular format that includes, at a minimum, the following information for each
 4082 Customer: account number, service address, billing contact, billing address, phone number, service level
 4083 (i.e., number of containers, size of containers, and frequency of Collection), and Rate charged. The
 4084 Customer account information for 20-gallon Single-Family Solid Waste Customers shall be provided
 4085 separately so the City can easily administer Rate credits (if applicable) to the 20-gallon Single-Family
 4086 Customers through the City’s property tax billing procedures.
 4087
 4088 **9.6.7 Materials Characterization Report**
 4089 Present a report documenting the materials characterization study performed during the quarter, which
 4090 shall include, but not be limited to a description of the methodology, type and Tonnage of material
 4091 analyzed, allocation percentages and Tonnages by material type, average Contamination Level, and, if
 4092 determined, the average Residue Level.
 4093
 4094 **9.6.8 Annual Public Education Plan**
 4095 Contractor shall submit the Annual Public Education Plan as described in Section 7.1.
 4096
 4097 **9.6.9 Public Education and Information Activities Summary Report**
 4098 Contractor shall prepare a report that summarizes the public education and information activities
 4099 undertaken during the Rate Year, including distribution of mailings, Collection notification tags,

4100 community information and events, presentations, technical assistance, tours, and other activities related
4101 to the provision of Collection services. The report shall discuss the impact of these activities on Recycling
4102 and Organic Materials Collection program participation and include amounts Collected from Single-
4103 Family, Parcelized Multi-Family, Non-Parcelized Multi-Family, and Commercial Customers and education,
4104 outreach and monitoring documentation as required by AB341, AB 1826, and Alameda County Waste
4105 Management Authority Ordinance 2012-1.

4106

4107 **9.6.10 CalRecycle/StopWaste Reports**

4108 Annually, Contractor shall provide information required by CalRecycle and/or StopWaste (also known as
4109 the Alameda County Waste Management Authority and Alameda Source Reduction and Recycling Board).
4110 At a minimum, Contractor shall prepare a report that summarizes the following: (1) Multi-Family and
4111 Commercial Customers participating in the Contractor’s Commercial Recycling and Organics Collection
4112 programs (which may need to be provided as two list by material type); (2) Multi-Family and Commercial
4113 Customers reporting to Contractor that they achieve Recycling via in-house or third party Recycling
4114 services that meets the requirements under Applicable Law; and (3) Commercial Customers without a
4115 known Recycling or Organics program. The foregoing three lists shall at a minimum: (1) state the
4116 Customer's name, address and contact information; (2) indicate whether the Customers are subject to
4117 the Recycling or Organic Materials Recycling requirements under AB 341, AB 1826, and/or Alameda
4118 County Waste Management Authority Ordinance 2012-1; and (3) provide details on the Solid Waste
4119 Collection service Customer receives from Contractor, including the quantity and type of Containers,
4120 frequency of Collection for Solid Waste, Recyclable Materials, and Organic Materials Collection services
4121 (as applicable). The foregoing three lists shall be updated on an annual basis.

4122

4123 Contractor will provide reasonable assistance to City in preparing annual reports to CalRecycle (the
4124 “Electronic Annual Report” or EAR), including but not limited to supplying required data for preparation
4125 of the reports, and completing all required data input. Contractor shall maintain, in form and format
4126 satisfactory to the City, the Online Waste Reporting System, an Implementation Record meeting the
4127 requirements of the SB 1383 Regulations and CalRecycle. Contractor shall be responsible for requesting
4128 information from the City for City-related activities, such as procurement and outreach and education, for
4129 maintenance of the Implementation Record. In the event that CalRecycle requires City to report an
4130 Implementation Schedule and/or Corrective Action Plan to comply with AB 341, AB 1826, SB 1383, SB
4131 1594, and/or other Applicable Laws, Contractor will provide assistance to City in preparing a report,
4132 including Contractor’s policies and procedures related to compliance with AB 341, AB 1826, SB 1383,
4133 and/or other Applicable Laws and how Recyclable Materials or Organic Waste are Collected; a description
4134 of the geographic area, routes, list of addresses served, and a method for tracking contamination; copies
4135 of route audits, copies of notice of contamination; copies of notices, violations, education, and
4136 enforcement actions issued; and copies of educational materials, flyers, brochures, newsletters, website,
4137 and social media.

4138

4139 **9.7 EVENT-SPECIFIC REPORT**

4140 Event-specific reports shall be submitted following the occurrence of the event as described in this
4141 Section.

4142

4143 **A. Report of Unauthorized Dumping.** As required by Section 5.12, Contractor shall report: (i) the
4144 addresses of any Premises at which the driver observes that Solid Waste, Recyclable Materials,
4145 and/or Organic Materials is accumulating; and (ii) the address, or other location description, at
4146 which Solid Waste, Recyclable Materials, and/or Organic Materials has been dumped in an

4147 apparently unauthorized manner. The report shall be delivered to the City within five (5) Business
4148 Days of such observation.

4149
4150 **B. Hazardous Waste.** As required by Section 8.6, the Contractor shall notify the City of any
4151 Hazardous Waste identified in Containers or left at any Premises within 24 hours of identification
4152 of such material.

4153 **ARTICLE 10.**
4154 **FRANCHISE FEES AND OTHER FEES**

4155
4156 **10.1 GENERAL**
4157 Contractor shall remit the Franchise Fees described in this Section to City on a monthly basis as described
4158 in this Article 10. Contractor may recover the fees described in this Article through the Maximum Rates
4159 established by Contractor that are charged to Customers. The City agrees to waive the Franchise Fees and
4160 other City fees defined in Article 10 on Gross Rate Revenues generated by the Contractor’s provision of
4161 Construction and Demolition Debris Collection services.
4162

4163 **10.2 FRANCHISE FEE**
4164 In consideration of the exclusive rights provided Contractor herein, Contractor shall include in
4165 Contractor’s Compensation Application and Maximum Rates established by Contractor a Franchise Fee to
4166 be paid to the City each month. The City shall provide Contractor direction on the amount of said Franchise
4167 Fee to be included in Contractor’s Compensation Application and Maximum Rates established by
4168 Contractor.
4169

4170 **A. Method for Contractor Billings and Receipts.** Contractor shall remit Franchise Fee payments each
4171 month to City in an amount equal to one-twelfth (1/12) of the Franchise Fee included in
4172 Contractor’s Compensation Application and Maximum Rates established by Contractor for
4173 Commercial, Multi-Family and Drop-Box Customers and approved by City. The parties agree that
4174 the total City Fees for the Commercial, Multi-Family and Drop-Box Customers shall be fifty-eight
4175 percent (58.0%) of the total City Fees approved for that Rate Year and included in Maximum Rates
4176 established by Contractor. For Residential Customers, Contractor shall remit Franchise Fee
4177 payments each month to the City in an amount equal to the percentage of Franchise Fees included
4178 in Contractor’s Maximum Rates and received by Contractor during the preceding month.
4179

4180 **B. Method to Remit to City Recyclable Materials Cart Contractor’s Monthly Billings.** Contractor
4181 shall remit all revenue received from Residential Customers for Recyclable Materials Cart
4182 Contractor’s Maximum Rates included in Contractor’s monthly Billings to Customers monthly to
4183 the City.
4184

4185 **C. Fee Disputes.** In the event of any disputes between the Contractor and the City with respect to
4186 the fees described in this Article, the City shall provide the Contractor with written objection
4187 describing the dispute amount. The City shall state its objections in writing with reference to the

4188 applicable portion(s) of the report and its reasons then known for its dispute. The Parties agree
4189 to meet and confer regarding any such dispute.

4190
4191 In the event any City imposed fee (hereinafter "CIF") is determined by a court of final jurisdiction
4192 to be excessive, invalid, or unenforceable, then: (i) Contractor shall not charge or collect the future
4193 portion of such CIF; (ii) to the extent the Customers are entitled to a reimbursement of any portion
4194 of such CIF already paid by Contractor to the City, the City shall reimburse Contractor in the
4195 amount of such CIF previously remitted to City, thereafter, Contractor shall directly reimburse all
4196 Customers entitled to reimbursement in the amount attributable to each Customer account. In
4197 no event shall Contractor retain any portion of the fees reimbursed by City; (iii) to the extent the
4198 Customers are entitled to a reimbursement of such CIF, and City is required by a court to directly
4199 reimburse Customers, Contractor shall assist City in identifying all Customers entitled to a
4200 reimbursement, quantifying the reimbursement amount attributable to each Customer account,
4201 and obtaining and providing to City any other information needed to satisfy the obligations
4202 imposed by a court; and (iv) City and Contractor will, within thirty (30) days following such court
4203 decision, meet and confer to negotiate in good faith and using reasonable efforts to attempt to
4204 agree on modifications to the Agreement to reflect any required reduction in City Fees.
4205

4206 **10.3 OTHER CITY FEES**

4207 Contractor shall annually include in the Maximum Rates established by Contractor and approved by City,
4208 City Fees as directed and adjusted by City.
4209

4210 **10.4 AGREEMENT EXTENSION FEE**

4211 For Rate Years Twenty-One (21) through Thirty, (30) Contractor shall pay an Agreement extension fee of
4212 ninety-three thousand seven-hundred and fifty dollars (\$93,750) per year, payable annually on July 1st of
4213 each Rate Year with the exception that the Agreement extension fee for Rate Year Twenty-One (21) shall
4214 be paid no later than ten (10) Business Days following the Commencement Date.
4215

4216 **10.5 PAYMENT SCHEDULE AND LATE FEES**

4217 On or before the 20th day of each month, during the Term of this Agreement, Contractor shall remit to the
4218 City all City Fees and Recyclable Materials Cart Contractor's Maximum Rates collected in Residential
4219 Billings, with the exception of the City's Agreement Extension Fee which shall be remitted to City annually
4220 on July 1. If such remittance is not paid to the City on or before the 20th day of any month when due (or
4221 not paid by July 1 or, in the case of the Agreement extension fee, not paid within ten (10) Business Days
4222 of the Commencement Date), Contractor shall pay late fees equal to two percent (2.0%) of the amount
4223 owing for that month; plus an additional two percent (2.0%) owing on any unpaid balance for each
4224 following thirty (30) calendar day period the fee remains unpaid, in addition to the amount owed to City.
4225 After expiration or termination of the Agreement, Contractor shall continue to pay all City Fees due to
4226 City including those established based on Gross Rate Revenues received from Customers after the end
4227 date of the Agreement.
4228

4229 Each monthly remittance to City shall be accompanied by a statement itemizing each fee paid; detailing
4230 calculation of each fee; and stating actual Gross Rate Revenues, by Service Type, for the monthly period
4231 collected from all operations conducted or permitted by this Agreement; and stating actual Recyclable
4232 Materials Cart Contractor revenue included in Contractor's Billings.

4233 **ARTICLE 11.**
4234 **CONTRACTOR'S COMPENSATION**
4235 **AND CUSTOMER RATES**

4236
4237 **11.1 OVERVIEW**

4238 The Contractor's Compensation for performance of all its obligations under this Agreement shall be Gross
4239 Rate Revenues. Contractor's Compensation provided for in this Article shall be the full, entire, and
4240 complete compensation due to Contractor pursuant to this Agreement for all labor, equipment, materials
4241 and supplies, Processing and Disposal fees, fees due to City, taxes, insurance, bonds, overhead,
4242 operations, profit, and all other things necessary to perform all the services in the manner required by
4243 this Agreement.

4244
4245 If Contractor's actual costs are more than Gross Rate Revenues, Contractor shall not be compensated for
4246 the difference in actual costs and actual Gross Rate Revenues. If Contractor's actual costs are less than
4247 the actual Gross Rate Revenues, Contractor shall retain the difference provided that Contractor has paid
4248 City fees pursuant to **Article 10**.

4249 Under this Agreement, Contractor shall have the right and obligation to charge and collect from
4250 Customers Rates, not to exceed City-approved Maximum Rates, for provision of services to Customers.
4251

4252
4253 The Maximum Rates for Rate Year Twenty-One (21) were determined by the City Council concurrent with
4254 or prior to execution of this Agreement. Maximum Rates for subsequent Rate Years shall be adjusted in
4255 accordance with **Section 11.2** using an index-based method.

4256
4257 Note that Maximum Rates for Rate Years One (1) through Ten (10) was determined pursuant to provision
4258 of the 2005 Franchise Agreement. Maximum Rates for Rate Years Eleven (11) and Twelve (12) were
4259 determined under the extension period of the 2005 Franchise Agreement utilizing a Rate adjustment
4260 methodology (nearly identical to the Rate adjustment methodologies presented in **Exhibits 11.2.B** and
4261 **11.2.C**), which was agreed-upon by the Parties. Maximum Rates for Rate Years Thirteen (13) through
4262 Twenty (20) were determined pursuant to provision of the 2017 Franchise Agreement.
4263

4264 **11.2 RATE-SETTING PROCESS**

4265
4266 **A. General.** Contractor shall be responsible for establishing Maximum Rates as described in this
4267 Article. If at any time during the Term of the Agreement, the Contractor determines the need for
4268 a Rate that does not appear on its Maximum Rate schedule approved by City, Contractor shall
4269 have the right to immediately notify the City and request establishment of such Rate. For
4270 example, if a Customer requires Collection of a fifteen (15) cubic-yard Compactor five (5) times
4271 per week and the current Maximum Rate schedule does not include this level of service, the
4272 Contractor must request that the City consider including in Contractor's Maximum Rates a Rate
4273 for this level of service.

4274
4275 **B. Rates Determined On or Before Execution of the Agreement.** Maximum Rates for Rate Year
4276 Twenty-One (21) were established by Contractor and approved by City pursuant to City Council

4277 resolution on or before the Effective Date of the Agreement. The basis for Rate Year Twenty-One
4278 (21) Maximum Rates is presented in **Exhibit 11.1.A**.

4279
4280 **C. Annual Rate Cap On Maximum Rates.** In any Rate Year the calculation of the CPI exceeds five
4281 percent (5.0%), the total adjustment in Contractor’s Cost of Operations for that year shall be a
4282 maximum of five percent (5.0%). If the CPI adjustment exceeds five percent (5.0%), the amount
4283 above five percent (5.0%) shall be rolled over to the subsequent Rate Year. If the CPI adjustment
4284 is negative (after accounting for any applicable rollover percentages from prior years), there will
4285 be no adjustment to Contractor’s Cost of Operations for that year.

4286
4287 **D. Rate Structure.** Contractor shall have the sole and exclusive right to change the relationship of
4288 individual Rates in comparison with other Rates as Contractor deems appropriate. Contractor
4289 shall provide City an opportunity to review and comment on Contractor’s proposed Rate structure
4290 modifications prior to the City’s consideration to approve Contractor’s annual Compensation
4291 Application and Maximum Rates.

4292
4293 **E. Facility Cost Reconciliation**

4294
4295 1. Designated Transfer Station Disposal Fee Reconciliation. Parties recognize that the timing of
4296 the adjustment to Maximum Rates herein and the adjustment of the Disposal fee(s) (by the
4297 City of Fremont) for the Designated Transfer Station are not concurrent. As a result, the
4298 Designated Transfer Station Disposal fee(s) used in the calculation of adjusted Maximum
4299 Rates relies on an estimate of the Disposal fee(s). At the end of each Rate Year, Contractor
4300 and City agree to reconcile the actual Disposal fee(s) and the estimated Disposal fee(s) and
4301 calculate the net additional Designated Transfer Station Disposal cost or net Designated
4302 Transfer Station Disposal cost savings. If Contractor incurred a net additional Designated
4303 Transfer Station Disposal cost, City shall pay the difference to Contractor or reflect the
4304 amount as an adjustment in the next annual Rate adjustment. If Contractor realized a net
4305 Designated Transfer Facility Disposal cost savings, the savings shall be reflected as an
4306 adjustment in the next annual Rate adjustment or paid to the City within thirty (30) days of
4307 determination, or if after the expiration of the Term of this Agreement or early termination
4308 of the Agreement. Note that the amount of the net cost or net savings shall be calculated
4309 based on the Tonnage of materials used to set Maximum Rates for the Rate Year and included
4310 in the index-based Rate adjustment calculations as set forth **Exhibit 11.2.B**.

4311
4312 2. Approved Composting Site LEA Fee Reconciliation. Parties recognize that the timing of the
4313 adjustment to Maximum Rates herein and the adjustment of the per-Ton City of San Jose
4314 Local Enforcement Agency Fee (LEA) paid by Contractor for each Ton of Organic Materials
4315 accepted at the Approved Composting Site are not concurrent. As a result, a reconciliation
4316 of the per-Ton LEA fee shall be performed in a manner similar to that described for the
4317 Designated Transfer Station Disposal fee in subsection E.1 above.

4318

4319 **11.3 RATE APPLICATION PROCESS**

4320
4321 **A. Application Date and Content.** On March 1, prior to the commencement of the Rate Year for
4322 which Maximum Rates are to be determined using the index-based Rate adjustment method,
4323 Contractor shall submit at least three copies of its application requesting Contractor’s

4324 Compensation adjustment and Maximum Rates for the coming Rate Period, in a format approved
4325 by the City.

4326
4327 **B. Index-Based Rate Adjustment Methodology.** For Rate Year 22 (Fiscal Year 2026-2027), beginning
4328 on July 1, 2026, and for subsequent Rate Years thereafter, the rates shall be adjusted based on
4329 one hundred percent (100.0%) of the average change in the CPI for the twelve (12) month period
4330 from January to December. Therefore, the first rate adjustment, effective July 1, 2026, will be
4331 based on the percentage change in CPI for the average CPI value from January 1, 2025, through
4332 December 31, 2025, compared to the average CPI value from January 1, 2024, through December
4333 31, 2024, rounded to the nearest one-hundredth of a percent (1/100%).

4334
4335 **C. Maximum Rate Adjustment Application.** On or before March 1 of each year of the Term,
4336 Contractor shall deliver to City an application for its proposed adjustment to Contractor's
4337 Compensation and Maximum Rates for the subsequent fiscal year (the "Compensation
4338 Application"). The Compensation Application shall be in a format mutually agreed on between
4339 the City and Contractor and must contain or be accompanied by Contractor's adjustment
4340 calculations for the specific services performed under this Agreement during the preceding Rate
4341 Year in Microsoft Excel or another electronic format acceptable to the City. Contractor shall be
4342 solely responsible for the cost of preparing and submitting its annual Compensation Application.

4343
4344 **D. No Report.** If Contractor fails to provide any Compensation Application, the Contractor's
4345 Compensation shall remain unchanged for the next calendar year.

4346
4347 **E. City Approval.** If Contractor provides a timely and complete Compensation Application and
4348 Maximum Rates to City, the City shall in good faith review said Compensation Application and
4349 Maximum Rates timely and consider approving said Compensation Application and Maximum
4350 Rates, subject to the terms and provisions of this Agreement, on or before the following June 1.
4351 The City Manager shall notify Contractor on or before June 1 whether the City has approved the
4352 requested adjustments to Contractor's Compensation and proposed Maximum Rates for the next
4353 Rate Year. Approval of the City Council shall be required for any requested rate adjustment of
4354 more than five percent (5%), which shall only be permitted pursuant to Section 11.4
4355 (Extraordinary Adjustments) below.. The City Manager may approve all other requests or refer
4356 them to the City Council at his or her discretion.

4357
4358 **F. Contractor Payment for Additional CPI review.** If the City determines that Contractor has made
4359 substantial errors that require a significant amount of effort to resolve and has not properly
4360 submitted or correctly calculated the CPI adjustment, the Contractor shall be responsible for
4361 paying Fifteen Thousand (\$15,000) to the City to conduct a second review and analysis. These
4362 payment amounts shall increase annually by the CPI Adjustment Calculation described in this
4363 Section.

4364 **11.4 EXTRAORDINARY ADJUSTMENTS**

4365
4366 Contractor and City acknowledge that there may be infrequent extraordinary events, including Change in
4367 Law, which, although they do not prevent either Party from performing, and thus do not implicate the
4368 force majeure provisions hereof, nevertheless increase the cost of providing services above the
4369 Contractor's Compensation Adjustment articulated in Section 11.3. The obligation of the Parties in such
4370 event is to act reasonably toward each other in arriving at an appropriate adjustment in rates. Accordingly,

4371 at its option, Contractor may apply to the City or City may apply to Contractor not more frequently than
4372 twice by either party during the Term, for an extraordinary rate adjustment should an event or
4373 circumstance arise which negatively impacts the economic operation of Contractor or impacts the City
4374 and which is in excess of the rate adjustment resulting from the application of Section 11.3. An
4375 extraordinary adjustment Contractor's Compensation and Maximum Rates will be deemed justified if it is
4376 necessary for the Contractor to make a substantial change in its operations, or substantial capital
4377 expenditure or investment to perform its obligations under this Agreement due to the occurrence of an
4378 event or circumstance which is beyond the reasonable control of Contractor. Extraordinary rate
4379 adjustments shall only be effective after approval by the City Council.

4380
4381 The Contractor is entitled to apply to the City for consideration of an Extraordinary Compensation
4382 Adjustment or City may initiate such a review, should such occurrence have a material effect of one
4383 percent (1%) or more annually on the Contractor's Compensation for the then-current Rate Year.

4384
4385 **A. Review of Costs.** If the Contractor or the City requests a Extraordinary Adjustment, the City shall
4386 have the right to review any or all financial and operating records of Contractor and related-party
4387 entities.

4388
4389 **B. Submittal of Request.** If the Contractor is requesting an Extraordinary Adjustment, the
4390 Contractor must submit its request for a special review of Maximum Rates, and cost and
4391 operational data, in a form and manner specified by the City, at least six months before the
4392 proposed effective date of any Rate adjustment. The City may waive the six-month submittal
4393 requirement if the reason for the special Rate review is a Change in Law that will become effective
4394 in less than a six-month period.

4395
4396 If City is requesting an Extraordinary Adjustment, the City shall notify the Contractor at least seven
4397 months before the proposed effective date of any adjustment to Maximum Rates. Upon such
4398 notification, Contractor shall, within thirty (30) calendar days, submit reasonable cost and
4399 operational data as requested by the City, in a form and manner specified by the City.

4400
4401 A request for a Extraordinary Adjustment shall include a proposal on whether the Rate adjustment
4402 resulting from the special Rate review shall be an adjustment in addition to or in lieu of the annual
4403 Maximum Rate adjustment to be performed in accordance with Section 11.2.C above.

4404
4405 **C. Burden of Justification.** In the event of such an application for an extraordinary compensation
4406 and rate increase, it is understood that the Contractor shall have the burden of demonstrating to
4407 the reasonable satisfaction of the City the basis for the extraordinary increase cost. Contractor
4408 shall bear the burden of justifying its request and shall be solely responsible for the cost of
4409 preparing and submitting sufficient documentation in support of its request. City in its reasonable
4410 discretion may request Contractor to provide any additional information it deems reasonably
4411 necessary to fully evaluate the request, and Contractor shall be solely responsible for the cost of
4412 providing such additional information. In connection with such a request, Contractor shall allow
4413 City to review a report of its annual revenues and expenses for the services provided in the City.
4414 City shall have the right to review this information in connection with the City's review of
4415 Contractor's extraordinary rate adjustment request. With respect to any financial statements or
4416 any other information Contractor specifically designates as non-public information ("Confidential
4417 Information"), City agrees that, except as otherwise set forth in this Section: (a) it will hold in
4418 confidence all Confidential Information; (b) it will restrict the disclosure of Confidential

4419 Information within its own organization and to its agents or representatives who need to know
4420 the Confidential Information for the purposes of the request; (c) it will not disclose Confidential
4421 Information to any third party without the prior written consent of the Contractor; (d) it will not
4422 copy or reproduce any written or electronically stored Confidential Information without the prior
4423 written approval of the Contractor; and (e) it will not use Confidential Information except as
4424 required for consideration of the request; and (f) It will return the Confidential Information to
4425 Contractor and not retain any physical or electronic copies of such Confidential Information. City
4426 may consider increases or decreases in Contractor's total revenues and total cost of services when
4427 reviewing an extraordinary rate adjustment request.

4428
4429 **D. Grant of Request** City shall review the Contractor's request and, if supported by the Contractor's
4430 application, shall act in good faith and reasonably adjust Contractor's Compensation. Approval of
4431 the City Council shall be required for any Extraordinary Adjustments. The City shall notify
4432 Contractor of its decision within ninety (90) calendar days regarding whether it accepts
4433 Contractor's request. Except as provided herein, any such change approved by the City shall not
4434 be implemented until July 1 of the next Rate Year unless a different timeframe is approved by the
4435 City Council.

4436
4437 **E. Compensation.** The Party requesting the Extraordinary Adjustment shall bear all reasonable costs
4438 of both Parties for participating in such review up to a maximum of twenty-five thousand dollars
4439 (\$25,000) per Party and such costs shall not be reimbursed through Rates charged customers. If
4440 an Extraordinary Adjustment occurs in response to a City-directed change in scope (pursuant to
4441 **Section 4.5**) or City-initiated changes to the amount of the Franchise Fee or other fees (pursuant
4442 to **Article 10**), the City shall be considered the Party requesting the special Rate review.

4443
4444 **11.5 RATES FOR CHANGES IN SCOPE**

4445 In the event either the City or Contractor requests a change in scope in accordance with Section 4.5 of
4446 this Agreement, the Contractor shall furnish the City with projected operational and cost data for the
4447 change in scope to support any adjustment to Maximum Rates. For the purposes of analyzing cost impacts
4448 of changes in scope, the Contractor's profit shall be calculated using an operating ratio of 86.12% of actual
4449 reasonable and necessary costs net of Disposal expenses and fees specified in Article 10 with the
4450 exception of profit on services subcontracted to Recyclable Materials Cart Contractor (excluding
4451 Processing costs), which shall be calculated using an operating ratio of 93.0%. The City reserves the right
4452 to require that the Contractor supply any additional cost data or other information it may reasonably need
4453 to ascertain the appropriate adjustment to Maximum Rates, if any, for the change in scope. The City shall
4454 review this operational and cost data, and the City Council shall establish Maximum Rates for the change
4455 in scope, if warranted.

4456
4457 The granting of any change in scope shall be contingent upon City's written approval and establishment
4458 of new Maximum Rates. The City shall adjust Maximum Rates, in good faith, coincident with any
4459 adjustment made pursuant to this Section so that the change in scope and the corresponding Maximum
4460 Rates become effective on the same date.

4461

4462 **11.6 NOTICE OF RATE ADJUSTMENTS**

4463 The Contractor shall provide all Customers with advance written notice of approved Rate changes, in the
4464 form of a bill insert at least thirty (30) calendar days before the effective date of such changes unless the
4465 City provides written approval to waive this requirement.

4466 **ARTICLE 12.**
4467 **INDEMNITY, INSURANCE, AND**
4468 **PERFORMANCE BOND**

4469

4470 **12.1 INDEMNIFICATION**

4471 Contractor shall indemnify, defend with counsel acceptable to the City, and hold harmless (to the full
4472 extent permitted by law) the City and its City Council, officers, officials, employees, volunteers, and agents
4473 from and against any and all claims, liability, loss, injuries, damage, expense, and costs (including without
4474 limitation costs and fees of litigation) (collectively, "Damages") of every nature arising out of or in
4475 connection with Contractor's performance under this Agreement, or its failure to comply with any of its
4476 obligations contained in this Agreement, except such loss or damage which was caused by the sole
4477 negligence or willful misconduct of the City.

4478

4479 Contractor's duty to defend and indemnify herein shall include Damages arising from or attributable to (i)
4480 any operations, repairs, clean-up or detoxification, or other plan (regardless of whether undertaken due
4481 to governmental action) concerning any Hazardous Substance or Hazardous Waste Collected in the City,
4482 and (ii) any activities or operations related to the Approved Recyclable Materials Processing Site and
4483 Approved Composting Site (if owned or operated by Contractor or its Affiliate). Notwithstanding the
4484 foregoing, Contractor shall not be required to indemnify the City for the costs for any claims arising from
4485 the handling of Solid Waste at the Designated Transfer Station and/or Disposal of Solid Waste at a Disposal
4486 Site, including, but not limited to, claims arising under the Comprehensive Environmental Response,
4487 Compensation and Liability Act (CERCLA) unless such claim is a direct or indirect result of Contractor's
4488 actions or negligence. The foregoing is intended to operate to defend and indemnify and hold harmless
4489 indemnitees to the full extent permitted for liability pursuant to '107(e) of CERCLA, 42 U.S.C. '9607(e) and
4490 California Health and Safety Code '25364.

4491

4492 In addition, Contractor's duty to defend and indemnify herein includes all fines and/or penalties imposed
4493 by the California Department of Resources Recycling and Recovery (CalRecycle), subject to the restrictions
4494 set forth in Public Resources Code Section 40059.1, if the requirements of AB 939, AB 32, AB 341, AB 1826,
4495 AB 1594, SB 1383, and the Alameda County Mandatory Commercial Recycling Ordinance are not met by
4496 the Contractor with respect to the materials Collected under this Agreement, and such failure is (i) due to
4497 the failure of Contractor to meet its obligations under this Agreement, or (ii) due to Contractor delays in
4498 providing information that prevents Contractor or City from submitting reports required by AB 939, AB
4499 32, AB 341, AB 1826, AB 1594, SB 1383, and the Alameda County Mandatory Commercial Recycling
4500 Ordinance in a timely manner.

4501

4502 Providing City complies with all Applicable Laws concerning the setting of Maximum Rates established by
4503 Contractor under this Agreement, as such laws are interpreted, on the Effective Date, to apply to City,

4504 Contractor shall defend the City with counsel reasonably acceptable to the City, indemnify and hold the
4505 City harmless from any and all litigation and claims, damages and liabilities arising from the City's setting
4506 of Maximum Rates established by Contractor for service under this Agreement or in connection with the
4507 application of California Constitution, Article XIII C and Article XIII D to the imposition, payment or
4508 collection of Rates directly related to services provided by Contractor under this Agreement.
4509 Notwithstanding the above, this indemnity shall not extend to any addition to or increase in Rates
4510 established by Contractor that are not associated with the charges by the Contractor for providing service
4511 under this Agreement, including but not limited to, Franchise Fees and governmental fees and charges.
4512

4513 The City shall not be in default of this Agreement, if it is determined by a court of competent jurisdiction
4514 that it lacks the authority to set Maximum Rates established by Contractor and/or increase Maximum
4515 Rates established by Contractor for charges related to providing service, pursuant to this Agreement.
4516 Should a court of competent jurisdiction determine that the City lacks authority to set and/or increase
4517 Maximum Rates established by Contractor for charges related to Franchise Fees and governmental fees
4518 and charges then Contractor shall reduce the Rates it charges customers a corresponding amount,
4519 providing said fees, Rates and/or charges disallowed by the court are not related to the cost of providing
4520 service hereunder and had been incorporated in the Rates charged by Contractor to its customers.
4521

4522 Nothing herein is intended to imply that California Constitution, Articles XIII C or XIII D, apply to the setting
4523 of Maximum Rates established by Contractor for the services provided under this Agreement; rather this
4524 Section is provided merely to allocate risk of loss as between the Parties.
4525

4526 Contractor's duty to defend and indemnify herein shall include its obligation related to excess Residue
4527 Level and Contamination Level pursuant to Section 6.4.C.
4528

4529 In addition, Contractor's duty to defend and indemnify herein shall include Damages arising from or
4530 related to the City's request to remove or reassign any employee pursuant to Section 8.5.
4531

4532 This provision shall survive the expiration or earlier termination of this Agreement and shall not be
4533 construed as a waiver of rights by City to contribution or indemnity from third parties.
4534

4535 Contractor's Guaranty Agreement shall extend to the indemnification obligation hereunder.
4536

4537 **12.1.2 PROPOSITION 218 RELEASE**
4538

4539 City intends to comply with all Applicable Law concerning the Contractor's Compensation provided under
4540 this Agreement. Upon thorough analysis, the parties have made a good faith determination that the
4541 Contractor's Compensation for the Solid Waste Collection provided under this Agreement are not subject
4542 to California Constitution Articles XIII C and XIII D because, among other reasons, such services are provided
4543 by a private corporation and not by City, Contractor independently establishes the Maximum Rates for
4544 services within the limits established in this Agreement, the receipt of services is voluntary and not
4545 required of any property within City, and any owner or Customer of property within City has the
4546 opportunity to avoid the services available under this Agreement either through Self-Hauling or use of
4547 property in such a manner that Solid Waste is not generated. Accordingly, in the event that a third party
4548 challenges the Contractor's Compensations and Maximum Rates established by Contractor as being in
4549 violation of Article XIII C or XIII D of the California Constitution, or otherwise asserts that the Contractor's
4550 Compensations are an invalid tax, assessment, or fee, Contractor agrees to waive, release, hold harmless,

4551 and defend the City Indemnitees from and against any and all claims Contractor may have against the City
4552 Indemnitees resulting therefrom,

4553
4554 This Section will survive the expiration or termination of this Agreement for claims arising prior to the
4555 expiration or termination of this Agreement.
4556

4557 **12.2 INSURANCE**

4558
4559 **12.2.1 Minimum Scope of Insurance**

4560 Coverage shall be at least as broad as:

- 4561
4562 **A.** Commercial General Liability (CGL): Insurance Services Office Commercial General Liability
4563 coverage ("occurrence" form CG 0001); or Insurance Services Office form number GL 0002
4564 covering Comprehensive General Liability and Insurance Services Office form number GL 0404
4565 covering Broad Form Comprehensive General Liability.
4566
4567 **B.** Insurance Services Office form number CA 0001 covering Automobile Liability, code 1 "any auto",
4568 and endorsement CA 0025.
4569
4570 **C.** Workers' Compensation insurance as required by the Labor Code of the State of California and
4571 Employers Liability insurance.
4572
4573 **D.** Environmental Impairment Liability Insurance.

4574
4575 **12.2.2 Minimum Limits of Insurance**

4576 Contractor shall maintain limits no less than:

- 4577
4578 **A.** Commercial General Liability: \$10,000,000 combined single limit per occurrence for bodily injury,
4579 personal injury, and property damage. This policy shall be considered primary insurance as
4580 respects any other valid and collectible insurance maintained by the City of Union City, including
4581 any self-insured retention or program of self-insurance, and any other such insurance shall be
4582 considered excess insurance only.
4583
4584 **B.** Automobile Liability: \$10,000,000 combined single limit per accident for bodily injury and
4585 property damage.
4586
4587 **C.** Workers' Compensation and Employers Liability: Workers' compensation limits as required by the
4588 Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.
4589
4590 **D.** Environmental Impairment Liability: \$10,000,000 each incident for liability arising from the
4591 release of waste materials and/or irritants, contaminants or pollutants. Environmental
4592 Impairment Liability shall include coverage for all operations of Contractor and include all owned
4593 landfills or waste Disposal sites and transfer stations. Such coverage shall, if commercially
4594 available without involvement of the City, automatically broaden in its form of coverage to include
4595 legislated changes in the definition of waste material and/or irritants, contaminants or pollutants.
4596 The Environmental Liability policy shall contain the same endorsements as required for
4597 Commercial General Liability.

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12.2.3 Deductibles and Self-Insured Retentions

Deductible insurance programs are acceptable as long as the carrier maintains an AM Best rating of A VII or better.

12.2.4 Other Insurance Provisions

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

A. General Liability and Automobile Liability Coverage

1. The City, its City Council, officers, agents, officials, and employees are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased or used by the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The automobile liability is endorsed to contain MCS-90 coverage.
2. The Contractor's insurance coverage shall be primary insurance as respects the City, its officials, and employees. Any insurance or self-insurance maintained by the City, its City Council, officers, agents, officials, or employees shall be excess of the Contractor's insurance and shall not contribute with it.
3. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its City Council, officers, agents, officials, or employees.
4. Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

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

C. All Coverages (Other than Workers' Compensation). Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled except after thirty (30) calendar days' prior written notice has been given to the City.

12.2.5 Acceptability of Insurers

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

12.2.6 Verification of Coverage

Contractor shall furnish Contractor's insurance agent a copy of these specifications, and direct the agent to provide the City with certificates of insurance and with original endorsements affecting coverage required by this clause. Issuance of documentation indicates the Contractor's insurance complies with these provisions. The certificates and endorsements for each insurance policy are to be signed by a Person authorized by that insurer to evidence coverage on its behalf. The certificates and endorsements are to be received and approved by the City before work commences.

12.2.7 Required Endorsements

4646 **A.** The City, its Councilmembers, directors, officers, employees, agents and volunteers are to be
4647 covered as additional insureds with respect to liability arising out of automobiles owned, leased,
4648 hired or borrowed by or on behalf of Contractor; products and completed operations of
4649 Contractor; liability arising out of work or operations performed by or on behalf of Contractor,
4650 including material parts or equipment furnished in connection with such work or operations; and
4651 with respect to Environmental Impairment Liability. The City requires form CG2026 0413 for each
4652 additional insured endorsement.

4653
4654 **B.** The Commercial General Liability and Automobile Liability policies shall contain a Notice to Others
4655 endorsement (blanket-form) that will afford the City a thirty (30) day written notice in the event
4656 of cancellation or material change in coverage. Such notice shall be sent to:

- 4657
4658 1. "Thirty calendar days' prior written notice shall be given to the City of Union City in the event
4659 of cancellation or change in coverage of this policy. Such notice shall be sent to:

4660
4661 City Clerk
4662 City of Union City
4663 34009 Alvarado-Niles Road
4664 Union City, CA 94587-4497"

- 4665
4666 2. "Inclusion of the City of Union City as an additional insured shall not affect the City's rights
4667 as respects any claim, demand, suit or judgment brought or recovered against the
4668 Contractor. This policy shall protect Contractor and the City in the same manner as though
4669 a separate policy had been issued to each, but this shall not operate to increase the
4670 Contractor's liability as set forth in the policy beyond the amount shown or to which the
4671 Contractor would have been liable if only one party had been named as an insured."

4672
4673 **12.2.8 Delivery of Proof of Coverage**

4674 Simultaneously with the execution of this Agreement, Contractor shall furnish the City certificates of each
4675 policy of insurance required hereunder, on an ACORD form of certificate. Such certificates shall show the
4676 type and amount of coverage, effective dates and dates of expiration of policies and shall have all required
4677 endorsements. If the City requests, copies of applicable endorsements shall also be promptly delivered
4678 to City. Renewal coverages shall be furnished periodically to City to demonstrate maintenance of the
4679 required coverages through the Term.

4680
4681 **12.2.9 Other Insurance Requirements**

4682
4683 **A. Subcontractors.** If any services are delegated to a Subcontractor, the Contractor shall require
4684 such Subcontractor to provide statutory workers' compensation insurance and employer's liability
4685 insurance for all of the Subcontractor's employees engaged in the work in accordance with Section
4686 12.2.2.C and Section 12.2.4.B. The liability insurance required by Section 12.2.2 shall cover all
4687 Subcontractors or the Subcontractor must furnish evidence of insurance provided by it meeting
4688 all of the requirements of this Section 12.2. The Subcontractor's policies shall contain, or be
4689 endorsed to contain, the provisions identified in Section 12.2.4.

4690
4691 **B. Compliance with Insurers Requirements.** The Contractor shall comply with all requirements of
4692 the insurers issuing policies. The carrying of insurance shall not relieve Contractor from any
4693 obligation under this Agreement. If any claim exceeding the amount of any deductibles or self-

4694 insured reserves and insurance policy limit is made by any third person against the Contractor or
4695 any Subcontractor on account of any occurrence related to this Agreement, the Contractor shall
4696 promptly report the facts in writing to the City.
4697

4698 **C. Contractor Failure to Provide Insurance.** If Contractor fails to procure and maintain any insurance
4699 required by this Agreement, the City may take out and maintain, at the Contractor's expense, such
4700 insurance as is required herein, and deduct the cost thereof from any monies due the Contractor.
4701

4702 **D. "Occurrence-Basis" Coverage.** The Commercial General and Automobile Liability insurance
4703 required by Sections 12.2.2 and 12.2.4.A shall be written on an "occurrence," rather than a "claims
4704 made" basis, if such coverage is obtainable. If it is not obtainable, Contractor must arrange for a
4705 36-month "tail coverage" to protect the City from claims filed after the expiration or termination
4706 of this Agreement relating to incidents which occurred prior to such expiration or termination.
4707

4708 **12.3 PERFORMANCE ASSURANCE**

4709 On or before the Commencement Date of this Agreement, Contractor shall file with the City a bond,
4710 payable to the City, securing the Contractor's faithful performance of its obligations under this Agreement
4711 and such bond shall be renewed annually if necessary so that the performance bond is maintained at all
4712 times during the Term. The principal sum of the bond shall initially be equal to three (3) months of
4713 Contractor's Compensation in Rate Year Twenty-One (21) as calculated in the Contractor's Compensation
4714 Application approved by the City and shall be adjusted every three (3) years thereafter, to equal three (3)
4715 months of the annual Contractor's Compensation based on the Contractor's Compensation Application
4716 approved by the City. The bond shall be executed by a corporation authorized to issue surety bonds in
4717 the State of California, that has a rating of A-XII or better in the most recent edition of Best's Key Rating
4718 Guide, and that has a record of service satisfactory to the City. The performance bond is included in
4719 Exhibit 12.3.
4720

4721 **12.4 GUARANTY AGREEMENT**

4722 In addition to the performance bond required in Section 12.3, Contractor shall be required to provide a
4723 Guaranty in which the Guarantor has agreed to guaranty Contractor's performance of this Agreement
4724 including Contractor's indemnification obligations hereunder pursuant to a Guaranty Agreement in
4725 substantially the form attached as Exhibit 12.4. The Guaranty Agreement is being provided concurrently
4726 with Contractor's execution of this Agreement.

4727

4728

ARTICLE 13. DEFAULT AND REMEDIES

4729 **13.1 EVENTS OF DEFAULT**

4730 Each of the following shall constitute an event of default ("Event of Default") hereunder:

4731

4732 **A.** Contractor fails to perform its obligations under this Agreement, or future amendment to this
4733 Agreement, and: (i) if the failure or refusal has created an imminent threat to public health and is
4734 not cured within two (2) Business Days after receiving notice from the City specifying the breach;
4735 or (ii) in the case of any other breach of the Agreement, the breach continues for more than thirty

4736 (30) calendar days after written notice from the City for the correction thereof. Where such
4737 breach cannot be cured within such 30-day calendar period, Contractor shall not be in default of
4738 this Agreement if Contractor shall have commenced such action required to cure the particular
4739 breach within ten (10) calendar days after such notice, and it continues such performance
4740 diligently until completed.

4741
4742 **B.** Any representation, warranty, or disclosure made to City by Contractor in connection with or as
4743 an inducement to entering into this Agreement or any future amendment to this Agreement,
4744 which proves to be false or misleading in any material respect as of the time such representation
4745 or disclosure is made, whether or not any such representation, warranty, or disclosure appears as
4746 part of this Agreement;

4747
4748 **C.** There is a seizure or attachment (other than a pre-judgment attachment) of, or levy affecting
4749 possession of, the operating equipment of Contractor, including without limit its vehicles,
4750 maintenance or office facilities, or any part thereof of such proportion as to substantially impair
4751 Contractor's ability to perform under this Agreement and which cannot be released, bonded, or
4752 otherwise lifted within 48 hours excluding weekends and Holidays;

4753
4754 **D.** Contractor files a voluntary petition for debt relief under any applicable bankruptcy, insolvency,
4755 debtor relief, or other similar law now or hereafter in effect, or shall consent to the appointment
4756 of or taking of possession by a receiver, liquidator, assignee (other than as a part of a transfer of
4757 equipment no longer useful to Contractor or necessary for this Agreement), trustee (other than
4758 as security for an obligation under a deed of trust), custodian, sequestrator (or similar official) of
4759 the Contractor for any part of Contractor's operating assets or any substantial part of Contractor's
4760 property, or shall make any general assignment for the benefit of Contractor's creditors, or shall
4761 fail generally to pay Contractor's debts as they become due or shall take any action in furtherance
4762 of any of the foregoing;

4763
4764 **E.** A court having jurisdiction shall enter a decree or order for relief in respect of the Contractor, in
4765 any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now
4766 or hereafter in effect, or Contractor shall consent to or shall fail to oppose any such proceeding,
4767 or any such court shall enter a decree or order appointing a receiver, liquidator, assignee,
4768 custodian, trustee, sequestrator (or similar official) of the Contractor or for any part of the
4769 Contractor's operating equipment or assets, or orders the winding up or liquidation of the affairs
4770 of Contractor;

4771
4772 **F.** Contractor fails to provide reasonable assurances of performance as required under Section 13.7.
4773

4774 **13.2 RIGHT TO TERMINATE UPON DEFAULT**

4775 Upon a default by Contractor, the City may terminate this Agreement within ten (10) calendar days of the
4776 default but no later than one hundred eighty (180) calendar days after the default. Such termination shall
4777 be effective ten (10) calendar days after the City's written notice to Contractor informing Contractor that
4778 City exercises its right to terminate the Agreement, and such termination shall be effective without the
4779 need for any hearing, suit, or legal action.

4780

4781 **13.3 POSSESSION OF PROPERTY UPON TERMINATION**

4782 In the event of termination for default, the City shall have the right to take possession of any and all of
4783 Contractor's land, equipment, and other property used or useful in the Collection, Transportation,
4784 Processing, and Disposal of Solid Waste, Recyclable Materials, or Organic Materials, and the Billing and
4785 collection of fees for these services and to use such property. The City shall have the right to retain the
4786 possession of such property until other suitable arrangements can be made for the provision of Solid
4787 Waste, Recyclable Materials, or Organic Materials Collection services, which may include the award of an
4788 Agreement to another materials collection and hauling company. If the City retains possession thereof
4789 after the period of time for which Contractor has already been paid by means of bills issued in advance of
4790 providing service for the class of service involved, the Contractor shall be entitled to the reasonable rental
4791 value of such property (which shall be offset against any damages due the City for the Contractor's
4792 default).

4793 Contractor shall furnish the City with immediate access to all of its business records related to its
4794 Customers and Billing of accounts for Collection services.
4795
4796

4797 **13.4 CITY'S REMEDIES CUMULATIVE; SPECIFIC PERFORMANCE**

4798 The City's right to terminate the Agreement under Section 13.2 and to take possession of the Contractor's
4799 properties under Section 13.3 are not exclusive, and the City's termination of the Agreement and/or the
4800 imposition of Liquidated Damages shall not constitute an election of remedies. Instead, these rights shall
4801 be in addition to any and all other legal and equitable rights and remedies which the City may have.
4802

4803 By virtue of the nature of this Agreement, the urgency of timely, continuous and high quality service, the
4804 lead time required to effect alternative service, and the rights granted by City to the Contractor, the
4805 remedy of damages for a breach hereof by Contractor is inadequate and City shall be entitled to injunctive
4806 relief.
4807

4808 **13.5 LIQUIDATED DAMAGES**

4809
4810 **A. General.** The Parties find that as of the time of the execution of this Agreement, it is impractical,
4811 if not impossible, to reasonably ascertain the extent of damages which shall be incurred by City
4812 as a result of a breach by Contractor of its obligations under this Agreement. The factors relating
4813 to the impracticability of ascertaining damages include, but are not limited to, the fact that: (i)
4814 substantial damage results to members of the public who are denied services or denied quality or
4815 reliable service; (ii) such breaches cause inconvenience, anxiety, frustration, and deprivation of
4816 the benefits of the Agreement to individual members of the general public for whose benefit this
4817 Agreement exists, in subjective ways and in varying degrees of intensity which are incapable of
4818 measurement in precise monetary terms; (iii) that exclusive services might be available at
4819 substantially lower costs than alternative services and the monetary loss resulting from denial of
4820 services or denial of quality or reliable services is impossible to calculate in precise monetary
4821 terms; and (iv) the termination of this Agreement for such breaches, and other remedies are, at
4822 best, a means of future correction and not remedies which make the public whole for past
4823 breaches.
4824

4825 **B. Service Performance Standards; Liquidated Damages for Failure to Meet Standards.** The Parties
4826 further acknowledge that consistent, reliable Collection services are of utmost importance to City

4827 and that City has considered and relied on Contractor's representations as to its quality of service
4828 commitment in awarding the Agreement to it. The Parties recognize that some quantified
4829 standards of performance are necessary and appropriate to ensure consistent and reliable service
4830 and performance. The Parties further recognize that if Contractor fails to achieve the
4831 performance standards, or fails to submit required documents in a timely manner, City and its
4832 residents and businesses shall suffer damages, and that it is, and shall be, impractical and
4833 extremely difficult to ascertain and determine the exact amount of damages which City shall
4834 suffer. Therefore, without prejudice to City's right to treat such non-performance as an event of
4835 default under this Article, the Parties agree that the Liquidated Damages amounts established in
4836 Exhibit 13.5 of this Agreement represent a reasonable estimate of the amount of such damages
4837 considering all of the circumstances existing on the Effective Date of this Agreement, including
4838 the relationship of the sums to the range of harm to City that reasonably could be anticipated and
4839 the anticipation that proof of actual damages would be costly or impractical.

4840
4841 Contractor shall pay (as Liquidated Damages and not as a penalty) the amounts set forth in the
4842 Schedule of Liquidated Damages, Exhibit 13.5, where the conditions for the assessment of such
4843 Liquidated Damages have occurred.

4844
4845 City may determine the occurrence of events giving rise to Liquidated Damages through the
4846 observation of its own employees or representative or investigation of Complaints by Customers,
4847 Occupants, and Generators.

4848
4849 Liquidated Damages shall only be assessed after Contractor has been given written notice by City
4850 of the alleged breach of this Agreement giving rise to Liquidated Damages and has been given a
4851 reasonable opportunity but failed to rectify the damages as described in this Agreement. Before
4852 assessing Liquidated Damages, City shall give Contractor written notice of its intention to do so.
4853 The notice shall include a brief description of the incident(s) and non-performance. The City may
4854 review (and make copies at its own expense) all information in the possession of Contractor
4855 relating to incident(s) and/or non-performance. City may, within ten (10) calendar days after
4856 issuing the notice, request a meeting with Contractor. City may present evidence of non-
4857 performance in writing and through testimony of its employees and others relevant to the
4858 incident(s) and non-performance. City shall provide Contractor with a written explanation of his
4859 or her determination on each incident(s) and non-performance prior to authorizing the
4860 assessment of Liquidated Damages under this Section 13.5. The decision of City shall be final and
4861 Contractor shall not be subject to, or required to exhaust, any further administrative remedies.

4862
4863 **C. Amount.** City may assess Liquidated Damages for each calendar day or event, as appropriate,
4864 that Contractor is determined to be liable in accordance with this Agreement in the amounts
4865 specified in Exhibit 13.5 subject to annual adjustment described below which shall commence for
4866 the amounts listed in Exhibit 13.5 in Rate Year 21.

4867
4868 The amount of Liquidated Damages specified in Exhibit 13.5 shall be adjusted annually on the first
4869 day of the Rate Year. The adjustment shall be rounded to the nearest cent. Liquidated Damage
4870 amounts shall be adjusted to reflect changes in the CPI , using the method following:

4871
4872

$$\begin{array}{l} \text{Adjusted Liquidated Damage} \\ \text{Amount} \end{array} = \begin{array}{l} \text{Then-current Liquidated Damage Amount x} \\ [1 + 0.75 \times (\text{most current CPI/previous 12-month CPI} \\ - 1)] \end{array}$$

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For example:

Current Liquidated Damage Amount = **\$150.00**

Most-recently published index (April 2006) = **193.5**

Index published twelve months prior to most-recently published index (April 2005) = **191.0**

Adjusted Liquidated Damage Amount = $\$150.00 \times [1 + 0.75 \times (193.5/191.0 - 1)] = \mathbf{\$151.47}$

If the CPI is discontinued or revised during the Term by the United States Department of Labor, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or revised.

- D. Timing of Payment.** Contractor shall pay any Liquidated Damages assessed by City within ten (10) calendar days of the date the Liquidated Damages are assessed. If they are not paid within the ten (10) calendar day period, City may proceed against the performance bond required by Section 12.3 of the Agreement, request replacement of Contractor’s general manager, order the termination of the rights or “franchise” granted by this Agreement, or all of the above.

13.6 EXCUSE FROM PERFORMANCE

The Parties shall be excused from performing their respective obligations hereunder if they are prevented from so performing by reason of floods, earthquakes, other acts of nature, war, civil insurrection, riots, acts of any government (including judicial action), and other similar catastrophic events which are beyond the control of and not the fault of the Party claiming excuse from performance hereunder. Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by Contractor's employees or directed at Contractor is not an excuse from performance and Contractor shall be obligated to continue to provide service notwithstanding the occurrence of any or all of such events. In the case of labor unrest or job action directed at a third party over whom Contractor has no control, the inability of Contractor to provide services in accordance with this Agreement due to the unwillingness or failure of the third party to (i) provide reasonable assurance of the safety of Contractor's employees while providing such services, or (ii) make reasonable accommodations with respect to Container placement and point of Delivery, time of Collection, or other operating circumstances to minimize any confrontation with pickets or the number of persons necessary to make Collections shall, to that limited extent, excuse performance. The foregoing excuse shall be conditioned on Contractor's cooperation in performing Collection services at different times and in different locations.

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

4916 If either Party validly exercises its rights under this Section, the Parties hereby waive any claim against
4917 each other for any damages sustained thereby.

4918
4919 The partial or complete interruption or discontinuance of Contractor's services caused by one or more of
4920 the events described in this Article shall not constitute a default by Contractor under this Agreement.
4921 Notwithstanding the foregoing, however, (i) the existence of an excuse from performance shall not affect
4922 the City's rights under Section 4.6; and (ii) if Contractor is excused from performing its obligations
4923 hereunder for any of the causes listed in this Section for a period of thirty (30) calendar days or more,
4924 other than as the result of third party labor disputes where service cannot be provided for reasons
4925 described earlier in this Section, the City shall nevertheless have the right, in its sole discretion, to
4926 terminate this Agreement by giving ten (10) calendar days' notice to Contractor, in which case the
4927 provisions of Section 13.3 shall apply.

4928
4929 In advance of a strike or labor action or as soon as practical after commencement of such an action, the
4930 Parties shall meet and confer to discuss the reason for the strike or labor action; Contractor's plans for
4931 providing services during the strike or labor action; and any short-term modifications to the Agreement
4932 (such as extending allowable hours of Collection) to facilitate Collection operations and protection of
4933 public health.

4934

4935 **13.7 RIGHT TO DEMAND ASSURANCES OF PERFORMANCE**

4936 If Contractor (i) is the subject of any labor unrest including work stoppage or slowdown, sick-out, picketing
4937 or other concerted job action; (ii) appears in the reasonable judgment of City to be unable to regularly
4938 pay its bills as they become due; or (iii) is the subject of a civil or criminal judgment or order entered by a
4939 Federal, State, regional or local agency for violation of an Applicable Law, and the City believes in good
4940 faith that Contractor's ability to perform under the Agreement has thereby been placed in substantial
4941 jeopardy, the City may, at its option and in addition to all other remedies it may have, demand from
4942 Contractor reasonable assurances of timely and proper performance of this Agreement, in such form and
4943 substance as the City believes in good faith is reasonably necessary in the circumstances to evidence
4944 continued ability to perform under the Agreement. If Contractor fails or refuses to provide satisfactory
4945 assurances of timely and proper performance in the form and by the date required by City, such failure or
4946 refusal shall be an event of default for purposes of Section 13.1.

4947 **ARTICLE 14.**
4948 **OTHER AGREEMENTS OF THE**
4949 **PARTIES**

4950
4951 **14.1 RELATIONSHIP OF PARTIES**

4952 The Parties intend that Contractor shall perform the services required by this Agreement as an
4953 independent Contractor engaged by City and not as an officer nor employee of the City, nor as a partner
4954 of, or joint venturer with, the City. No employee or agent of Contractor shall be, or shall be deemed to
4955 be, an employee or agent of the City. Except as expressly provided herein, Contractor shall have the
4956 exclusive control over the manner and means of conducting the Solid Waste, Recyclable Materials, and
4957 Organic Materials Collection, Transportation, Processing, and Disposal services performed under this

4958 Agreement, and all Persons performing such services. Contractor shall be solely responsible for the acts
4959 and omissions of its officers, employees, Subcontractors, and agents. Neither Contractor nor its officers,
4960 employees, Subcontractors, and agents shall obtain any rights to retirement benefits, workers'
4961 compensation benefits, or any other benefits which accrue to City employees by virtue of their
4962 employment with the City.
4963

4964 **14.2 COMPLIANCE WITH LAW**

4965 Contractor shall at all times, at its sole cost, comply with all Applicable Laws, permits and licenses of the
4966 United States, the State, and the City and with all applicable regulations promulgated by Federal, State,
4967 regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued
4968 or amended during the Term.
4969

4970 **14.3 GOVERNING LAW**

4971 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the
4972 State of California.
4973

4974 **14.4 JURISDICTION**

4975 Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the
4976 courts of Alameda County in the State of California, which shall have exclusive jurisdiction over such
4977 lawsuits.
4978

4979 With respect to venue, the Parties agree that this Agreement is made in and shall be performed in
4980 Alameda County.
4981

4982 **14.5 BINDING ON SUCCESSORS**

4983 The provisions of this Agreement shall inure to the benefit to and be binding on the successors and
4984 permitted assigns of the Parties.
4985

4986 **14.6 ASSIGNMENT**

4987
4988 **A.** Neither Party shall assign its rights nor delegate or otherwise transfer its obligations under this
4989 Agreement to any other Person without the prior written consent of the other Party. Any such
4990 assignment made without the consent of the other Party shall be void and the attempted
4991 assignment shall constitute a material breach of this Agreement.
4992

4993 **B.** For purposes of this Section, "assignment" shall include, but not be limited to (i) a sale, exchange
4994 or other transfer of substantially all of Contractor's assets dedicated to service under this
4995 Agreement to a third party; (ii) a sale, exchange or other transfer of 10% or more of the
4996 outstanding common stock of Contractor; (iii) any reorganization, consolidation, merger,
4997 recapitalization, stock issuance or re-issuance, voting trust, pooling Agreement, escrow
4998 arrangement, liquidation or other transaction to which Contractor or any of its shareholders is a
4999 party which results in a change of ownership or control of 30% or more of the value or voting
5000 rights in the stock of Contractor; and (iv) any combination of the foregoing (whether or not in
5001 related, contemporaneous or sequential transactions) which has the effect of any such transfer

5002 or change of ownership and/or control of Contractor. For purposes of this Section, the term
5003 "proposed assignee" shall refer to the proposed transferee(s) or other successor(s) in interest
5004 pursuant to the assignment. Assignment may exclude a change in ownership of Contractor's
5005 assets or stocks which occurs for interfamilial planning purposes only and does not involve a
5006 change in the management of the Agreement or services performed thereunder.
5007

5008 **C.** Contractor acknowledges that this Agreement involves rendering a vital service to City's residents
5009 and businesses, and that City has selected Contractor to perform the services specified herein
5010 based on (i) Contractor's experience, skill, and reputation for conducting its Solid Waste,
5011 Recyclable Materials, and Organic Materials management operations in a safe, effective, and
5012 responsible fashion, at all times in keeping with Applicable Laws, regulations and good waste
5013 management practices, and (ii) Contractor's financial resources to maintain the required
5014 equipment and to support its indemnity obligations to City under this Agreement. City has relied
5015 on each of these factors, among others, in choosing Contractor to perform the services to be
5016 rendered by Contractor under this Agreement.
5017

5018 **D.** If Contractor requests City's consideration of and consent to an assignment, the City may deny or
5019 approve such request in its sole discretion. The City does not have to consider a request by
5020 Contractor for consent to an assignment until Contractor has met the following requirements.
5021

- 5022 1. Contractor shall undertake to pay City its reasonable expenses for attorney's fees, consultant
5023 fees, and investigation costs necessary to investigate the suitability of any proposed
5024 assignee, and to review and finalize any documentation required as a condition for approving
5025 any such assignment;
5026
- 5027 2. Contractor shall furnish City with audited financial statements of the proposed assignee's
5028 operations for the immediately preceding three operating years;
5029
- 5030 3. Contractor shall furnish City with satisfactory proof: (i) that the proposed assignee has at
5031 least 10 years of Solid Waste, Recyclable Materials, and Organic Materials management
5032 experience on a scale equal to or exceeding the scale of operations conducted by Contractor
5033 under this Agreement; (ii) that in the last 5 years, the proposed assignee has not suffered any
5034 citations or other censure from any Federal, State or local agency having jurisdiction over its
5035 waste management operations due to any significant failure to comply with state, Federal or
5036 local waste management laws and that the assignee has provided the City with a complete
5037 list of such citations and censures; (iii) that the proposed assignee has at all times conducted
5038 its operations in an environmentally safe and conscientious fashion; (iv) that the proposed
5039 assignee conducts its Solid Waste, Recyclable Materials, and Organic Materials management
5040 practices in accordance with sound waste management practices in full compliance with all
5041 Applicable Laws regulating the Collection, Transportation, Processing, and Disposal of Solid
5042 Waste, Recyclable Materials, and Organic Materials, including Hazardous Waste as identified
5043 in Title 22 of the California Code of Regulations as may be amended from time to time; (v)
5044 that the Guaranty Agreement provided by the proposed assignee is satisfactory to the City
5045 and is binding and enforceable upon the Guarantor; and (vi) that any other information
5046 required by City demonstrates that the proposed assignee can fulfill the terms of this
5047 Agreement in a timely, safe and effective manner; and,
5048

- 5049 4. Contractor shall provide the City with any and all additional records or documentation which,
5050 in City's sole determination, would facilitate the review of the proposed assignment.
5051
- 5052 E. Under no circumstances shall any proposed assignment be considered by City if Contractor is in
5053 default at any time during the period of consideration.
5054
- 5055 F. On the date the City approves Contractor's written request for an assignment, Contractor shall
5056 pay the City a transfer fee in the amount of one percent (1%) of the Gross Rate Revenues for the
5057 most-recently completed Rate Year. The City's approval of such an assignment shall be
5058 conditioned on the receipt of the transfer fee.
5059

5060 **14.7 PARTIES IN INTEREST**

5061 Nothing in this Agreement, whether express or implied, is intended to confer any rights on any Persons
5062 other than the Parties to it and their representatives, successors and permitted assigns.
5063

5064 **14.8 WAIVER**

5065 The waiver by either Party of any breach or violation of any provisions of this Agreement shall not be
5066 deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or
5067 violation of the same or any other provision. The subsequent acceptance by either Party of any monies
5068 which become due hereunder, shall not be deemed to be a waiver of any pre-existing or concurrent
5069 breach or violation by the other Party of any provision of this Agreement.
5070

5071 **14.9 NOTICE PROCEDURES**

5072 All notices, demands, requests, proposals, approvals, consents, and other communications which this
5073 Agreement requires, authorizes or contemplates, all except as provided in Section 4.6.1, shall be in writing
5074 and shall either be personally delivered to a representative of the Parties at the address below or
5075 deposited in the United States mail, first class postage prepaid, addressed as follows:
5076

5077 **A.** If to City:

5078
5079 City Manager
5080 City of Union City
5081 34009 Alvarado-Niles Road
5082 Union City, CA 94587-4497
5083

5084 **B.** If to Contractor:

5085
5086 Joe Chu, General Manager
5087 Republic Services, Inc.
5088 42600 Boyce Road
5089 Fremont, CA 94538
5090 (510) 354-2451
5091

5092
5093 The address to which communications may be delivered may be changed from time to time by a notice
5094 given in accordance with this Section.

5095
5096 Notice shall be deemed given on the day it is personally delivered or, if mailed, three (3) calendar days
5097 from the date it is deposited in the mail.
5098

5099 **14.10 REPRESENTATIVES OF THE PARTIES**

5100 All actions to be taken by the City shall be taken by the City Council except as provided below. The City
5101 Council may delegate, in writing, authority to the City Manager and/or to other City officials and may
5102 permit such officials, in turn, to delegate in writing some or all of such authority to subordinate officers.
5103 The Contractor may rely upon actions taken by such delegates if they are within the scope of the authority
5104 properly delegated to them.
5105

5106 The Contractor shall, by the Effective Date, designate in writing a responsible officer who shall serve as
5107 the representative of the Contractor in all matters related to the Agreement and shall inform the City in
5108 writing of such designation and of any limitations upon his or her authority to bind the Contractor. The
5109 City may rely upon action taken by such designated representative as actions of the Contractor unless
5110 they are outside the scope of the authority delegated to him/her by the Contractor as communicated to
5111 City.
5112

5113 **14.11 CRIMINAL ACTIVITY OF CONTRACTOR**

5114
5115 **14.11.1 Criminal Activity**

5116 For purpose of this Section, Criminal Activity shall mean any of the following events or circumstances:
5117

5118 **A. Convictions.** The entry against any Contractor Party of a criminal conviction or a permanent
5119 mandatory or prohibitory injunction from a court, municipality or regulatory agency of competent
5120 jurisdiction based on acts taken in his or her official capacity on behalf of Contractor with respect
5121 to:
5122

- 5123 1. Fraud or criminal offense in connection with obtaining, attempting to obtain, procuring or
5124 performing a public or private agreement related to municipal Solid Waste, Recyclable
5125 Materials, or Organic Materials services of any kind (including Collection, Transportation,
5126 transfer, Processing, Composting or Disposal), including this Agreement or any amendment
5127 thereto;
- 5128 2. Bribery or attempting to bribe a public officer or employee of a local, State, or Federal
5129 agency;
- 5130 3. Embezzlement, extortion, racketeering, false claims, false statements, forgery, falsification
5131 or destruction of records, obstruction of justice, knowingly receiving stolen property, theft,
5132 or misprision (failure to disclose) of a felony;
- 5133 4. Unlawful disposal of Hazardous Waste or Designated Waste the occurrence of which any of
5134 Contractor Party knew or should have known;
- 5135 5. Violation of antitrust laws, including laws relating to price-fixing, bid-rigging and sales and
5136 market allocation, and of unfair and anti-competitive trade practices laws, including with
5137 respect to inflation of fees or Rates for Solid Waste, Recyclable Materials or Organic Materials
5138 Collection, Transportation, Processing, or Disposal;
- 5139 6. Violation of securities laws;
- 5140 7. Felonies.

5141
5142 **B.** **Pleas.** Entry of a plea of “guilty,” “nolo contendere,” or “no contest” by a Contracting Party based
5143 on acts taken in his, her, or its official capacity on behalf of Contractor with respect to the conduct
5144 described in preceding subdivision (1) of this Section.
5145

5146 **14.11.2 Notice**

5147 Contactor shall notify City in writing within five (5) calendar days of occurrence of any Criminal Activity.
5148

5149 **14.11.3 Contractor’s Cure**

5150 Upon occurrence of any Criminal Activity, Contractor shall immediately do or cause to be done all of the
5151 following:
5152

5153 **A.** Terminate from employment or remove from office any offending individual Contractor Party,
5154 unless otherwise directed or ordered by a court or regulatory agency of competent jurisdiction or
5155 authority, and unless that termination would constitute a breach of any labor agreement entered
5156 into by Contractor, and
5157

5158 **B.** Eliminate participation by any individual offending Contractor Party in any management,
5159 supervision, or decision activity that affects or could affect, directly or indirectly, the performance
5160 of the Contractor under this Agreement.
5161

5162 **14.11.4 Transfer and Hiring**

5163 Contractor shall not allow or cause to be allowed the hire or transfer of any individual from any Parent
5164 Company or subsidiary company or business entity of Contractor who has committed Criminal Activity as
5165 a Contractor representative, field supervisor, officer, or director who is directly or indirectly responsible
5166 for performance of this Agreement without obtaining prior written consent of City, following full
5167 disclosure to City of the facts and circumstances surrounding such Criminal Activity.
5168

5169 **14.11.5 City’s Remedy**

5170 In the event of any occurrence of Criminal Activity, the City, in its sole discretion, may terminate the
5171 Agreement or may impose other sanctions (which may include financial sanctions, temporary
5172 suspensions, or any other condition deemed appropriate short of termination) as it shall deem proper, in
5173 the following events:
5174

5175 **A.** Contractor fails to comply with the foregoing obligation of this Section 14.11, or
5176

5177 **B.** The Criminal Activity concerns or relates directly or indirectly to this Agreement.
5178

5179 The City shall notify Contractor in writing of its intent to terminate the Agreement at least thirty (30)
5180 calendar days prior to terminating the Agreement. Contractor shall be given the opportunity to present
5181 evidence in mitigation during the 30-calendar-day notice period. The City may terminate the Agreement
5182 any time after the 30-calendar-day notice period if the Contractor has not presented evidence of curing
5183 such event, to the satisfaction of the City.
5184

5185 **14.12 PUBLIC HEARING ON CONTRACTOR’S PERFORMANCE**

5186 At any time, but no more than once annually, the City may hold a public hearing, at which Contractor may
5187 be required by City to attend and participate in, to review the Contractor’s performance and to solicit

5188 feedback from the public regarding Contractor’s performance of services under this Agreement. The
5189 purpose of the public hearing shall be to provide for discussion and review of technological, economic,
5190 and regulatory changes in order to achieve continuing, state-of-the-art Collection, Transportation,
5191 Processing, and Disposal services and to ensure services are being provided with adequate quality,
5192 effectiveness, and economy. The City, at its discretion, may use input provided during the public hearing
5193 to assess the Contractor’s performance.
5194

5195 **14.13 PERFORMANCE REVIEW**

5196 At City’s sole discretion, the City may require Contractor’s participation in a contract compliance
5197 performance review during either Rate Year 26 or 27. Contractor shall pay up to one-hundred thousand
5198 dollars (\$100,000) for the City’s costs of conducting the performance review and such cost shall be
5199 recoverable through the Maximum Rates established by Contractor. The purpose of such review shall be
5200 to verify Contractor has fulfilled its obligations under the Agreement, to review Complaints, to review
5201 Billings, to review fee and other payments to the City, and to determine if Contractor has met performance
5202 standards. Contractor shall cooperate with the review which may be conducted at the sole discretion of
5203 the City.
5204

5205 **14.14 IRAN CONTRACTING ACT CERTIFICATION**

5206 Contractor represents and warrants that it is in compliance with and has completed all requirements
5207 necessary to become certified under the Iran Contracting Act (Public Contract Code Sec. 2200). Proof of
5208 certification shall be included as Exhibit 14.14 of this Agreement.

5209 **ARTICLE 15**
5210 **RESOLUTION OF DISPUTES**

5211 **15.1 INFORMAL RESOLUTION**

5212 Should a dispute arise with respect to the performance and obligations of the Parties hereunder, at any
5213 time during the term of this Agreement, the provisions of this Article shall apply. Either Party shall give
5214 the other written notice of such dispute. Such notice shall specify a date and location for the Parties to
5215 meet and confer in good faith to resolve any dispute that may arise in a cooperative and mutually
5216 satisfactory manner. The Parties shall attempt to resolve their disputes informally to the maximum extent
5217 possible.
5218

5219 **15.2 MEDIATION**

5220 In the event the Parties cannot resolve such dispute within thirty (30) days of such notice, either Party
5221 may propose the appointment of a mediator for advice and non-binding mediation, and the other Party
5222 shall attend such mediation. If the mediator is unable, within thirty (30) days thereafter, to reach a
5223 determination as to the matter in dispute in a manner acceptable to the Parties hereto, and if the dispute
5224 does not concern “valuation items” identified in Section 15.3, then either Party may refer the matter to a
5225 Court of competent jurisdiction. Disputes that concern valuation items shall proceed with binding
5226 arbitration procedures set forth in Section 15.4 below.
5227

5228 **15.3 VALUATION ITEMS**

5229 For the purposes of this Agreement, disputes over “valuation items” refers to disputes over basic financial
5230 issues valued under one million dollars (\$1,000,000) that is due or owed by either Party. If mediation is
5231 unsuccessful, disputes concerning valuation items shall be referred to binding arbitration.
5232

5233 **15.4 BINDING ARBITRATION**

5234 Binding arbitration proceedings shall be in accordance with California Code of Civil Procedure Section
5235 1280 et. seq., the then-current JAMS Streamlined Arbitration Rules, and the terms of this Section. In the
5236 event of any inconsistency, the terms of this Section shall control. The arbitration shall be administered
5237 by JAMS and conducted in the County of Alameda. If the Parties are unable to select an arbitrator, JAMS
5238 shall select a qualified arbitrator from its panel. If JAMS is unwilling or unable to (a) serve as the provider
5239 of arbitration or (b) enforce any provision of this arbitration clause, the Parties may mutually designate
5240 another arbitration organization with similar procedures to serve as the provider of arbitration. If the
5241 parties cannot agree on the arbitration organization, the Presiding Judge of the Alameda County Superior
5242 Court shall designate such an organization upon the petition of either Party.
5243

5244 A. The arbitrator shall be independent of, and unaffiliated with, each Party and shall not ever have
5245 been an employee of either Party, under contract with either Party in the past five (5) years or acted
5246 as an arbitrator for such Party within the past five (5) years.

5247 B. Within twenty (20) days after initiation of the arbitration, if not previously done so under the terms
5248 of this Agreement, the Parties shall simultaneously submit to each other and the arbitrator their
5249 respective best or final offer for the item subject to the valuation dispute, with such supporting
5250 information as is reasonably necessary to support such suggested value. If the two (2) valuations
5251 so submitted differ by less than or equal to ten percent (10%) of the higher of the two (2), the
5252 average of the two (2) shall become the agreed-upon and binding amount for purposes of this
5253 Agreement and the arbitration shall not be continued. If the two (2) valuations differ by more than
5254 ten percent (10%) of the higher of the two (2), then the arbitrator shall make a determination of the
5255 relevant value and submit such determination to both Parties. This third valuation will then be
5256 averaged with the closer of the two (2) previous valuations and the result shall be the relevant value.
5257 In no event shall the arbitrator award, on a *quantum meruit* or other basis, an amount that is greater
5258 than any amount set forth in this Agreement. The final arbitrated value shall be binding on the
5259 Parties.

5260 C. The arbitrator shall have the authority and power to award costs, including attorneys’ fees and costs
5261 to the prevailing Party. Unless otherwise awarded by the arbitrator, the Parties shall evenly split
5262 the cost of any arbitration under this Section.

5263 D. By agreeing to binding arbitration, the Parties irrevocably and voluntarily waive any right they may
5264 have to a trial by jury to the extent permitted by law.

Acknowledgement of waiver of rights to trial by jury if proceeding with binding arbitration pursuant to Section 15.4 of this Agreement.

City of Union City

Allied Waste Services of North America, LLC

5265
5266

5267 **15.5 PENDENCY OF DISPUTE**

5268 During the pendency of any dispute under this Article, all applicable time periods directly related to the
5269 dispute shall be tolled until its resolution; provided, however, that no tolling shall apply to any matters
5270 other than those directly related to the dispute and such tolling shall not entitle a Party to breach, default,
5271 or fail to perform its obligations under this Agreement. In addition, the pendency of any dispute shall not
5272 stay or affect the City's remedies under this Agreement, including but not limited to its rights to terminate,
5273 suspend, or take possession of Contractor's property.

5274
5275

ARTICLE 16.
MISCELLANEOUS AGREEMENTS

5276

5277 **16.1 ENTIRE AGREEMENT**

5278 This Agreement, including the Exhibits, supersedes any and all prior agreements and understandings
5279 (whether written or oral) between the Parties and represents the full and entire Agreement between the
5280 Parties with respect to the matters covered herein.

5281

5282 **16.2 SECTION HEADINGS**

5283 The article headings and section headings in this Agreement are for convenience of reference only and
5284 are not intended to be used in the construction of this Agreement nor to alter or affect any of its
5285 provisions.

5286

5287 **16.3 REFERENCES TO LAWS**

5288 All references in this Agreement to laws shall be understood to include such laws as they may be
5289 subsequently amended or recodified, unless otherwise specifically provided.

5290

5291 **16.4 INTERPRETATION**

5292 This Agreement shall be interpreted and construed reasonably and neither for nor against either Party,
5293 regardless of the degree to which either Party participated in its drafting.

5294

5295 **16.5 AMENDMENT**

5296 This Agreement may not be modified or amended in any respect except in writing signed by the Parties.

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16.6 SEVERABILITY

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

16.7 COUNTERPARTS

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

16.8 EXHIBITS

Each of the Exhibits identified as Exhibits 1, 2.2, 5.9, 5.13, 5.16, 6.4, 7.1, 8.4, 11.1.A, 11.1.B, 11.2.B, 11.2.C, 12.3, 12.4, 13.5, 14.14, and 15 is attached hereto and incorporated herein and made a part hereof by this reference.

16.9 PRECEDENCE

If a conflict exists between the Agreement and the Exhibits thereto, then the Agreement shall govern. If two or more Sections of the Agreement shall conflict, then that Section dealing most specifically with the matter shall govern.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed on the day and year first above written.

**ALLIED WASTE SERVICES
OF NORTH AMERICA, LLC**

CITY OF UNION CITY
A Municipal Corporation

Yasser Brenes
Area President

Joan Malloy
City Manager

APPROVED AS TO FORM:

Kristopher Kokotaylo
City Attorney

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Jackie Acosta
Finance Director

Thai Nam Pham
City Clerk

**EXHIBIT 1
RESERVED**

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EXHIBIT 2.2
CORPORATE SECRETARY'S CERTIFICATE

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EXHIBIT 5.9
CITY SERVICE LOCATIONS

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EXHIBIT 5.9 CITY SERVICE LOCATIONS

Account Number	Site Number	Site Name	City Name	Generator Type	Site Address	Site City	Site ZIP	Service Stream	Number of Containers	Container Size	Pickups per Week	Scheduled Pickup Days	Service Description	Service Provider
259531	35	CITY HALL/POLICE DEPT <ORG>	UNION CITY CITY HALL	Commercial	34009 ALVARADO NILES RD	UNION CITY	94587-4452	Organics	1	0.32	1	1 F-	64-Gallon Cart	Triced
260026	1	UNION CITY CITY HALL	UNION CITY CITY HALL	Commercial	34009 ALVARADO NILES RD	UNION CITY	94587-4452	Recycle	1	4	1	1 -T---	4-Yard	Republic
260026	100	UNION CITY CITY HALL	UNION CITY CITY HALL	Commercial	34009 ALVARADO NILES RD	UNION CITY	94587-4452	Garbage	1	3	3	3 M-W-F-	3-Yard	Republic
259911	100	UNION CITY LIBRARY	UNION CITY LIBRARY	Commercial	34007 ALVARADO NILES RD	UNION CITY	94587-4452	Garbage	1	2	1	1 --TH-	2-Yard	Republic
259911	101	UNION CITY LIBRARY	UNION CITY LIBRARY	Commercial	34007 ALVARADO NILES RD	UNION CITY	94587-4452	Recycle	1	1	1	1 -T---	1-Yard	Republic
259531	34	UNION CITY LIBRARY <ORG>	UNION CITY LIBRARY	Commercial	34007 ALVARADO NILES RD	UNION CITY	94587-4452	Organics	1	0.32	1	1 F-	64-Gallon Cart	Triced
258202	101	HOLLY COMMUNITY CENTER/MSW/RVC	HOLLY COMMUNITY CENTER	Commercial	31600 ALVARADO BLVD	UNION CITY	94587-5801	Garbage	1	4	2	2 M--TH-	4-Yard	Republic
258202	101	HOLLY COMMUNITY CENTER/MSW/RVC	HOLLY COMMUNITY CENTER	Commercial	31600 ALVARADO BLVD	UNION CITY	94587-5801	Recycle	1	2	1	1 -T---	2-Yard	Republic
258202	1	HOLLY COMMUNITY CENTER<ORG>	HOLLY COMMUNITY CENTER	Commercial	31600 ALVARADO BLVD	UNION CITY	94587-5801	Organics	1	0.32	1	1 TH-	64-Gallon Cart	Triced
259531	33	UNION CITY FIRE HOUSE #32	ACFD STATION #32	Commercial	31600 ALVARADO BLVD	UNION CITY	94587-5801	Organics	1	0.32	1	1 --TH-	64-Gallon Cart	Triced
259531	66	UNION CITY FIRE HOUSE #32	ACFD STATION #32	Commercial	31600 ALVARADO BLVD	UNION CITY	94587-5801	Recycle	2	0.48	1	1 --TH-	98-Gallon Cart	Triced
259520	100	UNION CITY FIRE HOUSE #32	ACFD STATION #32	Commercial	31600 ALVARADO BLVD	UNION CITY	94587-5801	Garbage	1	2	1	1 -T---	2-Yard	Republic
259531	37	KENNEDY COMMUNITY CTR	KENNEDY COMMUNITY CENTER	Commercial	1333 DECOTO RD	UNION CITY	94587-3520	Organics	1	0.32	1	1 W-	64-Gallon Cart	Triced
259531	37	KENNEDY COMMUNITY CTR	KENNEDY COMMUNITY CENTER	Commercial	1333 DECOTO RD	UNION CITY	94587-3520	Garbage	1	3	2	2 M--F-	3-Yard	Republic
259531	37	KENNEDY COMMUNITY CTR	KENNEDY COMMUNITY CENTER	Commercial	1333 DECOTO RD	UNION CITY	94587-3520	Recycle	1	2	1	1 --TH-	2-Yard	Republic
260018	101	UNION CITY SENIOR CENTER <RVC>	UNION CITY SENIOR CENTER	Commercial	33997 ALVARADO NILES RD	UNION CITY	94587-4363	Recycle	1	2	1	1 M----	2-Yard	Republic
260018	100	UNION CITY SENIOR CENTER<MSW>	UNION CITY SENIOR CENTER	Commercial	33997 ALVARADO NILES RD	UNION CITY	94587-4363	Garbage	1	3	2	2 M--F-	3-Yard	Republic
260018	1	UNION CITY SENIOR CENTER<ORG>	UNION CITY SENIOR CENTER	Commercial	33997 ALVARADO NILES RD	UNION CITY	94587-4363	Organics	1	0.32	1	1 --TH-	64-Gallon Cart	Triced
259531	39	UNION CITY MARK GREEN SPORTS	MARK GREEN SPORTS CENTER	Commercial	31224 UNION CITY BLVD	UNION CITY	94587-2524	Organics	1	1	1	1 -T---	1-Yard	Republic
259531	64	UNION CITY MARK GREEN SPORTS	MARK GREEN SPORTS CENTER	Commercial	31224 UNION CITY BLVD	UNION CITY	94587-2524	Recycle	1	1	1	1 -T---	1-Yard	Republic
305102	100	UNION CITY MARK GREEN SPORTS	MARK GREEN SPORTS CENTER	Commercial	31224 UNION CITY BLVD	UNION CITY	94587-2524	Garbage	1	4	2	2 -T--F-	4-Yard	Republic
259531	8	UC COMMUNITY CENTER<MSW>	10TH STREET CENTER	Commercial	33948 10TH ST	UNION CITY	94587-3437	Garbage	2	0.32	1	1 -T---	64-Gallon Cart	Republic
259531	40	UNION CITY COMM CNTR <RVC>	10TH STREET CENTER	Commercial	33948 10TH ST	UNION CITY	94587-3437	Recycle	2	0.48	1	1 T-	98-Gallon Cart	Triced
259994	100	UNION CITY YOUTH PROGRAM	UNION CITY TEEN WORKSHOP	Commercial	33623 MISSION BLVD	UNION CITY	94587-1428	Garbage	1	3	1	1 --TH-	3-Yard	Republic
259622	100	UNION CITY FIRE HOUSE #31	ACFD STATION #31	Commercial	33555 CENTRAL AVE	UNION CITY	94587-2029	Garbage	1	2	1	1 M----	2-Yard	Republic
259531	36	UNION CITY FIRE HOUSE #31 <ORG>	ACFD STATION #31	Commercial	33555 CENTRAL AVE	UNION CITY	94587-2029	Organics	1	0.32	1	1 --TH-	64-Gallon Cart	Triced
259531	67	UNION CITY FIRE HOUSE #31 <REC>	ACFD STATION #31	Commercial	33555 CENTRAL AVE	UNION CITY	94587-2029	Recycle	4	0.48	1	1 --TH-	98-Gallon Cart	Triced
259531	68	UNION CITY FIRE HOUSE #33	ACFD STATION #33	Commercial	33942 7TH ST	UNION CITY	94587-3522	Recycle	2	0.48	1	1 F-	98-Gallon Cart	Triced
259531	7	UNION CITY FIRE HOUSE #33<MSW>	ACFD STATION #33	Commercial	33942 7TH ST	UNION CITY	94587-3522	Garbage	1	2	1	1 -T---	2-Yard	Republic
259531	30	UNION CITY FIRE HOUSE #33<ORG>	ACFD STATION #33	Commercial	33942 7TH ST	UNION CITY	94587-3522	Organics	1	0.32	1	1 F-	64-Gallon Cart	Triced
259531	30	UNION CITY FIRE HOUSE #33<ORG>	ACFD STATION #33	Commercial	33942 7TH ST	UNION CITY	94587-3522	Organics	1	3	1	1 --W---	3-Yard	Republic
259531	108	CITY OF UNION 40YD TIRE BOX	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Garbage	1	40	0	0 ----	40-Yard	Republic
259531	51	CITY OF UNION CITY	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Garbage	1	40	0	0 ----	40-Yard	Republic
259531	51	CITY OF UNION CITY	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Recycle	1	40	0	0 ----	40-Yard	Republic
259531	100	CITY OF UNION CITY (CORP YARD)	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Garbage	1	4	1	1 -T---	4-Yard	Republic
259531	16	CITY OF UNION CITY *MATTRESS*	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Garbage	1	20	0	0 ----	20-Yard	Republic
259531	409	CITY OF UNION CITY *SPECIAL*	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Garbage	2	6	0	0 ----	6-Yard	Republic
259531	409	CITY OF UNION CITY *SPECIAL*	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Recycle	1	6	0	0 ----	6-Yard	Republic
259531	6	CITY OF UNION CITY <2/40YD YW>	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Recycle	4	40	0	0 ----	40-Yard	Republic
259531	102	CITY OF UNION CITY 20YD	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Garbage	1	20	3	3 M-W-F-	20-Yard	Republic
259531	103	CITY OF UNION CITY 20YD	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Garbage	1	20	3	3 M-W-F-	20-Yard	Republic
259531	13	CITY OF UNION CITY CORP RVC	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Recycle	1	7	1	1 -TH-	7-Yard	Republic
259531	31	CORP YARD <ORG>	UNION CITY CORP YARD	Commercial	34650 7TH ST	UNION CITY	94587-3693	Organics	1	0.32	1	1 T-	64-Gallon Cart	Triced
259960	2	CENTRO DE SERVICIOS <ORG>	DECOTO RESOURCE CENTER	Commercial	525 H ST	UNION CITY	94587-3452	Organics	1	2	1	1 --W---	2-Yard	Republic
259960	1	CENTRO DE SERVICIOS <RVC>	DECOTO RESOURCE CENTER	Commercial	525 H ST	UNION CITY	94587-3452	Recycle	1	3	3	3 M-W-F-	3-Yard	Republic
259960	100	DECOTO COMMUNITY CENTER <MSW>	DECOTO RESOURCE CENTER	Commercial	525 H ST	UNION CITY	94587-3452	Garbage	1	4	1	1 --TH-	4-Yard	Republic
259531	72	COMMUNITY GARDEN<40YD>	COMMUNITY GARDEN	Commercial	34600 VENETO AVE	UNION CITY	94587	Recycle	1	40	0	0 ----	40-Yard	Republic

Union City Public Litter Cans - 1/16/2025

No.	Stop Name	Location	Address	Latitude	Longitude
1	Union City Blvd north of Whipple	Westside-- Between Whipple & Kohoutek Way	Union City Blvd.	37.607096	-122.082792
2	Union City Blvd & Alvarado Bl	Southwest corner	Union City Blvd.	37.590974	-122.081284
3	Union City Blvd & Regents Bl	Southwest corner	Union City Blvd.	37.58698	-122.081239
4	Union City Blvd. & Rocklin Dr.	Southwest corner	Union City Blvd.		
5	Alvarado Blvd & Fredi St	Southeast corner	Alvarado Blvd.	37.591884	-122.077414
6	Alvarado Blvd west of New Haven St	Northside of Alvarado by Holly Community Ctr	Alvarado Blvd.	37.592616	-122.074978
7	Alvarado Blvd & Dyer St	Northwest corner by Valero Gas/Seafood City	31848 Alvarado Blvd.	37.590077	-122.07008
8	Dyer St. & Alvarado Blvd.	Southeast corner by 76 gas station	4138 Dyer St.	37.58867	-122.07052
9	Dyer St & Alvarado Blvd.	Northeast corner by Fremont Bank	32100 Alvarado Blvd.	37.59035	-122.069053
10	Dyer St. & Alvarado Niles Rd.	Southeast corner by Smith St	35000 Dyer St.	37.596591	-122.070865
11	Dyer St & Ratekin Dr	Southeast corner by IHOP	Dyer St.	37.59993	-122.070309
12	Whipple Rd & Meridien Dr	Southeast corner East of Ahern	2941 Sorrento Way	37.605618	-122.075278
13	Dyer St south of Whipple Rd	Northeast corner near Walmart entrance	Dyer St.	37.6044532	-122.0689226
14	Dyer St south of Whipple Rd	Northwest corner near Walmart entrance	Dyer St.	37.604348	-122.069326
15	Union Landing Transit Center	Terminal	32060 Union Lndg Blvd	37.598792	-122.065656
16	Alvarado-Niles Rd & Santa Maria Dr.	Southeast corner by Shell Station & BK	31361 Alvarado Niles Rd.	37.59805	-122.065844
17	Alvarado-Niles Rd & Almaden Blvd.	Southeast corner by 7-11	32351 Alvarado Niles Rd.	37.596175	-122.054426
18	Alvarado-Niles Rd & Almaden Blvd.	Northwest corner	Alvarado Niles Rd.		
19	Alvarado-Niles Rd & Medallion Ave	Northwest corner	Alvarado Niles Rd.	37.595721	-122.051912
20	Alvarado-Niles Rd & Central Ave	Southeast corner by Bank of the West	Alvarado Niles Rd.	37.591927	-122.039136
21	Alvarado-Niles Rd & Western Ave	Northwest corner by Shoker Plaza	33600 Alvarado Niles Rd.	37.591333	-122.035591
22	Alvarado-Niles Rd & Hartnell St	Northwest corner by P&B Prop Med Office Ctr	33797 Remington Dr.	37.58988	-122.03044
23	Alvarado-Niles Rd & H St	Northwest corner James Logan High School Parking Lot	33948 Alvarado Niles Rd.	37.589285	-122.028333
24	Alvarado-Niles Rd & Royal Ann Dr	Southeast corner front of Library	34007 Alvarado Niles Rd.	37.588737	-122.027421
25	Alvarado-Niles Rd east of Royal Ann	Southside of Alvarado Niles Rd front of pond	34008 Alvarado Niles Rd.		
26	Alvarado-Niles Rd & Meyers Dr	Northwest corner (front of School Dist Hdqtrs	34201 Alvarado Niles Rd.	37.588215	-122.024424
27	Alvarado-Niles Rd & Nidus Ct	Southeast corner by Nidus Court Senior Apts	2000 Nidus Ct.	37.587781	-122.023841
28	Decoto Rd & Meyers Dr	Northeast corner in front of Parkside Apts	1501 Decoto Rd.		
29	Decoto Rd & Union Square	Northeast corner in front of McDonalds	27 Union Sq.	37.590863	-122.0201364
30	Union City BART Station	Terminal	Decoto Rd. / 10 Union Sq.	37.590588	-122.017616

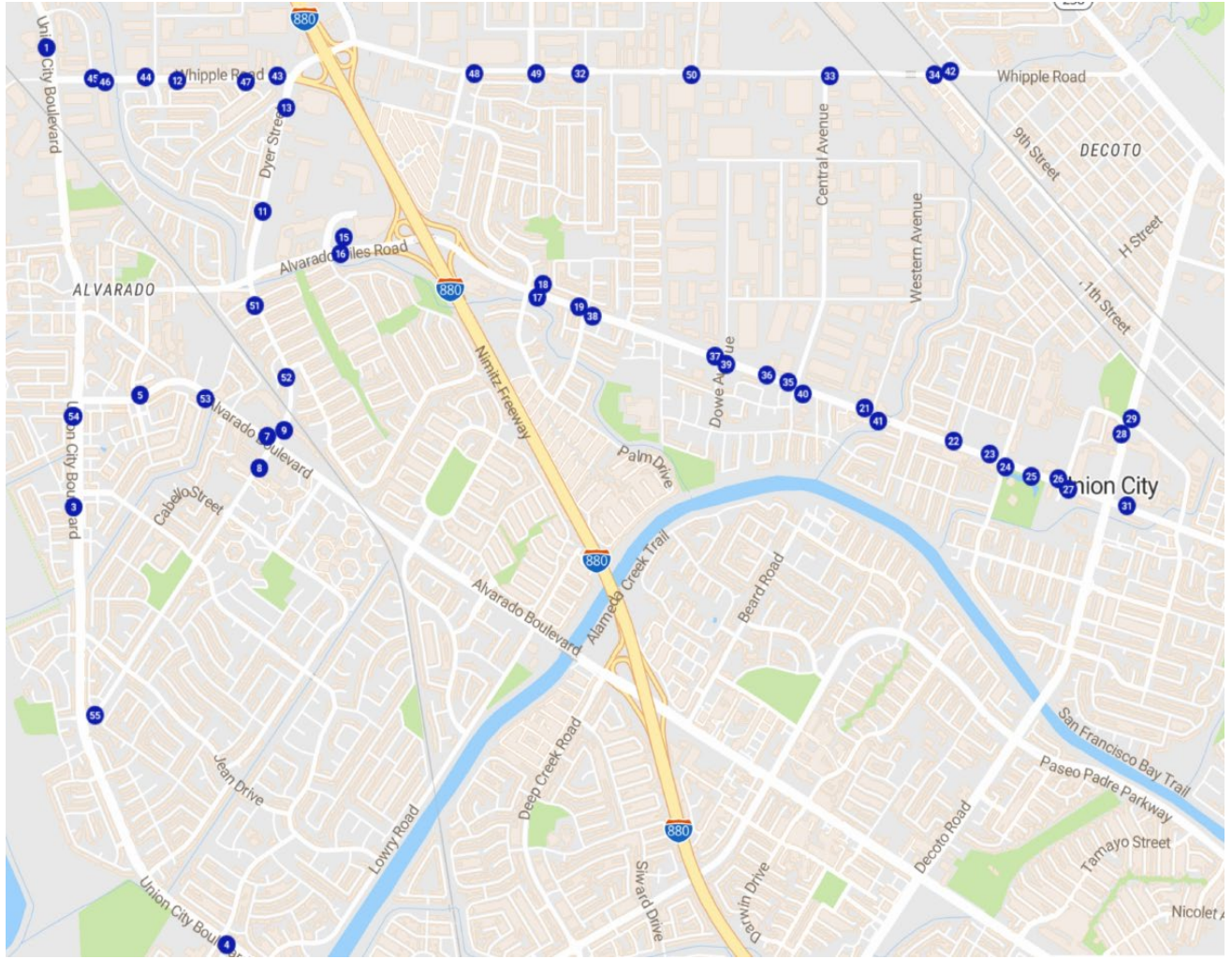


EXHIBIT 5.13
WASTE REDUCTION CHAPTER
FROM CITY'S CLIMATE ACTION PLAN

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EXHIBIT 5.13 WASTE REDUCTION CHAPTER - CITY'S CLIMATE ACTION PLAN



Waste Reduction

Waste-related GHG emissions result from personal consumption and waste disposal patterns, as well as from pre-consumer commercial and industrial processes. In Union City, 8.8 percent of GHG emissions are associated with solid waste generation and disposal in landfills (31,873 MT CO₂e/yr in 2020). Waste disposal creates emissions when organic waste (e.g., food scraps, yard clippings, paper, and wood) is buried in landfills and anaerobic digestion takes place, emitting methane, a potent GHG. GHG emissions are also produced throughout a product's life cycle – through extraction and processing of raw materials, manufacturing processes, and product distribution to consumers.

The City currently contracts with Allied Waste Industries and Tri-CED Community Recycling, Inc. to provide residential waste collection and recycling. The City recognizes that, due to limited remaining landfill space in Northern California, disposing of solid waste will become more expensive. Presently, most waste reduction practices focus on diverting waste products from landfills through recycling. However, it is also important to consider programs that reduce overall waste generation, as well as product and material reuse alternatives.

As consumers of goods and services, we all generate waste and related GHG emissions. Both our choices as consumers and behaviors concerning waste reuse, reduction, and recycling determine our personal contributions to community waste generation. Increasing waste reduction behaviors and altering product purchase decisions can substantially reduce our personal GHG emissions, and in the process reduce community waste generation.

The total GHG reduction potential of the Waste Reduction Action Area is 8,920 MT CO₂e/yr, or approximately nine percent of the total GHG reductions of the CAP.



GHG Reduction Potential
8,920 MT CO₂e/year

Community Co-Benefits



Cost to City
Medium - High



Cost to Resident or Business
N/A



Savings to Resident or Business
Medium

3-38

WR-1: Waste Reduction Policies

Measure WR-1.1: Increase Waste Diversion Target

Union City will adopt an amendment to its Waste Diversion Resolution to raise the goal for waste reduction and diversion to 90 percent by 2020 (building on Resolution 3367-07, which establishes a goal of 75 percent reduction of waste going to the landfills by 2010, which is in accordance with the County-wide waste reduction goal, also of 75 percent - May 22, 2007). Achieving this aggressive target will require full participation from residents and businesses, and collaboration with Stopwaste.Org, other Bay Area cities, and Alameda County. The City, in partnership with Stopwaste.Org, will prepare Comprehensive Waste Diversion and Reduction Plan that identifies strategies and actions for minimizing waste in the city over the next 10 years.

In the short-term, the City will augment existing waste diversion programs, conduct a variety of outreach programs to increase participation in waste reduction, recycling, and composting programs, and adopt mandatory requirements to ensure achievement of this important goal. The City will implement a phased approach that focuses on education first and enforcement second.

Action	Responsibility
SHORT-TERM	
A Work with Stopwaste.Org and other organizations to create a Comprehensive Waste Diversion and Reduction Plan and provide public education regarding strategies and implementation.	City Manager's Office
B Develop and adopt a mandatory commercial recycling ordinance.	City Manager's Office
MEDIUM-TERM	
C Develop a food and green waste collection ordinance that requires all residential and commercial food scraps and food soiled paper to be placed in carts.	City Manager's Office
D Develop ordinances to ban use/sales of unrecyclable plastics and disposable bags/containers.	City Manager's Office
E Develop and adopt a city-wide "single-use" bag ordinance that requires a consumer fee for single use carry-out shopping bags.	City Manager's Office
F Develop an ordinance that requires take-out food containers to be compostable or recyclable within Union City's Recycling and Composting System.	City Manager's Office
Progress Indicators	
Interim Waste Diversion Target at 2015.	82.5%
Waste Diversion Target at 2020.	90%



WR-1: Waste Reduction Policies

Measure WR-1.2: Strengthen Construction & Demolition Standards

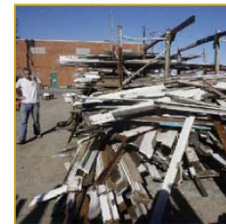
Current Standards

The City’s current Green Building Ordinance stipulates that new residential developments must meet Built It Green’s Green Point rated system; new non-residential projects must meet Stopwaste.Org’s Alameda County Small Commercial Green Building Checklist; and new City-sponsored projects must achieve a Silver rating in the LEED-rating system. Each of these systems includes either a requirement or option to achieve a waste diversion target. In the Green Point Rated standard, section A.2.a states that a residential project is required to “divert 50 percent (by weight) of All Construction & Demolition Waste”. The Small Commercial Green Building Checklist requires that a project “divert 100 percent of concrete and asphalt concrete and divert at least 65 percent of remaining job site construction waste from landfill via recycling or reuse”. The LEED-NC rating system contains a credit option within the Materials and Resources section - Credit 2: Construction Waste Management, which awards one point for achieving a 50 percent construction waste diversion rate and two points for 75 percent. The City’s Construction and Demolition Debris Recycling Ordinance (Municipal Code Chapter 15.75) also requires demolition and renovation projects, with total costs of \$100,000 or more, or residential remodels, which increase building square footage by 50 percent or more, to divert at least 50 percent of all construction and demolition debris generated.

New Standard

The City will build upon these standards to require a minimum diversion rate of 75 percent for inert construction and demolition waste (e.g., concrete, asphalt, stone) and 50 percent of all remaining designated project-related construction and demolition waste (e.g., wood, vegetative materials, metals) to be recycled or reused by 2015. The increased diversion rate goal will help encourage composting, recycling, or reuse of the “remaining designated” material types.

Action	Responsibility
SHORT-TERM	
A Adopt an ordinance to require that require 75 percent of all designated project-related construction and demolition debris be recycled or reused by 2015.	City Council ECD
B Expand outreach, including promoting waste diversion programs by building owners/managers and contractors.	ECD
MEDIUM-TERM	
C Work with Stopwaste.Org to develop educational programs for construction professionals about advanced construction and demolition waste diversion techniques.	ECD
Progress Indicators	
Construction and demolition waste diversion rates for designated project-related debris.	75% by 2015



GHG Reduction Potential
Supporting

Community Co-Benefits



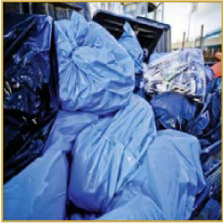
Cost to City
Low



Cost to Resident or Business
Low - Medium



Savings to Resident or Business
Medium - High



GHG Reduction Potential
Supporting

Community Co-Benefits



Cost to City
Medium



Cost to Resident or Business
N/A



Savings to Resident or Business
Low

3-40

WR-2: Major Waste Generator Outreach

Measure WR-2.1: Continue to partner with Stopwaste.Org to improve technical assistance and financial support.

To support the City's waste diversion target (WR-1.1), Union City will, in collaboration with State agencies, Stopwaste.Org, and the local waste management services, support the provision of low-cost to free waste audits for major waste generators. These audits will be conducted with the intention of providing a tailored suite of cost-effective waste reduction strategies for major waste generators.

A waste audit is an analysis of a particular building's or business' waste stream. It can identify what types of recyclable materials and waste a business generates, and how much of each type can be recovered for recycling or discarded. Using the data collected during a waste audit, an organization can identify ways to reduce waste, enhance its recycling efforts, and determine the potential for cost savings. Once waste audits have been conducted, an implementation and monitoring program will be established to track the effectiveness of the waste reduction measures.

By designing a more efficient waste disposal program, a business can increase the amount of paper, plastic, and metals that it recycles, which reduces air and water pollution, helps reduce waste-related GHG emissions, conserves natural resources, and saves the business money.

Action	Responsibility
SHORT-TERM	
A Work with Stopwaste.Org to promote audits of major waste generators and recommend strategies to reduce waste and increase recycling.	City Manager's Office
B Provide training and other assistance, and collaborate with associations, producers, processors, service providers, unions, and others to increase waste diversion.	City Manager's Office
MEDIUM-TERM	
C Provide support to major waste generators and other organizations to identify financial aid and funding resources to increase waste diversion.	City Manager's Office
Progress Indicators	
Participation rate in free waste audits by major waste generators.	50% by 2020

WR-3: Public Outreach

Measure WR-3.1: Expand outreach programs and establish incentives for waste reduction.

Union City already has an exemplary record of waste reduction and recycling programs for residences, including the following programs:

- 2005 – Implementation of residential curbside single stream recycling.
- 2005 – Residential yard waste collection increased to weekly service.
- 2005 – Implementation of residential food-scrap collection.
- 2006 – Start of annual compost giveaway (2 bags of free compost per household).
- 2006 – Implementation of electronic waste drop-off.
- 2007 – Implementation of household battery and cell phone collection.
- 2008 – Recycling program targets multi-family complexes.
- 2009 – Implementation of commercial food scrap recycling program.
- 2011 (expected) – Mandatory multi-family and commercial recycling ordinance.

To aid the achievement of the 2020 solid waste reduction and diversion goal (WR-1.1), the City will partner with Stopwaste.Org to expand recycling and food waste reduction outreach programs to increase participation. The City will strive to build on the historic participation of these programs – e.g., between 2006 and 2009, the yard waste program achieved an average participation rate of 13 percent with approximately 30 percent of green carts containing food scraps.

Future Solid Waste and Recycling Franchise Agreements

One potential approach to incorporate waste reduction measures into future solid waste and recycling franchise agreements is through a Pay-as-You-Throw (PYT) Waste Disposal Program, which consists of tiered disposal fees. Communities with PYT programs create a direct economic incentive for residents and businesses to recycle more and to generate less waste. Almost half of all California communities have PYT programs.

Action	Responsibility
SHORT-TERM	
A Enhance implementation of existing recycling and composting programs through education and outreach.	City Manager's Office
B Incorporate waste reduction measures into future solid waste and recycling franchise agreements.	City Manager's Office
MEDIUM-TERM	
C Explore opportunity to incorporate waste reduction measures into future solid waste and recycling franchise agreements through a PYT Waste Disposal Program.	City Manager's Office
D Participate in EPA's WasteWise Communities, which offers technical assistance to promote cost savings and efficiency with waste prevention, recycling, and purchasing recycled content products.	City Manager's Office
E Support regional efforts to develop a compost facility in Alameda County.	City Manager's Office



GHG Reduction Potential
Supporting

Community Co-Benefits



Cost to City
Medium



Cost to Resident or Business
N/A



Savings to Resident or Business
Low



GHG Reduction Potential
Supporting

Community Co-Benefits



Cost to City
Low



Cost to Resident or Business
N/A



Savings to Resident or Business
N/A

3-42

WR-3: Public Outreach

Measure WR-3.2: Identify key sites and events for “Recycle on the Go” Infrastructure and implement program.

According to the US Environmental Protection Agency, 30 to 40 percent of waste is generated outside the home. A 2005 California Integrated Waste Management Board study found that 2.44 lbs of waste/person/day is produced at events, nearly half of which is recyclable cardboard, paper, and plastic. Improving waste recycling and composting at these events represents a low-cost opportunity for the City to support its waste diversion goal.

This issue has already been addressed at the State level, when Governor Schwarzenegger signed AB 2176 (Montanez, Chapter 879, Statutes of 2004) into law targeting mandatory planning for reduction of waste generated at venues and events. The law requires the largest venue facilities and events in each city and county to plan for solid waste reduction and upon request, report information regarding their waste reduction efforts to their local jurisdiction.

Following this direction from the state, the City will explore the potential of introducing recycling programs, known as “Recycle on the Go” programs, in places where large numbers of people gather, such as parks, sporting venues, transportation hubs, special events, and shopping centers. Initially, the City may elect to develop a pilot program in selected event venues to test particular approaches to developing these programs. Appropriate venues may include James Logan High School Stadium, Union Landing, the Intermodal Station District, or any of the many Community Centers or Parks for special events. Once strategies have been established and tested, the City will implement this program in all venues and during all events that attract substantial numbers of visitors, and thus generate large quantities of waste.

Action

Responsibility

SHORT-TERM

A Introduce recycling programs in places where large numbers of people gather, such as parks, sporting venues, transportation hubs such as bus and train stations, special events, and shopping centers. Create clear signage and provide oversight of proper use. (Organize Volunteer Corps, school program)

City Manager’s Office
Public Works

Progress Indicators

Waste generated at events with “Recycle on the Go” infrastructure.

Downward Trend

WR-4: Environmentally Responsible Purchasing

Measure WR-4.1: Collaborate with relevant agencies and organizations regionally to urge adoption of legislation that requires extended producer responsibility to improve the recyclability of products and packaging.

The City will continue to work with Stopwaste.Org, Alameda County cities, other Bay Area communities and the California Product Stewardship Council, a non-profit organization dedicated to ensuring producer responsibility, to collectively urge the State and federal governments to pass legislation that requires extended producer responsibility, and improves the recyclability of products and packaging. Such legislation would reduce waste streams to landfills, and greatly reduce lifecycle emissions and other environmental impacts associated with many consumer products.

While the City recognizes the importance of extended producer responsibility legislation to the achievement of the 90 percent diversion rate target (WR-1.1), only emissions reductions stemming from decreased methane production in landfills are included in the quantification of the waste action area's GHG emission reductions. The rationale of this decision is due to the fact that extended producer responsibility would not reduce emissions contained in the City's 2005 baseline inventory.

Action	Responsibility
SHORT-TERM	
A Continue to work with Stopwaste.Org, Alameda County cities, and other organizations including the California Product Stewardship Council to urge adoption of legislation that requires extended producer responsibility to improve the recyclability of products and packaging.	City Manager's Office ECD
Progress Indicators	
N/A	N/A



GHG Reduction Potential
Supporting

Community Co-Benefits



Cost to City
Low



Cost to Resident or Business
N/A



Savings to Resident or Business
N/A



GHG Reduction Potential
Supporting

Community Co-Benefits



Cost to City
Low - Medium



Cost to Resident or Business
N/A



Savings to Resident or Business
N/A

3-44

WR-5: Municipal Operations and Procurement Policy

Measure WR-5.1: Increase waste reduction in municipal facilities and enhance implementation of Environmentally Preferable Purchasing program.

Municipal Office Operations

According a Lawrence Berkeley National Laboratory study, the average office worker in the US uses 10,000 sheets of copy paper each year, which translates to approximately two pounds of paper products every day. Though this estimate is likely to be high for Union City, the City can still reduce paper and paper-based product waste generation through an enhanced recycling program.

The City will conduct an inventory of all municipal operations generating waste and adopt a policy to go paperless whenever feasible. This measure will help the City to lead by example by reducing municipal waste generation, while also help reduce municipal operations and maintenance costs.

Environmentally Preferable Purchasing Policy

The City has adopted Stopwaste.Org's Environmentally Preferable Purchasing Guidelines when making procurement decisions. However, one obstacle in fully implementing this program is the initial cost differential between a standard product and an environmentally preferable product (EPP). Though many EPPs have beneficial environmental attributes such as better energy of water efficiency, non-toxicity, or lower life-cycle carbon emissions, they can be prohibitively expensive compared to standard products. Thus, to ensure better implementation of this program, the City will explore potential revisions to the budget allocation process to account for price differential of EPPs.

Action

Responsibility

SHORT-TERM

A	The City will conduct an inventory of all municipal operations generating waste and adopt a policy to go paperless whenever feasible.	City Manager's Office Green Action Team
B	Expand implementation of the City's existing Environmentally Preferable Purchasing Policy, which addresses the areas of recycled content, recyclability, energy and water efficiency, and toxicity.	City Manager's Office Green Action Team

MEDIUM-TERM

C	Explore potential revisions to the budget allocation process to adequately fund the Environmentally Preferable Purchasing Program.	City Manager's Office
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Progress Indicators

Percentage of EPP products purchased by the City.	Upward Trend
Volume of paper purchased annually.	Downward Trend
Recycling to waste ratio.	Upward Trend

WASTE REDUCTION | GHG REDUCTION MEASURES | Union City Climate Action Plan

EXHIBIT 5.16

**EXAMPLE WEB-BASED REPORTING FOR
CONTRACTOR'S CUSTOMER SERVICE AND BILLING
SYSTEM**

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EXHIBIT 5.16 EXAMPLE WEB-BASED REPORTING FOR CONTRACTOR'S CUSTOMER SERVICE AND BILLING SYSTEM

Main Customer Lookup Screen:

Customer Account Look Up

Division: All
 Loc ID:
 Account #:
 Account/Site Name: mcdonalds
 Include closed sites:
 National Accounts Only:

Site #:
 Street Address:
 City: fremont
 State: CALIFORNIA
 Zip Code:
 Phone:

Results

Company	Loc. ID	Account	Account	Site#	Site
916	8003	MCDONALDS #10334	42307 OSGOOD RD FREMONT, CA 94539-5062	00001	MCDONALDS #10334 42800 MISSION BLVD FREMONT, CA 94539-5301
916	8003	MCDONALDS #10334	42307 OSGOOD RD FREMONT, CA 94539-5062	00002	MCDONALDS #10334 42800 MISSION BLVD FREMONT, CA 94539-5301
916	8003	MCDONALDS #10334	42307 OSGOOD RD FREMONT, CA 94539-5062	00100	MCDONALDS #10334 42800 MISSION BLVD FREMONT, CA 94539-5301
916	2360	MCDONALDS #1228	42307 OSGOOD RD FREMONT, CA 94539-5062	00001	MCDONALDS #1228 40708 GRIMMER BLVD FREMONT, CA 94538-2845
916	2360	MCDONALDS #1228	42307 OSGOOD RD FREMONT, CA 94539-5062	00002	MCDONALDS #1228 40708 GRIMMER BLVD FREMONT, CA 94538-2845
916	2360	MCDONALDS #1228	42307 OSGOOD RD FREMONT, CA 94539-5062	00100	MCDONALDS #1228 40708 GRIMMER BLVD FREMONT, CA 94538-2845
916	35659	MCDONALDS #1233	5619 MOORES AVE NEWARK, CA 94560-4824	00001	MCDONALDS #1233 4318 THORNTON AVE FREMONT, CA 94536-4828
916	35659	MCDONALDS #1233	5619 MOORES AVE NEWARK, CA 94560-4824	00002	MCDONALDS #1233 4318 THORNTON AVE FREMONT, CA 94536-4828
916	35659	MCDONALDS #1233	5619 MOORES AVE NEWARK, CA 94560-4824	00100	MCDONALDS #1233 4318 THORNTON AVE FREMONT, CA 94536-4828
916	56382	MCDONALDS #17400	PO BOX 50428	00001	MCDONALDS #17400 3990 DECOTO RD

Main Customer Information Screen:

The screenshot displays the 'Main Customer Information Screen' for MCDONALDS #10334. The browser window title is 'Customer Service Portal - Account Summary - Windows Internet Explorer provided by Republic Services, Inc.' and the URL is 'http://csweb.repsrv.com/CSWeb/AccountSearch.faces'. The page features the Republic Services, Inc. logo and navigation links like 'Audit', 'CS Search', 'Reports', 'TBI', 'Vendor Notes', and 'Log Off'.

Account Info: # 916 - 8003 [MCDONALDS #10334](#)
42307 OSGOOD RD
FREMONT, CA 94539-5062

High Level Accounts Receivables:
Open Item Balance :\$ 0
Cash On Account :\$ 0
AR Balance :\$ 0
PastDue :\$ 0

Site Info: 00001 [MCDONALDS #10334](#) [Rates](#)
42800 MISSION BLVD FREMONT, CA 94539-5301
Contact: STORE SPVR/STORE MGR PATRICK GORMAN/DAVID STAL(510) 656-9375

Service Recordings: Refresh

Open Service Recordings	Closed Service Recordings
28388	SYS - ROUTE AUDIT SAFETY 08/21/12

[VIEW ALL OPEN & CLOSED RECORDINGS](#)

Site - Container Summary:

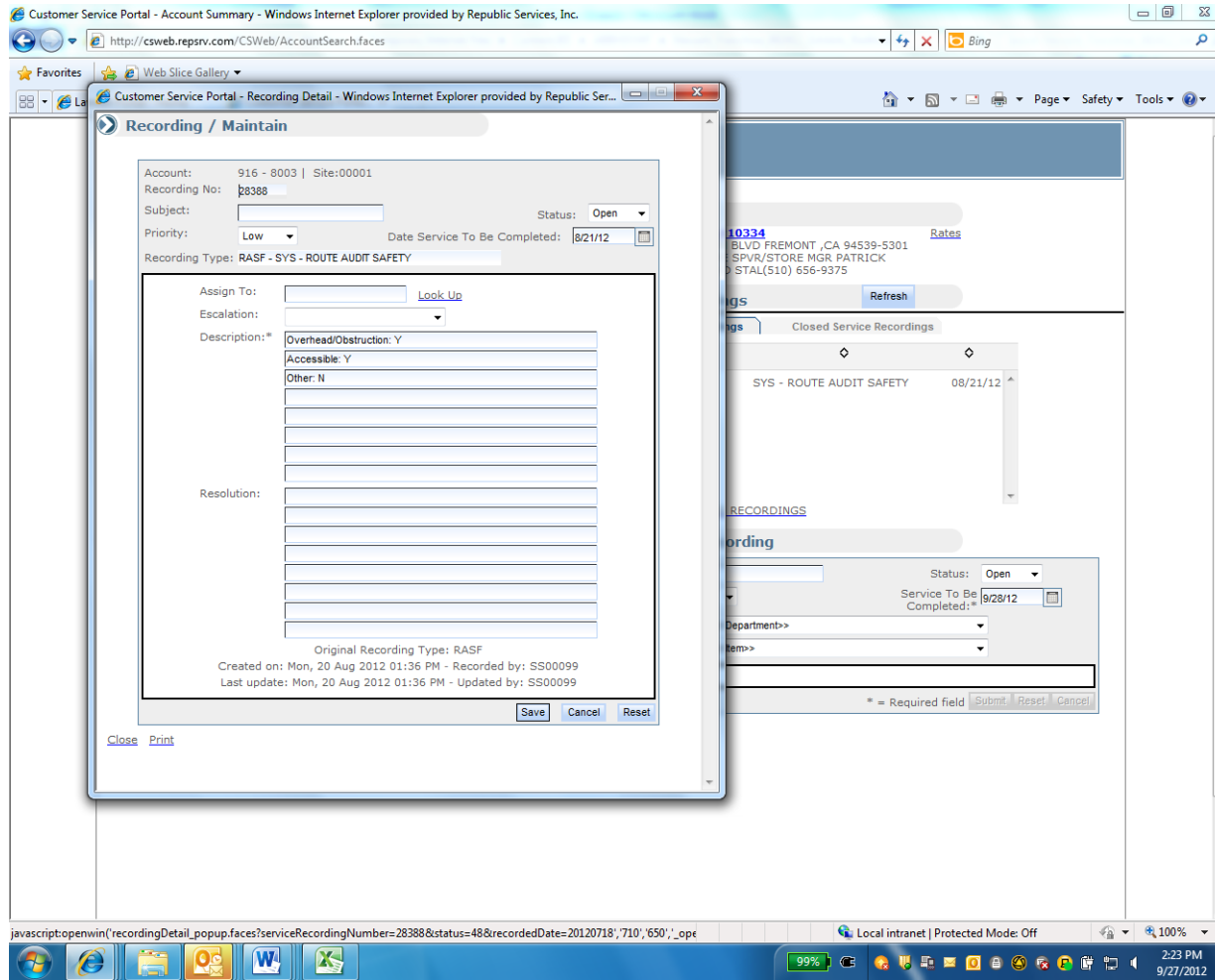
- 00001 MCDONALDS #10334 42800 MISSION BLVD FREMONT, CA
 - # 001 - 3.00 YARD FR M W F ORGANICS **PO REQUIRED**
- 00002 MCDONALDS #10334 42800 MISSION BLVD FREMONT, CA
 - # 001 - 0.48 YARD RC M F
- 00100 MCDONALDS #10334 42800 MISSION BLVD FREMONT, CA
 - # 001 - 4.00 YARD FL M W PSA

Add Service Recording:

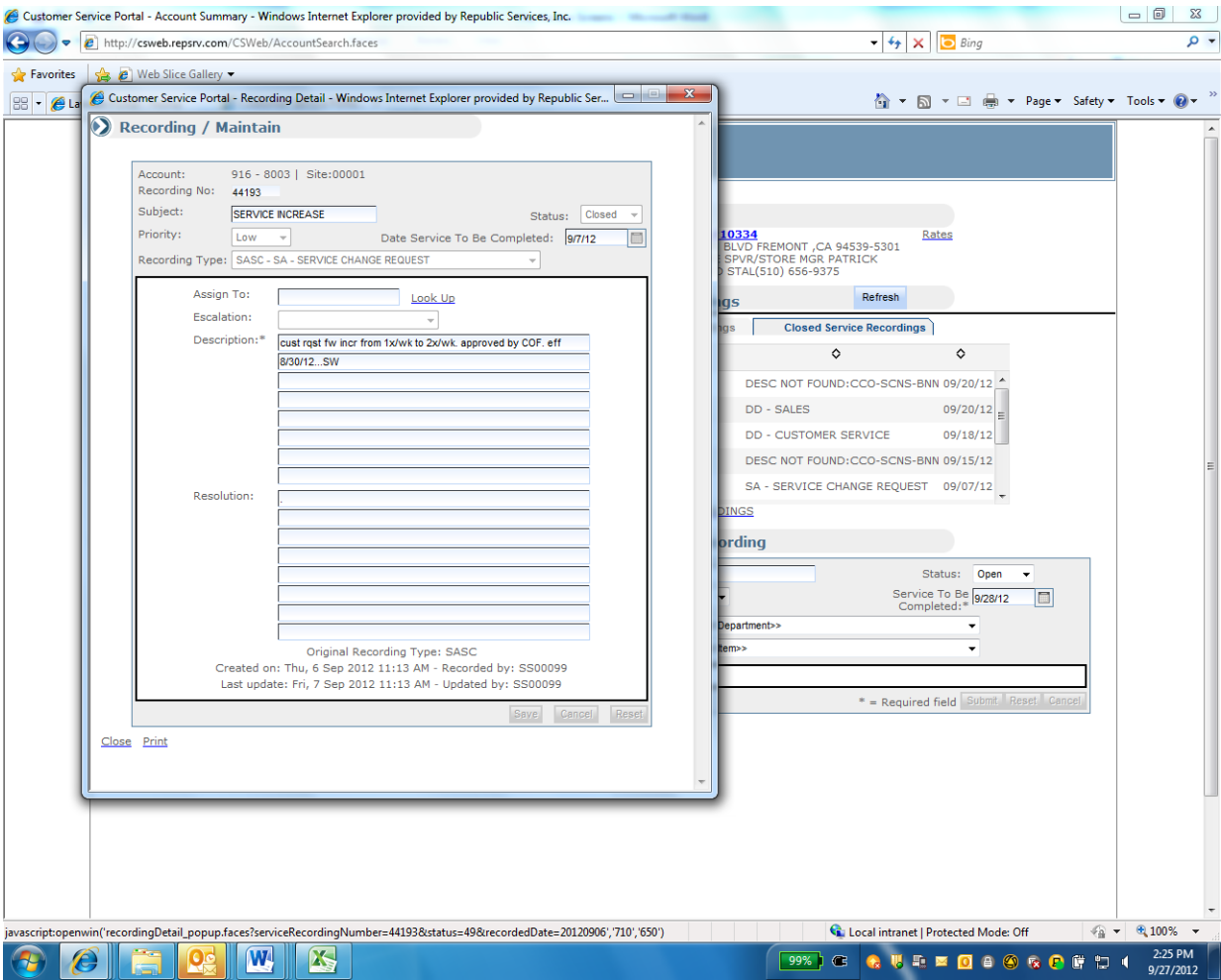
Subject:* Status: Open
Priority: Low Service To Be Completed: 9/28/12
Department:* <<Select Department>>
Recording Type:* <<Select Item>>

* = Required field Submit Reset Cancel

Sample Open Service Ticket:



Sample Closed Service Ticket:



Sample Container Information Screen:

Customer Service Portal - Container Group Detail - Windows Internet Explorer provided by Republic Services, Inc.

http://csweb.reprsv.com/CSWeb/containerDetail.faces?container=001

REPUBLIC SERVICES, INC. Audit CS Search Reports TBI Vendor Notes Log Off

Container Group Detail
Return to the [Account Summary](#) page

Account: 916 - 8003 | Site: 00001- MCDONALDS #10334 Municipal Franchise Contract: 9916001
 Account Type: P - PERMANENT Original Start Date: 06/28/2012
 Contract Group #: 1 Last Service Change Date: 09/17/2012

Container:

Container Group	001	Notes
Container Type/Size/Description	FR / 3.00	
Compactor	N	
Customer Owned	N	
On Call	N	
Quantity Ordered	1	
Quantity on Site	1	

Service Info:

Disposal Code/Price Code/Description	NR / 10 / NEWBY RECYCLERY FOODWASTE	Service History
Grid Number/Description	C35WHC WEDNESDAY / WEDNESDAY	
	MO TU WE TH FR SA SU	
Required Days	N N N N N N N	
Service Days	1 1 1	
Estimated Lifts per Period	0	
Lifts per Cycle	3 / 1 W WEEKS	
Special Handling	Q ORGANICS	
Weight Limit	0.00 Tons	

Rate Info:

Receipt Required	N NO	Rates
P.O. Required	Y	
Bill To Date	10/31/2012	
Close Date	00/00/0000	
Revenue Distribution	72	
Recurring Charge Frequency	12 MONTHLY	
Months in Advance Recurring	1	
Remote Monitor	N	
Disposal Rate Restriction	00/00/0000	
Operational Rate Restriction	00/00/0000	

This intranet site and its contents are provided for the Employees of Republic Services and should be considered as company confidential information.

Local intranet | Protected Mode: Off

2:26 PM 9/27/2012

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EXHIBIT 6.4
CHARACTERIZATION AND MANAGEMENT OF
CONTAMINATION

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EXHIBIT 6.4

CHARACTERIZATION AND MANAGEMENT OF CONTAMINATION

1. CHARACTERIZATION PROCESS

Contractor shall, at the time integrals required and further specified herein, conduct Characterizations of Source Separated Recyclable Materials, Source Separated Organic Materials, and Source Separated Food Scraps to determine the Contamination Level. At the Contractor's discretion, the Characterizations may be conducted using either Contractor's "magic table" method or a method that uses the Contractor's Processing line to sort the materials (hereinafter "Characterization") using a protocol approved by the City. The Characterizations shall be conducted for three (3) material streams: Source Separated Recyclable Materials, Source Separated Organic Materials, and Source Separated Food Scraps, and each stream may, at the Contractor's discretion, be analyzed in subsets, including, with limitation, Commercial, Single-Family, Residential, Parcelized Multi-Family, and/or Non-Parcelized Multi-Family. A Characterization for a material stream and/or any such subset thereof must be a representative sample of the material stream and/or any such subset thereof, which means that a representative sample shall include materials from multiple loads, on varying days or routes. Each Characterization shall be certified by authorized personnel or officer of the owner or operator of the Approved Recyclables Materials Processing Facility and Approved Composting Facility.

Contractor shall provide the City written notice three (3) Business Days in advance of the Characterizations and the City shall be allowed to attend and observe the Characterizations. The results of the Characterizations shall be delivered to the City within one (1) week of the date the Characterization was performed. The results of the Characterizations shall be used to determine the Contamination Level for each material stream, and/or any such subset thereof, until the next Characterization is performed.

The first set of Characterizations shall be performed within two (2) months of the Commencement Date. At a minimum, Contractor shall conduct Characterizations of each material stream at least semi-annually. The Contractor may, at its discretion, perform Characterizations more frequently and at any time, notwithstanding any potential defaults described in paragraph 3 herein.

2. CONTAMINATION LEVELS

The Contamination Level shall be less than ten percent (10%) by weight for Source Separated Organic Materials and Source Separated Food Scraps and twenty percent (20%) by weight for Source Separated Recyclable Materials.

3. CONSEQUENCE OF EXCESS CONTAMINATION LEVEL

If a Characterization of any material stream results in a Contamination Level equal to or greater than ten percent (10%) by weight for Source Separated Organic Materials and Source Separated Food Scraps and twenty percent (20%) by weight for Source Separated Recyclable Materials, the Contractor shall automatically be deemed on notice of its failure to meet Contamination requirements stated in the Agreement as of the date the Characterization is performed with the exception that Contractor shall be provided up to two forty-five (45) day cure periods during the first eighteen (18) months of the Agreement following one or more Characterizations. Pursuant to Exhibit 13.5, the City shall have the right to assess Liquidated Damages if a Characterization study determines the Contamination Level of a material stream equals or exceeds ten percent (10%) by weight for Organic Materials or Food Scraps or equals or exceeds twenty percent (20%) by weight for Recyclable Materials, with the exception that this right to assess Liquidated Damages shall not go into effect if a cure period is in effect.

When the Contamination Level is greater than the maximum amounts, the Contractor shall modify its Collection and Processing methods, perform outreach to Customers, charge Customers for excess Contamination in accordance with procedures and Rates approved by the City, take other corrective measures, and/or conduct other public relations acts all with the goal of reducing the Contamination Level(s) to less than the maximum amounts. When Contractor perform a Characterization that indicates the Contamination Level for a particular stream is less than ten percent (10%) or twenty percent (20%) as applicable, , the City shall not assess Liquidated Damages for that stream and the results of that Characterization study shall be used to determine the Contamination Level for that stream, or any applicable subset thereof, for the next six (6) month period. At the end of the six (6) month period, a Characterization shall be conducted to reevaluate the Contamination Levels.

The Contractor shall develop a procedure for warning residents or businesses that are contaminating the Recyclable Materials, Organic Materials, and/or Food Scraps, or any subset thereof, and for charging these Customers an “additional handling” Rate not to exceed the Maximum Rate approved by the City. Any and all such procedures require City approval prior to implementation by Contractor.

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EXHIBIT 7.1

PUBLIC EDUCATION AND TECHNICAL ASSISTANCE

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EXHIBIT 7.1

PUBLIC EDUCATION AND TECHNICAL ASSISTANCE

Contractor understands and recognizes the importance of effective public education and promotion as the key to helping residents and businesses understand more about source reduction, reuse, Recycling and Composting. Contractor shall include, at a minimum, the following services as part of its public education program. **All public education materials shall be approved by the City prior to distribution to Customers, publication or issuance.**

1. SINGLE-FAMILY AND PARCELIZED MULTI-FAMILY EDUCATION PROGRAMS

A. Continuing Programs Throughout Agreement

1. Biennially produce and distribute a Residential Services Guide that provides residents with information on curbside collection services, how-to recycle and compost, proper collection container set-out procedures, Contractor telephone number and website address, additional resources and other relevant information as determined by the Contractor and City shall also be included. The guide shall be printed in sufficient numbers to be distributed to all affected residential Customers and used for public outreach.
2. Provide Customer with the appropriate program guide and other City-selected materials each time a Container is delivered upon implementation of services.
3. Annually, prepare and distribute four quarterly residential newsletters that creatively inform residents about Collection and waste reduction programs and those educational and topical issues deemed appropriate by the Contractor and City.
4. Produce corrective action notices for use in instances where the Resident sets out inappropriate materials.
5. Prepare and distribute annual mailing promoting availability of two free on-call Clean-Up Events.
6. Conduct on-going monitoring and reporting of Customer's participation in Recyclable Materials and Organics Materials Collection programs to determine level of compliance with local and state regulations.
7. Visit homeowner associations or other neighborhood groups to promote and explain the program as requested by the associations or scheduled by Contractor or the City. Technical assistance staff may also be required to provide presentations to Customers on Saturdays.
8. Two weeks before Christmas, provide written notification to each Single-Family and Parcelized Multi-Family Customer that Curbside Collection of Christmas trees will occur beginning the day after Christmas and through January 31 in accordance with Section 5.8 of the Agreement.
9. Prepare and disseminate a comprehensive social media campaign that shall be approved by the City in advance.

10. Prepare and distribute presentation posters for distribution at local and busy public venues (City Hall, Public Library, Post Office, Union Landing, etc.)
11. Develop and maintain a website describing services provided in the City as required by Section 7.4 of the Agreement.
12. Attend community workshops to promote and explain the Collection and Diversion programs.

2. NON-PARCELIZED MULTI-FAMILY EDUCATION PROGRAMS

A. Continuing Programs Throughout Agreement

1. Biennially produce and distribute a multi-family Services Guide and other specially designed materials to reach Non-Parcelized Multi-Family tenants describing how to prepare Discarded Material for Collection. Contractor shall inform residents as to the acceptable materials that can be included in the Recyclable Materials and Organic Materials Containers and any common Contaminants to be excluded from Collection. The guide shall be printed in sufficient numbers to be distributed to all affected Non-Parcelized Multi-Family Customers and used for public outreach activities. Contractor may arrange for distribution of newsletter to each tenant unit by coordinating with the Owner or property manager of the premises.
2. Prepare and distribute four quarterly newsletters that creatively informs residents about Collection and waste reduction programs.
3. At a minimum, visit each Non-Parcelized Multi-Family property once annually, meet with the property manager/representative and address any concerns, requests and action items. Contractor shall document each site visit using a form approved by the City identifying the name and address of the premises, date of the visit, name of the property manager and contact information. Audit forms shall be provided the City in accordance with Article 9. Contractor shall provide a record of the required outreach to the City prior to monthly Contractor/City meeting.
4. Visit property management, tenant associations or other groups to promote and explain the Collection programs as requested by the associations or scheduled by the City. Provide resources for additional information and support.
5. Notify Owners and property managers at least two weeks before Christmas of the location and dates of the holiday tree drop-off area.
6. Provide tenants and property managers with access to a multi-family webpage on Contractor's website which will present how-to information in PDF format as well as links to other resources. Property managers and landlords will be able to find helpful tips for keeping Collection points clean and will be able to order enclosure posters for each material stream (e.g., Recyclable Materials and Organic Materials).

3. COMMERCIAL EDUCATION PROGRAMS

A. Continuing Programs Throughout Agreement

1. Prepare and distribute outreach materials explaining the Commercial Recycling and Organics programs for each general business type (restaurants, office/commercial buildings, strip malls, and large commercial businesses)
2. Prepare and distribute a quarterly Commercial newsletter to all Commercial Customers promoting and explaining Recyclable Materials and Organic Materials Collection and Diversion programs, and identifying possible cost savings through participation in the Recycling and Food Scraps programs.
3. Develop and use a corrective actions notice for use situations where businesses set out inappropriate materials.
4. Produce specially designed public education materials, including, but not limited to, flyers, posters, stickers, etc., to reach Commercial Customers.
5. Contractor shall perform Recycling and Food Scrap site visits/audits for Commercial Customers. At a minimum, Contractor shall perform audits for all Customers that request an audit, for all new Commercial Customers, and Customers targeted for outreach in the annual public education plan.
6. Contractor shall submit to the City a list of the Commercial Customers it proposes to visit during the Rate Year. Commercial Customer shall be selected so at a minimum, one hundred percent (100%) of Commercial Customers are visited by Contractor during a two (2) year period. City shall review the list and provide comments to the Contractor within ten (10) business days of receipt. In the event the City does not provide a response to the Contractor, the proposed list of Commercial Customers shall be considered acceptable to the City. Contractor shall document each site visit using a form approved by the City. At least twenty-five percent (25%) of the Recycling Coordinator's time shall be spent on Commercial Organics outreach. Site visits shall include:
 - a) Meeting with the Customer, Owner, property manager, and/or party responsible for the day-to-day operations of the on-site Commercial activities to discuss the Collection program options, review the types of materials generated, promote Recycling services, respond to questions, agree upon the appropriate Solid Waste, Recyclable Materials, and Organic Materials service levels, etc.;
 - b) Visual inspecting the types of Solid Waste, Recyclable Materials, and Organic Materials generated at the Premises and estimating the appropriate level of service for Solid Waste, Recyclable Materials, and Organic Materials Collection service; and,
 - c) Offering employee training sessions to Commercial Customers at the Customers' premises to educate employees about the Recycling and Food Scraps Collection programs and answer employee questions. Contractor shall provide the employee training sessions as requested by the Customer or the City.

- d) Distributing public education materials, signage, and interior posters, to Customers at the time of the assessment or upon request.
 - e) After Contractor performs a site visit, Contractor shall continue to provide support to each Customer as requested and periodically contact the Customer to offer technical assistance and answer questions.
 - f) Producing and distributing periodically outreach materials.
 - g) Providing technical assistance, making presentations, conducting employee training, and conducting sessions to educate customers and encourage participation in the Commercial Single Stream Recycling and Food Scrap Programs.
7. Contractor shall reach out to various business organizations such as the Chamber of Commerce, Lions Club, Business Expo, and other appropriate groups to promote and explain the Commercial Single Stream Recycling and Food Scraps Collection Programs and the State and County Mandatory Recycling and Organic Diversion requirements, as requested by the associations or as scheduled by the City.
 8. Develop and distribute a Recycling resource guide to provide vendors with names, numbers, and contacts for purchasing Recycled products, re-use donation locations, and other Recycling companies, to be updated annually.
 9. Prepare and make available through the Contractor's website "how-to" information for Commercial generators on Recycling, Organic Materials Diversion, Composting and Disposal in Adobe Acrobat PDF.
 10. Assist the City with evaluating Commercial program participation in Recyclable Materials and Organic Materials Collection programs in conjunction with the StopWaste.Org audits.
 11. Encourage Commercial Customers to establish procurement policies that give preference to Recycled and Recyclable products by providing information in Commercial public education and outreach materials and through information on the Contractor's website or links to information provided by others.
 12. Demonstrate diligent efforts to ensure that all Non-Parcelized Multi-Family, Commercial, and Roll-off Customers are aware of the services for separate Collection of Recyclable Materials and Organic Materials, the provisions of ACWMA's Ordinance 2012-1, AB 1826, and AB341. Contractor shall provide appropriate support to all Non-Parcelized Multi-Family and Commercial Customers to implement Commercial Recyclable Materials and Organic Materials Collection services to comply with the ACWMA's Definition of Adequate Commercial Recycling (as described in Exhibit 1), ACWMA's Ordinance 2012-1, and AB 1826.

4. SCHOOL OUTREACH

A. Continuing Programs Throughout Agreement

1. Visit each of the City's 13 public schools at least once each year to teach students about source reduction, reuse and Recycling.

2. Offer to conduct classroom presentations and/or school assemblies and provide tours of Contractor's facilities to students and other community organizations.
3. Offer to provide age appropriate materials pertaining to Recycling and Composting. Co-sponsor annual Recycling poster contest.

5. SPECIAL EVENTS

A. Continuing Programs Throughout Agreement

1. Arrange for and staff a booth or table at City events to promote source reduction, reuse, Recycling, Composting, and proper handling of E-Waste, U-Waste, and Hazardous Waste and to answer questions about Collection services. Contractor shall develop a stand-alone table-top professional display for use at the City events and shall provide corresponding educational components that can be used to educate Customers and the general public about Recycling and Organic Diversion in general, and the City's Source Separated Recyclable Materials and Source Separated Organic Materials Collection programs. At a minimum, Contractor shall provide this outreach service at four events annually to be determined with input from the City.
2. Educate any event sponsor or venue organizer on the requirements of AB 2176 for large events and venues, which are required to comply with AB 2176, and assist the sponsor or organizer in preparation of a Recycling plan, which shall include all information required by AB 2176. Offer to provide age appropriate materials pertaining to Recycling and Composting.

- 6. COMMUNITY ENGAGEMENT, Continuing Programs Throughout Agreement.** Provide sponsorship and complementary Collection services and maintain involvement with community organizations in accordance with requirements of Section 7.8.

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EXHIBIT 8.4
CART SPECIFICATIONS

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EXHIBIT 8.4 CART SPECIFICATIONS

The Cart specifications provided in this Exhibit 8.4 shall pertain to all Carts provided to Customers by the Contractor on the Commencement Date of this Agreement and during the Term of the Agreement.

A. CART DESIGN REQUIREMENTS

1. General

The Carts shall be manufactured by injection or rotational molding and meet the Cart design and performance requirements as specified below. Contractor shall purchase Carts that contain a minimum of 30% post-consumer recycled plastic content. Contractor must submit Cart orders (including material and design specifications, colors and identification marks) to City for City's written approval prior to submitting the order to the manufacturer.

2. Materials Identification and Decals

Carts or their lids must be in bright, readily identifiable colors to facilitate Customer's ready recognition of Solid Waste and Organic Materials, subject to City's written approval as described in this Exhibit. Any and all labeling on the Carts shall be mutually agreed to by the Parties.

3. Cart Handles

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

4. Cart Lid

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

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

5. Cart Colors

The Solid Waste, Recyclable Materials, and Organic Materials Carts shall be differentiated by color. The colors shall be colorfast and resistant to fading as a result of weathering or ultraviolet degradation. Color of lids and Cart bodies must be uniform for each Cart type (i.e., Solid Waste, Recyclable Materials, and Organic Materials). Solid Waste Carts and lids shall be gray; however, the City reserves the right to request that Contractor purchase and distribute replacement Carts for Solid Waste Collection that are black. Recyclable Materials Carts and lids shall be blue. Organic Materials Carts and lids shall be green. Contractor may propose other colors for Carts, which are subject to written approval by the City. For all colors including those prescribed in this paragraph, the Contractor shall obtain written approval from the City for the Cart colors before Contractor's purchase of any new Carts purchased during the Term.

6. Identification Markings

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

In character size of no less than 3/16 inch, the following phrase shall be hot stamped:

**PLACE CART WITH ARROW FACING
STREET FOR COLLECTION
COLOQUE EL RECIPIENTE CON LAS FLECHAS
HACIA LA CALLE**

Additionally, the words "**LANDFILL**" or "**COMPOST**" or "**RECYCLE**" must be hot stamped in white on the front or sides of the Cart in characters no less than one inch.

Alternative markings on the Carts shall be mutually agreed to by the Parties.

B. CART PERFORMANCE REQUIREMENTS

1. General

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

2. Cart Load Capacity

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

Cart Size (Gallons)	Minimum Load Capacity (Pounds)
95	200
64	130
35	70
20	40

3. Cart Durability

Carts shall remain durable, and at a minimum, shall meet the following durability requirements to satisfy its intended use and performance, for the term of this Contract:

- Maintain its original shape and appearance;
- Be resistant to kicks and blows;
- Require no routine maintenance and essentially be maintenance free;
- Not warp, crack, rust, discolor, or otherwise deteriorate over time in a manner that shall interfere with its intended use;
- Resist degradation from ultraviolet radiation;
- Be incapable of penetration by biting or clawing of household pets (i.e., dogs and cats);
- The bottoms of Cart bodies must remain impervious to any damage, that would interfere with the Cart's intended use after repeated contact with gravel, concrete, asphalt, or any other rough and abrasive surface;
- All wheel and axle assemblies are to provide continuous maneuverability and mobility as originally designed and intended; and,
- Resist degradation by other airborne gases or particulate matter currently present in the ambient air of the City.

4. Chemical Resistant

Carts shall resist damage from common household or Residential products and chemicals. Carts, also, shall resist damage from human and animal urine and feces.

5. Stability and Maneuverability

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

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

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

6. Lid Performance

Cart lid assemblies shall meet the following minimum requirements:

- Prevent damage to the Cart body, the lid itself or any component parts through repeated opening and closing of the lid by Generators or in the dumping process as intended;
- Remain closed in winds up to 25 miles per hour from any direction. All lid hinges must remain fully functional and continually hold the lid in the original designed and intended positions when either opened or closed or any position between the two extremes; and,
- Lid shall be designed and constructed such that it prevents physical injury to the user while opening and closing the Cart.

7. Reparability

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

EXHIBIT 11.1.A
BASIS FOR RATE YEAR TWENTY-ONE RATES

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EXHIBIT 11.1.A BASIS FOR RATE YEAR TWENTY-ONE RATES

RATE YEAR TWENTY-ONE COMPENSATION INCREASE

REPUBLIC SERVICES OF ALAMEDA COUNTY CITY OF UNION CITY 2025/26 COMPENSATION AND RATE ADJUSTMENT APPLICATION			2024/2025 FINAL			2025/2026 FINAL - COMPENSATION INCREASE (Includes Stormwater Fee)		
Line#	Schedule	Description	2024/25 (Republic)	2024/25 (TriCed)	2024/25 (Combined)	2025/26 (Republic)	2025/26 (TriCed)	2025/26 (Combined)
		Cost of Operations:						
1	B,C	Labor-related costs	\$ 3,579,745	\$ 741,940	\$ 4,321,685	\$ 4,021,944	\$ 796,755	\$ 4,818,699
2	B,C	Fuel costs (diesel)	\$ 37,583	\$ -	\$ 37,583	\$ 109,985	\$ -	\$ 109,985
3	B,C	Fuel costs (CNG)	\$ 241,124	\$ 83,363	\$ 324,487	\$ 198,232	\$ 71,355	\$ 269,587
4	B	Vehicle-related costs (excluding fuel)	\$ -	\$ 244,247	\$ 244,247	\$ 46,111	\$ 272,843	\$ 318,954
5	D	Net Organic Materials Composting Costs	\$ 644,393	\$ -	\$ 644,393	\$ -	\$ -	\$ -
6	---	Other Costs	\$ (15,000)	\$ 21,134	\$ 6,134	\$ 120,319	\$ 11,260	\$ 131,578
7	E	Direct Depreciation	\$ 692,280	\$ 292,475	\$ 984,755	\$ 835,578	\$ 133,071	\$ 968,648
8	B,C	Allocated Costs (Labor, Vehicle & Other Costs)	\$ 2,766,706	\$ 348,060	\$ 3,114,766	\$ 3,389,960	\$ 486,801	\$ 3,876,760
9	E	Allocated Costs (Depreciation)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10		Total Annual Cost of Operations	\$ 7,946,831	\$ 1,731,219	\$ 9,678,050	\$ 8,722,128	\$ 1,772,084	\$ 10,494,212
11		Profit*	\$ 1,280,794	\$ 130,307	\$ 1,411,101	\$ 1,405,749	\$ 133,383	\$ 1,539,132
		Pass-Through Costs:						
12	D	Disposal costs	\$ 3,616,498	\$ -	\$ 3,616,498	\$ 3,728,302	\$ -	\$ 3,728,302
13	E	Interest expense	\$ 279,012	\$ 108,651	\$ 387,663	\$ 361,483	\$ 62,134	\$ 423,617
14		Rate Review Consulting Fees	\$ 97,171	\$ -	\$ 97,171	\$ 97,171	\$ -	\$ 97,171
15		Net Organic Materials Composting Costs	\$ 323,321	\$ -	\$ 323,321	\$ 1,432,416	\$ -	\$ 1,432,416
16		Bad Debt Reconciliation	\$ -	\$ -	\$ -	\$ 73,804	\$ -	\$ 73,804
17		Total Pass-Through Costs	\$ 4,316,001	\$ 108,651	\$ 4,424,652	\$ 5,693,175	\$ 62,134	\$ 5,755,309
		Adjustment for 6% Cap	\$ -	\$ -	\$ -			
		Contractor's Comp before City Fees	\$ 13,543,626	\$ 1,970,177	\$ 15,513,803	\$ 15,821,052	\$ 1,967,601	\$ 17,788,653
18	Contract	City Fees:						
25		Franchise Fees	\$ 5,376,679	\$ 1,772,734	\$ 7,149,413	\$ 6,056,438	\$ 1,772,090	\$ 7,828,528
26		Total Contractor's Compensation	\$ 18,920,305	\$ 3,742,911	\$ 22,663,216	\$ 21,877,490	\$ 3,739,691	\$ 25,617,181
27	F,G,H	Revenue From Customer Billings			\$ 21,124,358			\$ 22,988,902
		Surplus/(Shortfall)			\$ (1,538,858)			\$ (2,628,279)
		% Increase in Compensation			7.29%			11.43%
		Operating Ratio	86.12%	93.00%		86.12%	93.00%	

RATE YEAR TWENTY-ONE RATE INCREASE

REPUBLIC SERVICES OF ALAMEDA COUNTY CITY OF UNION CITY 2025/26 COMPENSATION AND RATE ADJUSTMENT APPLICATION			2024/2025 FINAL			2025/2026 FINAL - RATE INCREASE (Net of Stormwater Fee)		
Line#	Schedule	Description	2024/25 (Republic)	2024/25 (TriCed)	2024/25 (Combined)	2025/26 (Republic)	2025/26 (TriCed)	2025/26 (Combined)
		Cost of Operations:						
1	B,C	Labor-related costs	\$ 3,579,745	\$ 741,940	\$ 4,321,685	\$ 4,021,944	\$ 796,755	\$ 4,818,699
2	B,C	Fuel costs (diesel)	\$ 37,583	\$ -	\$ 37,583	\$ 109,985	\$ -	\$ 109,985
3	B,C	Fuel costs (CNG)	\$ 241,124	\$ 83,363	\$ 324,487	\$ 198,232	\$ 71,355	\$ 269,587
4	B	Vehicle-related costs (excluding fuel)	\$ -	\$ 244,247	\$ 244,247	\$ 46,111	\$ 272,843	\$ 318,954
5	D	Net Organic Materials Composting Costs	\$ 644,393	\$ -	\$ 644,393	\$ -	\$ -	\$ -
6	---	Other Costs	\$ (15,000)	\$ 21,134	\$ 6,134	\$ 120,319	\$ 11,260	\$ 131,578
7	E	Direct Depreciation	\$ 692,280	\$ 292,475	\$ 984,755	\$ 835,578	\$ 133,071	\$ 968,648
8	B,C	Allocated Costs (Labor, Vehicle & Other Costs)	\$ 2,766,706	\$ 348,060	\$ 3,114,766	\$ 3,389,960	\$ 486,801	\$ 3,876,760
9	E	Allocated Costs (Depreciation)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10		Total Annual Cost of Operations	\$ 7,946,831	\$ 1,731,219	\$ 9,678,050	\$ 8,722,128	\$ 1,772,084	\$ 10,494,212
11		Profit*	\$ 1,280,794	\$ 130,307	\$ 1,411,101	\$ 1,405,749	\$ 133,383	\$ 1,539,132
		Pass-Through Costs:						
12	D	Disposal costs	\$ 3,616,498	\$ -	\$ 3,616,498	\$ 3,728,302	\$ -	\$ 3,728,302
13	E	Interest expense	\$ 279,012	\$ 108,651	\$ 387,663	\$ 361,483	\$ 62,134	\$ 423,617
14		Rate Review Consulting Fees	\$ 97,171	\$ -	\$ 97,171	\$ 97,171	\$ -	\$ 97,171
15		Net Organic Materials Composting Costs	\$ 323,321	\$ -	\$ 323,321	\$ 1,432,416	\$ -	\$ 1,432,416
16		Bad Debt Reconciliation	\$ -	\$ -	\$ -	\$ 73,804	\$ -	\$ 73,804
17		Total Pass-Through Costs	\$ 4,316,001	\$ 108,651	\$ 4,424,652	\$ 5,693,175	\$ 62,134	\$ 5,755,309
		Adjustment for 6% Cap	\$ -	\$ -	\$ -			
		Contractor's Comp before City Fees	\$ 13,543,626	\$ 1,970,177	\$ 15,513,803	\$ 15,821,052	\$ 1,967,601	\$ 17,788,653
18	Contract	City Fees:						
25		Franchise Fees	\$ 5,376,679	\$ 1,772,734	\$ 7,149,413	\$ 5,018,870	\$ 1,211,900	\$ 6,230,770
26		Total Contractor's Compensation	\$ 18,920,305	\$ 3,742,911	\$ 22,663,216	\$ 20,839,922	\$ 3,179,501	\$ 24,019,423
27	F,G,H							
		Revenue From Customer Billings			\$ 21,124,358			\$ 22,988,902
		Surplus/(Shortfall)			\$ (1,538,858)			\$ (1,030,521)
		% Increase in Compensation			7.29%			4.48%
		Operating Ratio	86.12%	93.00%		86.12%	93.00%	

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EXHIBIT 11.1.B
OPERATING STATISTICS AND PROCESSING COSTS

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EXHIBIT 11.1.B OPERATING STATISTICS AND PROCESSING COSTS

This Exhibit provides operating statistics and Processing costs that shall be used when determining Contractor's Compensation.

A. ROUTE PRODUCTIVITY

Contractor developed Contractor's Proposal and estimated its compensation requirement based on numerous route productivity assumptions. In order to ensure that the City continues, over the Term of the Agreement, to benefit from the Contractor's Proposal, labor-related, vehicle-related, and other route costs shall not increase as a result of a decrease in the Contractor's route productivity. In recognition of this limitation on Contractor's Compensation, the route productivity assumptions listed in the following table shall be considered allowable route productivity levels for the purpose of determining Contractor's Compensation when cost-based Rate adjustments are performed pursuant to Exhibit 11.2.C.

Service	Route Productivity
Residential Solid Waste	89 accounts served/route hour
Residential Organic Materials (Recyclable Materials Cart Contractor)	81 accounts served/route hour
Residential Clean-Up Program	4 accounts served/route hour
Commercial Solid Waste	11.5 lifts/route hour
Commercial Recyclable Materials	8.5 lifts/route hour
Commercial Organic Materials	5.7 lifts/route hour
Debris Box Solid Waste	0.67 pulls/route hour

B. ALLOWABLE ROUTES

When the cost-based Rate adjustments are performed pursuant to Exhibit 11.2.C, the number of allowable routes that shall serve as the basis for the Contractor's Compensation are listed in the table below. Note that the route list was prepared based on the Contractor's Proposal and performance review conducted in 2014. Partial routes represent routes allocated across service segments or routes shared with other jurisdictions.

Routes	Quantity/Day
Residential Solid Waste	4.0
Residential Organic Materials (Recyclable Materials Cart Contractor)	3.0
Residential Clean-Up Program	1.35
Commercial Solid Waste	2.0
Commercial Recyclables	1.4
Commercial Organic Materials	0.6
Drop Box Solid Waste	2.0
Bin and Cart Delivery	0.65
Total	15.00

The number of routes in any category may be different than shown above; however, the Contractor shall not be compensated for an increase in the total number of routes unless the Contractor demonstrates to the City the increase is a direct result of growth in the number of Customers served in the community or is a result of changes due to a City-approved special Rate adjustment as provided in Section 11.4 of the Agreement.

C. ALLOWABLE DRIVER LABOR HOURS

The Contractor developed Contractor’s Proposal and estimated its compensation requirement based on numerous assumptions related to provision of Collection services in the City, including assumptions with regards to the number of labor hours (payroll hours) that will be incurred by Collection vehicle drivers. The number of driver labor hours significantly impacts the Contractor’s Compensation because it impacts labor-related costs and vehicle-related costs such as fuel, tires and tubes, parts, and supplies. In order to ensure that the City continues, over the Term of the Agreement, to benefit from the Contractor’s Proposal, vehicle-related costs shall not increase as a result of an increase in driver labor hours unless Contractor can demonstrate that the increased driver labor hours are necessary to provide service to additional Customers due to growth in the City or to adjust for changes in route hours due to a City-approved special Rate adjustment as described in Section 11.4 of this Agreement. In recognition of this limitation on Contractor’s Compensation, the total driver labor hours listed in the following table shall be considered allowable driver labor hours for the purpose of determining Contractor’s Compensation. The number of driver labor hours in any category may be different than shown below provided that the total driver labor hours is the basis for compensation.

Routes	Allowable Driver Labor Hours	
	Hours per Day per Route	Total Hours Annually for All Routes
Residential Solid Waste	10.25	10,6600
Residential Organic Materials (Recyclable Materials Cart Contractor)	10.25	7,995
Residential Clean-Up Program	6.75	4,739
Commercial Solid Waste	9.25	4,810
Commercial Recyclables	5.25	1,911
Commercial Organic Materials	5.75	897
Drop Box Solid Waste	9.5	4,940
Bin and Cart Delivery*	3.25	1,099
Total	60.25	37,050

* The Bin and Cart Delivery hours per day are expected to increase over the contract term as the number of replacements increase. These increased hours will be an allowed cost during the cost-based review provided that the company shows documentation of the container delivery and replacement growth.

D. ALLOWABLE DEPRECIATION AND INTEREST AMOUNTS

Allowable annual depreciation and interest amounts to be included in the Contractor’s Compensation through Rate Year Twenty include the amounts in the following table. Thereafter, the depreciation and interest amounts shall be zero, unless otherwise agreed upon by the Parties.

Annual Allowable Depreciation and Interest Amounts	
Annual Depreciation	
Republic Services	Annual Depreciation
Collection & Other Vehicles	\$ 542,418
Residential Cart Replacement	\$ 108,886
Frontload Bin Refresh	\$ 62,279
Underserved Compost Carts	\$ 15,389
Cart/Bin/Dropbox Attrition	\$ 76,080
CNG Fueling Station	\$ 30,525
Subtotal	\$ 835,578
Tri-CED	
Compost Carts	\$ 133,071
Subtotal	\$ 133,071
Total Depreciation	\$ 968,648
Interest Expense	
Republic Services	Annual Interest
Cart/Bin Refresh	\$ 79,922
Interest/Year on Other Items	\$ 281,561
Subtotal	\$ 361,483
Tri-CED	
Compost Carts	\$ 62,134
Subtotal	\$ 62,134
Total Interest	\$ 423,617

* These depreciation and interest amounts were agreed upon by the Parties for Rate Year Twenty-One through Rate Year Thirty.

If new vehicles or Containers (in addition to the new vehicles and Containers Contractor proposed purchasing and are reflected in the depreciation and interest amounts above) are acquired with City’s written approval to accommodate growth in the City at some point during the Term, the cost of the new equipment shall be depreciated using a depreciation method and period of depreciation agreed upon by the City and Contractor. If new vehicles or Containers are acquired with City’s written approval, this Section of this Exhibit shall be amended to reflect any changes in depreciation, interest, or lease amounts.

E. ALLOWABLE ORGANIC MATERIALS PER-TON PROCESSING COSTS

The allowable per-ton Processing costs over the Term of the Agreement are based on Contractor’s Proposal to use the Approved Composting Site and are presented in the following table. The per-Ton Processing costs represent net Processing costs, which reflect the cost of Processing net of revenues Contractor earns from the sale of Compost Product or other Organic Materials products. The fee

component of the per-Ton tipping fee shall reflect the amount of the City of San Jose Local Enforcement Agency Fee (LEA) and shall be adjusted annually to reflect then-current LEA fee.

The below table shall be used applied to adjustments in organic materials processing expense commencing Rate Year Twenty-One (21):

		Residential Organic Materials			Commercial Organic Materials		
Rate Period	Effective Date	Base Component (\$/ton)	Government Fee Component (\$/ton)	Total (\$/Ton)	Base Component (\$/ton)	Government Fee Component (\$/ton)	Total (\$/Ton)
19	7/1/2024	\$51.20	\$0.25	\$51.45	\$86.52	\$0.25	\$86.77
20	7/1/2024	\$85.48	\$0.25	\$85.73	\$103.01	\$0.25	\$103.26
21	7/1/2025	\$119.75	\$0.25	\$120.00	\$119.75	\$0.25	\$120.00
22	7/1/2026	\$123.34	\$0.25	\$123.59	\$123.34	\$0.25	\$123.59
23	7/1/2027	\$127.04	\$0.25	\$127.29	\$127.04	\$0.25	\$127.29
24	7/1/2028	\$130.85	\$0.25	\$131.10	\$130.85	\$0.25	\$131.10
25	7/1/2029	\$134.78	\$0.25	\$135.03	\$134.78	\$0.25	\$135.03
26	7/1/2030	\$138.82	\$0.25	\$139.07	\$138.82	\$0.25	\$139.07
27	7/1/2031	\$142.99	\$0.25	\$143.24	\$142.99	\$0.25	\$143.24
28	7/1/2032	\$147.28	\$0.25	\$147.53	\$147.28	\$0.25	\$147.53
29	7/1/2033	\$151.70	\$0.25	\$151.95	\$151.70	\$0.25	\$151.95
30	7/1/2034	\$156.25	\$0.25	\$156.50	\$156.25	\$0.25	\$156.50
31	7/1/2035	\$160.93	\$0.25	\$161.18	\$160.93	\$0.25	\$161.18
32	7/1/2036	\$165.76	\$0.25	\$166.01	\$165.76	\$0.25	\$166.01
33	7/1/2037	\$170.73	\$0.25	\$170.98	\$170.73	\$0.25	\$170.98
34	7/1/2038	\$175.86	\$0.25	\$176.11	\$175.86	\$0.25	\$176.11
35	7/1/2039	\$181.13	\$0.25	\$181.38	\$181.13	\$0.25	\$181.38

F. ALLOWABLE RECYCLABLE MATERIALS PER-TON PROCESSING COSTS

For the Processing of Recyclable Materials at the Approved Recyclable Materials Processing Facility, the Contractor shall not receive any per-Ton compensation through the Rates; however, Contractor shall be entitled to retain all revenues from the sale of Recyclable Materials Processed and marketed. Contractor agrees to a net Processing cost of zero dollars (\$0.00) over the Term of the Agreement, which reflects Processing costs net of revenues Contractor earns from the sale of materials.

F. COMMERCIAL ORGANICS COLLECTION PROGRAM

Contractor shall provide a minimum of weekly Organics Materials collection service to all Customers with the exception of those Customers provided a waiver pursuant to SB 1383 requirements.

EXHIBIT 11.2.B
INDEX-BASED RATE ADJUSTMENT METHODOLOGY

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EXHIBIT 11.2.B

INDEX-BASED RATE ADJUSTMENT METHODOLOGY

1. GENERAL

The City shall use the index-based Rate adjustment method described in this Exhibit to determine Maximum Rates for Rate Years 22 through 30 and if applicable, Rate Years 31 through 35.

The index-based adjustment involves application of an index to various costs that comprise the Total Contractor's Compensation for the current Rate Year to determine the Total Contractor's Compensation for the coming Rate Year. The difference (measured as a percentage) between the Total Contractor's Compensation for the coming Rate Year and the Total Contractor's Compensation for the then-current Rate Year is the Rate Adjustment Factor. The Rate Adjustment Factor is applied to the current Maximum Rates to determine the Maximum Rates for the coming Rate Year.

2. DEFINITIONS

Terms in upper case not otherwise defined in Article 1 of the Agreement or in this Exhibit are defined by reference to the line items in upper case as they appear in the Indexed Adjustment Example chart attached to this Exhibit (for example, Total Contractor's Compensation, Cost of Operations, Profit, Pass-Through Costs). In addition, the following terms are defined for the purposes of this Exhibit.

- A. **"Annual Percentage Change"** means the average CPI value for the 12-month period from January through December of the then-current Rate Year minus the average CPI value for 12-month period from January through December of the most-recently completed Rate Year, divided by the average CPI value for the 12-month period from January through December of the most-recently completed Rate Year; or 5.0 percent whichever is less. The Annual Percentage Change shall be rounded to the nearest thousandth.

For Rate Year 22 (Fiscal Year 2026-2027), beginning on July 1, 2026, and for subsequent Rate Years thereafter, the rates shall be adjusted based on one-hundred percent (100.0%) of the average change in the CPI for the twelve (12) month period from January to December. Therefore, the first rate adjustment subject to this Index-based Rate adjustment method, effective July 1, 2026, will be based on the percentage change in CPI for the average CPI value from January 1, 2025, through December 31, 2025, compared to the average CPI value from January 1, 2024, through December 31, 2024, rounded to the nearest one-hundredth of a percent (1/100%). The CPI to be used shall be the series CUSR0000SEHG, Water and Sewer and Garbage Collection Services in U.S. city average, all urban consumers, seasonally adjusted.

For example, if the Contractor is preparing its rate application for Maximum Rates to be effective for Rate Year 22 (Rate Year 2026/2027), the Annual Percentage Change shall be calculated as follows: $[(\text{Average CPI for January 2024 through December 2025}) - (\text{Average CPI for January 2023 through December 2024})] / (\text{Average CPI for January 2023 through December 2024})$.

- B. **"CPI"** means the consumer price index and shall be the series CUSR0000SEHG, Water and Sewer and Trash Collection Services in U.S. City Average, all urban consumers, seasonally adjusted, compiled and published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor agency., using the following parameters:

CPI Parameters:

Area – U.S. City Average

Item – All Items

Base Period – index 1997 = 100

Seasonally adjusted

Frequency - Monthly

Series ID – CUSR0000SEHG

- E.** “**Rate Cap Adjustment**” means the amount to be included the Total Contractor’s Compensation if a cap on the Rate Adjustment Factor is applicable pursuant to Section 5 of Exhibits 11.2.B.
- F.** “**Total Contractor’s Compensation**” means the total amount to be used as a basis for determining the Rate Adjustment Factor. The Total Contractor’s Compensation does not reflect or in any way guarantee the Gross Rate Revenues that will be generated by Rates or retained by the Contractor.

3. TOTAL CONTRACTOR’S COMPENSATION FOR RATE YEAR TWENTY-ONE

The Total Contractor’s Compensation for Rate Year Twenty-One is presented in Exhibit 11.1.A.

Profit is calculated using an 86.12% operating ratio for all costs except Recyclable Materials Cart Contractor’s (Tri-CED’s) Organic Materials Cart Collection services (excluding Processing costs for the Organic Materials) for which profit is calculated using a 93.0% operating ratio.

4. ADJUSTMENT OF TOTAL CONTRACTOR’S COMPENSATION

The cost components of the Total Contractor’s Compensation shall be adjusted in the following manner. Separate calculations shall be performed for Recyclable Materials Cart Contractor costs as illustrated in the example in Section 7 of this Exhibit.

A. Total Annual Cost of Operations

- (1) **Labor-Related Costs.** The Labor-Related Costs of the then-current Total Contractor’s Compensation shall be multiplied by 1 plus the Annual Percentage Change in the CPI.
- (2) **Diesel Fuel Costs.** The Diesel Fuel Costs of the then-current Total Contractor’s Compensation shall be multiplied by 1 plus the Annual Percentage Change in the CPI.
- (3) **CNG Fuel Costs.** The CNG Fuel Costs of the then-current Total Contractor’s Compensation shall be multiplied by 1 plus the Annual Percentage Change in the CPI.
- (4) **Recyclable Materials Processing Costs.** The Recyclable Materials Processing Costs shall equal zero.
- (5) **Approved Composting Site LEA Fee Reconciliation.** The amount of the Approved Composting Site LEA Fee reconciliation (if any) pursuant to Section 11.2.E of the Agreement and shall be included with the forecasted Organic Materials Processing costs.
- (6) **Other Costs.** Other Costs of the then-current Total Contractor’s Compensation shall be multiplied by 1 plus the Annual Percentage Change in the CPI Rate Year.

- (7) **Direct Depreciation.** Direct Depreciation is \$835,578 per year for Contractor and \$133,071 for Recyclable Materials Cart Contractor and shall not be adjusted over the Term of the Agreement.
- (8) **Allocated Costs (Labor, Vehicle, General and Administrative, and Other Costs).** The Allocated Costs (Labor, Vehicle, General and Administrative, and Other Costs) of the then-current Total Contractor's Compensation shall be multiplied by 1 plus the Annual Percentage Change in the CPI.
- (9) **Allocated Costs (Depreciation).** The Allocated Costs (Depreciation) is \$0 per year and shall not be adjusted over the Term of the Agreement.
- (10) **Total Annual Cost of Operations.** The Total Annual Cost of Operations for the coming Rate Year shall equal the sum of costs calculated in subsections (1) through (11) above.

B. Profit. Profit for the coming Rate Year shall be determined by calculating profit: (i) on Contractor's costs excluding costs for services subcontracted to Tri-CED, and (ii) on Tri-CED costs for services subcontracted to Tri-CED. For the purposes of these calculations, the cost of Processing Residential Organic Materials shall not be included in Tri-CED's costs but rather in Contractor's costs as these services are provided by Contractor. The profit shall be calculated in the following manner:

- (1) **Profit on Contractor's costs excluding Tri-CED costs** = $[(\text{Total Cost of Operations for the coming Rate Year} - \text{Total Cost of Operations for Tri-CED's Subcontracted services for the coming Rate Year}) / 86.12\%] - (\text{Total Cost of Operations for the coming Rate Year} - \text{Total Cost of Operations for Tri-CED's Subcontracted services for the coming Rate Year})$.
- (2) **Profit on Tri-CED costs for Subcontracted services** = $[(\text{Total Cost of Operations for Tri-CED's Subcontracted services for the coming Rate Year}) / 93.0\%] - (\text{Total Cost of Operations for Tri-CED's Subcontracted services for the coming Rate Year})$.
- (3) **Total Profit** = The sum of the profit calculated in subsections (1) and (2) above.

C. Pass-Through Costs

- (1) **Disposal Costs for Solid Waste, Bulky Item, and Major Appliance.** The Disposal Costs for Solid Waste, Bulky Items, and Major Appliances = $[\text{Disposal Costs for the then-current Total Contractor's Compensation} / (\text{average per-Ton Disposal Fee used when calculating Rates for the then-current Rate Year})] \times [(\text{then-current Disposal Fee for the Designated Transfer Station} + \text{the projected Disposal Fee for the Designated Transfer Station for coming year}) / 2]$. Note that the Disposal Fee for the Designated Transfer Station is adjusted annually on January 1 and July 1 of each year. As a result, the formula presented here averages the Disposal Fee of two years to correlate to the Contractor's Rate Year.
- (2) **Interest Expense.** Interest Expense is \$361,484 per year for Contractor and \$62,134 for Recyclable Materials Cart Contractor and shall not be adjusted over the Term of the Agreement.

- (3) **Direct Lease Costs.** Direct Lease Costs are \$0 per year and shall not be adjusted over the Term of the Agreement.
- (4) **Allocated Lease Costs.** Allocated Lease Costs are \$0 per year and shall not be adjusted over the Term of the Agreement.
- (5) **Rate Application Review Costs.** An amount agreed upon by the City and Contractor to reimburse the Contractor for payment of the City's costs, including consulting and legal fees, associated with review of Contractor's Compensation Adjustment Application, determination of Maximum Rates, and associated with the performance review described in Section 14.13 or other reviews conducted by the City. The Rate Application Review Costs of the then-current Total Contractor's Compensation shall be multiplied by 1 plus the Annual Percentage Change in the CPI Rate Year.
- (6) **Designated Transfer Station Disposal Fee Reconciliation.** The amount of the Designated Transfer Station Disposal fee reconciliation adjustment (if Contractor incurred a net additional Designated Transfer Station Disposal cost) pursuant to Section 11.2.E (Facility Cost Reconciliation) of the Agreement shall be included as a pass-through cost.
- (7) **Residential and Commercial Organic Materials Processing Costs.** The amount of the sum of the Residential and Commercial Organic Materials processing expense shall be treated as a pass-through cost in Contractor's Compensation Adjustment Application.
- (8) **Bad Debt Reconciliation.** Bad Debt shall be included in Contractor's Compensation as a pass-through expense and shall be calculated as follows for the Term.
 - a) Rate Year 21 – one (1) percent of the calculated Revenue Requirement approved by the City for Contractor.
 - b) Rate Year 22 – the amount calculated for Rate Year 21 plus fifty (50) percent of the actual Bad Debt accrued by Contractor during July 1 through April 1 of Rate Year 21 (July 1, 2025 through April 1, 2026)
 - c) Rate Year 23 – the actual amount accrued by Contractor during July 1 through April 1 of Rate Year 22 (July 1, 2026 through April 1, 2027).
 - d) Rate Year 24 through 30 – the actual amount accrued from July 1 through April 1 of the previous Rate Year.

Contractor's Compensation Application due on March 1 shall include Contractor's projected Bad Debt calculations. City shall approve an amendment to Contractor's Compensation Application submitted timely (by March 1) with regard to the amount of Bad Debt calculated pursuant to the above prescribed schedule and process since the applicable Bad Debt is accrued through April 1, while Contractor's Compensation Adjustment Application is due on March 1.

The above process to adjust for and include projected or calculated Bad Debt in the annual Revenue Requirements shall be predicated on Contractor adhering to the Bad Debt Recovery Escalation Plan (Exhibit 15) to the City's reasonable satisfaction. If the City deems for good cause that the Bad Debt Recovery Escalation Plan was not managed to the City's

reasonable satisfaction, the City reserves the right to deny an increase in the next annual adjustment to Bad Debt compensation paid to Contractor and the City may reduce the Bad Debt compensation paid to Contractor based on the City's good cause determination.

(9) **Total Pass-Through Costs.** Total Pass-Through Costs for the coming Rate Year shall equal costs calculated in subsections (1) through (8) above.

D. Rate Cap Adjustment. The Rate Cap Adjustment amount (if applicable) shall be the "Contractor's share of the Rate Cap Adjustment" determined in accordance with Section 5 of this Exhibit.

E. Total Contractor's Compensation before City Fees. The Total Contractor's Compensation before City Fees shall be the sum of the Total Annual Cost of Operations, Profit, Total Pass-Through Costs, and Rate Cap Adjustment for the coming Rate Year.

F. City Fees

(1) **Franchise Fee.** Franchise Fee shall be determined by City.

(2) **Total City Fees.** The Total City Fees including the Franchise Fee and other City Fees for the coming Rate Year shall be determined by the City. Note that Total City Fees intentionally excludes the Agreement extension fee described in Section 10.7 of the Agreement as Contractor agreed that this fee is not to be funded through or recovered from the Rates.

G. Total Contractor's Compensation. The Total Contractor's Compensation for the coming Rate Year shall equal the sum of the Total Annual Cost of Operations, Profit, Total Pass-Through Costs, Rate Cap Adjustment, and Total City Fees for the coming Rate Year.

5. RATE CAP ADJUSTMENT

A. Annual Rate Cap On Maximum Rates. In any Rate Year the calculation of the CPI exceeds five percent (5.0%), the total adjustment in Contractor's Cost of Operations for that year shall be a maximum of five percent (5.0%). If the cpi adjustment exceeds five percent (5.0%), the amount above five percent (5.0%) shall be rolled over to the subsequent Rate Year. If the CPI adjustment is negative (after accounting for any applicable rollover percentages from prior years), there will be no adjustment to Contractor's Cost of Operations for that year.

6. ADJUSTMENT OF MAXIMUM RATES

Each then-current Maximum Rate shall be multiplied by the Final Rate Adjustment Factor (determined in accordance with Section 5 of this Exhibit) to calculate the effective Maximum Rate for the coming Rate Year.

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EXHIBIT 11.2.C

RESERVED

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EXHIBIT 12.3
PERFORMANCE BOND

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EXHIBIT 12.3 – PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That, _____ California Corporations, as PRINCIPAL, and _____, a Corporation organized and doing business by virtue of the laws of the State of California, and authorized for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as SURETY, are held and firmly bound to the CITY OF UNION CITY, a Municipal Corporation of the State of California, hereinafter called OBLIGEE, in the penal sum of Four Million Twenty-Four Thousand Seven Hundred Eighty Two dollars (\$4,024,782) lawful money of the United States, for the payment of which, well and truly to be made, we and each of us hereby bind ourselves, and our and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the above bounden PRINCIPAL has entered into a contract on _____, 2025, entitled "SOLID WASTE, RECYCLABLE MATERIALS, AND ORGANIC MATERIALS COLLECTION SERVICES" with the OBLIGEE, to do and perform the following work, to wit: Collect, Transport, Process, and Dispose of Solid Waste, Recyclable Materials, and Organic Materials generated within the City of Union City, in accordance with the contract.

NOW, THEREFORE, if the above bounden PRINCIPAL shall well and truly perform, or cause to be performed each and all of the requirements and obligations of said contract to be performed by said PRINCIPAL, as in said contract set forth, then this BOND shall be null and void; otherwise, it shall remain in full force and effect.

And the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any wise affect its obligations on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications; provided, however, that under no circumstances shall the SURETY's obligation to the City under the Agreement be greater or different than PRINCIPAL's obligation under the Agreement, including any amendments or modifications thereto with the exception of the specific and unique obligations under taken by the SURETY as described in this BOND.

IN WITNESS WHEREOF, said PRINCIPAL and said SURETY have caused these presents to be duly signed and sealed this ____ day of _____, 2017.

By: _____
(PRINCIPAL) (SEAL)

By: _____
(SURETY) (SEAL)

By: _____

By: _____

By: _____
(ATTORNEY IN FACT) (SEAL)

By: _____
(ATTORNEY IN FACT) (SEAL)

(Signatures of Principal and Surety must be acknowledged by a Notary Public)

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EXHIBIT 12.4
GUARANTY AGREEMENT

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EXHIBIT 12.4 GUARANTY AGREEMENT

THIS GUARANTY (the "Guaranty") is given as of the ____ day of _____, 2025.

THIS GUARANTY is made with reference to the following facts and circumstances:

- A. Allied Waste Services of North America, LLC, hereinafter ("Contractor") is a corporation organized under the laws of the State of Delaware, all of the issued and outstanding stock of which is owned by Republic Services, Inc. (Guarantor).
- B. Contractor and the City of Union City ("City") have negotiated an Agreement for Solid Waste, Recyclable Materials, and Organic Materials Collection Services dated as of _____, 2015 (hereinafter "Agreement"). A copy of this Agreement is attached hereto.
- C. It is a requirement of the Agreement, and a condition to the City entering into the Agreement, that Guarantor guaranty Contractor's performance of the Agreement.
- D. Guarantor is providing this Guaranty to induce the City to enter into the Agreement.

NOW, THEREFORE, in consideration of the foregoing, Guarantor agrees as follows:

- 1. Guaranty of the Agreement. Guarantor hereby irrevocably and unconditionally guarantees to the City the complete and timely performance, satisfaction and observation by Contractor of each and every term and condition of the Agreement, which Contractor is required to perform, satisfy, or observe. In the event that Contractor fails to perform, satisfy or observe any of the terms and conditions of the Agreement, Guarantor shall promptly and fully perform, satisfy or observe them in the place of Contractor or cause them to be performed, satisfied or observed. Guarantor hereby guarantees payment to the City of any damages, costs, or expenses which might become recoverable by the City from Contractor due to its breach of the Agreement.
- 2. Guarantor's Obligations Absolute. The obligations of the Guarantor hereunder are direct, immediate, absolute, continuing, unconditional and unlimited, and with respect to any payment obligation of Contractor under the Agreement, shall constitute a guarantee of payment and not of collection, and are not conditional upon the genuineness, validity, regularity or enforceability of the Agreement. In any action brought against the Guarantor to enforce, or for damages for breach of, its obligations hereunder, the Guarantor shall be entitled to all defenses, if any, that would be available to Contractor in an action to enforce, or for damages for breach of, the Agreement (other than discharge of, or stay of proceedings to enforce, obligations under the Agreement under bankruptcy law).
- 3. Waivers. Except as provided herein the Guarantor shall have no right to terminate this Guaranty or to be released, relieved, exonerated or discharged from its obligations under this Guaranty for any reason whatsoever, including, without limitation: (1) the insolvency, bankruptcy, reorganization or cessation of existence of Contractor; (2) the actual or purported rejection by a trustee in bankruptcy of the Agreement, or any limitation on any claim in bankruptcy resulting

from the actual or purported termination of the Agreement; (3) any waiver with respect to any of the obligations of the Agreement guaranteed hereunder or the impairment or suspension of any of the City's rights or remedies against Contractor; or (4) any merger or consolidation of Contractor with any other corporation, or any sale, lease or transfer of any or all the assets of Contractor. Without limiting the generality of the foregoing, Guarantor hereby waives the rights and benefits under California Civil Code §2819.

The Guarantor hereby waives any and all benefits and defenses under California Civil Code §2846, 2849, and 2850 as may be amended from time to time, including without limitation, the right to require the City to (a) proceed against Contractor, (b) proceed against or exhaust any security or collateral the City may hold now or hereafter hold, or (c) pursue any other right or remedy for Guarantor's benefit, and agrees that City may proceed against Guarantor for the obligations guaranteed herein without taking any action against Contractor or any other guarantor or pledgor and without proceeding against or exhausting any security or collateral the City may hold now or hereafter hold. The City may unqualifiedly exercise in its sole discretion any or all rights and remedies available to it against Contractor or any other guarantor or pledgor without impairing the City's rights and remedies in enforcing this Guaranty.

The Guarantor hereby waives and agrees to waive at any future time at the request of the City to the extent now or then permitted by applicable law, any and all rights which the Guarantor may have or which at any time hereafter may be conferred upon it, by statute, regulation or otherwise, to avoid any of its obligations under, or to terminate, cancel, quit or surrender this Guaranty. Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not affect the liability of the Guarantor hereunder: (a) at any time or from time to time, without notice the Guarantor, performance or compliance herewith is waived; (b) any security for any obligation of Contractor under the Agreement is released or exchanged in whole or in part or otherwise dealt with; and (c) any assignment of the Agreement is effected which does not require the City's approval.

The Guarantor hereby expressly waives, diligence, presentment, demand for payment or performance, protest and all notices whatsoever, including, but not limited to, notices of non-payment or non-performance, notices of protest, notices of any breach or default, and notices of acceptance of this Guaranty. If all or any portion of the obligations guaranteed hereunder are paid or performed, Guarantor's obligations hereunder shall continue and remain in full force and effect in the event that all or any part of such payment or performance is avoided or recovered directly or indirectly from the City as a preference, fraudulent transfer or otherwise, irrespective of (a) any notice of revocation given by Guarantor or Contractor prior to such avoidance or recovery, and (b) payment in full of any obligations then outstanding.

4. Term. This Guaranty is not limited to any period of time, but shall continue in full force and effect until all of the terms and conditions of the Agreement have been fully performed or otherwise discharged and Guarantor shall remain fully responsible under this Guaranty without regard to the acceptance by the City of any performance bond or other collateral to assure the performance of Contractor's obligations under the Agreement. Guarantor shall not be released of its obligations hereunder so long as there is any claim by the City against Contractor arising out of the Agreement based on Contractor's failure to perform which has not been settled or discharged.

5. No Waivers. No delay on the part of the City in exercising any rights under this Guaranty or failure to exercise such rights shall operate as a waiver of such rights. No notice to or demand on Guarantor shall be a waiver of any obligation of Guarantor or right of the City to take other or further action without notice or demand. No modification or waiver of any of the provisions of this Guaranty shall be effective unless it is in writing and signed by the City and by Guarantor, nor shall any waiver be effective except in the specific instance or matter for which it is given.
6. Attorney's Fees. In addition to the amounts guaranteed under this Guaranty, Guarantor agrees in the event of Guaranty's breach of its obligations including to pay reasonable attorney's fees and all other reasonable costs and expenses incurred by the City in enforcing this Guaranty, or in any action or proceeding arising out of or relating to this Guaranty, including any action instituted to determine the respective rights and obligations of the parties hereunder.
7. Governing Law: This Guaranty is and shall be deemed to be a contract entered into in and pursuant to the laws of the State of California and shall be governed and construed in accordance with the laws of California without regard to its conflicts of laws, rules for all purposes including, but not limited to, matters of construction, validity and performance. Guarantor agrees that any suit, action, and other proceeding brought by the City or other party to enforce this Guaranty may be brought and concluded in the courts of the State of California, in Alameda County or Federal District court for northern California, which shall have exclusive jurisdiction over such suit, action, or proceeding. Guarantor appoints the following person as its agents for service of process in California:

General Manager
CT Corporation Systems
818 West 7th Street, Ste 930
Los Angeles, CA 90017

With a copy by certified mail to:

Tim Benter, Vice President and Deputy General Counsel
Republic Services
15800 North Allied Way, Phoenix, AZ 85054
tbenter@republicservices.com
(480) 627-7153

8. Severability. If any portion of this Guaranty is held to be invalid or unenforceable, such invalidity shall have not effect upon the remaining portions of this Guaranty, which shall be severable and continue in full force and effect.
9. Binding on Successors. This Guaranty shall inure to the benefit of the City and its successors and shall be binding upon Guarantor and its successors, including transferee(s) of substantially all of its assets and its shareholder(s) in the event of its dissolution or insolvency.
10. Authority. Guarantor represents and warrants that it has the corporate power and the authority to give this Guaranty, that its execution of this Guaranty has been authorized by all necessary action under its Article of Incorporation and By-Laws, and that the person signing this Guaranty on its behalf has the authority to do so.

11. Notices. Notice shall be given in writing, deposited in the U.S. mail, registered or certified, first class postage prepaid, addressed as follows:

To the City: City Manager
 City of Union City
 34009 Alvarado-Niles Road
 Union City, CA 94587

with a copy to the City Attorney at the same address.

To the Guarantor: Joe Chu
 General Manager
 Allied Waste Services of Alameda County
 42600 Boyce Rd.
 Fremont, CA 94538
 (510) 354-2451
 jchu@republicservices.com

With a copy to: Jo Lynn White, Esq.
 Corporate Secretary
 Republic Services
 15800 North Allied Way
 Phoenix, AZ 85054

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

(Remainder of page intentionally left blank)

GUARANTOR:
Republic Services, Inc.

CITY OF UNION CITY
A Municipal Corporation

By: _____
(sign here)

(print name/title)

By: _____
(sign here)

(print name/title)

Joan Malloy
City Manager

APPROVED AS TO FORM:
City Attorney

Kristopher Kokotaylo
City Attorney

Proper notarial acknowledgment of execution by Guarantor must be attached.

Chairman, president or vice-president and secretary, assistant secretary, CFO or assistant treasurer must sign for corporations. Otherwise, the corporation must attach a resolution certified by the secretary or assistant secretary under corporate seal empowering the officer(s) signing to bind the corporation.

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EXHIBIT 13.5
SCHEDULE FOR LIQUIDATED DAMAGES

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EXHIBIT 13.5 SCHEDULE FOR LIQUIDATED DAMAGES

Contractor may be assessed Liquidated Damages if Contractor fails to fulfill its obligations with regards to the events listed in this Exhibit in accordance with the terms and conditions of the Agreement with regards to the time frame for accomplishing each event and nature of the responsibility associated with the event unless otherwise stated in this Exhibit.

COLLECTION RELIABILITY

1.	Start New Customer. For each failure over 12 during Rate Year to commence service to a new Customer within 7 calendar days after order received and account number established.	\$253.07/ event
2.	Missed Pick-Ups. For each failure over 24 during Rate Year to Collect Solid Waste, Recyclable Materials, or Organic Materials, which has been properly set out for Collection by a Customer on the scheduled Collection day.	\$253.87/ event
3.	Consecutive Missed Pick-Ups. For each failure to Collect Solid Waste, Recyclable Materials, or Organic Materials which has been properly set out for Collection, from the same Customer on 2 consecutive scheduled pick ups.	\$253.87/ event
3.1	Untimely Scheduling of Bulky Item Pick-Ups. For each failure to schedule and perform a Bulky Item Pick-Up within twenty-one (21) days of Customer's request pursuant to Sections 5.5 and 5.6 of the Agreement.	\$253.87/ event

COLLECTION QUALITY

4.	Leaks, Litter or Spills. For each occurrence over 24 during the Rate Year of unreasonable leaks, litter, or spills of Solid Waste, Recyclable Materials, or Organic Materials near Containers or on public streets and failure to pick up or clean up such material immediately.	\$253.87/ event
5.	Improper Container Placement. For each occurrence over 24 during the Rate Year of failure to replace Containers in original position, upright, with lids attached to or on Carts or Bins.	\$253.87/ event
6.	Care of Private Property. For each failure over 24 during the Rate Year of not closing a Customer's gate, crossing planted areas, or damaging private property (including private vehicles).	\$253.87/ event
7.	Repair of Private Property. For each occurrence over 5 during the Rate Year of failure to repair damage to property within 30 days of the date the damage was reported.	\$253.87/ event
8.	Unauthorized Collection Hours. For each occurrence over 12 the during Rate Year of Collecting Solid Waste, Recyclable Materials, or Organic Materials during unauthorized hours.	\$253.87/ event
9.	Excessive Noise. For each occurrence over 12 during the Rate Year of excessive noise.	\$253.87/ event

10.	Non-Collection Tags. For each failure over 12 during the Rate Year of not tagging Containers which have not been Collected explaining the reason for non-Collection.	\$253.87/ event
11.	Discourteous Behavior. For each occurrence of discourteous behavior by Collection vehicle personnel, Customer service personnel, or other employees of Contractor.	\$253.87/ event
12.	Injuries to Others. For each incident of personal injury to a Person requiring medical treatment or hospitalization, where the negligence of the Contractor or its personnel was a contributing factor to the injury .	\$8,461.33/ incident

CUSTOMER SERVICE RESPONSIVENESS

13.	Call Responsiveness. For each failure to answer the telephone during business hours specified in the Agreement or failure for answering machine to record call during non-business hours specified in the Agreement.	\$507.69/ event
14.	3-Minute Call Hold Time. Failure to answer 100 percent of calls received during office hours within 3 minutes.	\$3.39 per call for each call not answered in accordance with the standard
15.	After-Hours Call Returns. Failure to return 100 percent of calls received on Contractor's answering machine by 5:00 p.m. of the Business Day following receipt of the Complaint or service request.	\$3.39 per call not returned in accordance with the standard
16.	Respond to Complaint or Service Request. For each failure over 24 during the Rate Year to inform Customer, within one Business Day of receipt of the Complaint or service request, of the action Contractor will take to remedy a Complaint or to respond to a service request.	\$253.87/ event
17.	Resolve Complaint or Service Request. For each failure to resolve or remedy a Complaint or service request within five Business Days of receipt of Complaint or service request with the exception of missed pick-ups which are addressed in Items 1 and 2 of this Exhibit.	\$253.87/ event

REPORTING AND NOTICING

18.	Monthly Reports. Failure to submit monthly reports in the timeframe specified in this Agreement.	\$423.11/ day report is overdue
19.	Quarterly Reports. Failure to submit quarterly reports in the timeframe specified in this Agreement.	\$422.84/ day report is overdue
20.	Annual Reports. Failure to submit annual reports in the timeframe specified in this Agreement.	\$422.84/ day report is overdue

21.	Inaccurate Data. For submittal of substantially inaccurate data in the monthly, quarterly, and/or annual reports.	\$846.16/occurrence
22.	Application for Contractor's Compensation. Failure to submit application for Contractor's Compensation in accordance with the timeframe established in the Agreement.	\$507.69/ day report is overdue

PUBLIC EDUCATION AND OUTREACH

23.	Failure to prepare and distribute "how-to" brochure/calendar (service guide) to new Residential Customers within 30 days of Customer commencing service.	\$253.87/ day for each day until mailer is sent
24.	Failure to prepare and distribute to residents door hanger, flyer or mailer to Customers regarding specific Collection day, holiday, holiday tree, and cleanup events.	\$253.87/ day for each day until mailer is sent
25.	Failure to prepare and distribute "how-to" brochures (service guide) to new Commercial Customers within 30 days of Customers commencing service.	\$253.87/ day
26.	Failure to distribute periodic update for Holiday tree recycling on or before December 25 of each year.	\$253.87/ day for each day until mailer is sent (not to exceed \$1,000)
27.	Failure to develop and implement outreach program for individual Commercial sectors.	\$253.87/ day
28.	Failure to participate in special events listed in this Agreement.	\$507.69/ event-day
29.	Failure to comply with one or more requirements for the Contractor's website pursuant to Section 7.4.1 of the Agreement (e.g., failure to provide Collection schedule and map for Customers, Rates, description of services, email capabilities, bill payment capabilities, etc.).	\$377.26/ day
30.	Failure to conduct one or more annual visits to schools or school presentations as required by Section 7.1.E of the Agreement.	\$507.69/ event for each event not conducted in a given Rate Year
31.	Failure to prepare and distribute one or more public education mailers, flyers or other printed materials by the date presented in the Annual Public Education Plan and agreed upon by the Parties or the end of the Rate Year if no date is specified in the Annual Public Education Plan.	\$253.87/ day for each day until the materials are distributed
32.	Failure to conduct annual technical assistance efforts for each Non-Parcelized Multi-Family and Commercial Customer including site visits.	\$507.69/ Multi-Family or Commercial Customer
33.	Failure to conduct presentations or other requirements of the Annual Public Education Plan by the date presented in the Annual Public Education Plan and agreed upon by the Parties or the end of the Rate Year if no date is specified in the Annual Public Education Plan.	\$253.87/ day for each day until the requirement has been fulfilled

OTHER

34.	Disposal of Recyclable Materials or Organic Materials. For each Ton of Recyclable Materials or Organic Materials Disposed of without written approval of the City.	\$423.11/ ton
35.	Use of Unauthorized Facilities. For each Ton of Recyclable Materials, Organic Materials, Solid Waste, Bulky Items, or Major Appliances delivered to a facility not approved for use under the provisions of this Agreement for Processing, transfer, or Disposal of such material.	\$423.11/ ton
36.	Sharps Program. Failure to offer and promote the Sharps Mail-Back program described in Section 7.7 of the Agreement.	\$507.69 per day for each day the program is not available
37.	Excessive Contamination Levels. Failure to achieve Contamination Level(s) specified in Sections 6.4.B.2 of the Agreement. For each Characterization performed in accordance with Exhibit 6.4 that results in a Contamination Level of a material stream that is greater than ten percent (10%) by weight for Organic Materials or Food Scraps or greater than twenty percent (20%) by weight for Recyclable Materials.	\$118.91/ Ton for each Ton of excess Contamination and then adjusted annually thereafter in accordance with Section 13.5.C
38.	Other. Failure to perform any of the obligations set forth in this Agreement not specifically stated above and not corrected or proceeding in good faith to correct within twenty-four (24) hours upon twenty-four (24) hour Notification by City.	\$253.87/ incident or \$253.87/ day for each day of non-compliance

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

Contractor

City

Initial Here: _____

Initial Here: _____

EXHIBIT 14.14
IRAN CONTRACTING CERTIFICATION

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EXHIBIT 14.14
IRAN CONTRACTING CERTIFICATION

Pursuant to Public Contract Code Section 2200 et seq., (“Iran Contracting Act of 2010”), Contractor certifies that:

- (1) Contractor is not identified on the list created by the California Department of General Services (“DGS”) pursuant to California Public Contract Code Section 2203(b) as a Person engaging in investment activities in Iran; and
- (2) Contractor is not a financial institution that extends twenty million dollars (\$20,000,000) or more in credit to another Person, for forty-five (45) Days or more, if that Person will use the credit to provide goods or services in the energy sector in Iran and is identified on the DGS list made pursuant to Section 2203(b).

As used herein, “Person” shall mean a “Person” as defined in Public Contract Code Section 2202(e).

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY, that I am duly authorized to legally bind the Contractor to this Certification, which is made under the laws of the State of California.

_____ (“Contractor”)

By: _____ (Signature)

Name: _____ (Printed Name)

Title: _____

Date: _____

EXHIBIT 15
BAD DEBT RECOVERY ESCALATION PLAN

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EXHIBIT 15

BAD DEBT RECOVERY ESCALATION PLAN

Republic Services commits to executing a Bad Debt Recovery Escalation Plan to minimize the effects of bad debt on all parties involved. The plan is outlined below and will be followed for residential accounts that are past due on payment:

- Five (5) days past due –
 - First (1st) Email Notice sent to customer notifying customer that they are past due. If no email on file, customer shall receive a phone call.
- Ten (10) Days Past Due –
 - First (1st) Direct Phone Contact by Republic Services representative
 - Second (2nd) Email Notice sent to customer notifying customer that they are past due.
- Fifteen (15) Days Past Due –
 - Third (3rd) Email Notice
 - First (1st) Demand Intent Letter sent via certified mail to customer. This correspondence shall include an explanation of payment options to facilitate collection of past due monies, while ensuring service continues uninterrupted.
- Forty-Five (45) Days Past Due –
 - Fourth (4th) Email Notice
 - Second (2nd) Direct Phone Contact to establish a payment plan with the customer.
 - Second (2nd) Demand Intent Letter sent via certified mail to customer.
- Sixty (60) Days Past Due –
 - Third (3rd) and Final Direct Phone Contact to establish payment plan and notify customer of pending service interrupt, and transfer of account to collection agency.
 - Fifth (5th) Email Notice
 - First (1st) Service Interrupt Intent Letter sent via certified mail notifying customer that their service will be suspended if the outstanding balance is not paid.
- Seventy (70) Days Past Due –
 - Robo-call Phone Message every other day (13 Calls)
- Ninety (90) Days Past Due –
 - Final Direct Phone Contact
 - Final Email Notice
 - Final Service Interrupt Intent Letter sent via certified mail. This Letter shall include the following:
 - payment plan options
 - notice of service interrupt
 - notice of transfer of account to collection agency
 - notice of violation of City Municipal Code and potential Code Enforcement actions
- Ninety-Five (95) Days Past Due –
 - Submit past-due amount to collection agency
- One-Hundred Twenty (120) Days Past Due –
 - Account placed on "Service Interrupt"
 - Service Interrupt Notice sent

In addition to the process above, Republic Services will submit a Bad Debt Aging report to the City on a monthly basis.

Tables 1-5 below provides an example of the Bad Debt calculations for Rate Years 21 (2025-2026) through 23 (2027-2028). This example is provided to memorialize the calculations agreed to by the parties to potentially mitigate the loss of revenue that may be associated with Bad Debt aging from direct billing of Residential Customers.

1. 2024-25 & 2025-26 BASE DETAIL			
<u>Contractor's Compensation and City Fees</u>	2024-25 Actual	2025-26 Estimate	
<u>Republic Services</u>			% Increase
Total Contractor's Compensation (Residential and Commercial)	\$ 15,513,803	\$ 17,375,459	12.0%
Total City Fees	\$ 7,149,413	\$ 7,675,734	7.4%
Revenue Requirement	\$ 22,663,216	\$ 25,051,193	10.5%
Residential Only (tax roll) Revenue (includes City Fees)	\$ 8,382,783	\$ 9,388,717	12.0%
City Fees - Franchise Fees	\$ 7,149,413	\$ 7,675,734	7.4%
RS - Residential (tax roll) Compensation (includes City Fees)	\$ 8,382,783	\$ 9,388,717	12.0%
City Fees	\$ 2,699,123	\$ 2,900,308	7.5%
<u>Tri-CED</u>			
Residential Only (tax roll) Revenue (includes City Fees)	\$ 4,083,988	\$ 4,574,066	12.0%
Total Contractor's Compensation	\$ 3,449,604	\$ 3,863,556	12.0%
Total City Fees	\$ 799,851	\$ 882,641	10.4%
Revenue Requirement	\$ 4,249,455	\$ 4,746,197	11.7%
City Fees - Franchise Fees	\$ 799,851	\$ 882,641	10.4%
<u>Combined</u>			
Total Contractor's Compensation	\$ 18,963,407	\$ 21,239,016	12.0%
Total City Fees	\$ 7,949,264	\$ 8,558,375	7.7%
Revenue Requirement	\$ 26,912,671	\$ 29,797,391	10.7%

2. 2025-26 CALCULATION					
Residential Only	2024-25 Tax Roll Actual	% City Fees	2025-26	% Revenue	% City Fees
Republic Services (RS) Revenue Requirement (includes City Fees)	\$ 8,382,783		\$ 9,388,717	66.42%	
City Fees	\$ 2,699,123	32.20%	\$ 2,900,308		30.89%
Tri-CED (TC) Revenue Requirement (includes City Fees)	\$ 4,249,455		\$ 4,746,197	33.58%	
City Fees	\$ 799,851	18.82%	\$ 882,641		18.60%
Total Revenue Requirement	\$ 12,632,238		\$ 14,134,914	\$ 14,134,914	Ck
Total City Fees	\$ 3,498,974		\$ 3,782,949		
Bad Debt %			1.00%		
Total Bad Debt Included in Compensation			\$ 141,349		
RS - Bad Debt Allocation			\$ 93,887		
City Fees			\$ 29,003		
RS - Prospective Bad Debt Compensation			\$ 64,884		
TC - Bad Debt Allocation			\$ 47,462		
City Fees			\$ 8,826		
TC - Prospective Bad Debt Compensation			\$ 38,636		
City Fees - Prospective Bad Debt Allocation			\$ 37,829		
Revenue Requirement					
RS - Revenue Requirement (includes City Fees & Bad Debt)			\$ 9,482,604		
TC - Revenue Requirement (includes City Fees & Bad Debt)			\$ 4,793,659		
Total Revenue Requirement			\$ 14,276,264		
Contractor's Compensation					
RS - Total Contractor's Compensation (excludes Bad Debt)			\$ 6,488,409		
City Fees			\$ 2,900,308		
TC - Total Contractor's Compensation (excludes Bad Debt)			\$ 3,863,556		
City Fees			\$ 882,641		
RS - Total Contractor's Compensation (includes Bad Debt)			\$ 6,553,293		
TC - Total Contractor's Compensation (includes Bad Debt)			\$ 3,902,192		
Total City Fees (includes Bad Debt)			\$ 3,820,778		
Total Revenue Requirement			\$ 14,276,264		

3. 2026-27 CALCULATION					
<u>Residential Only</u>	2025-26	2026-27	% Revenue	% City Fees	% Increase
Republic Services (RS) Revenue Requirement (includes City Fees)	\$ 9,388,717	\$ 9,858,153	66.21%		5.0%
RS Total Contractor's Compensation	\$ 6,488,409	\$ 6,812,829			5.0%
City Fees - Franchise Fee	\$ 2,900,308	\$ 2,994,195		30.37%	3.2%
<u>Tri-CED</u>					
Tri-CED (TC) Revenue Requirement (includes City Fees)	\$ 4,746,197	\$ 5,032,101	33.79%		6.0%
TC Total Contractor's Compensation	\$ 3,863,556	\$ 4,056,734			5.0%
City Fees - Franchise Fees	\$ 882,641	\$ 975,367			
Total City Fees	\$ 882,641	\$ 975,367		19.38%	
Actual Bad Debt	\$ 280,000				
Projected Bad Debt	\$ 141,349				
50% of Variance		\$ 69,325			
RS - Bad Debt Allocation		\$ 45,897	66.21%		
City Fees		\$ 13,940		30.37%	
RS - Prospective Bad Debt Compensation		\$ 31,957			
TC - Bad Debt Allocation		\$ 23,428	33.79%		
City Fees		\$ 4,541		19.38%	
TC - Prospective Bad Debt Compensation		\$ 18,887			
RS - Contractor's Compensation	\$ 6,488,409	\$ 6,812,829			5.00%
RS - Prospective Bad Debt	\$ 64,884	\$ 96,841			49.25%
Total RS Contractor's Compensation	\$ 6,553,293	\$ 6,909,670			5.44%
TC - Contractor's Compensation	\$ 3,863,556	\$ 4,056,734			5.00%
TC - Prospective Bad Debt	\$ 38,636	\$ 57,523			48.89%
Total TC Contractor's Compensation	\$ 3,902,192	\$ 4,114,257			5.43%
City Fees	\$ 3,782,949	\$ 3,969,562			4.93%
City Fees Prospective Bad Debt Allocation	\$ 37,829	\$ 56,311			48.85%
Total City Fees	\$ 3,820,778	\$ 4,025,873			5.37%
Revenue Requirement					
RS - Revenue Requirement (includes City Fees & Bad Debt)	\$ 9,482,604	\$ 9,917,806			4.59%
TC - Revenue Requirement (includes City Fees & Bad Debt)	\$ 4,793,659	\$ 5,094,165			6.27%
Total Revenue Requirement	\$ 14,276,264	\$ 15,011,971			5.15%
Contractor's Compensation (excludes Bad Debt)					
RS - Total Contractor's Compensation	\$ 6,488,409	\$ 6,812,829			5.00%
City Fees	\$ 2,900,308	\$ 2,994,195			3.24%
TC - Total Contractor's Compensation	\$ 3,863,556	\$ 4,056,734			5.00%
City Fees (excludes Bad Debt)	\$ 882,641	\$ 975,367			10.51%
Contractor's Compensation (includes Bad Debt)					
RS - Total Contractor's Compensation	\$ 6,553,293	\$ 6,909,670			5.44%
TC - Total Contractor's Compensation	\$ 3,902,192	\$ 4,114,257			5.43%
Total City Fees	\$ 3,820,778	\$ 4,025,873			5.37%
Total Revenue Requirement	\$ 14,276,264	\$ 15,049,800			5.42%

4. 2027-28 CALCULATION					
Residential Only	2026-27	2027-28	% Revenue	% City Fees	% Increase
Republic Services (RS) Revenue Requirement (includes City Fees)	\$ 9,858,153	\$ 10,351,060	65.97%		5.0%
RS Total Contractor's Compensation	\$ 6,812,829	\$ 7,153,471			5.0%
City Fees					
Storm Water Fee	\$ 1,278,206	\$ 1,278,206			0.0%
Franchise Fees (@ 20.0% of gross revenues)	\$ 1,715,989	\$ 1,814,571			5.7%
Total City Fees	\$ 2,994,195	\$ 3,092,777		29.88%	3.3%
Tri-CED					
Tri-CED (TC) Revenue Requirement (includes City Fees)	\$ 5,032,101	\$ 5,338,790	34.03%		6.1%
TC Total Contractor's Compensation	\$ 4,056,734	\$ 4,259,571			5.0%
Total City Fees					
Vehicle Impact Fee	\$ 109,930	\$ 109,930			
Franchise Fees (@ 20.0% of gross revenues)	\$ 865,437	\$ 969,289			12.0%
Total City Fees	\$ 975,367	\$ 1,079,219		20.21%	
Actual Bad Debt	\$ 320,000				
RS - Bad Debt Allocation		\$ 211,114	65.97%		
City Fees		\$ 63,078		29.88%	
RS - Prospective Bad Debt Compensation		\$ 148,035			
TC - Bad Debt Allocation		\$ 108,886	34.03%		
City Fees		\$ 22,011		20.21%	
TC - Prospective Bad Debt Compensation		\$ 86,875			
RS - Contractor's Compensation	\$ 6,812,829	\$ 7,153,471			5.00%
RS - Prospective Bad Debt	\$ 96,841	\$ 148,035			52.86%
Total RS Contractor's Compensation	\$ 6,909,670	\$ 7,301,506			5.67%
TC - Contractor's Compensation	\$ 4,056,734	\$ 4,259,571			5.00%
TC - Prospective Bad Debt	\$ 57,523	\$ 86,875			51.03%
Total TC Contractor's Compensation	\$ 4,114,257	\$ 4,346,446			5.64%
City Fees	\$ 3,969,562	\$ 4,171,996			5.10%
City Fees Prospective Bad Debt Allocation	\$ 56,311	\$ 85,089			51.11%
Total City Fees	\$ 4,025,873	\$ 4,257,085			5.74%
Revenue Requirement (includes City Fees and Bad Debt)					
RS - Revenue Requirement	\$ 9,917,806	\$ 10,457,361			5.44%
TC - Revenue Requirement	\$ 5,094,165	\$ 5,447,677			6.94%
Total Revenue Requirement	\$ 15,011,971	\$ 15,905,038			5.95%
Contractor's Compensation (excludes Bad Debt)					
RS - Total Contractor's Compensation	\$ 6,812,829	\$ 7,153,471			5.00%
City Fees	\$ 2,994,195	\$ 3,092,777			3.29%
TC - Total Contractor's Compensation	\$ 4,056,734	\$ 4,259,571			5.00%
City Fees	\$ 975,367	\$ 1,079,219			10.65%
Contractor's Compensation (includes Bad Debt)					
RS - Total Contractor's Compensation	\$ 6,909,670	\$ 7,301,506			5.67%
TC - Total Contractor's Compensation	\$ 4,114,257	\$ 4,346,446			5.64%
Total City Fees	\$ 4,025,873	\$ 4,257,085			5.74%
Total Revenue Requirement	\$ 15,049,800	\$ 15,905,038			5.68%

5. BAD DEBT SHARING RESULTS SUMMARY						
<u>Residential Only</u>	2025-26	2026-27	2027-28			
Calculated Contractor's Compensation (includes Bad Debt)						
RS - Total Contractor's Compensation	\$ 6,553,293	\$ 6,909,670	\$ 7,301,506			
TC - Total Contractor's Compensation	\$ 3,902,192	\$ 4,114,257	\$ 4,346,446			
Total City Fees	\$ 3,820,778	\$ 4,025,873	\$ 4,257,085			
Total Revenue Requirement	\$ 14,276,264	\$ 15,049,800	\$ 15,905,038			
Actual Bad Debt	\$ 280,000	\$ 320,000				
Prospective Bad Debt Compensation and City Fees	\$ 141,349	\$ 210,675				
Net Actual Bad Debt	\$ 138,651	\$ 109,325				
RS Allocation	\$ 92,095	\$ 72,379				
City Fees Allocation	\$ 28,449	\$ 21,984				
Net RS Allocation	\$ 63,645	\$ 50,396				
TC Allocation	\$ 46,556	\$ 36,946				
City Fees Allocation	\$ 8,658	\$ 7,161				
Net TC Allocation	\$ 37,898	\$ 29,785				
Actual Contractor's Compensation						
RS	\$ 6,489,648	\$ 6,859,275				
TC	\$ 3,864,294	\$ 4,084,472				
City Fees	\$ 3,783,671	\$ 3,996,728				
Bad Debt Sharing Result						
RS	\$ (63,645)	\$ (50,396)				
TC	\$ (37,898)	\$ (29,785)				
City Fees	\$ (37,107)	\$ (29,145)				
ck	\$ (138,651)	\$ (109,325)				

EXHIBIT 16
RATE YEAR TWENTY-ONE (FY 2025-2026) RATES

City of Union City
Service Provided by Republic Services
Residential Rates
(Includes Multi-Family Dwellings Receiving Cart Service)

Single-Family Dwelling & Parcelized Multi-Family Dwelling: Regularly Scheduled Curbside Collection Services

Basic Service (Monthly Rate for Landfill (Solid Waste) and Compost (Organic Materials) Collection Services)

Size of Landfill Container	Service Frequency	2025 Rates (July 1, 2025 - June 30, 2026)
20-gal cart	1 pick-up/wk	\$37.65
35-gal cart	1 pick-up/wk	\$47.08
64-gal cart	1 pick-up/wk	\$94.23
96-gal cart	1 pick-up/wk	\$141.29
Senior or Low-Income Discount ¹		
*20-gal cart	1 pick-up/wk	\$32.00
*35-gal cart	1 pick-up/wk	\$40.02
*64-gal cart	1 pick-up/wk	\$80.09
*96-gal cart	1 pick-up/wk	\$120.10

¹ Senior and Low-Income Dwellings that meet eligibility requirements receive a 15.0% discount. Eligibility requirements are only intended to apply to current residents of the Dwelling.

Extra Compost (Organic Materials) Containers (Monthly Rate)

Extra Compost cart ²	1 pick-up/wk	\$28.14
Extra Compost cart ^{1,2}	1 pick-up/wk	\$23.92

² Rate shall be applicable for any cart size selected by customer.

Extra Pick-Ups/On-Call Collection Services (Rate per pick-up) for Single-Family and Parcelized Multi-Family Customers

Type of Service	Additional Description	2025 Rates (July 1, 2025 - June 30, 2026)
Extra 32-gal bag of Compost collected on customer's regularly scheduled collection day		\$31.57
Extra 32-gal bag of Compost collected on customer's regularly scheduled collection day ¹	Senior/Low-Income Rate	\$26.83
Extra 32-gal bag of Landfill collected on customer's regularly scheduled collection day		\$31.57
Extra 32-gal bag of Landfill collected on customer's regularly scheduled collection day ¹	Senior/Low-Income Rate	\$26.83
Extra 32-gal bag of Landfill collected on a day other than the customer's regularly scheduled collection day		\$61.54
Extra 32-gal bag of Landfill collected on a day other than the customer's regularly scheduled collection day ¹	Senior/Low-Income Rate	\$52.31
Each Additional Bulky Item Collection Service Event	Applies to services exceeding the two (2) annual Bulky Item Collection Service Events	\$105.50
Each Additional Bulky Item Collection Service Event ¹	Senior/Low-Income Rate	\$89.68
Each Additional Single Bulky Item	Applies to each item exceeding the four (4) cubic yards included in the Bulky Item Collection Service Events	\$35.20
Each Additional Single Bulky Item ¹	Senior/Low-Income Rate	\$29.92
Each Additional Single Appliance Containing Refrigerants	Applies to each appliance containing refrigerants exceeding what is accepted in the Bulky Item Collection Service Events	\$82.05
Each Additional Single Appliance Containing Refrigerants ¹	Senior/Low-Income Rate	\$69.74

City of Union City
Service Provided by Republic Services
Residential Rates
(Includes Multi-Family Dwellings Receiving Cart Service)

Miscellaneous Services (Rate per event) for Single-Family and Parcelized Multi-Family Customers

Type of Service	Additional Description	2025 Rates (July 1, 2025 - June 30, 2026)
6-yard bin	Maximum 3-day rental. Homeowner may not place dirt, rocks, concrete, construction materials, tires, engine parts or hazardous materials in the bin.	\$391.54
Cart delivery/pick-up	Extra fee paid if customer requests a change in Cart size more than once per year	\$82.05
Cart replacement	Extra fee paid if customer requires Cart replacement (one replacement per year at no cost)	\$152.42
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 20-gal cart collected as Landfill ³	Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$25.23
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 35-gal cart collected as Landfill ³	Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$31.56
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 64-gal cart collected as Landfill ³	Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$63.10
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 96-gal cart collected as Landfill ³	Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$94.69
¹ Senior and Low-Income Dwellings that meet eligibility requirements receive a 15.0% discount. Eligibility requirements are only intended to apply to current residents of the Dwelling.		
² Rate shall be applicable for any cart size selected by customer.		
³ Landfill cart prohibited items (contamination) includes compost and recycle materials placed in Landfill container in violation of UCMC Chapter 7.24.		

City of Union City
Service Provided by Republic Services
Commercial Rates
(Includes Multi-Family Dwellings Receiving Bin Service)

Type of Service	Receptacle	Service Frequency (Pick-Ups/Week)	2025 Rates (July 1, 2025 - June 30, 2026)
Regularly Scheduled Landfill (Solid Waste) Cart Services (Monthly Rate)			
Landfill	35-gallon cart	1	\$47.30
	64-gallon cart	1	\$94.66
	96-gallon cart	1	\$141.96
Regularly Scheduled Landfill (Solid Waste) Bin Services (Monthly Rate)			
Landfill	1 cubic yard container	1	\$195.59
		2	\$391.21
		3	\$540.22
		4	\$689.22
		5	\$959.91
		6	\$989.98
Landfill	2 cubic yard container	1	\$366.57
		2	\$664.98
		3	\$963.53
		4	\$1,261.97
		5	\$1,560.40
		6	\$1,861.64
Landfill	3 cubic yard container	1	\$512.54
		2	\$954.70
		3	\$1,396.83
		4	\$1,838.89
		5	\$2,280.83
		6	\$2,723.10
Landfill	4 cubic yard container	1	\$664.33
		2	\$1,246.54
		3	\$1,828.66
		4	\$2,410.96
		5	\$2,993.13
		6	\$3,575.32
Landfill	6 cubic yard container	1	\$992.74
		2	\$1,865.98
		3	\$2,739.18
		4	\$3,612.48
		5	\$4,485.71
		6	\$5,359.00
Landfill	7 cubic yard container	1	\$1,138.28
		2	\$2,157.04
		3	\$3,175.78
		4	\$4,553.01
		5	\$5,213.46
		6	\$6,232.13
Landfill	8 cubic yard container	1	\$1,317.75
		2	\$2,482.07
		3	\$3,646.36
		4	\$4,947.31
		5	\$5,975.14
		6	\$7,139.48

City of Union City
Service Provided by Republic Services
Commercial Rates
(Includes Multi-Family Dwellings Receiving Bin Service)

Regularly Scheduled Recycle Materials Bin Services (Monthly Rate)

			2025 Rates (July 1, 2025 - June 30, 2026)
Recycle Materials	1 cubic yard container	1	\$117.35
		2	\$234.72
		3	\$324.11
		4	\$413.54
		5	\$575.94
		6	\$593.99
Recycle Materials	2 cubic yard container	1	\$219.96
		2	\$399.00
		3	\$578.13
		4	\$757.19
		5	\$936.24
		6	\$1,116.98
Recycle Materials	3 cubic yard container	1	\$307.51
		2	\$572.81
		3	\$838.09
		4	\$1,103.32
		5	\$1,368.49
		6	\$1,633.87
Recycle Materials	4 cubic yard container	1	\$398.60
		2	\$747.91
		3	\$1,097.21
		4	\$1,446.58
		5	\$1,795.88
		6	\$2,145.18
Recycle Materials	6 cubic yard container	1	\$595.64
		2	\$1,119.60
		3	\$1,643.52
		4	\$2,167.48
		5	\$2,691.42
		6	\$3,215.41
Recycle Materials	7 cubic yard container	1	\$682.98
		2	\$1,294.24
		3	\$1,905.47
		4	\$2,731.82
		5	\$3,128.06
		6	\$3,739.27
Recycle Materials	8 cubic yard container	1	\$790.66
		2	\$1,489.24
		3	\$2,187.80
		4	\$2,968.36
		5	\$3,585.03
		6	\$4,283.64

City of Union City
Service Provided by Republic Services
Commercial Rates
(Includes Multi-Family Dwellings Receiving Bin Service)

Non-Parcelized Multi-Family Dwelling:
Regularly Scheduled Recycle Materials Services (Monthly Rate)

			2025 Rates (July 1, 2025 - June 30, 2026)
Recycle Materials	Various Bin Sizes	Per Dwelling Unit	\$8.91

Regularly Scheduled Compost (Organic Materials) Services (Monthly Rate)

Compost	64-gallon cart	1	\$56.80
		2	\$113.58
		3	\$170.37
		4	\$227.17
		5	\$283.95
		6	\$340.76
Compost	1 cubic yard container	1	\$117.35
		2	\$234.72
		3	\$324.11
		4	\$413.54
		5	\$575.94
		6	\$593.99
Compost	2 cubic yard container	1	\$219.96
		2	\$399.00
		3	\$578.13
		4	\$757.19
		5	\$936.24
		6	\$1,116.98
Compost	3 cubic yard container	1	\$307.51
		2	\$572.81
		3	\$838.09
		4	\$1,103.32
		5	\$1,368.49
		6	\$1,633.87
Compost	4 cubic yard container	1	\$398.60
		2	\$747.91
		3	\$1,097.21
		4	\$1,446.58
		5	\$1,795.88
		6	\$2,145.18

Regularly Scheduled Green Waste Materials Services (Monthly Rate)

Green Waste	64-gallon cart	1	\$71.00
		2	\$142.00
		3	\$196.09
		4	\$250.18
		5	\$348.43
Green Waste	96-gallon cart	1	\$106.46
		2	\$212.95
		3	\$294.06
		4	\$375.18
		5	\$522.53

**City of Union City
Service Provided by Republic Services
Commercial Rates**

(Includes Multi-Family Dwellings Receiving Bin Service)

Regularly Scheduled Landfill (Solid Waste) Front Load Compactor Services

		2025 Rates (July 1, 2025 - June 30, 2026)
Compacted rate per yard	Per-Occurrence, Per-Cubic-Yard Rate*	\$67.76

* For example,
 If a customer has 2 cubic yard compactor bin service, 2 times per week, then monthly rate = 2 x 2 x \$67.76 x 4.33 = \$1173.63
 If a customer has 3 cubic yard compactor bin service, 1 time per week, then monthly rate = 3 x 1 x \$67.76 x 4.33 = \$880.20

Regularly Scheduled Recycle Materials Front Load Compactor Services

Compacted rate per yard	Per-Occurrence, Per-Cubic-Yard Rate*	\$16.94
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* For example,
 If a customer has 2 cubic yard compactor bin service, 2 times per week, then monthly rate = 2 x 2 x \$16.94 x 4.33 = \$293.40
 If a customer has 3 cubic yard compactor bin service, 1 time per week, then monthly rate = 3 x 1 x \$16.94 x 4.33 = \$220.05

Regularly Scheduled Compost (Organic Materials) Front Load Compactor Services

Compacted rate per yard	Per-Occurrence, Per-Cubic-Yard Rate*	\$57.60
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* For example,
 If a customer has 2 cubic yard compactor bin service, 2 times per week, then monthly rate = 2 x 2 x \$57.60 x 4.33 = \$997.63
 If a customer has 3 cubic yard compactor bin service, 1 time per week, then monthly rate = 3 x 1 x \$57.60 x 4.33 = \$748.22

Additional Landfill (Solid Waste) Pick-Ups/On-Call Collection (Per Occurrence)

Additional Landfill bin collected on customer's regularly scheduled collection day	1 cubic yard container	Per- Occurrence Rate	\$34.43
	2 cubic yard container	Per- Occurrence Rate	\$68.80
	3 cubic yard container	Per- Occurrence Rate	\$102.07
	4 cubic yard container	Per- Occurrence Rate	\$134.48
	6 cubic yard container	Per- Occurrence Rate	\$201.60
	7 cubic yard container	Per- Occurrence Rate	\$235.29
	8 cubic yard container	Per- Occurrence Rate	\$268.89
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Additional Landfill bin collected on a day other than the customer's regularly scheduled collection day	1 cubic yard container	Per- Occurrence Rate	\$80.92
	2 cubic yard container	Per- Occurrence Rate	\$115.41
	3 cubic yard container	Per- Occurrence Rate	\$148.96
	4 cubic yard container	Per- Occurrence Rate	\$181.45
	6 cubic yard container	Per- Occurrence Rate	\$248.93
	7 cubic yard container	Per- Occurrence Rate	\$282.30
	8 cubic yard container	Per- Occurrence Rate	\$322.63
	<hr/>		
Extra can or bag of Landfill collected on customer's regularly scheduled collection day	35-gal can or bag	Per- Occurrence Rate	\$40.97
	64-gal can or bag	Per- Occurrence Rate	\$64.45
	96-gal can or bag	Per- Occurrence Rate	\$81.31
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Extra can or bag of Landfill collected on a day other than the customer's regularly scheduled collection day	35-gal can or bag	Per- Occurrence Rate	\$71.84
	64-gal can or bag	Per- Occurrence Rate	\$95.35
	96-gal can or bag	Per- Occurrence Rate	\$112.11

**City of Union City
Service Provided by Republic Services
Commercial Rates**

(Includes Multi-Family Dwellings Receiving Bin Service)

Additional Recycle Materials Pick-Ups/On-Call Collection (Per Occurrence)			2025 Rates (July 1, 2025 - June 30, 2026)
Additional Recycle Materials bin collected on customer's regularly scheduled collection day	1 cubic yard container	Per- Occurrence Rate	\$20.66
	2 cubic yard container	Per- Occurrence Rate	\$41.28
	3 cubic yard container	Per- Occurrence Rate	\$61.24
	4 cubic yard container	Per- Occurrence Rate	\$80.71
	6 cubic yard container	Per- Occurrence Rate	\$120.96
	7 cubic yard container	Per- Occurrence Rate	\$141.17
	8 cubic yard container	Per- Occurrence Rate	\$161.83
Additional Recycle Materials bin collected on a day other than the customer's regularly scheduled collection day	1 cubic yard container	Per- Occurrence Rate	\$48.54
	2 cubic yard container	Per- Occurrence Rate	\$69.27
	3 cubic yard container	Per- Occurrence Rate	\$89.38
	4 cubic yard container	Per- Occurrence Rate	\$108.86
	6 cubic yard container	Per- Occurrence Rate	\$149.36
	7 cubic yard container	Per- Occurrence Rate	\$169.37
	8 cubic yard container	Per- Occurrence Rate	\$190.03
Extra can or bag of Recycle Materials collected on customer's regularly scheduled collection day	35-gal can or bag	Per- Occurrence Rate	\$24.58
	64-gal can or bag	Per- Occurrence Rate	\$38.68
	96-gal can or bag	Per- Occurrence Rate	\$48.80
Extra can or bag of Recycle Materials collected on a day other than the customer's regularly scheduled collection day	35-gal can or bag	Per- Occurrence Rate	\$43.09
	64-gal can or bag	Per- Occurrence Rate	\$57.21
	96-gal can or bag	Per- Occurrence Rate	\$67.29

**City of Union City
Service Provided by Republic Services
Commercial Rates**

(Includes Multi-Family Dwellings Receiving Bin Service)

Additional Compost (Organic Materials) Pick-Ups/On-Call Collection (Per Occurrence)			2025 Rates (July 1, 2025 - June 30, 2026)
Additional Compost collected on customer's regularly scheduled collection day	64-gal cart	Per- Occurrence Rate	\$20.66
	1 cubic yard container	Per- Occurrence Rate	\$41.28
	2 cubic yard container	Per- Occurrence Rate	\$61.24
	3 cubic yard container	Per- Occurrence Rate	\$80.71
	4 cubic yard container	Per- Occurrence Rate	\$120.96
Additional Compost collected on a day other than the customer's regularly scheduled collection day	64-gal cart	Per- Occurrence Rate	\$48.54
	1 cubic yard container	Per- Occurrence Rate	\$69.27
	2 cubic yard container	Per- Occurrence Rate	\$89.38
	3 cubic yard container	Per- Occurrence Rate	\$108.86
	4 cubic yard container	Per- Occurrence Rate	\$149.36
Miscellaneous Charges			
Hasp & lock for bin, one time charge	Not Applicable	Per- Occurrence Rate	\$316.91
Replace lock	Not Applicable	Per- Occurrence Rate	\$60.74
Steam cleaning	Not Applicable	Per- Occurrence Rate	\$170.06
Bin delivery/pick-up	Not Applicable	Extra fee paid if customer requests a change in Bin size more than once per year	\$212.03
<u>Non-Parcelized Multi-Family Dwellings</u> - Bulky Item Pickup Fee per Major Appliance or Appliance Containing Refrigerants	Not Applicable	Per- Occurrence Rate	\$82.05
<u>Non-Parcelized Multi-Family Dwellings</u> - Bulky Item Pickup Fee per Item Including Small Appliances	Not Applicable	Per- Occurrence Rate	\$35.20
Bin and Cart push/pull charge	10- feet increments from permanent placement of container to service area (minimum charge is first 10-foot increment)	Based on Weekly Service Frequency Per 10 Feet (e.g. 2yd 2 x /wk = 2 x Rate; 3 yd 1x/wk = 1 x Rate)	\$23.59
Lock/unlock charge	Not Applicable	Per- Occurrence Rate	\$23.59
Lock/unlock charge with push/pull charge (additional charge)	Not Applicable	Per Weekly Service Frequency	\$5.89
Overage charge (after issuance of warning notice)	Various Bin Sizes; All Material Types	Per- Occurrence Rate	\$53.87
		1 cubic yard container	\$80.92
		2 cubic yard container	\$115.41
		3 cubic yard container	\$148.96
Prohibited Items Fee (after issuance of warning notices) for regular bin service of Recycle, Compost (Organics) or Landfill collected as Landfill ^{1,2}	4 cubic yard container	Per- Occurrence Rate	\$181.45
	6 cubic yard container	Per- Occurrence Rate	\$248.93
	7 cubic yard container	Per- Occurrence Rate	\$282.30
	8 cubic yard container	Per- Occurrence Rate	\$322.63
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 20-gal cart collected as Landfill ²		Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$25.23
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 35-gal cart collected as Landfill ²		Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$31.56
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 64-gal cart collected as Landfill ²		Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$63.10
Prohibited Items Fee (after issuance of warning notices) for Recycle, Compost or Landfill 96-gal cart collected as Landfill ²		Extra fee paid if contents of Recycle, Compost or Landfill cart includes excessive prohibited items (contamination) and is collected as Landfill	\$94.69

Note: Miscellaneous charges listed on the residential rate sheet apply to commercial customers as appropriate.

¹ Rate charged is the same as: Additional Landfill bin collected on a day other than customer's regularly scheduled collection day.

² Landfill bin and cart prohibited items (contamination) includes compost and recycle materials placed in Landfill container in violation of UCMC Chapter 7.24.

**City of Union City
Service Provided by Republic Services
Drop-Box Rates**

Type of Service	Receptacle	Rate Information	2025 Rates (July 1, 2025 - June 30, 2026)
Regularly Scheduled Collection Service (Per Pull/Return Rate not including initial delivery fee which is charged separately)			
Landfill	6 cubic yard drop box	Per Pull/Return Rate	\$557.60
Landfill	14 cubic yard drop box	Per Pull/Return Rate	\$557.60
Landfill	20 cubic yard drop box	Per Pull/Return Rate	\$796.64
Landfill	30 cubic yard drop box	Per Pull/Return Rate	\$1,179.93
Landfill	40 cubic yard drop box	Per Pull/Return Rate	\$1,573.20
Recycle materials	6 cubic yard drop box	Per Pull/Return Rate	\$334.55
Recycle materials	14 cubic yard drop box	Per Pull/Return Rate	\$334.55
Recycle materials	20 cubic yard drop box	Per Pull/Return Rate	\$477.99
Recycle materials	30 cubic yard drop box	Per Pull/Return Rate	\$707.95
Recycle materials	40 cubic yard drop box	Per Pull/Return Rate	\$943.91
Green waste materials	6 cubic yard drop box	Per Pull/Return Rate	\$473.96
Green waste materials	14 cubic yard drop box	Per Pull/Return Rate	\$473.96
Green waste materials	20 cubic yard drop box	Per Pull/Return Rate	\$677.15
Green waste materials	30 cubic yard drop box	Per Pull/Return Rate	\$1,002.95
Green waste materials	40 cubic yard drop box	Per Pull/Return Rate	\$1,337.22
Compost (Organic materials)	6 cubic yard drop box	Per Pull/Return Rate	\$473.96
On-Call Collection Service (Per Pull Rate includes delivery fee; does not including demurrage fee which is charged separately)			
Landfill	6 cubic yard drop box	Per Pull Rate	\$688.82
Landfill	14 cubic yard drop box	Per Pull Rate	\$688.82
Landfill	20 cubic yard drop box	Per Pull Rate	\$927.78
Landfill	30 cubic yard drop box	Per Pull Rate	\$1,311.09
Landfill	40 cubic yard drop box	Per Pull Rate	\$1,704.35
Recycle materials	6 cubic yard drop box	Per Pull Rate	\$413.28
Recycle materials	14 cubic yard drop box	Per Pull Rate	\$413.28
Recycle materials	20 cubic yard drop box	Per Pull Rate	\$556.67
Recycle materials	30 cubic yard drop box	Per Pull Rate	\$786.66
Recycle materials	40 cubic yard drop box	Per Pull Rate	\$1,022.61
Green waste materials	6 cubic yard drop box	Per Pull Rate	\$585.49
Green waste materials	14 cubic yard drop box	Per Pull Rate	\$585.49
Green waste materials	20 cubic yard drop box	Per Pull Rate	\$788.62
Green waste materials	30 cubic yard drop box	Per Pull Rate	\$1,114.44
Green waste materials	40 cubic yard drop box	Per Pull Rate	\$1,448.69
Regularly Scheduled Compactor Service - Customer Owned Compactors (Per Pull/Return Rate not including initial delivery fee which is charged separately)			
Landfill and Compost	14 cubic yard drop box	Per Pull/Return Rate	\$1,115.69
Landfill and Compost	15 cubic yard drop box	Per Pull/Return Rate	\$1,195.35
Landfill and Compost	16 cubic yard drop box	Per Pull/Return Rate	\$1,275.07
Landfill and Compost	20 cubic yard drop box	Per Pull/Return Rate	\$1,593.81
Landfill and Compost	24 cubic yard drop box	Per Pull/Return Rate	\$1,912.58
Landfill and Compost	25 cubic yard drop box	Per Pull/Return Rate	\$1,992.30
Landfill and Compost	30 cubic yard drop box	Per Pull/Return Rate	\$2,390.75
Landfill and Compost	38 cubic yard drop box	Per Pull/Return Rate	\$3,028.28
Landfill and Compost	40 cubic yard drop box	Per Pull/Return Rate	\$3,187.65
Recycle materials	14 cubic yard drop box	Per Pull/Return Rate	\$669.40
Recycle materials	15 cubic yard drop box	Per Pull/Return Rate	\$717.22
Recycle materials	16 cubic yard drop box	Per Pull/Return Rate	\$765.03
Recycle materials	20 cubic yard drop box	Per Pull/Return Rate	\$956.31
Recycle materials	24 cubic yard drop box	Per Pull/Return Rate	\$1,147.55
Recycle materials	25 cubic yard drop box	Per Pull/Return Rate	\$1,195.36
Recycle materials	30 cubic yard drop box	Per Pull/Return Rate	\$1,434.45
Recycle materials	38 cubic yard drop box	Per Pull/Return Rate	\$1,816.97
Recycle materials	40 cubic yard drop box	Per Pull/Return Rate	\$1,912.59
Recycle materials	42 cubic yard drop box	Per Pull/Return Rate	\$2,008.23

**City of Union City
Service Provided by Republic Services
Drop-Box Rates**

Type of Service	Receptacle	Rate Information	2025 Rates (July 1, 2025 - June 30, 2026)
Regularly Scheduled Compactor Service - Contractor-Owned Compactors (Per Pull/Return Rate not including initial delivery fee which is charged separately. Rate does not include compactor lease and/or maintenance fees.)			
Landfill and Compost	14 cubic yard drop box	Per Pull/Return Rate	\$1,115.69
Landfill and Compost	15 cubic yard drop box	Per Pull/Return Rate	\$1,195.35
Landfill and Compost	16 cubic yard drop box	Per Pull/Return Rate	\$1,275.07
Landfill and Compost	20 cubic yard drop box	Per Pull/Return Rate	\$1,593.81
Landfill and Compost	24 cubic yard drop box	Per Pull/Return Rate	\$1,912.58
Landfill and Compost	25 cubic yard drop box	Per Pull/Return Rate	\$1,992.30
Landfill and Compost	30 cubic yard drop box	Per Pull/Return Rate	\$2,390.75
Landfill and Compost	38 cubic yard drop box	Per Pull/Return Rate	\$3,028.28
Landfill and Compost	40 cubic yard drop box	Per Pull/Return Rate	\$3,187.65
Recycle materials	14 cubic yard drop box	Per Pull/Return Rate	\$669.40
Recycle materials	15 cubic yard drop box	Per Pull/Return Rate	\$717.22
Recycle materials	16 cubic yard drop box	Per Pull/Return Rate	\$765.03
Recycle materials	20 cubic yard drop box	Per Pull/Return Rate	\$956.31
Recycle materials	24 cubic yard drop box	Per Pull/Return Rate	\$1,147.55
Recycle materials	25 cubic yard drop box	Per Pull/Return Rate	\$1,195.36
Recycle materials	30 cubic yard drop box	Per Pull/Return Rate	\$1,434.45
Recycle materials	38 cubic yard drop box	Per Pull/Return Rate	\$1,816.97
Recycle materials	40 cubic yard drop box	Per Pull/Return Rate	\$1,912.59
Recycle materials	42 cubic yard drop box	Per Pull/Return Rate	\$2,008.23
Demurrage Charge			
All Material Types	All drop box sizes	Weekly Rate*	\$85.74
Delivery Service			
All Material Types	All drop box sizes	Per-Occurrence Rate for delivery to collection site	\$127.01
Overage Charge			
All Material Types	6 cubic yard drop box	Per Occurrence Rate for Material Placed in Box In Excess of Drop Box Capacity	\$85.55
All Material Types	14, 30, 20, 30, 40 cubic yard drop box	Per-Cubic-Yard Rate For Each Yard in Excess of Drop Box Capacity	\$36.67
Relocation or Cancellation Charge			
All Material Types	All drop box sizes	Per-Relocation or Cancellation Rate	\$180.19
Prohibited Items Fee			
All Material Types			
Prohibited Items Fee (after issuance of warning notices)	6 cubic yard drop box	Per Pull/Return Rate	\$557.60
	14 cubic yard drop box	Per Pull/Return Rate	\$557.60
for regular drop box service of	20 cubic yard drop box	Per Pull/Return Rate	\$796.64
Recycle or Compost collected	30 cubic yard drop box	Per Pull/Return Rate	\$1,179.93
as Landfill ¹	40 cubic yard drop box	Per Pull/Return Rate	\$1,573.20

¹ Rate charged is the same as: Regularly Scheduled Collection Service